UBS Group

First quarter 2024 report

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Terms used in this report, unless the context requires otherwise

"UBS," "UBS Group," "UBS Group AG consolidated," "Group," "the Group," "we," "us" and "our"	UBS Group AG and its consolidated subsidiaries
"UBS AG" and "UBS AG consolidated"	UBS AG and its consolidated subsidiaries
"Credit Suisse AG" and "Credit Suisse AG consolidated"	Credit Suisse AG and its consolidated subsidiaries
"Credit Suisse Group" and "Credit Suisse Group AG consolidated"	Pre-acquisition Credit Suisse Group
"Credit Suisse"	Credit Suisse AG and its consolidated subsidiaries, Credit Suisse Services AG, and other small former Credit Suisse Group entities now directly held by UBS Group AG
"UBS Group AG" and "UBS Group AG standalone"	UBS Group AG on a standalone basis
"Credit Suisse Group AG" and "Credit Suisse Group AG standalone"	Credit Suisse Group AG on a standalone basis
"UBS AG standalone"	UBS AG on a standalone basis
"Credit Suisse AG standalone"	Credit Suisse AG on a standalone basis
"UBS Switzerland AG" and "UBS Switzerland AG standalone"	UBS Switzerland AG on a standalone basis
"UBS Europe SE consolidated"	UBS Europe SE and its consolidated subsidiaries
"UBS Americas Holding LLC" and "UBS Americas Holding LLC consolidated"	UBS Americas Holding LLC and its consolidated subsidiaries
"Capital Release Unit (Credit Suisse)"	The Capital Release Unit division of Credit Suisse AG and its consolidated subsidiaries
"Corporate Center (Credit Suisse)"	The Corporate Center division of Credit Suisse AG and its consolidated subsidiaries
"Investment Bank (Credit Suisse)"	The Investment Bank division of Credit Suisse AG and its consolidated subsidiaries
"Swiss Bank (Credit Suisse)"	The Swiss Bank division of Credit Suisse AG and its consolidated subsidiaries
"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. We report a number of APMs in the discussion of the financial and operating performance of the Group, our business divisions and Group Items. We use APMs to provide a more complete picture of our operating performance and to reflect management's view of the fundamental drivers of our 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. Our APMs may qualify as non-GAAP measures as defined by US Securities and Exchange Commission (SEC) regulations. Our underlying results are APMs and are non-GAAP financial measures.

› **Refer to the "Group performance" section of this report and to "Alternative performance measures" in the appendix to this report for additional information about underlying results**

Comparability

Comparative information in this report is presented as follows.

Profit and loss information for the first quarter of 2024 and the fourth quarter of 2023 is presented on a consolidated basis, each including Credit Suisse data for three months. Information for the first quarter of 2023 includes pre-acquisition UBS data only.

Balance sheet information as at 31 March 2024 and 31 December 2023 includes UBS and Credit Suisse consolidated information, prior balance sheet dates reflect pre-acquisition UBS information only.

Our key figures

	As of or for the quarter ended		
USD m, except where indicated	31.3.24	31.12.23[1]	31.3.23
Group results			
Total revenues	12,739	10,855	8,744
Credit loss expense / (release)	106	136	38
Operating expenses	10,257	11,470	7,210
Operating profit / (loss) before tax	2,376	(751)	1,495
Net profit / (loss) attributable to shareholders	1,755	(279)	1,029
Diluted earnings per share (USD)[2]	0.52	(0.09)	0.32
Profitability and growth[3,4,5]			
Return on equity (%)	8.2	(1.3)	7.2
Return on tangible equity (%)	9.0	(1.4)	8.1
Underlying return on tangible equity (%)[6]	9.6	4.8	8.7
Return on common equity tier 1 capital (%)	9.0	(1.4)	9.1
Underlying return on common equity tier 1 capital (%)[6]	9.6	4.7	9.8
Return on leverage ratio denominator, gross (%)	3.1	2.6	3.4
Cost / income ratio (%)	80.5	105.7	82.5
Underlying cost / income ratio (%)[6]	77.2	93.0	81.7
Effective tax rate (%)	25.8	n.m.[7]	30.7
Net profit growth (%)	70.6	n.m.	(51.8)
Resources[3]			
Total assets	1,607,120	1,717,246	1,053,134
Equity attributable to shareholders	85,260	86,108	56,754
Common equity tier 1 capital[8]	78,147	78,485	44,590
Risk-weighted assets[8]	526,437	546,505	321,660
Common equity tier 1 capital ratio (%)[8]	14.8	14.4	13.9
Going concern capital ratio (%)[8]	17.8	16.9	17.9
Total loss-absorbing capacity ratio (%)[8]	37.5	36.5	34.3
Leverage ratio denominator[8]	1,599,646	1,695,403	1,014,446
Common equity tier 1 leverage ratio (%)[8]	4.9	4.6	4.4
Liquidity coverage ratio (%)[9]	220.2	215.7	161.9
Net stable funding ratio (%)	126.4	124.7	117.7
Other			
Invested assets (USD bn)[4,10,11]	5,848	5,714	4,184
Personnel (full-time equivalents)	111,549	112,842	73,814
Market capitalization[2,12]	106,440	107,355	74,276
Total book value per share (USD)[2]	26.59	26.83	18.59
Tangible book value per share (USD)[2]	24.29	24.49	16.54

1 Comparative-period information has been revised. Refer to "Note 2 Accounting for the acquisition of the Credit Suisse Group" in the "Consolidated financial statements" section of the UBS Group Annual Report 2023, available under "Annual reporting" at ubs.com/investors, for more information. 2 Refer to the "Share information and earnings per share" section of this report for more information. 3 Refer to the "Targets, capital guidance and ambitions" section of the UBS Group Annual Report 2023, available under "Annual reporting" at ubs.com/investors, for more information about our performance targets. 4 Refer to "Alternative performance measures" in the appendix to this report for the definition and calculation method. 5 Profit or loss information for each of the first quarter of 2024 and the fourth quarter of 2023 is presented on a consolidated basis, including for each quarter Credit Suisse data for three months and for the purpose of the calculation of return measures has been annualized multiplying such by four. Profit or loss information for the first quarter of 2023 includes pre-acquisition UBS data for three months and for the purpose of the calculation of return measures has been annualized multiplying such by four. 6 Refer to the "Group performance" section of this report for more information about underlying results. 7 The effective tax rate for the fourth quarter of 2023 is not a meaningful measure, due to the distortive effect of current unbenefited tax losses at the former Credit Suisse entities. 8 Based on the Swiss systemically relevant bank framework as of 1 January 2020. Refer to the "Capital management" section of this report for more information. 9 The disclosed ratios represent quarterly averages for the quarters presented and are calculated based on an average of 61 data points in the first quarter of 2024, 63 data points in the fourth quarter of 2023 and 64 data points in the first quarter of 2023. Refer to the "Liquidity and funding management" section of this report for more information. 10 Consists of invested assets for Global Wealth Management, Asset Management and Personal & Corporate Banking. Refer to "Note 32 Invested assets and net new money" in the "Consolidated financial statements" section of the UBS Group Annual Report 2023, available under "Annual reporting" at ubs.com/investors, for more information. 11 Starting with the second quarter of 2023, invested assets include invested assets from associates in the Asset Management business division, to better reflect the business strategy. Comparative figures have been restated to reflect this change. 12 In the second quarter of 2023, the calculation of market capitalization was amended to reflect total shares issued multiplied by the share price at the end of the period. The calculation was previously based on total shares outstanding multiplied by the share price at the end of the period. Market capitalization was increased by USD 10.0bn as of 31 March 2023 as a result.

UBS Group

Management report

Recent developments

Integration of Credit Suisse

In the first quarter of 2024, we made substantial progress related to the integration of Credit Suisse. We expect to complete the merger of UBS AG and Credit Suisse AG on 31 May 2024, following operational testing and subject to remaining regulatory approvals. The transition to a single US intermediate holding company is also planned for the second quarter of 2024 and the merger of Credit Suisse (Schweiz) AG and UBS Switzerland AG continues to be planned for the third quarter of 2024. Completing the mergers of our significant legal entities is a critical step in enabling us to unlock the next phase of the cost, capital, funding and tax benefits we expect to realize in the second half of 2024 and by the end of 2025 and into 2026. These mergers will also facilitate Credit Suisse Wealth Management client migrations to UBS infrastructure across our businesses, which we expect to commence in the second half of 2024.

We have achieved USD 5bn of exit rate gross cost savings, compared with the 2022 combined cost base of Credit Suisse and UBS, out of the USD 13bn of exit rate gross cost savings that we aim to achieve by the end of 2026. Cost savings are likely to decrease from the per quarter rate of around USD 1bn and we aim to achieve USD 1.5bn of additional exit rate gross cost savings in the remainder of 2024.

During the first quarter of 2024, Non-core and Legacy continued to exit positions and reduced risk-weighted assets by USD 16bn and the leverage ratio denominator by USD 49bn. UBS and entities associated with Apollo Global Management (Apollo) and Atlas SP Partners (Atlas) entered into agreements to conclude an investment management agreement and a transition services agreement with Atlas SP. As part of these agreements, Apollo has also purchased USD 8bn of senior secured financing facilities. We recognized a net gain of USD 272m from these transactions. Credit Suisse AG recognized a net loss of USD 0.9bn. The difference primarily reflects adjustments that UBS Group made under IFRS Accounting Standards as part of the purchase price allocation at the closing of the acquisition of the Credit Suisse Group.

On 6 May 2024, Credit Suisse (Schweiz) AG repaid further funding drawn under the Emergency Liquidity Assistance (ELA) facility, reducing the amount of funding outstanding under the ELA from CHF 19bn to CHF 9bn as of that date. The remaining CHF 9bn are expected to be repaid in the coming months.

Regulatory and legal developments

Swiss Federal Council releases its report on systemically important banks

In April 2024, the Swiss Federal Council released its report on banking stability that evaluates the regulation of systemically important banks. The report includes a comprehensive review of the acquisition of the Credit Suisse Group and concludes that the existing Swiss too-big-to-fail (TBTF) regime must be further developed and strengthened. The Swiss Federal Council proposes to introduce a broad package of measures, focused on three areas: strengthening prevention, strengthening liquidity and expanding the crisis toolkit.

Preventive measures include proposals to strengthen the capital base, to improve resolvability and tighten capital requirements for global systemically important banks (G-SIBs), including the introduction of forward-looking elements for institution-specific Pillar 2 capital surcharges and increased capital adequacy requirements for foreign participations. The Swiss Federal Council also recommended preventive measures related to corporate governance, such as a senior management regime and stricter regulations regarding bonuses. To strengthen liquidity, the Swiss Federal Council intends to significantly expand the potential for the Swiss National Bank to provide more liquidity in a crisis. Furthermore, the Swiss Federal Council reiterated its support for the introduction of a public liquidity backstop. To expand the crisis toolkit, the Swiss Federal Council proposed measures that aim to minimize legal risks associated with the execution of resolution measures.

In the first half of 2025, the Swiss Federal Council is expected to present two packages to implement the proposed measures: one with changes at the ordinance level, which can be adopted by the Swiss Federal Council, and another, which will be submitted to the Parliament, with proposed legislative amendments. The Swiss Federal Council has stated that when drafting these two packages it will take into account the findings of the Parliamentary Investigation Committee concerning the role of the Swiss authorities in the rescue of the Credit Suisse Group. Due to the broad range of possible outcomes, the impact of the proposals on UBS can be fully assessed only when the implementation details become clearer.

FINMA publishes ordinances with implementing provisions for the revised Swiss Capital Adequacy Ordinance

In March 2024, the Swiss Financial Market Supervisory Authority (FINMA) published five new ordinances to implement the final Basel III standards in Switzerland, replacing various existing FINMA circulars, including ordinances on operational risks and market risks. The ordinances contain the implementing provisions for the Swiss Federal Council's revised Capital Adequacy Ordinance for banks (the CAO) and they will enter into force on 1 January 2025.

Shortening the securities settlement cycle to T+1

In the US, a shortened T+1 settlement cycle will apply to securities transactions beginning on 28 May 2024. In April 2024, the UK Accelerated Settlement Taskforce issued a report proposing a phased approach to the adoption of T+1 settlement and the establishing of a technical working group to review the operational and behavioral changes required for a T+1 settlement cycle. Recommendations for changes are planned to be made by the end of 2025 to enable the market to prepare, with the move to T+1 expected to take place before the end of 2027. The UK government has accepted the recommendations and confirmed it will work with the EU and Switzerland to see if similar timeframes will be pursued and, therefore, if alignment is possible.

New Retirement Security Rule adopted for US retirement and pension accounts

In April 2024, the US Department of Labor (the DOL) adopted a new Retirement Security Rule, related amendments to existing rules governing transactions between covered plans and parties in interest, and amendments to the "qualified professional asset manager" transaction exemption. The Retirement Security Rule expands the scope of transactions subject to requirements of the Employment Retirement Income Security Act by expanding the relationships and advice that create a fiduciary relationship between an investment professional and a plan or beneficiary, particularly in relation to individual retirement accounts (IRAs). The amendments to existing transaction exemptions generally limit or prohibit the use of those exemptions for transactions involving IRAs, with the intention of requiring transactions involving IRAs to rely upon an exemption (PTE 2020-2) imposing specific impartiality, conflict-of-interest and compliance requirements. Global Wealth Management US treats established IRA accounts as fiduciary relationships in accordance with PTE 2020-2. We are assessing the effect of the changes on our business with IRA accounts.

In connection with the adoption of the Retirement Security Rule, the DOL also amended PTE 2020-2 to expand the scope of affiliated persons for which a criminal conviction or determinations of misconduct disqualify an investment professional from using the exemption and to add a one-year transition period for a newly disqualified investment professional to transition the related business. The amendments to the qualified professional asset manager exemption also expand the scope of events that may trigger disqualification and add a similar one-year transition provision. In each case, the DOL retains the ability to grant an individual exemption from the disqualification.

The Swiss National Bank will raise the minimum reserve requirement for banks

In April 2024, the Swiss National Bank (the SNB) announced that it will raise the minimum reserve requirement for domestic banks from 2.5% to 4%, and it will therefore amend the National Bank Ordinance as of 1 July 2024. The SNB further announced that liabilities arising from cancelable customer deposits (excluding tied pension provisions) will be included in full in the calculation of the minimum reserve requirement, as is the case with the other relevant liabilities. This revokes the previous exception under which only 20% of these liabilities counted toward the calculation. Based on preliminary internal assessments, UBS expects a negative impact of USD 70m to USD 80m per annum on net interest income to result from these changes.

Other developments

Capital returns

On 24 April 2024, the shareholders approved a dividend of USD 0.70 per share at the Annual General Meeting. The dividend was paid on 3 May 2024 to shareholders of record on 2 May 2024.

Our 2022 share repurchase program was concluded on 28 March 2024. A total of 298,537,950 UBS Group AG shares were acquired under that program, at an aggregate purchase price of CHF 5,010m, of which CHF 1,202m were acquired in 2023 prior to the announcement of the acquisition of the Credit Suisse Group. On 12 April 2023, the Swiss Takeover Board approved the use of up to 178,031,942 shares repurchased under the 2022 program, and originally intended for cancellation, for the acquisition of the Credit Suisse Group.

On 3 April 2024, we launched a new 2024 share repurchase program of up to USD 2bn over two years. We expect to execute up to USD 1bn of repurchases in 2024, commencing after the completion of the merger of UBS AG and Credit Suisse AG.

› **Refer to the "Share information and earnings per share" section of this report for more information**

Credit Suisse's wealth management business in Japan

In April 2024, UBS and Sumitomo Mitsui Trust Holdings, Inc. (SuMi TRUST Holdings) announced that their wealth management entity, UBS SuMi TRUST Wealth Management Co., Ltd. (UBS SuMi), will acquire Credit Suisse's wealth management business in Japan, including all of Credit Suisse's client advisors and the assets they manage in Japan. Following completion, UBS and SuMi TRUST Holdings will rebalance their investments in UBS SuMi to maintain the current ownership structure (UBS 51% / SuMi TRUST Holdings 49%). UBS will continue to consolidate the entity. The transaction is expected to close in the fourth quarter of 2024 and is not expected to have a material effect on the common equity tier 1 capital of the Group.

Group performance

Income statement

	For the quarter ended			% change from	
USD m	31.3.24	31.12.23	31.3.23	4Q23	1Q23
Net interest income	1,940	2,095	1,388	(7)	40
Other net income from financial instruments measured at fair value through profit or loss	4,182	3,158	2,681	32	56
Net fee and commission income	6,492	5,780	4,606	12	41
Other income	124	(179)	69		79
Total revenues	12,739	10,855	8,744	17	46
Credit loss expense / (release)	106	136	38	(22)	177
Personnel expenses	6,949	7,061	4,620	(2)	50
General and administrative expenses	2,413	2,999	2,065	(20)	17
Depreciation, amortization and impairment of non-financial assets	895	1,409	525	(37)	70
Operating expenses	10,257	11,470	7,210	(11)	42
Operating profit / (loss) before tax	2,376	(751)	1,495		59
Tax expense / (benefit)	612	(473)	459		33
Net profit / (loss)	1,764	(278)	1,037		70
Net profit / (loss) attributable to non-controlling interests	9	1	8		7
Net profit / (loss) attributable to shareholders	1,755	(279)	1,029		71
Comprehensive income					
Total comprehensive income	(245)	2,695	1,833		
Total comprehensive income attributable to non-controlling interests	(5)	18	13		
Total comprehensive income attributable to shareholders	(240)	2,677	1,820		

Selected financial information of our business divisions and Group Items

	For the quarter ended 31.3.24						
USD m	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Non-core and Legacy	Group Items	Total
Total revenues as reported	6,143	2,423	776	2,751	1,001	(355)	12,739
of which: PPA effects and other integration items [1]	*234*	*256*		*293*		*(4)*	*779*
Total revenues (underlying)	5,909	2,166	776	2,458	1,001	(351)	11,960
Credit loss expense / (release)	(3)	44	0	32	36	(2)	106
Operating expenses as reported	5,044	1,404	665	2,164	1,011	(33)	10,257
of which: integration-related expenses and PPA effects [2]	*404*	*160*	*71*	*143*	*242*	*1*	*1,021*
Operating expenses (underlying)	4,640	1,245	594	2,022	769	(34)	9,236
Operating profit / (loss) before tax as reported	1,102	975	111	555	(46)	(320)	2,376
Operating profit / (loss) before tax (underlying)	1,272	878	182	404	197	(315)	2,617

	For the quarter ended 31.12.23[3]						
USD m	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Non-core and Legacy	Group Items	Total
Total revenues as reported	5,554	2,083	825	2,141	145	107	10,855
of which: PPA effects and other integration items [1]	*349*	*306*		*277*		*12*	*944*
of which: losses related to investment in SIX Group	*(190)*	*(317)*					*(508)*
Total revenues (underlying)	5,395	2,094	825	1,864	145	95	10,419
Credit loss expense / (release)	(8)	85	(1)	48	15	(2)	136
Operating expenses as reported	5,282	1,398	704	2,283	1,787	16	11,470
of which: integration-related expenses and PPA effects [2]	*502*	*187*	*64*	*167*	*750*	*109*	*1,780*
of which: acquisition-related costs						*(1)*	*(1)*
Operating expenses (underlying)	4,780	1,210	639	2,116	1,037	(92)	9,690
Operating profit / (loss) before tax as reported	280	601	122	(190)	(1,657)	93	(751)
Operating profit / (loss) before tax (underlying)	624	800	186	(300)	(907)	189	592

	For the quarter ended 31.3.23[4]						
USD m	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Non-core and Legacy	Group Items	Total
Total revenues as reported	4,788	1,277	503	2,365	23	(211)	8,744
Total revenues (underlying)	4,788	1,277	503	2,365	23	(211)	8,744
Credit loss expense / (release)	15	16	0	7	0	0	38
Operating expenses as reported	3,561	663	408	1,866	699	14	7,210
of which: acquisition-related costs						*70*	*70*
Operating expenses (underlying)	3,561	663	408	1,866	699	(57)	7,140
Operating profit / (loss) before tax as reported	1,212	598	95	492	(676)	(225)	1,495
Operating profit / (loss) before tax (underlying)	1,212	598	95	492	(676)	(155)	1,566

1 Includes accretion of PPA adjustments on financial instruments and other PPA effects, as well as temporary and incremental items directly related to the integration. 2 Includes temporary, incremental operating expenses directly related to the integration, as well as amortization of newly recognized intangibles resulting from the acquisition of the Credit Suisse Group. 3 Comparative-period information has been restated for changes in business division perimeters, Group Treasury allocations and Non-core and Legacy cost allocations. Refer to "Changes to segment reporting in 2024" in the "UBS business divisions and Group Items" section below and "Note 3 Segment reporting" in the "Consolidated financial statements" section of this report for more information. 4 Comparative-period information has been restated for changes in Group Treasury allocations. Refer to "Changes to segment reporting in 2024" in the "UBS business divisions and Group Items" section below and "Note 3 Segment reporting" in the "Consolidated financial statements" section of this report for more information.

Integration-related expenses, by business division and Group Items

	For the quarter ended	
USD m	31.3.24	31.12.23
Global Wealth Management	432	500
Personal & Corporate Banking	140	161
Asset Management	71	64
Investment Bank	143	167
Non-core and Legacy	242	750
Group Items	1	109
Total integration-related expenses	1,029	1,751
of which: total revenues	*37*	*0*
of which: operating expenses	*992*	*1,751*
of which: personnel expenses	*555*	*794*
of which: general and administrative expenses	*355*	*455*
of which: depreciation, amortization and impairment of non-financial assets	*82*	*503*

Introduction to underlying results

In addition to reporting our results in accordance with IFRS Accounting Standards, we report underlying results that exclude items of profit or loss that management believes are not representative of the underlying performance.

In the first quarter of 2024, underlying revenues exclude purchase price allocation (PPA) effects and other integration items. PPA effects mainly consist of PPA adjustments on financial instruments measured at amortized cost, including off-balance sheet positions, arising from the acquisition of the Credit Suisse Group. Accretion of PPA adjustments on financial instruments is accelerated when the related financial instrument is derecognized before its contractual maturity. No adjustment is made for accretion of PPA adjustments on financial instruments within the Non-core and Legacy business division, due to the nature of its business model. In 2023, underlying revenues also exclude losses relating to our investment in SIX Group.

Underlying expenses exclude integration-related expenses that are temporary, incremental and directly related to the integration of Credit Suisse into UBS, including 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.

Results: 1Q24 vs 1Q23

Reported operating profit before tax increased by USD 881m, or 59%, to USD 2,376m, reflecting an increase in total revenues, partly offset by higher operating expenses and net credit loss expenses. Total revenues increased by USD 3,995m, or 46%, to USD 12,739m, largely due to the consolidation of Credit Suisse revenues of USD 3,829m, and included accretion impacts resulting from PPA adjustments on financial instruments and other PPA effects of USD 815m. This increase was mainly driven by a USD 2,054m increase in total combined net interest income and other net income from financial instruments measured at fair value through profit or loss and a USD 1,886m increase in net fee and commission income. Other income also increased by USD 55m. Operating expenses increased by USD 3,047m, or 42%, to USD 10,257m, largely due to the consolidation of Credit Suisse expenses of USD 2,903m, and included integration-related expenses of USD 992m. This increase was mainly driven by a USD 2,329m increase in personnel expenses. Depreciation, amortization and impairment of non-financial assets also increased by USD 370m, and general and administrative expenses increased by USD 348m, with those increases partly offset by the prior-year quarter including a USD 665m increase in provisions related to the US residential mortgage-backed securities (RMBS) litigation matter.

Underlying results 1Q24 vs 1Q23

For the purpose of determining underlying results for the first quarter of 2024, we excluded PPA effects and other integration items of USD 779m from total revenues and integration-related expenses and PPA effects of USD 1,021m from operating expenses.

On an underlying basis, profit before tax increased by USD 1,051m, or 67%, to USD 2,617m, reflecting a USD 3,216m increase in underlying total revenues, partly offset by a USD 2,096m increase in underlying operating expenses and net credit loss expenses of USD 106m, compared with net credit loss expenses of USD 38m in the first quarter of 2023.

Total revenues: 1Q24 vs 1Q23

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 2,054m to USD 6,123m, mainly driven by the consolidation of USD 2,965m of Credit Suisse revenues, and included USD 517m of accretion impacts resulting from PPA adjustments on financial instruments and other PPA effects.

Personal & Corporate Banking increased by USD 871m to USD 1,704m, largely attributable to the consolidation of USD 814m of Credit Suisse revenues, and included USD 240m of accretion of PPA adjustments on financial instruments and other PPA effects. The remaining increase was mainly driven by higher deposit margins, resulting from higher interest rates, partly offset by shifts to lower-margin deposit products. Excluding the aforementioned accretion effects, underlying net interest income was USD 1,268m.

Global Wealth Management increased by USD 555m to USD 2,354m, largely attributable to the consolidation of USD 798m of Credit Suisse revenues, and included USD 257m of accretion of PPA adjustments on financial instruments and other PPA effects. The remaining variance was attributable to lower deposit margins, including the effects of shifts to lower-margin products, partly offset by higher rates and deposit volumes. Excluding the aforementioned accretion effects, underlying net interest income was USD 1,615m.

Non-core and Legacy increased by USD 890m to USD 908m, which included net gains from position exits, along with net interest income from securitized products and credit products. Revenues also included a net gain of USD 272m from the conclusion of agreements with Apollo relating to the former Credit Suisse securitized products group.

Group Items was negative USD 406m, compared with negative USD 252m in the prior-year quarter, including the consolidation of USD 124m losses from Credit Suisse. The remaining variance was attributable to the net effects of Group hedging and own debt, including hedge accounting ineffectiveness, within Group Treasury and an increase in funding costs related to deferred tax. The results across the periods were driven by mark-to-market effects on portfolio-level economic hedges due to higher interest rates and cross-currency-basis widening.

The Investment Bank decreased by USD 114m to USD 1,562m. This result included the consolidation of USD 22m of Credit Suisse revenues and USD 17m of accretion of PPA adjustments on financial instruments and other PPA effects. The decrease was mainly attributable to lower revenues in Derivatives & Solutions, mostly driven by Rates, due to lower levels of both volatility and client activity. This was partly offset by an increase in Global Banking, mainly from higher revenues in Leveraged Capital Markets.

› **Refer to the relevant business division commentary in the "UBS business divisions and Group Items" section of this report for more information about business-division-specific revenues**

› **Refer to "Integration of Credit Suisse" in the "Recent developments" section and "Note 2 Accounting for the acquisition of the Credit Suisse Group" in the "Consolidated financial statements" section of this report for more information about the conclusion of agreements with Apollo**

› **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

	For the quarter ended			% change from	
USD m	31.3.24	31.12.23[1]	31.3.23[1]	4Q23	1Q23
Net interest income from financial instruments measured at amortized cost and fair value through other comprehensive income	355	597	962	(41)	(63)
Net interest income from financial instruments measured at fair value through profit or loss and other	1,585	1,498	425	6	273
Other net income from financial instruments measured at fair value through profit or loss	4,182	3,158	2,681	32	56
Total	6,123	5,253	4,069	17	50
Global Wealth Management	2,354	2,268	1,799	4	31
of which: net interest income	*1,873*	*1,871*	*1,487*	*0*	*26*
of which: transaction-based income from foreign exchange and other intermediary activity[2]	*482*	*397*	*312*	*21*	*54*
Personal & Corporate Banking	1,704	1,704	833	0	105
of which: net interest income	*1,508*	*1,510*	*704*	*0*	*114*
of which: transaction-based income from foreign exchange and other intermediary activity[2]	*196*	*194*	*129*	*1*	*52*
Asset Management	(1)	10	(5)		(84)
Investment Bank	1,562	982	1,676	59	(7)
Non-core and Legacy	908	(25)	18		
Group Items	(406)	315	(252)		61

1 Comparative-period information has been restated for changes in business division perimeters, Group Treasury allocations and Non-core and Legacy cost allocations. Refer to "Changes to segment reporting in 2024" in the "UBS business divisions and Group Items" section below and "Note 3 Segment reporting" in the "Consolidated financial statements" section of this report for more information. 2 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 1,886m to USD 6,492m, and included USD 306m of accretion of PPA adjustments on financial instruments and other PPA effects, which was included in other fee and commission income, mainly in the Investment Bank.

Fees for portfolio management and related services increased by USD 841m to USD 3,051m, largely attributable to the consolidation of USD 596m of Credit Suisse revenues, as well as positive market performance.

Excluding the consolidation of USD 108m of Credit Suisse revenues, net brokerage fees increased by USD 125m, reflecting an increase in Cash Equities across all regions in Execution Services in the Investment Bank, as well as in Global Wealth Management, due to higher levels of client activity, particularly in the Americas and Asia Pacific regions.

› **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 124m, compared with USD 69m in the prior-year quarter. The increase was largely due to a USD 48m increase in share of net profits of associates and joint ventures, mainly due to the consolidation of USD 42m of Credit Suisse revenues.

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

Credit loss expense / release: 1Q24 vs 1Q23

Total net credit loss expenses in the first quarter of 2024 were USD 106m, compared with net credit loss expenses of USD 38m in the prior-year quarter, reflecting net releases of USD 45m related to performing positions and net expenses of USD 151m on credit-impaired positions.

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

Credit loss expense / (release)

	Performing positions	Credit-impaired positions		
USD m	Stages 1 and 2	Stage 3	Purchased	Total
For the quarter ended 31.3.24				
Global Wealth Management	(12)	7	2	(3)
Personal & Corporate Banking	(13)	64	(7)	44
Asset Management	0	0	0	0
Investment Bank	7	26	(1)	32
Non-core and Legacy	(26)	37	25	36
Group Items	(2)	0	0	(2)
Total	(45)	133	18	106
For the quarter ended 31.12.23[1]				
Global Wealth Management	(12)	3	0	(8)
Personal & Corporate Banking	(14)	95	4	85
Asset Management	0	0	0	(1)
Investment Bank	(13)	60	1	48
Non-core and Legacy	(1)	25	(9)	15
Group Items	(2)	0	0	(2)
Total	(43)	183	(4)	136
For the quarter ended 31.3.23				
Global Wealth Management	15	0		15
Personal & Corporate Banking	15	0		16
Asset Management	0	0		0
Investment Bank	(5)	12		7
Non-core and Legacy	0	0		0
Group Items	0	0		0
Total	26	12		38

1 Comparative-period information has been restated for changes in business division perimeters. Refer to "Changes to segment reporting in 2024" in the "UBS business divisions and Group Items" section and "Note 3 Segment reporting" in the "Consolidated financial statements" section of this report for more information.

Operating expenses: 1Q24 vs 1Q23

Operating expenses

	For the quarter ended			% change from	
USD m	31.3.24	31.12.23	31.3.23	4Q23	1Q23
Personnel expenses	6,949	7,061	4,620	(2)	50
of which: salaries and variable compensation	*5,863*	*5,728*	*3,885*	*2*	*51*
of which: variable compensation – financial advisors[1]	*1,267*	*1,176*	*1,111*	*8*	*14*
General and administrative expenses	2,413	2,999	2,065	(20)	17
of which: net expenses for litigation, regulatory and similar matters	*(5)*	*8*	*721*		
of which: other general and administrative expenses	*2,418*	*2,992*	*1,345*	*(19)*	*80*
Depreciation, amortization and impairment of non-financial assets	895	1,409	525	(37)	70
Total operating expenses	10,257	11,470	7,210	(11)	42

1 Consists of cash and deferred compensation awards and is based on compensable revenues and firm tenure using a formulaic approach. 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 2,329m to USD 6,949m, mainly due to the consolidation of Credit Suisse expenses of USD 2,015m, and included integration-related expenses of USD 555m covering awards granted to employees to support retention and operational stability and severance expenses. Salaries and variable compensation increased by USD 1,978m, due to the aforementioned effects and also due to higher variable compensation, including an increase in financial advisor compensation, reflecting higher compensable revenues, as well as salary adjustments, and foreign currency effects.

› **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 increased by USD 348m to USD 2,413m, largely due to the consolidation of Credit Suisse expenses of USD 587m, and included total integration-related expenses of USD 355m, mainly due to USD 278m of consulting and outsourcing costs. Excluding the aforementioned effects, general and administrative expenses decreased, largely due to the prior-year quarter including an expense for provisions of USD 665m related to the US RMBS litigation matter and USD 43m bank levy expenses, partly offset by a USD 64m increase in technology costs in the first quarter of 2024.

We believe that the industry continues to operate in an environment in which expenses associated with litigation, regulatory and similar matters will remain elevated for the foreseeable future, and we continue to be exposed to a number of significant claims and regulatory matters. The outcome of many of these matters, the timing of a resolution, and the potential effects of resolutions on our future business, financial results or financial condition are extremely difficult to predict.

› **Refer to "Note 8 General and administrative expenses" in the "Consolidated financial statements" section of this report for more information**
› **Refer to "Note 15 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 Group Annual Report 2023, available under "Annual reporting" at *ubs.com/investors*, for more information about litigation, regulatory and similar matters**

Depreciation, amortization and impairment of non-financial assets

Depreciation, amortization and impairment of non-financial assets increased by USD 370m to USD 895m, largely due to the consolidation of Credit Suisse expenses of USD 301m, and included total integration-related expenses of USD 82m, mainly attributable to accelerated depreciation of right-of-use assets associated with real estate leases.

Tax: 1Q24 vs 1Q23

The Group had a net income tax expense of USD 612m in the first quarter of 2024, compared with USD 459m in the prior-year quarter.

The net current tax expense was USD 468m, compared with USD 487m, and primarily related to the taxable profits of UBS Switzerland AG and other entities.

There was a net deferred tax expense of USD 144m, compared with a benefit of USD 28m in the prior-year quarter, with such expense primarily relating to the amortization of deferred tax assets (DTAs) previously recognized in relation to tax losses carried forward and deductible temporary differences.

The Group's effective tax rate for the quarter was 25.8%, which is higher than its structural rate of 23%, because its net profit includes operating losses of certain entities, reflecting integration-related expenses and restructuring costs, that did not result in any tax benefits because they cannot be offset with profits of other entities in the Group, and did not result in any DTA recognition. The Group's tax expense for the remaining nine months of 2024 may be impacted if further such operating losses are incurred in these entities, and the amount of that impact will depend on the amount of those losses. The Group's effective tax rate is expected to decrease toward the structural rate in subsequent years.

Total comprehensive income attributable to shareholders

In the first quarter of 2024, total comprehensive income attributable to shareholders was negative USD 240m, reflecting a net profit of USD 1,755m and other comprehensive income (OCI), net of tax, of negative USD 1,994m.

Foreign currency translation OCI was negative USD 1,277m, mainly resulting from a weakening of the Swiss franc and the euro against the US dollar.

OCI related to cash flow hedges was negative USD 583m, mainly reflecting net unrealized losses on US dollar hedging derivatives resulting from increases in the relevant US dollar long-term interest rates, partly offset by 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 68m, primarily due to a tightening of our own credit spreads.

Defined benefit plan OCI was negative USD 56m, mainly reflecting negative pre-tax OCI in our Swiss pension plans of USD 92m, partly offset by positive pre-tax OCI in our non-Swiss plans of USD 30m, mainly driven by US pension plans.

› **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" 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 Group Annual Report 2023, available under "Annual reporting" at *ubs.com/investors*, for more information about own credit on financial liabilities designated at fair value**

› **Refer to "Note 27 Post-employment benefit plans" in the "Consolidated financial statements" section of the UBS Group Annual Report 2023, available under "Annual reporting" at *ubs.com/investors*, for more information about OCI related to defined benefit plans**

Sensitivity to interest rate movements

As of 31 March 2024, 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 1.5bn in the first year after such a shift. Of this increase, approximately USD 0.9bn, 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 decrease in annual net interest income of approximately USD 1.5bn in the first year after such a shift, showing similar currency contributions as for the aforementioned increase in rates.

These estimates 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 31 March 2024 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. These estimates do not represent a forecast of net interest income variability.

› **Refer to the "Risk management and control" section of this report for information about interest rate risk in the banking book**

Key figures and personnel

Below is an overview of selected key figures of the Group. For further information about key figures related to capital management, refer to the "Capital management" section of this report.

Cost / income ratio: 1Q24 vs 1Q23

The cost / income ratio was 80.5%, compared with 82.5%, mainly reflecting an increase in total revenues, partly offset by an increase in operating expenses. On an underlying basis, the cost / income ratio was 77.2%, compared with 81.7%, mainly reflecting an increase in total revenues, partly offset by an increase in operating expenses.

Personnel: 1Q24 vs 4Q23

The number of internal and external personnel employed was 136,622 (workforce count) as of 31 March 2024, a net decrease of 1,840 compared with 31 December 2023. The number of internal personnel employed as of 31 March 2024 was 111,549 (full-time equivalents), a net decrease of 1,293 compared with 31 December 2023. The number of external staff was approximately 25,073 (workforce count) as of 31 March 2024, a net decrease of approximately 546 compared with 31 December 2023.

Equity, CET1 capital and returns

	As of or for the quarter ended		
USD m, except where indicated	31.3.24	31.12.23[1]	31.3.23
Net profit			
Net profit / (loss) attributable to shareholders	1,755	(279)	1,029
Equity			
Equity attributable to shareholders	85,260	86,108	56,754
Less: goodwill and intangible assets	7,384	7,515	6,272
Tangible equity attributable to shareholders	77,877	78,593	50,481
Less: other CET1 adjustments	(270)	107	5,891
CET1 capital	78,147	78,485	44,590
Returns			
Return on equity (%)	8.2	(1.3)	7.2
Return on tangible equity (%)	9.0	(1.4)	8.1
Underlying return on tangible equity (%)	9.6	4.8	8.7
Return on CET1 capital (%)	9.0	(1.4)	9.1
Underlying return on CET1 capital (%)	9.6	4.7	9.8

1 Comparative-period information has been revised. Refer to "Note 2 Accounting for the acquisition of the Credit Suisse Group" in the "Consolidated financial statements" section of the UBS Group Annual Report 2023, available under "Annual reporting" at ubs.com/investors, for more information.

Common equity tier 1 capital: 1Q24 vs 4Q23

During the first quarter of 2024, our common equity tier 1 (CET1) capital decreased by USD 0.3bn to USD 78.1bn, mainly reflecting an operating profit before tax of USD 2.4bn, more than offset by negative effects from foreign currency translation of USD 1.3bn, dividend accruals of USD 0.6bn, current tax expenses of USD 0.5bn and amortization of transitional CET1 PPA adjustments (interest rate and own credit) of USD 0.4bn (net of tax).

Return on common equity tier 1 capital: 1Q24 vs 1Q23

The annualized return on CET1 capital was 9.0%, compared with 9.1%, driven by the impact of an increase in average CET1 capital, partly offset by higher net profit attributable to shareholders. On an underlying basis, the return on CET1 capital was 9.6%, compared with 9.8%.

Risk-weighted assets: 1Q24 vs 4Q23

During the first quarter of 2024, RWA decreased by USD 20.1bn to USD 526.4bn, primarily driven by decreases of USD 13.1bn resulting from asset size and other movements as well as USD 11.2bn resulting from currency effects, partly offset by USD 4.2bn resulting from model updates and methodology changes.

Common equity tier 1 capital ratio: 1Q24 vs 4Q23

Our CET1 capital ratio increased to 14.8% from 14.4%, mainly reflecting the aforementioned decrease in RWA.

Leverage ratio denominator: 1Q24 vs 4Q23

The leverage ratio denominator (the LRD) decreased by USD 95.8bn to USD 1,599.6bn, driven by currency effects of USD 56.3bn and asset size and other movements of USD 39.4bn.

Common equity tier 1 leverage ratio: 1Q24 vs 4Q23

Our CET1 leverage ratio increased to 4.9% from 4.6%, mainly due to the aforementioned decrease in the LRD.

Outlook

Although monetary easing is expected in the Eurozone, the US and Switzerland, the timing and magnitude of rate cuts by central banks are unclear, as inflation remains above their target range. In addition, the ongoing geopolitical tensions, combined with consequential elections in several major economies, continue to create uncertainty regarding the macroeconomic and geopolitical outlooks.

In the second quarter of 2024, we expect a low-to-mid single-digit decline in net interest income in Global Wealth Management, due to moderately lower lending and deposit volumes and lower interest rates in Switzerland, partly offset by additional revenues, primarily from higher US dollar rates, combined with our repricing efforts. We expect a mid-to-high single-digit decrease in net interest income in Personal & Corporate Banking in US dollar terms, as the Swiss central bank's interest rate cut in March 2024 takes effect for a full quarter. In line with our strategy to actively reduce assets and costs in Non-core and Legacy, we continue to expect revenues in the closing out of any positions to approximately reflect their current book values. We also expect our reported revenues to include around USD 0.6bn of pull-to-par and other PPA accretion effects, while we incur around USD 1.3bn of integration-related expenses. The tax rate for the second quarter is expected to return to more elevated levels, with our effective tax rate still expected to be around 40% by the end of 2024.

In addition to executing on our integration plans, we will remain focused on serving our clients, following through on our strategy, investing in our people and remaining a pillar of economic support in the communities where we live and work.

UBS business divisions and Group Items

Management report

Our businesses

We report five business divisions in line with IFRS Accounting Standards: Global Wealth Management, Personal & Corporate Banking, Asset Management, the Investment Bank, and Non-core and Legacy. Non-core and Legacy includes positions and businesses not aligned with our strategy and policies. Those consist of the assets and liabilities reported as part of the former Capital Release Unit (Credit Suisse) and certain assets and liabilities of the former Investment Bank (Credit Suisse), the former Corporate Center (Credit Suisse) and other former Credit Suisse business divisions. Non-core and Legacy also includes the remaining assets and liabilities of UBS's Non-core and Legacy Portfolio, previously reported in Group Functions (now renamed to Group Items), and smaller amounts of assets and liabilities of UBS's business divisions that we have assessed as not strategic in light of the acquisition of the Credit Suisse Group.

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

Changes to segment reporting in 2024

Following the acquisition of the Credit Suisse Group, we continue to refine our reporting structure and organizational setup to align with interests of stakeholders and further incentivize our business divisions to achieve Group-wide goals. As previously announced, in the first quarter of 2024 certain changes were made, with an impact on reporting for our business divisions and Group Items (but with no impact for the UBS Group as a whole). The changes, summarized below, improve the consistency of our reporting across the UBS Group and align our funding and cost allocation methodologies with the business divisions that control and manage the costs. The changes outlined below were effective as of 1 January 2024 and prior-period information has been adjusted for comparability.

Change in business division perimeters

We have transferred certain businesses from Swiss Bank (Credit Suisse), previously included in Personal & Corporate Banking, to Global Wealth Management. The change predominantly related to the high net worth client segment and represents approximately USD 72bn in invested assets and approximately USD 0.6bn in annualized revenues. A number of other smaller business shifts were also executed between the business divisions in the first quarter of 2024.

Changes to Group Treasury allocations

Starting with the first quarter of 2024, nearly all Group Treasury costs that historically were retained and reported in Group Items have been allocated to the business divisions. Costs continued to be retained in Group Items include costs related to hedging and own debt, and deferred tax asset (DTA) funding costs.

We have also aligned internal funds transfer pricing methodologies applied by Credit Suisse entities to UBS's funds transfer pricing methodology.

These changes resulted in funding costs of approximately USD 0.3bn, for 2023, moving from Group Items to the business divisions, predominantly related to the second half of 2023.

Going forward, we expect Group Items' underlying loss before tax, excluding litigation and income from Group hedging and own debt, to average approximately USD 100m per quarter.

In parallel with the changes noted above, we increased the allocation of balance sheet resources from Group Treasury to the business divisions, resulting in a shift of approximately USD 168bn of total assets, USD 9bn of risk-weighted assets (RWA) and USD 173bn of leverage ratio denominator (LRD) from Group Items to the business divisions as of 31 December 2023.

Updated cost allocations

We have reallocated USD 0.3bn of annualized costs from Non-core and Legacy to the business divisions, with the aim of avoiding stranded costs in Non-core and Legacy at the end of the integration process.

› **Refer to "Note 3 Segment reporting" in the "Consolidated financial statements" section of this report for more information about segment results and the effects of changes in segment reporting**

Changes in equity attribution

We have updated our equity attribution framework to align the capital ratios for RWA and LRD more closely with our current Group capital targets, increasing the equity attributed to the business divisions. We have also reflected the increased allocation of balance sheet resources previously retained in Group Items in the attribution of equity, resulting in the attribution of around USD 14bn of additional equity to the business divisions. Going forward, equity retained in Group Items relates to DTAs, accruals for shareholder returns and unrealized gains / losses from cash flow hedges.

› **Refer to the "Equity attribution" section of this report for more information about the equity attribution framework**

Global Wealth Management

Global Wealth Management

	As of or for the quarter ended			% change from	
USD m, except where indicated	31.3.24	31.12.23[1]	31.3.23[2]	4Q23	1Q23
Results					
Net interest income	1,873	1,871	1,487	0	26
Recurring net fee income[3]	3,024	2,900	2,454	4	23
Transaction-based income[3]	1,212	955	843	27	44
Other income	33	(172)	4		805
Total revenues	6,143	5,554	4,788	11	28
Credit loss expense / (release)	(3)	(8)	15	(64)	
Operating expenses	5,044	5,282	3,561	(5)	42
Business division operating profit / (loss) before tax	1,102	280	1,212	294	(9)
Underlying results					
Total revenues as reported	6,143	5,554	4,788	11	28
of which: PPA effects and other integration items[4]	*234*	*349*		*(33)*	
of which: PPA effects recognized in net interest income	*257*	*321*		*(20)*	
of which: PPA effects and other integration items recognized in transaction-based income	*(24)*	*28*			
of which: losses related to investment in SIX Group		*(190)*			
Total revenues (underlying)[3]	5,909	5,395	4,788	10	23
Credit loss expense / (release)	(3)	(8)	15	(64)	
Operating expenses as reported	5,044	5,282	3,561	(5)	42
of which: integration-related expenses and PPA effects[3,5]	*404*	*502*		*(20)*	
Operating expenses (underlying)[3]	4,640	4,780	3,561	(3)	30
of which: expenses for litigation, regulatory and similar matters	*12*	*49*	*11*	*(76)*	*11*
Business division operating profit / (loss) before tax as reported	1,102	280	1,212	294	(9)
Business division operating profit / (loss) before tax (underlying)[3]	1,272	624	1,212	104	5
Performance measures and other information					
Pre-tax profit growth (year-on-year, %)[3]	(9.1)	(73.5)	(7.5)		
Cost / income ratio (%)[3]	82.1	95.1	74.4		
Average attributed equity (USD bn)[6]	33.1	33.3	24.7	(1)	34
Return on attributed equity (%)[3,6]	13.3	3.4	19.7		
Financial advisor compensation[7]	1,267	1,176	1,111	8	14
Net new fee-generating assets (USD bn)[3]	17.6	(3.4)	19.7		
Fee-generating assets (USD bn)[3]	1,731	1,661	1,335	4	30
Net new assets (USD bn)[3]	27.4	20.1	39.8		
Invested assets (USD bn)[3]	4,023	3,922	2,962	3	36
Loans, gross (USD bn)[8]	306.3	322.1	223.8	(5)	37
Customer deposits (USD bn)[8]	482.4	485.0	330.3	(1)	46
Impaired loan portfolio as a percentage of total loan portfolio, gross (%)[3,9]	0.3	0.5	0.3		
Advisors (full-time equivalents)	10,338	10,469	9,117	(1)	13
Underlying performance measures					
Pre-tax profit growth (year-on-year, %)[3]	5.0	(41.1)	(7.5)		
Cost / income ratio (%)[3]	78.5	88.6	74.4		

1 Comparative figures have been restated for changes in business division perimeters, Group Treasury allocations and Non-core and Legacy cost allocations, as well as changes in the equity attribution framework. Refer to "Changes to segment reporting in 2024" in the "UBS business divisions and Group Items" section, the "Equity attribution" section and "Note 3 Segment reporting" in the "Consolidated financial statements" section of this report for more information. Comparatives may additionally differ due to adjustments following organizational changes, restatements due to the retrospective adoption of new accounting standards or changes in accounting policies, and events after the reporting period. 2 Comparative figures have been restated for changes in Group Treasury allocations. Refer to "Changes to segment reporting in 2024" in the "UBS business divisions and Group Items" section and "Note 3 Segment reporting" in the "Consolidated financial statements" section of this report for more information. Comparatives may additionally differ due to adjustments following organizational changes, restatements due to the retrospective adoption of new accounting standards or changes in accounting policies, and events after the reporting period. 3 Refer to "Alternative performance measures" in the appendix to this report for the definition and calculation method. We started to report fee-generating assets and net new fee-generating assets on a consolidated basis, including Credit Suisse data, from the fourth quarter of 2023 onward. 4 Includes accretion of PPA adjustments on financial instruments and other PPA effects, as well as temporary and incremental items directly related to the integration. 5 Includes temporary, incremental operating expenses directly related to the integration, as well as amortization of newly recognized intangibles resulting from the acquisition of the Credit Suisse Group. 6 Refer to the "Equity attribution" section of this report for more information about the equity attribution framework. 7 Relates to licensed professionals with the ability to provide investment advice to clients in the Americas. Consists of cash and deferred compensation awards and is based on compensable revenues and firm tenure using a formulaic approach. 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 1,726m as of 31 March 2024. 8 Loans and Customer deposits in this table include customer brokerage receivables and payables, respectively, which are presented in a separate reporting line on the balance sheet. 9 Refer to the "Risk management and control" section of this report for more information about (credit-)impaired exposures. Excludes loans to financial advisors.

Results: 1Q24 vs 1Q23

Profit before tax decreased by USD 110m, or 9%, to USD 1,102m, mainly due to higher operating expenses, partly offset by higher total revenues. Underlying profit before tax was USD 1,272m, after excluding USD 234m related to purchase price allocation (PPA) effects and other integration items, as well as integration-related expenses and PPA effects of USD 404m.

Total revenues

Total revenues increased by USD 1,355m, or 28%, to USD 6,143m, largely driven by the consolidation of Credit Suisse revenues, and included the aforementioned USD 234m of PPA effects and other integration items. Excluding these effects, underlying total revenues were USD 5,909m.

Net interest income increased by USD 386m, or 26%, to USD 1,873m, largely driven by the consolidation of Credit Suisse net interest income, and included USD 257m of accretion of PPA adjustments on financial instruments and other PPA effects. The remaining variance was attributable to lower deposit margins, including the effects of shifts to lower-margin products, partly offset by higher rates and deposit volumes. Excluding the aforementioned accretion effects, underlying net interest income was USD 1,615m.

Recurring net fee income increased by USD 570m, or 23%, to USD 3,024m, mainly driven by the consolidation of Credit Suisse recurring net fee income and positive market performance.

Transaction-based income increased by USD 369m, or 44%, to USD 1,212m, mainly driven by the consolidation of Credit Suisse transaction-based income, and included USD 6m of accretion of PPA adjustments on financial instruments and other PPA effects, as well as higher levels of client activity, particularly in the Americas and Asia Pacific regions. Transaction-based income also included negative USD 30m of temporary and incremental items directly related to the integration. Excluding negative USD 24m resulting from the aforementioned accretion effects and temporary and incremental items, underlying transaction-based income was USD 1,236m.

Other income increased by USD 29m to USD 33m, mainly due to the consolidation of Credit Suisse other income.

Credit loss expense / release

Net credit loss releases were USD 3m, compared with net expenses of USD 15m in the first quarter of 2023.

Operating expenses

Operating expenses increased by USD 1,483m, or 42%, to USD 5,044m, largely due to the consolidation of Credit Suisse expenses, and included integration-related expenses of USD 402m and higher financial advisor compensation. Excluding integration-related expenses and PPA effects of USD 404m, underlying operating expenses were USD 4,640m.

Invested assets: 1Q24 vs 4Q23

Invested assets increased by USD 101bn, or 3%, to USD 4,023bn, mainly driven by positive market performance of USD 127.5bn and net new asset inflows of USD 27.4bn, partly offset by negative foreign currency effects of USD 47.3bn.

Loans: 1Q24 vs 4Q23

Loans decreased by USD 15.8bn to USD 306.3bn, mainly driven by negative foreign currency effects and net new loan outflows of USD 6.6bn.

Customer deposits: 1Q24 vs 4Q23

Customer deposits decreased by USD 2.6bn to USD 482.4bn, mainly driven by negative foreign currency effects, partly offset by net new deposit inflows, mainly into fixed-term deposit products.

Regional breakdown of performance measures

As of or for the quarter ended 31.3.24 *USD bn, except where indicated*	Americas[1]	Switzerland[2]	EMEA[2]	Asia Pacific[2]	Global[3]	Global Wealth Management
Total revenues (USD m)	2,727	1,033	1,198	948	236	6,143
Operating profit / (loss) before tax (USD m)	252	377	331	315	(174)	1,102
Operating profit / (loss) before tax (underlying) (USD m)[4]	252	377	331	315	(4)	1,272
Cost / income ratio (%)[4]	90.5	63.7	72.8	67.1		82.1
Cost / income ratio (underlying) (%)[4]	90.5	63.7	72.8	67.1		78.5
Loans, gross	95.7[5]	107.2	59.1	43.5	0.8	306.3
Net new loans	(1.8)	(1.1)	(2.2)	(1.4)	(0.1)	(6.6)
Net new fee-generating assets[4]	12.9	0.5	2.0	2.3	(0.1)	17.6
Fee-generating assets[4]	990	213	371	155	1	1,731
Net new assets[4]	13.7	7.7	(0.2)	6.4	(0.2)	27.4
Net new assets growth rate (%)[4]	2.9	4.2	(0.1)	3.9		2.8
Invested assets[4]	1,979	736	662	641	5	4,023
Advisors (full-time equivalents)	6,079	1,402	1,704	1,064	89	10,338

1 Including the following business units: United States and Canada; and Latin America. 2 In the third quarter of 2023, the invested assets of Global Financial Intermediaries were transferred from EMEA and Asia Pacific to the Switzerland region, to better align it to the management structure. These changes were applied prospectively and had no impact on previous quarters. 3 Includes minor functions, which are not included in the four regions individually presented in this table, and also includes impacts from accretion of purchase price allocation adjustments on financial instruments and other PPA effects and integration-related expenses. 4 Refer to "Alternative performance measures" in the appendix to this report for the definition and calculation method. 5 Loans include customer brokerage receivables, which are presented in a separate reporting line on the balance sheet.

Regional comments 1Q24 vs 1Q23, except where indicated

Americas

Profit before tax decreased by USD 114m to USD 252m. Total revenues increased by USD 117m, or 4%, to USD 2,727m, driven by higher recurring fees and transaction-based income as well as the consolidation of Credit Suisse revenues, partly offset by lower net interest income. The cost / income ratio increased to 90.5% from 85.4%. Loans decreased 1% compared with the fourth quarter 2023, to USD 95.7bn, mainly reflecting USD 1.8bn of net new loan outflows. Net new asset inflows were USD 13.7bn.

Switzerland

Profit before tax increased by USD 127m to USD 377m. Total revenues increased by USD 511m, or 98%, to USD 1,033m, driven by the consolidation of Credit Suisse revenues as well as the transfer of the Global Financial Intermediaries business to the Switzerland region. The cost / income ratio increased to 63.7% from 52.4%. Loans decreased 7% compared with the fourth quarter 2023, to USD 107.2bn, driven by negative foreign currency effects and USD 1.1bn of net new loan outflows. Net new asset inflows were USD 7.7bn.

EMEA

Profit before tax decreased by USD 21m to USD 331m. Total revenues increased by USD 214m, or 22%, to USD 1,198m, largely driven by the consolidation of Credit Suisse revenues, partly offset by the transfer of the Global Financial Intermediaries business to the Switzerland region. The cost / income ratio increased to 72.8% from 64.2%. Loans decreased 5% compared with the fourth quarter 2023, to USD 59.1bn, driven by USD 2.2bn of net new loan outflows. Net new asset outflows were USD 0.2bn.

Asia Pacific

Profit before tax increased by USD 64m to USD 315m. Total revenues increased by USD 273m, or 40%, to USD 948m, mainly driven by the consolidation of Credit Suisse revenues and increases in transaction-based income. The cost / income ratio increased to 67.1% from 62.8%. Loans decreased 5% compared with the fourth quarter 2023, to USD 43.5bn, driven by USD 1.4bn of net new loan outflows and negative foreign currency effects. Net new asset inflows were USD 6.4bn.

Global

Operating loss before tax was USD 174m, mainly including USD 404m of the aforementioned integration-related expenses and PPA effects, partly offset by the aforementioned USD 234m related to PPA effects and other integration items.

Personal & Corporate Banking

Personal & Corporate Banking – in Swiss francs

	As of or for the quarter ended			% change from	
CHF m, except where indicated	31.3.24	31.12.23[1]	31.3.23[2]	4Q23	1Q23
Results					
Net interest income	1,332	1,320	650	1	105
Recurring net fee income[3]	348	332	210	5	66
Transaction-based income[3]	449	431	309	4	45
Other income	11	(251)	10		17
Total revenues	2,139	1,832	1,179	17	81
Credit loss expense / (release)	39	74	14	(47)	174
Operating expenses	1,241	1,222	613	2	103
Business division operating profit / (loss) before tax	859	537	552	60	56
Underlying results					
Total revenues as reported	2,139	1,832	1,179	17	81
of which: PPA effects and other integration items[4]	*226*	*267*		*(15)*	
of which: PPA effects recognized in net interest income	*212*	*235*		*(10)*	
of which: PPA effects and other integration items recognized in transaction-based income	*14*	*31*		*(55)*	
of which: losses related to investment in SIX Group		*(267)*			
Total revenues (underlying)[3]	1,913	1,833	1,179	4	62
Credit loss expense / (release)	39	74	14	(47)	174
Operating expenses as reported	1,241	1,222	613	2	103
of which: integration-related expenses and PPA effects[3,5]	*141*	*162*		*(13)*	
Operating expenses (underlying)[3]	1,100	1,060	613	4	79
of which: expenses for litigation, regulatory and similar matters	*0*	*0*	*0*		
Business division operating profit / (loss) before tax as reported	859	537	552	60	56
Business division operating profit / (loss) before tax (underlying)[3]	774	699	552	11	40
Performance measures and other information					
Pre-tax profit growth (year-on-year, %)[3]	55.7	6.5	39.7		
Cost / income ratio (%)[3]	58.0	66.7	52.0		
Average attributed equity (CHF bn)[6]	19.1	19.3	10.0	(1)	90
Return on attributed equity (%)[3,6]	18.0	11.1	22.0		
Loans, gross (CHF bn)	252.9	251.8	144.3	0	75
Customer deposits (CHF bn)	255.9	257.8	165.3	(1)	55
Impaired loan portfolio as a percentage of total loan portfolio, gross (%)[3,7]	1.2	1.0	0.8		
Underlying performance measures					
Pre-tax profit growth (year-on-year, %)[3]	40.3	38.8	39.7		
Cost / income ratio (%)[3]	57.5	57.8	52.0		

1 Comparative figures have been restated for changes in business division perimeters, Group Treasury allocations and Non-core and Legacy cost allocations, as well as changes in the equity attribution framework. Refer to "Changes to segment reporting in 2024" in the "UBS business divisions and Group Items" section, the "Equity attribution" section and "Note 3 Segment reporting" in the "Consolidated financial statements" section of this report for more information. Comparatives may additionally differ due to adjustments following organizational changes, restatements due to the retrospective adoption of new accounting standards or changes in accounting policies, and events after the reporting period. 2 Comparative figures have been restated for changes in Group Treasury allocations. Refer to "Changes to segment reporting in 2024" in the "UBS business divisions and Group Items" section and "Note 3 Segment reporting" in the "Consolidated financial statements" section of this report for more information. Comparatives may additionally differ due to adjustments following organizational changes, restatements due to the retrospective adoption of new accounting standards or changes in accounting policies, and events after the reporting period. 3 Refer to "Alternative performance measures" in the appendix to this report for the definition and calculation method. 4 Includes accretion of PPA adjustments on financial instruments and other PPA effects, as well as temporary and incremental items directly related to the integration. 5 Includes temporary, incremental operating expenses directly related to the integration, as well as amortization of newly recognized intangibles resulting from the acquisition of the Credit Suisse Group. 6 Refer to the "Equity attribution" section of this report for more information about the equity attribution framework. 7 Refer to the "Risk management and control" section of this report for more information about (credit-)impaired exposures.

Results: 1Q24 vs 1Q23

Profit before tax increased by CHF 307m, or 56%, to CHF 859m, mainly due to the acquisition of the Credit Suisse Group. Underlying profit before tax was CHF 774m, after excluding CHF 226m related to purchase price allocation (PPA) effects and other integration items, as well as integration-related expenses and PPA effects of CHF 141m.

Total revenues

Total revenues increased by CHF 960m, or 81%, to CHF 2,139m, mainly due to the consolidation of Credit Suisse revenues, and included the aforementioned CHF 226m of PPA effects and other integration items. The remaining increase largely reflected increases across net interest income, transaction-based income and recurring net fee income. Underlying total revenues were CHF 1,913m.

Net interest income increased by CHF 682m, or 105%, to CHF 1,332m, largely due to the consolidation of Credit Suisse net interest income, and included CHF 212m of accretion of PPA adjustments on financial instruments and other PPA effects. The remaining increase was mainly driven by higher deposit margins, resulting from higher interest rates, partly offset by shifts to lower-margin deposit products. Excluding the aforementioned accretion effects, underlying net interest income was CHF 1,120m.

Recurring net fee income increased by CHF 138m, or 66%, to CHF 348m, mainly due to the consolidation of Credit Suisse recurring net fee income, with the remaining increase including higher revenues from custody and mandate-based fees.

Transaction-based income increased by CHF 140m, or 45%, to CHF 449m, largely due to the consolidation of Credit Suisse transaction-based income, and included CHF 20m of accretion of PPA adjustments on financial instruments and other PPA effects, partly offset by a decrease mainly driven by lower credit card fees from private clients. Transaction-based income also included negative CHF 6m of temporary and incremental items directly related to the integration. Excluding CHF 14m of the aforementioned accretion effects and temporary and incremental items, underlying transaction-based income was CHF 435m.

Other income was stable at CHF 11m.

Credit loss expense / release

Net credit loss expenses were CHF 39m, compared with net expenses of CHF 14m in the first quarter of 2023, largely due to the consolidation of Credit Suisse.

Operating expenses

Operating expenses increased by CHF 628m, or 103%, to CHF 1,241m, largely due to the consolidation of Credit Suisse expenses, and included integration-related expenses of CHF 119m. Excluding integration-related expenses and PPA effects of CHF 141m, underlying operating expenses were CHF 1,100m.

Personal & Corporate Banking – in US dollars

	As of or for the quarter ended			% change from	
USD m, except where indicated	31.3.24	31.12.23[1]	31.3.23[2]	4Q23	1Q23
Results					
Net interest income	1,508	1,510	704	0	114
Recurring net fee income[3]	394	379	227	4	73
Transaction-based income[3]	508	492	335	3	52
Other income	13	(299)	10		22
Total revenues	2,423	2,083	1,277	16	90
Credit loss expense / (release)	44	85	16	(48)	179
Operating expenses	1,404	1,398	663	0	112
Business division operating profit / (loss) before tax	975	601	598	62	63
Underlying results					
Total revenues as reported	2,423	2,083	1,277	16	90
of which: PPA effects and other integration items[4]	*256*	*306*		*(16)*	
of which: PPA effects recognized in net interest income	*240*	*270*		*(11)*	
of which: PPA effects and other integration items recognized in transaction-based income	*16*	*36*		*(56)*	
of which: losses related to investment in SIX Group		*(317)*			
Total revenues (underlying)[3]	2,166	2,094	1,277	3	70
Credit loss expense / (release)	44	85	16	(48)	179
Operating expenses as reported	1,404	1,398	663	0	112
of which: integration-related expenses and PPA effects[3,5]	*160*	*187*		*(15)*	
Operating expenses (underlying)[3]	1,245	1,210	663	3	88
of which: expenses for litigation, regulatory and similar matters	*0*	*0*	*0*		
Business division operating profit / (loss) before tax as reported	975	601	598	62	63
Business division operating profit / (loss) before tax (underlying)[3]	878	800	598	10	47
Performance measures and other information					
Pre-tax profit growth (year-on-year, %)[3]	63.1	13.7	39.6		
Cost / income ratio (%)[3]	58.0	67.1	52.0		
Average attributed equity (USD bn)[6]	21.9	21.8	10.9	1	102
Return on attributed equity (%)[3,6]	17.8	11.0	22.0		
Loans, gross (USD bn)	280.3	299.2	157.6	(6)	78
Customer deposits (USD bn)	283.6	306.2	180.5	(7)	57
Impaired loan portfolio as a percentage of total loan portfolio, gross (%)[3,7]	1.2	1.0	0.8		
Underlying performance measures					
Pre-tax profit growth (year-on-year, %)[3]	46.9	51.2	39.6		
Cost / income ratio (%)[3]	57.5	57.8	52.0		

1 Comparative figures have been restated for changes in business division perimeters, Group Treasury allocations and Non-core and Legacy cost allocations, as well as changes in the equity attribution framework. Refer to "Changes to segment reporting in 2024" in the "UBS business divisions and Group Items" section, the "Equity attribution" section and "Note 3 Segment reporting" in the "Consolidated financial statements" section of this report for more information. Comparatives may additionally differ due to adjustments following organizational changes, restatements due to the retrospective adoption of new accounting standards or changes in accounting policies, and events after the reporting period. 2 Comparative figures have been restated for changes in Group Treasury allocations. Refer to "Changes to segment reporting in 2024" in the "UBS business divisions and Group Items" section and "Note 3 Segment reporting" in the "Consolidated financial statements" section of this report for more information. Comparatives may additionally differ due to adjustments following organizational changes, restatements due to the retrospective adoption of new accounting standards or changes in accounting policies, and events after the reporting period. 3 Refer to "Alternative performance measures" in the appendix to this report for the definition and calculation method. 4 Includes accretion of PPA adjustments on financial instruments and other PPA effects, as well as temporary and incremental items directly related to the integration. 5 Includes temporary, incremental operating expenses directly related to the integration, as well as amortization of newly recognized intangibles resulting from the acquisition of the Credit Suisse Group. 6 Refer to the "Equity attribution" section of this report for more information about the equity attribution framework. 7 Refer to the "Risk management and control" section of this report for more information about (credit-)impaired exposures.

Asset Management

Asset Management

	As of or for the quarter ended			% change from	
USD m, except where indicated	31.3.24	31.12.23[1]	31.3.23[2]	4Q23	1Q23
Results					
Net management fees[3]	745	745	479	0	56
Performance fees	30	52	23	(42)	29
Net gain from disposals		27			
Total revenues	776	825	503	(6)	54
Credit loss expense / (release)	0	(1)	0		
Operating expenses	665	704	408	(5)	63
Business division operating profit / (loss) before tax	111	122	95	(9)	17
Underlying results					
Total revenues as reported	776	825	503	(6)	54
Total revenues (underlying)[4]	776	825	503	(6)	54
Credit loss expense / (release)	0	(1)	0		
Operating expenses as reported	665	704	408	(5)	63
of which: integration-related expenses[4]	*71*	*64*		*10*	
Operating expenses (underlying)[4]	594	639	408	(7)	46
of which: expenses for litigation, regulatory and similar matters	*0*	*6*	*0*		
Business division operating profit / (loss) before tax as reported	111	122	95	(9)	17
Business division operating profit / (loss) before tax (underlying)[4]	182	186	95	(2)	91
Performance measures and other information					
Pre-tax profit growth (year-on-year, %)[4]	16.6	(1.9)	(45.6)		
Cost / income ratio (%)[4]	85.8	85.3	81.2		
Average attributed equity (USD bn)[5]	2.6	2.6	1.8	2	45
Return on attributed equity (%)[4,5]	16.7	18.8	20.8		
Gross margin on invested assets (bps)[4,6]	19	21	18		
Underlying performance measures					
Pre-tax profit growth (year-on-year, %)[4]	91.5	50.2	(45.6)		
Cost / income ratio (%)[4]	76.6	77.5	81.2		
Information by business line / asset class					
Net new money (USD bn)[4]					
Equities	3.3	(6.4)	(4.1)		
Fixed Income	13.8	(5.6)	19.2		
of which: money market	*10.4*	*1.4*	*18.0*		
Multi-asset & Solutions	1.7	0.9	1.3		
Hedge Fund Businesses	(0.2)	(1.6)	(0.9)		
Real Estate & Private Markets	0.3	0.3	(1.2)		
Total net new money excluding associates	18.9	(12.4)	14.4		
of which: net new money excluding money market	*8.6*	*(13.8)*	*(3.6)*		
Associates[7]	2.1	0.1	(0.3)		
Total net new money[6]	21.0	(12.2)	14.1		
Invested assets (USD bn)[4]					
Equities	683	644	481	6	42
Fixed Income	450	445	320	1	41
of which: money market	*145*	*134*	*138*	*9*	*6*
Multi-asset & Solutions	278	274	161	1	72
Hedge Fund Businesses	58	57	55	3	6
Real Estate & Private Markets	148	156	100	(6)	48
Total invested assets excluding associates	1,617	1,577	1,117	3	45
of which: passive strategies	*750*	*715*	*468*	*5*	*60*
Associates[7]	74	72	24	3	210
Total invested assets[6]	1,691	1,649	1,140	3	48

Asset Management (continued)

	As of or for the quarter ended			% change from	
USD m, except where indicated	31.3.24	31.12.23[1]	31.3.23[2]	4Q23	1Q23
Information by region					
Invested assets (USD bn)[4]					
Americas	424	402	321	5	32
Asia Pacific[6]	214	211	177	2	21
EMEA (excluding Switzerland)	374	354	274	6	36
Switzerland	679	682	369	0	84
Total invested assets[6]	1,691	1,649	1,140	3	48
Information by channel					
Invested assets (USD bn)[4]					
Third-party institutional	960	939	626	2	53
Third-party wholesale	176	177	123	(1)	43
UBS's wealth management businesses	482	461	368	4	31
Associates[7]	74	72	24	3	210
Total invested assets[6]	1,691	1,649	1,140	3	48

1 Comparative figures have been restated for changes in business division perimeters, Group Treasury allocations and Non-core and Legacy cost allocations, as well as changes in the equity attribution framework. Refer to "Changes to segment reporting in 2024" in the "UBS business divisions and Group Items" section, the "Equity attribution" section and "Note 3 Segment reporting" in the "Consolidated financial statements" section of this report for more information. Comparatives may additionally differ due to adjustments following organizational changes, restatements due to the retrospective adoption of new accounting standards or changes in accounting policies, and events after the reporting period. 2 Comparative figures have been restated for changes in Group Treasury allocations. Refer to "Changes to segment reporting in 2024" in the "UBS business divisions and Group Items" section and "Note 3 Segment reporting" in the "Consolidated financial statements" section of this report for more information. Comparatives may additionally differ due to adjustments following organizational changes, restatements due to the retrospective adoption of new accounting standards or changes in accounting policies, and events after the reporting period. 3 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. 4 Refer to "Alternative performance measures" in the appendix to this report for the definition and calculation method. 5 Refer to the "Equity attribution" section of this report for more information about the equity attribution framework. 6 Starting with the second quarter of 2023, net new money and invested assets include net new money and invested assets from associates, to better reflect the business strategy. Comparative figures have been restated to reflect this change. 7 The invested assets and net new money amounts reported for associates are prepared in accordance with their local regulatory requirements and practices.

Results: 1Q24 vs 1Q23

Profit before tax increased by USD 16m, or 17%, to USD 111m, mainly due to the acquisition of the Credit Suisse Group. Underlying profit before tax was USD 182m, after excluding integration-related expenses of USD 71m.

Total revenues

Total revenues increased by USD 273m, or 54%, to USD 776m, reflecting the consolidation of Credit Suisse revenues.

Net management fees increased by USD 266m, or 56%, to USD 745m, largely due to the consolidation of Credit Suisse net management fees and also due to the first quarter of 2023 including negative pass-through fees, with the corresponding offset in performance fees. The increase was also due to positive market performance and foreign currency effects, partly offset by continued margin compression.

Performance fees increased by USD 7m, or 29%, to USD 30m, mainly due to the consolidation of Credit Suisse performance fees and increases in Hedge Fund Businesses, Fixed Income and Real Estate & Private Markets, partly offset by a decrease due to the first quarter of 2023 including the aforementioned pass-through fees.

Operating expenses

Operating expenses increased by USD 257m, or 63%, to USD 665m, mainly reflecting the consolidation of Credit Suisse expenses, and included integration-related expenses of USD 71m. The increase was also due to adverse foreign currency effects and increases in technology expenses and general and administrative expenses. Excluding the aforementioned integration-related expenses, underlying operating expenses were USD 594m.

Invested assets: 1Q24 vs 4Q23

Invested assets increased by USD 42bn to USD 1,691bn, mainly reflecting positive market performance of USD 72bn and positive net new money of USD 21bn, partly offset by adverse foreign currency effects of USD 48bn. Excluding money market flows and associates, net new money was positive USD 9bn.

Investment Bank

Investment Bank

	As of or for the quarter ended			% change from	
USD m, except where indicated	31.3.24	31.12.23[1]	31.3.23[2]	4Q23	1Q23
Results					
Advisory	189	191	171	(1)	11
Capital Markets	683	649	213	5	220
Global Banking	872	840	384	4	127
Execution Services	463	412	419	12	11
Derivatives & Solutions	873	447	1,022	95	(15)
Financing	542	442	539	23	1
Global Markets	1,878	1,301	1,980	44	(5)
of which: Equities	*1,353*	*1,006*	*1,313*	*35*	*3*
of which: Foreign Exchange, Rates and Credit	*525*	*295*	*667*	*78*	*(21)*
Total revenues	2,751	2,141	2,365	28	16
Credit loss expense / (release)	32	48	7	(33)	355
Operating expenses	2,164	2,283	1,866	(5)	16
Business division operating profit / (loss) before tax	555	(190)	492		13
Underlying results					
Total revenues as reported	2,751	2,141	2,365	28	16
of which: PPA effects[3]	*293*	*277*		*6*	
of which: PPA effects recognized in Global Banking revenue line	*288*	*275*		*5*	
Total revenues (underlying)[4]	2,458	1,864	2,365	32	4
Credit loss expense / (release)	32	48	7	(33)	355
Operating expenses as reported	2,164	2,283	1,866	(5)	16
of which: integration-related expenses[4]	*143*	*167*		*(15)*	
Operating expenses (underlying)[4]	2,022	2,116	1,866	(4)	8
of which: expenses for litigation, regulatory and similar matters	*(1)*	*13*	*45*		
Business division operating profit / (loss) before tax as reported	555	(190)	492		13
Business division operating profit / (loss) before tax (underlying)[4]	404	(300)	492		(18)
Performance measures and other information					
Pre-tax profit growth (year-on-year, %)[4]	12.7	(270.2)	(47.0)		
Cost / income ratio (%)[4]	78.7	106.6	78.9		
Average attributed equity (USD bn)[5]	17.0	16.8	14.7	1	15
Return on attributed equity (%)[4,5]	13.1	(4.5)	13.4		
Underlying performance measures					
Pre-tax profit growth (year-on-year, %)[4]	(17.8)	(368.8)	(51.8)		
Cost / income ratio (%)[4]	82.3	113.5	78.9		
Return on attributed equity (%)[4,5]	9.5	(7.1)	13.4		

1 Comparative figures have been restated for changes in business division perimeters, Group Treasury allocations and Non-core and Legacy cost allocations, as well as changes in the equity attribution framework. Refer to "Changes to segment reporting in 2024" in the "UBS business divisions and Group Items" section, the "Equity attribution" section and "Note 3 Segment reporting" in the "Consolidated financial statements" section of this report for more information. Comparatives may additionally differ due to adjustments following organizational changes, restatements due to the retrospective adoption of new accounting standards or changes in accounting policies, and events after the reporting period. 2 Comparative figures have been restated for changes in Group Treasury allocations. Refer to "Changes to segment reporting in 2024" in the "UBS business divisions and Group Items" section and "Note 3 Segment reporting" in the "Consolidated financial statements" section of this report for more information. Comparatives may additionally differ due to adjustments following organizational changes, restatements due to the retrospective adoption of new accounting standards or changes in accounting policies, and events after the reporting period. 3 Includes accretion of PPA adjustments on financial instruments and other PPA effects. 4 Refer to "Alternative performance measures" in the appendix to this report for the definition and calculation method. 5 Refer to the "Equity attribution" section of this report for more information about the equity attribution framework.

Results: 1Q24 vs 1Q23

Profit before tax increased by USD 63m, or 13%, to USD 555m, mainly driven by higher total revenues, partly offset by higher operating expenses. Underlying profit before tax was USD 404m, after excluding USD 293m of purchase price allocation (PPA) effects and integration-related expenses of USD 143m.

Total revenues

Total revenues increased by USD 386m, or 16%, to USD 2,751m, due to higher Global Banking revenues, which increased by USD 488m, or 127%, partly offset by lower Global Markets revenues, which decreased by USD 102m, or 5%. The consolidation of Credit Suisse revenues included USD 293m of PPA effects. Excluding these effects, underlying total revenues were USD 2,458m.

Global Banking

Global Banking revenues increased by USD 488m, or 127%, to USD 872m, mainly due to USD 288m of PPA effects. Excluding these effects, underlying Global Banking revenues increased by USD 200m, or 52%. The overall global fee pool[1,2] increased 18%.

Advisory revenues increased by USD 18m, or 11%, to USD 189m, mainly due to higher merger and acquisition transaction revenues. The relevant global fee pool[2] decreased 10%.

Capital Markets revenues increased by USD 470m, or 220%, to USD 683m, mainly due to USD 288m of the aforementioned PPA effects. Excluding these effects, underlying Capital Markets revenues increased by USD 182m, or 85%, with increases across all products. Leveraged Capital Markets revenues increased by USD 99m, or 245%, Debt Capital Markets revenues increased by USD 39m, or 58%, and Equity Capital Markets revenues increased by USD 32m, or 58%. The relevant global fee pools[1,2] increased by 58%, 26% and 58%, respectively.

Global Markets

Global Markets revenues decreased by USD 102m, or 5%, to USD 1,878m, primarily driven by lower Derivatives & Solutions revenues, partly offset by higher Execution Services revenues.

Execution Services revenues increased by USD 44m, or 11%, to USD 463m, due to increases in Cash Equities across all regions.

Derivatives & Solutions revenues decreased by USD 149m, or 15%, to USD 873m, mostly driven by Rates, due to lower levels of both volatility and client activity.

Financing revenues increased by USD 3m, or 1%, to USD 542m.

Equities

Global Markets Equities revenues increased by USD 40m, or 3%, to USD 1,353m.

Foreign Exchange, Rates and Credit

Global Markets Foreign Exchange, Rates and Credit revenues decreased by USD 142m, or 21%, to USD 525m, primarily driven by lower Rates revenues.

Credit loss expense / release

Net credit loss expenses were USD 32m, compared with net expenses of USD 7m in the first quarter of 2023.

Operating expenses

Operating expenses increased by USD 298m, or 16%, to USD 2,164m, largely due to the consolidation of Credit Suisse expenses, and included integration-related expenses of USD 143m. Excluding integration-related expenses, underlying operating expenses were USD 2,022m.

1 UBS fee-pool-comparable revenues consist of revenues from: merger-and-acquisition-related transactions; Equity Capital Markets, excluding derivatives; Leveraged Capital Markets, excluding the impact of mark-to-market movements on loan portfolios; and Debt Capital Markets, excluding revenues related to debt underwriting of UBS instruments.
2 Source: Dealogic, as of 29 March 2024.

Non-core and Legacy

Non-core and Legacy

	As of or for the quarter ended			% change from	
USD m	31.3.24	31.12.23[1]	31.3.23[2]	4Q23	1Q23
Results					
Total revenues	1,001	145	23	588	
Credit loss expense / (release)	36	15	0	139	
Operating expenses	1,011	1,787	699	(43)	45
Operating profit / (loss) before tax	(46)	(1,657)	(676)	(97)	(93)
Underlying results					
Total revenues as reported	1,001	145	23	588	
Total revenues (underlying)[3]	1,001	145	23	588	
Credit loss expense / (release)	36	15	0	139	
Operating expenses as reported	1,011	1,787	699	(43)	45
of which: integration-related expenses[3]	*242*	*750*			
Operating expenses (underlying)[3]	769	1,037	699	(26)	10
of which: expenses for litigation, regulatory and similar matters	*(16)*	*(33)*	*665*		
Operating profit / (loss) before tax as reported	(46)	(1,657)	(676)	(97)	(93)
Operating profit / (loss) before tax (underlying)[3]	197	(907)	(676)		
Performance measures and other information					
Average attributed equity[4]	10.6	9.5	1.1	12	889
Risk-weighted assets (USD bn)	57.9	74.0	13.1	(22)	342
Leverage ratio denominator (USD bn)	119.9	168.5	6.1	(29)	

1 Comparative figures have been restated for changes in business division perimeters, Group Treasury allocations and Non-core and Legacy cost allocations, as well as changes in the equity attribution framework. Refer to "Changes to segment reporting in 2024" in the "UBS business divisions and Group Items" section, the "Equity attribution" section and "Note 3 Segment reporting" in the "Consolidated financial statements" section of this report for more information. Comparatives may additionally differ due to adjustments following organizational changes, restatements due to the retrospective adoption of new accounting standards or changes in accounting policies, and events after the reporting period. 2 Comparatives may additionally differ due to adjustments following organizational changes, restatements due to the retrospective adoption of new accounting standards or changes in accounting policies, and events after the reporting period. 3 Refer to "Alternative performance measures" in the appendix to this report for the definition and calculation method. 4 Refer to the "Equity attribution" section of this report for more information about the equity attribution framework.

Composition of Non-core and Legacy

USD bn	RWA		Total assets		LRD	
	31.3.24	31.12.23	31.3.24	31.12.23	31.3.24	31.12.23
Exposure category						
Equities	2.3	3.4	15.1	20.5	10.3	14.3
Macro	6.5	9.9	47.0	56.7	20.0	26.2
Loans	8.9	11.6	10.1	14.0	12.8	16.4
Securitized products	10.2	14.1	17.9	27.5	20.2	29.7
Credit	1.1	3.1	3.3	5.4	3.5	5.5
High-quality liquid assets			50.3	74.4	50.3	74.4
Operational risk	27.1	30.0				
Other	1.8	1.9	2.1	3.0	2.9	1.9
Total	57.9	74.0	145.9	201.4	119.9	168.5

Results: 1Q24 vs 1Q23

Loss before tax was USD 46m, compared with a loss before tax of USD 676m. Underlying gain before tax was USD 197m, after excluding integration-related expenses of USD 242m.

Total revenues

Total revenues increased by USD 978m to USD 1,001m, mainly due to the transfer of assets and liabilities into Non-core and Legacy following the acquisition of the Credit Suisse Group. Revenues included net gains from position exits, along with net interest income from securitized products and credit products. Revenues also included a net gain of USD 272m from the conclusion of agreements with Apollo relating to the former Credit Suisse securitized products group.

› **Refer to "Integration of Credit Suisse" in the "Recent developments" section and "Note 2 Accounting for the acquisition of the Credit Suisse Group" in the "Consolidated financial statements" section of this report for more information about the concluding of agreements with Apollo**

Credit loss expense / release

Net credit loss expenses were USD 36m, compared with net expenses of USD 0m. Net credit loss expenses of USD 62m related to credit-impaired (stage 3 and purchased credit-impaired) positions, mainly across our Credit and Equities businesses, were partly offset by net credit loss releases of USD 26m related to stage 1 and 2 positions.

Operating expenses

Operating expenses increased by USD 312m to USD 1,011m, mainly due to the consolidation of Credit Suisse expenses, and included integration-related expenses of USD 242m, driven by corporate services. The first quarter of 2023 included a USD 665m increase in provisions related to the US residential mortgage-backed securities litigation matter, which was settled in the third quarter of 2023. Excluding integration-related expenses, underlying operating expenses were USD 769m.

Risk-weighted assets and leverage ratio denominator: 1Q24 vs 4Q23

Risk-weighted assets were reduced by USD 16.1bn to USD 57.9bn, while the leverage ratio denominator decreased by USD 48.6bn to USD 119.9bn. These changes were mainly driven by active unwinds of Non-core and Legacy assets, most notably reflecting the sale of USD 8bn of senior secured financing facilities provided to Apollo, reductions in the loan inventory in the credit portfolio, and exit of the life finance business in the US.

Group Items

Group Items

	As of or for the quarter ended			% change from	
USD m	31.3.24	31.12.23[1]	31.3.23[2]	4Q23	1Q23
Results					
Total revenues	(355)	107	(211)		68
Credit loss expense / (release)	(2)	(2)	0		
Operating expenses	(33)	16	14		
Operating profit / (loss) before tax	(320)	93	(225)		42
Underlying results					
Total revenues as reported	(355)	107	(211)		68
of which: PPA effects[3]	*(4)*	*12*			
Total revenues (underlying)[4]	(351)	95	(211)		66
Credit loss expense / (release)	(2)	(2)	0		
Operating expenses as reported	(33)	16	14		
of which: integration-related expenses[4]	*1*	*109*			
of which: acquisition-related costs		*(1)*	*70*		
Operating expenses (underlying)[4]	(34)	(92)	(57)	(63)	(41)
of which: expenses for litigation, regulatory and similar matters	*0*	*(28)*	*1*		
Operating profit / (loss) before tax as reported	(320)	93	(225)		42
Operating profit / (loss) before tax (underlying)[4]	(315)	189	(155)		104

1 Comparative figures have been restated for changes in business division perimeters, Group Treasury allocations and Non-core and Legacy cost allocations, as well as changes in the equity attribution framework. Refer to "Changes to segment reporting in 2024" in the "UBS business divisions and Group Items" section, the "Equity attribution" section and "Note 3 Segment reporting" in the "Consolidated financial statements" section of this report for more information. Comparatives may additionally differ due to adjustments following organizational changes, restatements due to the retrospective adoption of new accounting standards or changes in accounting policies, and events after the reporting period. 2 Comparative figures have been restated for changes in Group Treasury allocations. Refer to "Changes to segment reporting in 2024" in the "UBS business divisions and Group Items" section and "Note 3 Segment reporting" in the "Consolidated financial statements" section of this report for more information. Comparatives may additionally differ due to adjustments following organizational changes, restatements due to the retrospective adoption of new accounting standards or changes in accounting policies, and events after the reporting period. 3 Includes accretion of PPA adjustments on financial instruments and other PPA effects. 4 Refer to "Alternative performance measures" in the appendix to this report for the definition and calculation method.

Results: 1Q24 vs 1Q23

Loss before tax was USD 320m, mainly driven by mark-to-market losses in Group hedging and own debt, compared with a loss of USD 225m. Underlying loss before tax was USD 315m, after excluding USD 5m of purchase price allocation effects and integration-related expenses, compared with an underlying loss of USD 155m, after excluding acquisition-related costs of USD 70m.

Income from Group hedging and own debt, including hedge accounting ineffectiveness, was net negative USD 191m, compared with net negative income of USD 68m. The results across the periods were driven by mark-to-market effects on portfolio-level economic hedges due to higher interest rates and cross-currency-basis widening.

In addition, the first quarter of 2024 included a USD 25m donation expense and an USD 11m increase in funding costs related to deferred tax assets.

Risk, capital, liquidity and funding, and balance sheet

Management report

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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 Group Annual Report 2023, 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.

Credit risk

Overall banking products exposure

Overall banking products exposure decreased by USD 88bn to USD 1,092bn as of 31 March 2024, mainly driven by a decrease in balances at central banks, as well as a decrease in loans and advances to customers due to negative currency effects.

Total net credit loss expenses in the first quarter of 2024 were USD 106m, reflecting net releases of USD 45m related to performing positions and net expenses of USD 151m on credit-impaired positions.

- **Refer to the "Balance sheet and off-balance sheet" section of this report for more information about balance sheet movements**
- **Refer to the "Group performance" section and "Note 9 Expected credit loss measurement" in the "Consolidated financial statements" section of this report for more information about credit loss expense / release**

Loan underwriting

In the Investment Bank, mandated loan underwriting commitments on a notional basis decreased by USD 0.1bn to USD 1.9bn as of 31 March 2024. In Non-core and Legacy, exposure decreased by USD 0.5bn to USD 0.5bn following the cancellation of the largest mandated exposure. As of 31 March 2024, USD 0.1bn and USD 0.5bn of commitments in the Investment Bank and in Non-core and Legacy, respectively, have not been distributed as originally planned.

Loan underwriting exposures are classified as held for trading, with fair values reflecting the market conditions at the end of the quarter. Credit hedges are in place to help protect against fair value movements in the portfolio.

Banking and traded products exposure in our business divisions and Group Items

	31.3.24						
USD m	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Non-core and Legacy	Group Items	Total
Banking products[1,2]							
Gross exposure	471,001	448,792	1,694	106,280	47,997	15,889	1,091,653
of which: loans and advances to customers (on-balance sheet)	*301,544*	*280,328*	*17*	*17,988*	*6,623*	*483*	*606,983*
of which: guarantees and loan commitments (off-balance sheet)	*20,727*	*53,044*	*60*	*34,778*	*3,427*	*17,001*	*129,036*
Traded products[2,3,4]							
Gross exposure	13,933	4,969	0		44,191		63,093
of which: over-the-counter derivatives	*9,817*	*4,511*	*0*		*12,556*		*26,885*
of which: securities financing transactions	*342*	*0*	*0*		*21,418*		*21,760*
of which: exchange-traded derivatives	*3,774*	*458*	*0*		*10,216*		*14,448*
Other credit lines, gross[5]	80,663	67,597	0	2,568	3	86	150,918
Total credit-impaired exposure, gross	1,095	3,425	0	642	1,875	0	7,038
of which: stage 3	*919*	*3,051*	*0*	*591*	*753*	*0*	*5,315*
of which: PCI	*176*	*375*	*0*	*51*	*1,122*	*0*	*1,724*
Total allowances and provisions for expected credit losses	326	1,211	0	375	324	7	2,243
of which: stage 1	*146*	*334*	*0*	*124*	*10*	*6*	*620*
of which: stage 2	*70*	*239*	*0*	*93*	*4*	*0*	*406*
of which: stage 3	*97*	*627*	*0*	*158*	*154*	*0*	*1,035*
of which: PCI	*13*	*12*	*0*	*1*	*156*	*0*	*182*

	31.12.23[6]						
USD m	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Non-core and Legacy	Group Items	Total
Banking products[1,2]							
Gross exposure	495,846	482,822	1,699	115,203	73,092	10,555	1,179,217
of which: loans and advances to customers (on-balance sheet)	*317,137*	*299,150*	*13*	*16,993*	*8,117*	*131*	*641,542*
of which: guarantees and loan commitments (off-balance sheet)	*22,706*	*57,494*	*59*	*36,230*	*3,235*	*18,109*	*137,834*
Traded products[2,3,4]							
Gross exposure	11,812	4,748	0		47,630		64,191
of which: over-the-counter derivatives	*8,397*	*4,116*	*0*		*12,400*		*24,913*
of which: securities financing transactions	*371*	*19*	*0*		*23,044*		*23,434*
of which: exchange-traded derivatives	*3,045*	*613*	*0*		*12,186*		*15,844*
Other credit lines, gross[5]	83,077	75,334	0	4,714	5	126	163,256
Total credit-impaired exposure, gross	1,662	3,066	0	469	1,169	1	6,367
of which: stage 3	*1,022*	*2,632*	*0*	*408*	*290*	*1*	*4,352*
of which: PCI	*640*	*434*	*0*	*61*	*879*	*0*	*2,014*
Total allowances and provisions for expected credit losses	392	1,231	1	358	271	8	2,261
of which: stage 1	*176*	*364*	*1*	*133*	*20*	*7*	*700*
of which: stage 2	*63*	*259*	*0*	*78*	*16*	*0*	*416*
of which: stage 3	*98*	*590*	*0*	*146*	*158*	*0*	*993*
of which: PCI	*55*	*19*	*0*	*1*	*77*	*0*	*153*

1 IFRS 9 gross exposure for banking products includes the following financial instruments in scope of expected credit loss requirements: balances at central banks, amounts due from banks, loans and advances to customers, other financial assets at amortized cost, guarantees and irrevocable loan commitments. 2 Internal management view of credit risk, which differs in certain respects from IFRS Accounting Standards. 3 As counterparty risk for traded products is managed at counterparty level, no further split between exposures in the Investment Bank, Non-core and Legacy, and Group Items is provided. 4 Credit Suisse traded products are presented before reflection of the impact of the purchase price allocation performed under IFRS 3, Business Combinations, following the acquisition of the Credit Suisse Group by UBS. The acquisition date adjustment is less than USD 1bn and, if applied, would lead to a reduction in our reported traded products exposure. 5 Unconditionally revocable committed credit lines. 6 Comparative figures in this table have been restated for changes in business division perimeters and Group Treasury allocations. Refer to "Changes to segment reporting in 2024" in the "UBS business divisions and Group Items" section and "Note 3 Segment reporting" in the "Consolidated financial statements" section of this report for more information. Comparatives may additionally differ due to adjustments following organizational changes, restatements due to the retrospective adoption of new accounting standards or changes in accounting policies, and events after the reporting period.

Collateralization of Loans and advances to customers[1]

	Global Wealth Management		Personal & Corporate Banking	
USD m, except where indicated	31.3.24	31.12.23[2]	31.3.24	31.12.23[2]
Secured by collateral	293,109	308,120	240,880	259,734
Residential real estate	*107,299*	*111,755*	*189,360*	*204,184*
Commercial / industrial real estate	*10,033*	*10,860*	*39,677*	*42,560*
Cash	*31,095*	*36,813*	*2,926*	*3,269*
Equity and debt instruments	*119,722*	*122,079*	*3,399*	*3,666*
Other collateral[3]	*24,960*	*26,613*	*5,518*	*6,055*
Subject to guarantees	837	1,048	7,708	8,132
Uncollateralized and not subject to guarantees	7,598	7,969	31,739	31,284
Total loans and advances to customers, gross	301,544	317,137	280,328	299,150
Allowances	(226)	(181)	(966)	(987)
Total loans and advances to customers, net of allowances	301,319	316,957	279,362	298,163
Collateralized loans and advances to customers in % of total loans and advances to customers, gross (%)	97.2	97.2	85.9	86.8

1 Collateral arrangements generally incorporate a range of collateral, including cash, securities, real estate and other collateral. UBS applies a risk-based approach that generally prioritizes collateral according to its liquidity profile. In the case of loan facilities with funded and unfunded elements, the collateral is first allocated to the funded element. Credit Suisse applies a risk-based approach that generally prioritizes real estate collateral and prioritizes other collateral according to its liquidity profile. In the case of loan facilities with funded and unfunded elements, the collateral is proportionately allocated. 2 Comparative figures in this table have been restated for changes in business division perimeters. Refer to "Changes to segment reporting in 2024" in the "UBS business divisions and Group Items" section and Note 3 "Segment reporting" in the "Consolidated financial statements" section of this report for more information. Comparatives may additionally differ due to adjustments following organizational changes, restatements due to the retrospective adoption of new accounting standards or changes in accounting policies, and events after the reporting period. 3 Includes but is not limited to life insurance contracts, rights in respect of subscription or capital commitments from fund partners, inventory, gold and other commodities.

Market risk

The UBS Group excluding Credit Suisse continued to maintain generally low levels of management value-at-risk (VaR). Average management VaR (1-day, 95% confidence level) increased marginally to USD 17m from USD 16m in the first quarter of 2024. There were no new VaR negative backtesting exceptions in the first quarter of 2024. The number of negative backtesting exceptions within the most recent 250-business-day window remained at zero.

Credit Suisse's average management VaR (1-day, 98% confidence level) decreased to USD 17m from USD 23m in the first quarter of 2024, driven by continued strategic migration of positions to UBS from the Investment Bank (Credit Suisse) and reductions in Non-core and Legacy. In the first quarter of 2024, Credit Suisse had no new negative backtesting exceptions. The number of negative backtesting exceptions within the most recent 250-business-day window decreased to one from three at the end of 2023.

The Swiss Financial Market Supervisory Authority (FINMA) VaR multiplier derived from negative backtesting exceptions for market risk risk-weighted assets was unchanged compared with the prior quarter, at 3.0, for both the UBS Group excluding Credit Suisse and Credit Suisse.

Management value-at-risk (1-day, 95% confidence, 5 years of historical data) of our business divisions and Group Items excluding Credit Suisse components, by general market risk type[1]

					Average by risk type				
USD m	Min.	Max.	Period end	Average	Equity	Interest rates	Credit spreads	Foreign exchange	Commodities
Global Wealth Management	1	2	1	1	0	1	2	0	0
Personal & Corporate Banking	0	0	0	0	0	0	0	0	0
Asset Management	0	0	0	0	0	0	0	0	0
Investment Bank	11	23	13	17	7	17	8	3	3
Non-core and Legacy	1	2	1	1	0	1	1	0	0
Group Items	4	5	4	4	1	4	3	1	0
Diversification effect[2,3]			(6)	(6)	(1)	(5)	(4)	(1)	0
Total as of 31.3.24	12	23	13	17	7	18	9	3	3
Total as of 31.12.23	11	24	19	16	9	16	7	2	3

Management value-at-risk (1-day, 98% confidence, 2 years of historical data) of the Credit Suisse components of our business divisions and Group Items, by general market risk type[1]

					Average by risk type				
USD m	Min.	Max.	Period end	Average	Equity	Interest rates	Credit spreads	Foreign exchange	Commodities
Global Wealth Management	1	3	2	2	1	0	1	0	0
Personal & Corporate Banking	0	0	0	0	0	0	0	0	0
Asset Management	0	0	0	0	0	0	0	0	0
Investment Bank[4]	4	11	4	6	5	1	2	0	0
Non-core and Legacy	12	16	13	14	6	6	12	0	0
Group Items	0	0	0	0	0	0	0	0	0
Diversification effect[2,3]			(3)	(5)	(3)	3	(3)	0	0
Total as of 31.3.24	15	21	17	17	9	10	12	1	1
Total as of 31.12.23	20	25	21	23	11	12	16	1	1

1 Statistics at individual levels may not be summed to deduce the corresponding aggregate figures. The minima and maxima for each level may occur on different days, and, likewise, the value-at-risk (VaR) for each business line or risk type, being driven by the extreme loss tail of the corresponding distribution of simulated profits and losses for that business line or risk type, may well be driven by different days in the historical time series, rendering invalid the simple summation of figures to arrive at the aggregate total. 2 The difference between the sum of the standalone VaR for the business divisions and Group Items and the total VaR. 3 As the minima and maxima for different business divisions and Group Items occur on different days, it is not meaningful to calculate a portfolio diversification effect. 4 The Investment Bank management VaR consists of positions that we currently plan to retain going forward and were previously reported under Non-core and Legacy.

Economic value of equity and net interest income sensitivity

The economic value of equity (EVE) sensitivity in the UBS Group banking book to a parallel shift in yield curves of +1 basis point was negative USD 31.3m as of 31 March 2024, compared with negative USD 30.1m as of 31 December 2023. This excludes the sensitivity of USD 5.4m from additional tier 1 (AT1) capital instruments (as per specific FINMA requirements) in contrast to general Basel Committee on Banking Supervision (BCBS) guidance. Exposure in the banking book of the UBS Group increased during the first quarter of 2024, due to interest rate risk hedges of recent AT1 issuances and a repositioning of the Swiss franc exposure in anticipation of the subsequent Swiss National Bank rate cut in March 2024.

The majority of our interest rate risk in the banking book is a reflection of the net asset duration that we run to offset our modeled sensitivity of net USD 23.4m (31 December 2023: USD 24.3m) assigned to our equity, goodwill and real estate, with the aim of generating a stable net interest income contribution. Of this, USD 16.7m and USD 5.7m are attributable to the US dollar and the Swiss franc portfolios, respectively (31 December 2023: USD 17.6m and USD 5.6m, respectively).

In addition to the aforementioned sensitivity, we calculate the six interest rate shock scenarios prescribed by FINMA. The "Parallel up" scenario, assuming all positions were fair valued, was the most severe and would have resulted in a change in EVE of negative USD 5.9bn, or 6.3%, of our tier 1 capital (31 December 2023: negative USD 5.7bn, or 6.1%), which is well below the 15% threshold as per the BCBS supervisory outlier test for high levels of interest rate risk in the banking book.

The immediate effect on our tier 1 capital in the "Parallel up" scenario as of 31 March 2024 would have been a decrease of approximately USD 0.9bn, or 0.9%, (31 December 2023: USD 0.9bn, or 0.9%), reflecting the fact that the vast majority of our banking book is accrual accounted or subject to hedge accounting. The "Parallel up" scenario would subsequently have a positive effect on net interest income, assuming a constant balance sheet.

› **Refer to "Interest rate risk in the banking book" in the "Risk management and control" section of the UBS Group Annual Report 2023, available under "Annual reporting" at *ubs.com/investors*, for more information about the management of interest rate risk in the banking book**

› **Refer to "Sensitivity to interest rate movements" in the "Group performance" section of this report for more information about the effects of increases in interest rates on the net interest income of our banking book**

Interest rate risk – banking book

	31.3.24							
USD m	Effect on EVE[1] – FINMA						Effect on EVE[1] – BCBS	
Scenarios	CHF	EUR	GBP	USD	Other	Total	Additional tier 1 (AT1) capital instruments	Total
+1 bp	(4.5)	(0.7)	0.1	(26.1)	(0.1)	(31.3)	5.4	(25.9)
Parallel up[2]	(661.4)	(132.6)	26.4	(5,044.0)	(43.6)	(5,855.3)	1,000.1	(4,855.2)
Parallel down[2]	703.7	132.7	(32.3)	5,252.2	40.4	6,096.8	(1,153.4)	4,943.4
Steepener[3]	(306.6)	(13.0)	(5.4)	(1,205.2)	(40.7)	(1,570.9)	179.8	(1,391.1)
Flattener[4]	176.4	(7.8)	9.7	39.4	30.3	248.0	44.7	292.7
Short-term up[5]	(79.6)	(45.8)	17.5	(2,032.0)	10.7	(2,129.2)	469.6	(1,659.5)
Short-term down[6]	80.5	45.9	(17.8)	2,167.5	(9.6)	2,266.4	(487.7)	1,778.8

	31.12.23							
USD m	Effect on EVE[1] – FINMA						Effect on EVE[1] – BCBS	
Scenarios	CHF	EUR	GBP	USD	Other	Total	Additional tier 1 (AT1) capital instruments	Total
+1 bp	(3.7)	(0.6)	0.1	(26.0)	0.2	(30.1)	4.9	(25.2)
Parallel up[2]	(548.9)	(119.3)	16.2	(5,027.2)	(0.9)	(5,680.2)	904.6	(4,775.5)
Parallel down[2]	561.8	124.3	(29.2)	5,216.0	2.8	5,875.7	(1,044.5)	4,831.3
Steepener[3]	(305.3)	(13.1)	(11.9)	(1,037.0)	(33.8)	(1,401.1)	93.4	(1,307.6)
Flattener[4]	189.6	(5.0)	14.0	(124.2)	30.8	105.2	109.6	214.8
Short-term up[5]	(27.3)	(39.4)	19.4	(2,171.3)	23.9	(2,194.7)	486.3	(1,708.4)
Short-term down[6]	26.5	41.8	(21.8)	2,312.1	(26.8)	2,331.9	(507.8)	1,824.1

1 Economic value of equity. 2 Rates across all tenors move by ±150 bps for Swiss franc, ±200 bps for euro and US dollar, and ±250 bps for pound sterling. 3 Short-term rates decrease and long-term rates increase. 4 Short-term rates increase and long-term rates decrease. 5 Short-term rates increase more than long-term rates. 6 Short-term rates decrease more than long-term rates.

Country risk

We remain watchful of a range of geopolitical developments and political changes in a number of countries, as well as international tensions arising from the Russia–Ukraine war, conflicts in the Middle East and US–China trade relations. Our direct exposure to Israel is less than USD 0.5bn and our direct exposure to Gulf Cooperation Council countries is less than USD 7bn. We have limited direct exposure to Egypt, Jordan and Lebanon, and we have no direct exposure to Iran, Iraq or Syria. Our direct exposure to Russia, Belarus and Ukraine is immaterial, and potential second-order impacts, such as European energy security, continue to be monitored.

Inflation has abated to some extent in major Western economies, though there are still concerns regarding future developments, and central banks' monetary policy is in the spotlight. The potential for "higher-for-longer" interest rates raises the prospect of a global recession. There are ongoing concerns regarding the property sector in China. This combination of factors translates into a more uncertain and volatile environment, which increases the risk of financial market disruption.

We continue to monitor potential trade policy disputes, as well as economic and political developments in addition to those mentioned above. We are closely watching elections in a number of key markets in 2024. Our exposure to emerging market countries is less than 10% of our total country exposure, mainly in Asia.

› **Refer to the "Risk management and control" section of the UBS Group Annual Report 2023, available under "Annual reporting" at *ubs.com/investors*, for more information**

Non-financial risk

We continue to actively manage the non-financial risks emerging from the acquisition of the Credit Suisse Group, including the current operation of dual corporate structures, and the scale, pace and complexity of the required integration activities. These activities continue to be managed via the program run by our Group Integration Office. The integration of Credit Suisse requires data to be migrated into the UBS environment and we aim to ensure that we have robust controls to preserve data integrity, quality and availability, to mitigate data migration risks and to meet regulatory expectations.

Through this period of change, we place an increased focus on maintaining and enhancing our control environment and continue to cooperate with regulators in relation to the submission and execution of implementation plans to meet regulatory requirements, including remediation requirements applicable to Credit Suisse AG. In addition, the Group is closely monitoring non-financial risk indicators, to detect any potential for adverse impacts on the control environment.

There is an increased risk of cyber-related operational disruption to business activities at our locations and / or those of third-party suppliers due to operating an enlarged group of entities. This is combined with the increasingly dynamic threat environment, which is intensified by current geopolitical factors and evidenced by the increased volumes and sophistication of cyberattacks against financial institutions globally.

Cyberattacks on third-party vendors have affected our operations in the past and continue to be a source of residual risk to our business. No cyber events occurred in the first quarter of 2024 related to our own infrastructure, or the infrastructure of any third party, that had material financial or operational effects on us. We remain on heightened alert to respond to and mitigate elevated cybersecurity and information security threats. Following a post-incident review of the ION XTP ransomware attack, we are improving our frameworks for managing third parties that support our important business services and continue with actions to enhance our cyber-risk assessments and controls over third-party vendors. We continue to invest in improving our technology infrastructure and information security governance to improve our defense, detection and response capabilities against cyberattacks.

In addition, we are working to enhance our operational resilience to address these heightened risks and to meet regulatory deadlines through 2026. We are implementing a global framework designed to drive enhancements in operational resilience across all business divisions and relevant jurisdictions, as well as working with the third parties, including vendors, that are of critical importance to our operations, to assess their operational resilience against our standards.

The increasing interest in data-driven advisory processes, and use of artificial intelligence (AI) and machine learning, is opening up new questions related to the fairness of AI algorithms, data life cycle management, data ethics, data privacy and security, and records management. In addition, new risks continue to emerge, such as those that result from the demand from our clients for distributed ledger technology, blockchain-based assets and cryptocurrencies; however, we currently have limited exposure to such risks, and relevant control frameworks for them are implemented and reviewed on a regular basis as they evolve.

Competition to find new business opportunities, products and services across the financial services sector, both for firms and for customers, is increasing, particularly during periods of market volatility and economic uncertainty. Thus, suitability risk, product selection, cross-divisional service offerings, quality of advice and price transparency remain areas of heightened focus for UBS and for the industry as a whole.

Evolving environmental, social and governance regulations and major legislation, such as the Consumer Duty regulation in the United Kingdom, the Swiss Financial Services Act (FIDLEG) in Switzerland, Regulation Best Interest (Reg BI) in the US and the Markets in Financial Instruments Directive II (MiFID II) in the EU, all significantly affect the industry and have required adjustments to control processes.

Cross-border risk (including unintended permanent establishment) remains an area of regulatory attention for global financial institutions, including a focus on market access, such as third-country market access into the European Economic Area, and taxation of US persons. We maintain a series of controls designed to address these risks, and we are increasing the number of controls that are automated.

Financial crime, including money laundering, terrorist financing, sanctions violations, fraud, bribery and corruption, continues to present a major risk, as technological innovation and geopolitical developments increase the complexity of doing business and heightened regulatory attention continues. Money laundering and financial fraud techniques are becoming increasingly sophisticated, including growing use of AI, and geopolitical volatility makes the sanctions landscape more complex. The extensive and continuously evolving sanctions arising from the Russia–Ukraine war require constant attention to prevent circumvention risks, while the conflicts in the Middle East may increase terrorist financing risks. An effective financial crime prevention program therefore remains essential for us. We are focused on strategic enhancements to our global anti-money-laundering, know-your-client and sanctions programs to respond to new and existing regulatory requirements and to respond to developing threats, as well as alignment of standards and processes as Credit Suisse clients are migrated to UBS platforms.

Achieving fair outcomes for our clients, upholding market integrity and cultivating the highest standards of employee conduct are of critical importance to us. We maintain a conduct risk framework across our activities, which is designed to align our standards and conduct with these objectives and to retain momentum on fostering a strong culture. On 5 January 2024, we integrated the UBS and Credit Suisse conduct risk frameworks to align the handling of conduct risk across the firm.

In September 2022, the US Securities and Exchange Commission (the SEC) and the Commodity Futures Trading Commission (the CFTC) issued settlement orders relating to communications recordkeeping requirements in our US broker-dealers and our registered swap dealers. In response to identified shortcomings, we are continuing to implement a global remediation program.

Capital management

The disclosures in this section are provided for UBS Group AG on a consolidated basis and focus on key developments during the reporting period and 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 Group Annual Report 2023, available under "Annual reporting" at *ubs.com/investors*, which provides more information about our capital management objectives, planning and activities, as well as the Swiss SRB total loss-absorbing capacity (TLAC) framework.

UBS Group AG is a holding company and conducts substantially all of its operations through UBS AG and Credit Suisse AG, and subsidiaries thereof. UBS Group AG, UBS AG and Credit Suisse AG have contributed a significant portion of their respective capital to, and provide substantial liquidity to, such subsidiaries. Many of these subsidiaries are subject to regulations requiring compliance with minimum capital, liquidity and similar requirements.

› **Refer to the 31 March 2024 Pillar 3 Report, available under "Pillar 3 disclosures" at *ubs.com/investors*, for more information relating to 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**

› **Refer to the UBS AG first quarter 2024 report, available under "Quarterly reporting" at *ubs.com/investors*, for more information about capital and other regulatory information for UBS AG consolidated, in accordance with the Basel III framework, as applicable to Swiss SRBs**

Swiss SRB going and gone concern requirements and information

As of 31.3.24	RWA		LRD	
USD m, except where indicated	in %		in %	
Required going concern capital				
Total going concern capital	14.77[1]	77,731	5.00[1]	79,982
Common equity tier 1 capital	10.47	55,094	3.50[2]	55,988
of which: minimum capital	*4.50*	*23,690*	*1.50*	*23,995*
of which: buffer capital	*5.50*	*28,954*	*2.00*	*31,993*
of which: countercyclical buffer	*0.47*	*2,450*		
Maximum additional tier 1 capital	4.30	22,637	1.50	23,995
of which: additional tier 1 capital	*3.50*	*18,425*	*1.50*	*23,995*
of which: additional tier 1 buffer capital	*0.80*	*4,211*		
Eligible going concern capital				
Total going concern capital	17.75	93,467	5.84	93,467
Common equity tier 1 capital	14.84	78,147	4.89	78,147
Total loss-absorbing additional tier 1 capital[3]	2.91	15,320	0.96	15,320
of which: high-trigger loss-absorbing additional tier 1 capital	*2.68*	*14,103*	*0.88*	*14,103*
of which: low-trigger loss-absorbing additional tier 1 capital	*0.23*	*1,217*	*0.08*	*1,217*
Required gone concern capital				
Total gone concern loss-absorbing capacity[4,5,6]	10.73[7]	56,460	3.75[7]	59,987
of which: base requirement including add-ons for market share and LRD	*10.73*	*56,460*	*3.75*	*59,987*
Eligible gone concern capital				
Total gone concern loss-absorbing capacity	19.75	103,986	6.50	103,986
Total tier 2 capital	0.10	537	0.03	537
of which: non-Basel III-compliant tier 2 capital	*0.10*	*537*	*0.03*	*537*
TLAC-eligible senior unsecured debt	19.65	103,449	6.47	103,449
Total loss-absorbing capacity				
Required total loss-absorbing capacity	25.49	134,191	8.75	139,969
Eligible total loss-absorbing capacity	37.51	197,453	12.34	197,453
Risk-weighted assets / leverage ratio denominator				
Risk-weighted assets		526,437		
Leverage ratio denominator				1,599,646

1 Includes applicable add-ons of 1.44% for risk-weighted assets (RWA) and 0.50% for leverage ratio denominator (LRD). 2 Our minimum CET1 leverage ratio requirement of 3.50% consists of a 1.5% base requirement, a 1.5% base buffer capital requirement, a 0.25% LRD add-on requirement and a 0.25% market share add-on requirement based on our Swiss credit business. 3 Includes outstanding low-trigger loss-absorbing additional tier 1 capital instruments, which are available under the Swiss systemically relevant bank framework to meet the going concern requirements until their first call date. As of their first call date, these instruments are eligible to meet the gone concern requirements. 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). 6 As of July 2024, the Swiss Financial Market Supervisory Authority (FINMA) will have the authority to impose a surcharge of up to 25% of the total going concern capital requirements 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.

We are subject to the going and gone concern requirements of the Swiss Capital Adequacy Ordinance that include the too-big-to-fail (TBTF) provisions applicable to Swiss SRBs. The table above provides the risk-weighted asset (RWA)- and leverage ratio denominator (LRD)-based requirements and information as of 31 March 2024.

Transitional purchase price allocation adjustments for regulatory capital

As part of the acquisition of the Credit Suisse Group in 2023, the assets acquired and liabilities assumed, including contingent liabilities, were recognized at fair value as of the acquisition date in accordance with IFRS 3, *Business Combinations*. The purchase price allocation (PPA) fair value adjustments required under IFRS 3 were recognized as part of negative goodwill and included effects on financial instruments measured at amortized cost, such as fair value impacts from interest rates and own credit, that are expected to accrete back to par through the income statement as the instruments are held to maturity. Similar own-credit-related effects have also been recognized as part of the PPA adjustments on financial liabilities measured at fair value. As agreed with the Swiss Financial Market Supervisory Authority (FINMA), a transitional common equity tier 1 (CET1) capital treatment has been applied for certain of these fair value adjustments, given the substantially temporary nature of the IFRS-3-accounting-driven effects. As such, equity reductions under IFRS Accounting Standards of USD 5.9bn (before tax) and USD 5.0bn (net of tax) as of the acquisition date have been neutralized for CET1 capital calculation purposes, of which USD 1.0bn (net of tax) relates to own-credit-related fair value adjustments. The transitional treatment is subject to linear amortization and will be reduced to nil by 30 June 2027. The amortization of transitional CET1 PPA adjustments (interest rate and own credit) since the acquisition date totaled USD 1.0bn (net of tax) as of 31 March 2024, an increase of USD 0.4bn (net of tax) in the first quarter of 2024.

Additional capital requirements for UBS Group AG consolidated and UBS AG standalone under current requirements

As a result of the acquisition of the Credit Suisse Group, the capital add-on for UBS Group AG consolidated, reflecting the degree of systemic importance, which is based on market share and LRD, will increase to reflect its greater market share and LRD after an appropriate transition period to be agreed with FINMA. We currently estimate that this will add around USD 10bn to the Group's tier one capital requirement, when fully phased in. The phase-in of the increased capital requirements will commence from the end of 2025 and will be completed by the beginning of 2030, at the latest.

Effective at the time of the merger with Credit Suisse AG, UBS AG standalone will continue to adhere to capital requirements on a fully applied basis, including risk-weights of 250% and 400% for Swiss and foreign participations, respectively, and after the removal of the regulatory filter that had been granted to Credit Suisse AG standalone prior to the merger. A transition to the UBS approach for the treatment of Credit Suisse AG standalone participations would have reduced CET1 capital by around USD 9bn, using Credit Suisse balances as of 31 March 2023.

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 Group Annual Report 2023, available under "Annual reporting" at *ubs.com/investors*.

Swiss SRB going and gone concern information

USD m, except where indicated	31.3.24	31.12.23
Eligible going concern capital		
Total going concern capital	93,467	92,377
Total tier 1 capital	93,467	92,377
Common equity tier 1 capital	78,147	78,485
Total loss-absorbing additional tier 1 capital	15,320	13,892
of which: high-trigger loss-absorbing additional tier 1 capital	*14,103*	*12,678*
of which: low-trigger loss-absorbing additional tier 1 capital	*1,217*	*1,214*
Eligible gone concern capital		
Total gone concern loss-absorbing capacity	103,986	107,106
Total tier 2 capital	537	538
of which: non-Basel III-compliant tier 2 capital	*537*	*538*
TLAC-eligible senior unsecured debt	103,449	106,567
Total loss-absorbing capacity		
Total loss-absorbing capacity	197,453	199,483
Risk-weighted assets / leverage ratio denominator		
Risk-weighted assets	526,437	546,505
Leverage ratio denominator	1,599,646	1,695,403
Capital and loss-absorbing capacity ratios (%)		
Going concern capital ratio	17.8	16.9
of which: common equity tier 1 capital ratio	*14.8*	*14.4*
Gone concern loss-absorbing capacity ratio	19.8	19.6
Total loss-absorbing capacity ratio	37.5	36.5
Leverage ratios (%)		
Going concern leverage ratio	5.8	5.4
of which: common equity tier 1 leverage ratio	4.9	4.6
Gone concern leverage ratio	6.5	6.3
Total loss-absorbing capacity leverage ratio	12.3	11.8

Total loss-absorbing capacity and movement

Our TLAC decreased by USD 2.0bn to USD 197.5bn in the first quarter of 2024.

Going concern capital and movement

Our going concern capital increased by USD 1.1bn to USD 93.5bn. Our CET1 capital decreased by USD 0.3bn to USD 78.1bn, mainly reflecting an operating profit before tax of USD 2.4bn, more than offset by negative effects from foreign currency translation of USD 1.3bn, dividend accruals of USD 0.6bn, current tax expenses of USD 0.5bn and amortization of transitional CET1 PPA adjustments (interest rate and own credit) of USD 0.4bn (net of tax).

Our loss-absorbing additional tier 1 (AT1) capital increased by USD 1.4bn to USD 15.3bn, mainly reflecting the issuance of two AT1 capital instruments equivalent to a total of USD 1.5bn.

Following the approval of a minimum amount of conversion capital by UBS Group AG's shareholders at the 2024 Annual General Meeting, AT1 capital instruments issued from the beginning of the fourth quarter of 2023 are now, upon the occurrence of a trigger event or a viability event, subject to conversion into UBS Group AG ordinary shares rather than a write-down.

Gone concern loss-absorbing capacity and movement

Our total gone concern loss-absorbing capacity decreased by USD 3.1bn to USD 104.0bn and included USD 103.4bn of TLAC-eligible senior unsecured debt instruments. The decrease of USD 3.1bn mainly reflected the call of USD 2.1bn equivalent of TLAC-eligible senior unsecured debt instruments, a USD 1.9bn equivalent TLAC-eligible senior unsecured debt instrument that ceased to be eligible as gone concern capital when we issued a notice of redemption of the instrument in the first quarter of 2024, a USD 2.4bn senior unsecured debt instrument that was no longer TLAC eligible due to its residual tenor falling below one year, and negative impacts from interest rate risk hedge, foreign currency translation and other effects. These decreases were partly offset by new issuances totaling USD 5.4bn equivalent of TLAC-eligible senior unsecured debt instruments.

› **Refer to "Bondholder information" at *ubs.com/investors* for more information about the eligibility of capital and senior unsecured debt instruments and about key features and terms and conditions of capital instruments**

Loss-absorbing capacity and leverage ratios

Our CET1 capital ratio increased to 14.8% from 14.4%, primarily reflecting an USD 20.1bn decrease in RWA.

Our CET1 leverage ratio increased to 4.9% from 4.6%, mainly reflecting a USD 95.8bn decrease in the LRD.

Our gone concern loss-absorbing capacity ratio increased to 19.8% from 19.6%, due to the aforementioned decrease in RWA, partly offset by a decrease in gone concern loss-absorbing capacity of USD 3.1bn.

Our gone concern leverage ratio increased to 6.5% from 6.3%, due to the aforementioned decrease in the LRD, partly offset by the aforementioned decrease in gone concern loss-absorbing capacity.

Swiss SRB total loss-absorbing capacity movement

USD m

Going concern capital	Swiss SRB
Common equity tier 1 capital as of 31.12.23	**78,485**
Operating profit / (loss) before tax	2,376
Current tax (expense) / benefit	(468)
Foreign currency translation effects, before tax	(1,290)
Amortization of transitional CET1 purchase price allocation adjustments, net of tax	(350)
Other[1]	(607)
Common equity tier 1 capital as of 31.3.24	78,147
Loss-absorbing additional tier 1 capital as of 31.12.23	**13,892**
Issuance of high-trigger loss-absorbing additional tier 1 capital	1,483
Interest rate risk hedge, foreign currency translation and other effects	(55)
Loss-absorbing additional tier 1 capital as of 31.3.24	15,320
Total going concern capital as of 31.12.23	**92,377**
Total going concern capital as of 31.3.24	93,467
Gone concern loss-absorbing capacity	
Tier 2 capital as of 31.12.23	**538**
Interest rate risk hedge, foreign currency translation and other effects	(1)
Tier 2 capital as of 31.3.24	537
TLAC-eligible unsecured debt as of 31.12.23	**106,567**
Issuance of TLAC-eligible senior unsecured debt	5,438
Call of TLAC-eligible senior unsecured debt	(3,970)
Debt no longer eligible as gone concern loss-absorbing capacity due to residual tenor falling to below one year	(2,424)
Interest rate risk hedge, foreign currency translation and other effects	(2,162)
TLAC-eligible unsecured debt as of 31.3.24	103,449
Total gone concern loss-absorbing capacity as of 31.12.23	**107,106**
Total gone concern loss-absorbing capacity as of 31.3.24	103,986
Total loss-absorbing capacity	
Total loss-absorbing capacity as of 31.12.23	**199,483**
Total loss-absorbing capacity as of 31.3.24	197,453

1 Includes dividend accruals for the current year and movements related to other items.

Reconciliation of equity under IFRS Accounting Standards to Swiss SRB common equity tier 1 capital

USD m	31.3.24	31.12.23
Total equity under IFRS Accounting Standards	85,766	86,639
Equity attributable to non-controlling interests	(506)	(531)
Defined benefit plans, net of tax	(935)	(965)
Deferred tax assets recognized for tax loss carry-forwards	(2,865)	(3,039)
Deferred tax assets for unused tax credits	(173)	(97)
Goodwill, net of tax[1]	(5,738)	(5,750)
Intangible assets, net of tax	(811)	(894)
Compensation-related components (not recognized in net profit)	(1,548)	(2,186)
Expected losses on advanced internal ratings-based portfolio less provisions	(664)	(713)
Unrealized (gains) / losses from cash flow hedges, net of tax	3,621	3,109
Own credit related to (gains) / losses on financial liabilities measured at fair value that existed at the balance sheet date, net of tax	1,308	1,291
Own credit related to (gains) / losses on derivative financial instruments that existed at the balance sheet date	(72)	(89)
Prudential valuation adjustments	(316)	(368)
Accruals for dividends to shareholders for 2023	(2,240)	(2,240)
Transitional CET1 purchase price allocation adjustments, net of tax	3,966	4,316
Other[2]	(650)	3
Total common equity tier 1 capital	78,147	78,485

1 Includes goodwill related to significant investments in financial institutions of USD 19m as of 31 March 2024 (USD 20m as of 31 December 2023) presented on the balance sheet line Investments in associates.
2 Includes dividend accruals for the current year and other items.

Additional information

Sensitivity to currency movements

Risk-weighted assets

We estimate that a 10% depreciation of the US dollar against other currencies would have increased our RWA by USD 22bn and our CET1 capital by USD 2.5bn as of 31 March 2024 (31 December 2023: USD 24bn and USD 2.6bn, respectively) and decreased our CET1 capital ratio by 14 basis points (31 December 2023: 13 basis points). Conversely, a 10% appreciation of the US dollar against other currencies would have decreased our RWA by USD 20bn and our CET1 capital by USD 2.3bn (31 December 2023: USD 21bn and USD 2.4bn, respectively) and increased our CET1 capital ratio by 14 basis points (31 December 2023: 13 basis points).

Leverage ratio denominator

We estimate that a 10% depreciation of the US dollar against other currencies would have increased our LRD by USD 104bn as of 31 March 2024 (31 December 2023: USD 114bn) and decreased our CET1 leverage ratio by 15 basis points (31 December 2023: 15 basis points). Conversely, a 10% appreciation of the US dollar against other currencies would have decreased our LRD by USD 94bn (31 December 2023: USD 103bn) and increased our CET1 leverage ratio by 15 basis points (31 December 2023: 15 basis points).

The aforementioned sensitivities do not consider foreign currency translation effects related to defined benefit plans other than those related to the currency translation of the net equity of foreign operations.

› **Refer to "Active management of sensitivity to currency movements" under "Capital management" in the "Capital, liquidity and funding, and balance sheet" section of the UBS Group Annual Report 2023, available under "Annual reporting" at *ubs.com/investors*, for more information**

Estimated effect on capital from litigation, regulatory and similar matters subject to provisions and contingent liabilities

We have estimated the loss in capital that we could incur as a result of the risks associated with the matters related to UBS AG and subsidiaries described in "Note 15 Provisions and contingent liabilities" in the "Consolidated financial statements" section of this report. We have employed for this purpose the advanced measurement approach (AMA) methodology that we use when determining the capital requirements associated with operational risks, based on a 99.9% confidence level over a 12-month horizon. The methodology takes into consideration UBS and industry experience for the AMA operational risk categories to which those matters correspond, as well as the external environment affecting risks of these types, in isolation from other areas. On this basis, with respect to the litigation, regulatory and similar matters related to UBS AG and subsidiaries, we estimate the maximum loss in capital that we could incur over a 12-month period as a result of our risks associated with these operational risk categories at USD 4.2bn as of 31 March 2024. This estimate is not related to and does not take into account any provisions recognized for any of these matters and does not constitute a subjective assessment of our actual exposure in any of these matters.

› **Refer to "Non-financial risk" in the "Risk management and control" section of the UBS Group Annual Report 2023, available under "Annual reporting" at *ubs.com/investors*, for more information**

› **Refer to "Note 15 Provisions and contingent liabilities" in the "Consolidated financial statements" section of this report for more information**

Risk-weighted assets

During the first quarter of 2024, RWA decreased by USD 20.1bn to USD 526.4bn, primarily driven by decreases of USD 13.1bn resulting from asset size and other movements, as well as USD 11.2bn resulting from currency effects, partly offset by USD 4.2bn resulting from model updates and methodology changes.

Movement in risk-weighted assets, by key driver

USD bn	RWA as of 31.12.23	Currency effects	Model updates and methodology changes	Asset size and other[1]	RWA as of 31.3.24
Credit and counterparty credit risk[2]	345.3	(10.5)	(0.6)	(10.8)	323.5
Non-counterparty-related risk[3]	34.4	(0.8)		(0.5)	33.1
Market risk	21.4		4.8	(1.8)	24.4
Operational risk	145.4				145.4
Total	**546.5**	**(11.2)**	**4.2**	**(13.1)**	**526.4**

1 Includes the Pillar 3 categories "Asset size," "Credit quality of counterparties," "Acquisitions and disposals" and "Other." For more information, refer to the 31 March 2024 Pillar 3 Report, available under "Pillar 3 disclosures" at ubs.com/investors. 2 Includes settlement risk, credit valuation adjustments, equity exposures in the banking book, investments in funds and securitization exposures in the banking book. 3 Non-counterparty-related risk includes deferred tax assets recognized for temporary differences, property, equipment, software and other items.

Credit and counterparty credit risk

Credit and counterparty credit risk RWA were USD 323.5bn as of 31 March 2024. The decrease of USD 21.8bn included currency effects of USD 10.5bn.

Asset size and other movements resulted in a USD 10.8bn decrease in RWA.

- Non-core and Legacy RWA decreased by USD 10.3bn, mainly driven by our actions to actively unwind the portfolio, in addition to the natural roll-off.
- Global Wealth Management RWA decreased by USD 2.3bn, mainly driven by lower RWA from loans.
- Investment Bank RWA decreased by USD 0.7bn, mainly due to lower RWA from derivatives and loans.
- Personal & Corporate Banking RWA increased by USD 1.4bn.
- Group Items RWA increased by USD 1.0bn, mainly as higher RWA from the high-quality liquid asset portfolio and nostro accounts were partly offset by lower RWA from securities financing transactions.
- Asset Management RWA increased by USD 0.1bn.

Model updates and methodology changes resulted in a RWA decrease of USD 0.6bn, mainly reflecting an RWA decrease of USD 1.5bn related to the recalibration of certain multipliers as a result of improvements to models, partly offset by RWA increases from model updates related to income-producing real estate, derivatives, and securities financing transactions.

› **Refer to "Changes to segment reporting in 2024" in the "UBS business divisions and Group Items" section and "Note 3 Segment reporting" in the "Consolidated financial statements" section of this report for more information about the realignment of the business divisions and the updates related to allocations from Group Treasury in the first quarter of 2024**

› **Refer to the 31 March 2024 Pillar 3 Report, available under "Pillar 3 disclosures" at *ubs.com/investors*, for more information**

› **Refer to "Credit risk" in the "Risk management and control" section of this report for more information**

Market risk

Market risk RWA increased by USD 3.0bn to USD 24.4bn in the first quarter of 2024, driven by an increase of USD 4.8bn that stems from the FINMA-approved integration of time decay into regulatory VaR and stressed VaR for derivatives with optionality, which was partly offset by an improvement in the profit and loss representation of derivatives with multiple underlyings. This impact was partly offset by a decrease of USD 1.8bn from asset size and other movements in the Investment Bank and in Non-core and Legacy. The FINMA-agreed temporary measure that was introduced in the fourth quarter of 2022, and scheduled to be lifted with the implementation of the aforementioned changes, has not yet been removed. The temporary time decay RWA buffer that was introduced in the third quarter of 2021 has dropped to an immaterial level.

› **Refer to the 31 March 2024 Pillar 3 Report, available under "Pillar 3 disclosures" at *ubs.com/investors,* for more information**

› **Refer to "Market risk" in the "Risk management and control" section of this report for more information**

Operational risk

Operational risk RWA were unchanged at USD 145.4bn. In the first quarter of 2024, we updated the methodology that we use to allocate operational risk RWA to the business divisions and Group Items. The updated allocation reflects relative changes in financial metrics and operational losses as observed at year-end 2023, following the changes in business division perimeters. The transfer of certain businesses from Swiss Bank (Credit Suisse), previously included in Personal & Corporate Banking, resulted in increased operational risk RWA allocation to Global Wealth Management in the first quarter of 2024.

› **Refer to "Note 15 Provisions and contingent liabilities" in the "Consolidated financial statements" section of this report for more information**

› **Refer to "Non-financial risk" in the "Risk management and control" section of the UBS Group Annual Report 2023, available under "Annual reporting" at *ubs.com/investors*, for information about the AMA models**

Outlook

We expect an RWA reduction of around USD 2bn from credit and counterparty credit risk model updates in the second quarter of 2024, mainly related to the recalibration of certain multipliers as a result of improvements to models. This decrease in RWA is expected to be offset by increases in the second half of 2024, primarily as a result of the migration of Credit Suisse portfolios to UBS models. The extent and timing of RWA changes may vary as model updates are completed and receive regulatory approval, along with changes in the composition of the relevant portfolios. Furthermore, we expect exposures in Non-core and Legacy to reduce as a result of maturities and active unwinding of positions.

Risk-weighted assets, by business division and Group Items[1]

USD bn	Global Wealth Management	Personal & Corporate Banking	Asset Manage-ment	Investment Bank	Non-core and Legacy	Group Items	Total RWA
				31.3.24			
Credit and counterparty credit risk[2]	95.0	127.8	7.6	64.3	25.3	3.5	323.5
Non-counterparty-related risk[3]	6.7	3.2	0.7	3.7	1.7	17.0	33.1
Market risk	2.2	0.6	0.0	17.9	3.7	0.0	24.4
Operational risk	63.2	19.3	7.2	24.4	27.1	4.2	145.4
Total	167.1	150.9	15.6	110.2	57.9	24.7	526.4
				31.12.23			
Credit and counterparty credit risk[2]	99.0	133.0	7.6	67.1	35.9	2.7	345.3
Non-counterparty-related risk[3]	6.8	3.4	0.8	3.8	2.5	17.1	34.4
Market risk	1.8	0.2	0.0	13.8	5.6	0.0	21.4
Operational risk	59.4	17.6	7.2	25.0	30.0	6.2	145.4
Total	**167.1**	**154.2**	**15.6**	**109.7**	**74.0**	**25.9**	**546.5**
				31.3.24 vs 31.12.23			
Credit and counterparty credit risk[2]	(4.0)	(5.2)	0.0	(2.9)	(10.6)	0.8	(21.8)
Non-counterparty-related risk[3]	(0.1)	(0.2)	(0.1)	(0.1)	(0.7)	0.0	(1.2)
Market risk	0.4	0.3	0.0	4.1	(1.8)	0.0	3.0
Operational risk	3.8	1.7	0.0	(0.6)	(2.9)	(2.0)	0.0
Total	**0.0**	**(3.3)**	**0.0**	**0.5**	**(16.1)**	**(1.2)**	**(20.1)**

1 From the first quarter of 2024 onward, we have started to further push out risk-weighted assets from Group Items to the business divisions. Prior periods have been restated to reflect these changes. Refer to "Changes to segment reporting in 2024" in the "UBS business divisions and Group Items" section, the "Equity attribution" section and "Note 3 Segment reporting" in the "Consolidated financial statements" section of this report for more information about the realignment of the business divisions. 2 Includes settlement risk, credit valuation adjustments, equity exposures in the banking book and securitization exposures in the banking book. 3 Non-counterparty-related risk includes deferred tax assets recognized for temporary differences (31 March 2024: USD 16.4bn; 31 December 2023: USD 16.4bn), as well as property, equipment, software and other items (31 March 2024: USD 16.7bn; 31 December 2023: USD 18.0bn).

Leverage ratio denominator

During the first quarter of 2024, the LRD decreased by USD 95.8bn to USD 1,599.6bn, driven by currency effects of USD 56.3bn and asset size and other movements of USD 39.4bn.

Movement in leverage ratio denominator, by key driver

USD bn	LRD as of 31.12.23	Currency effects	Asset size and other	LRD as of 31.3.24
On-balance sheet exposures (excluding derivatives and securities financing transactions)	1,329.2	(47.7)	(45.5)	1,236.0
Derivatives	128.1	(2.8)	3.6	129.0
Securities financing transactions	165.4	(3.4)	4.4	166.5
Off-balance sheet items	79.9	(2.2)	(2.2)	75.5
Deduction items	(7.2)	(0.2)	0.2	(7.3)
Total	**1,695.4**	**(56.3)**	**(39.4)**	1,599.6

The LRD movements described below exclude currency effects.

On-balance sheet exposures (excluding derivatives and securities financing transactions) decreased by USD 45.5bn, mainly due to a decrease in cash and central bank balances driven by repayment of funding from the Swiss National Bank, lower lending balances and trading portfolio assets mainly in Non-core and Legacy, driven by our actions to actively unwind the portfolio, in addition to the natural roll-off, including the conclusion of an investment management agreement with Apollo. These decreases were partly offset by higher trading portfolio assets, mainly in the Investment Bank, driven by higher inventory held to hedge client positions.

Derivative exposures increased by USD 3.6bn, mainly driven by higher exposures in the Investment Bank.

Securities financing transactions increased by USD 4.4bn, mainly due to client-driven increases in the Investment Bank, partly offset by roll-offs of excess cash re-investments in Group Treasury.

Off-balance sheet items decreased by USD 2.2bn, driven by a decrease in commitments.

› **Refer to the "Balance sheet and off-balance sheet" section of this report for more information about balance sheet movements**
› **Refer to "Note 2 Accounting for the acquisition of the Credit Suisse Group" in the "Consolidated financial statements" section of this report for more information about the conclusion of the investment management agreement with Apollo**

Leverage ratio denominator, by business division and Group Items[1]

USD bn	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Non-core and Legacy	Group Items	Total
				31.3.24			
On-balance sheet exposures	494.2	414.4	5.6	231.3	76.8	13.7	1,236.0
Derivatives	9.9	5.4	0.0	92.5	21.3	(0.1)	129.0
Securities financing transactions	55.1	42.6	0.1	48.3	20.2	0.3	166.5
Off-balance sheet items	20.0	34.3	0.2	17.5	2.3	1.2	75.5
Items deducted from Swiss SRB tier 1 capital	(3.3)	1.7	(1.2)	(0.4)	(0.6)	(3.5)	(7.3)
Total	575.8	498.4	4.7	389.2	119.9	11.6	1,599.6
				31.12.23			
On-balance sheet exposures	**514.4**	**442.8**	**5.8**	**235.3**	**117.7**	**13.2**	**1,329.2**
Derivatives	8.7	3.2	0.0	90.6	25.5	0.1	128.1
Securities financing transactions	50.4	40.0	0.1	50.6	24.3	0.2	165.4
Off-balance sheet items	22.2	37.0	0.2	18.5	1.7	0.3	79.9
Items deducted from Swiss SRB tier 1 capital	(3.2)	1.9	(1.2)	(0.4)	(0.7)	(3.6)	(7.2)
Total	**592.5**	**524.8**	**4.9**	**394.5**	**168.5**	**10.2**	**1,695.4**
				31.3.24 vs 31.12.23			
On-balance sheet exposures	**(20.2)**	**(28.4)**	**(0.2)**	**(4.0)**	**(40.9)**	**0.5**	**(93.1)**
Derivatives	1.3	2.2	0.0	1.9	(4.2)	(0.2)	0.9
Securities financing transactions	4.7	2.6	0.0	(2.2)	(4.1)	0.1	1.0
Off-balance sheet items	(2.2)	(2.7)	0.0	(1.0)	0.6	0.9	(4.5)
Items deducted from Swiss SRB tier 1 capital	(0.2)	(0.1)	0.0	0.0	0.0	0.1	(0.1)
Total	**(16.7)**	**(26.4)**	**(0.2)**	**(5.3)**	**(48.6)**	**1.4**	**(95.8)**

1 From the first quarter of 2024 onward, we have started to further push out LRD from Group Items to the business divisions. Prior periods have been restated to reflect these changes. Refer to "Changes to segment reporting in 2024" in the "UBS business divisions and Group Items" section, the "Equity attribution" section and "Note 3 Segment reporting" in the "Consolidated financial statements" section of this report for more information about the realignment of the business divisions.

Equity attribution

As of 1 January 2024, we have updated our equity attribution framework. Specifically, we have increased the allocation of tangible equity to the business divisions by aligning the capital ratios for risk-weighted assets (RWA) and the leverage ratio denominator (the LRD) more closely with our current Group capital targets. Alongside the updates to our equity attribution framework, we have reflected the increased allocation of balance sheet resources previously retained centrally. As a result, Group Items primarily retains equity related to deferred tax assets, accruals for shareholder returns or unrealized gains / losses from cash flow hedges. Prior periods have been restated to reflect these changes.

Under our equity attribution framework, tangible equity is attributed based on equally weighted average RWA and average LRD, which both include resource allocations from our Group functions to the business divisions. Average RWA and LRD are converted to common equity tier 1 (CET1) capital equivalents using target capital ratios. If the attributed tangible equity calculated under the weighted-driver approach is less than the CET1 capital equivalent of risk-based capital (RBC) for any business division, the CET1 capital equivalent of RBC is used as a floor for that business division.

› **Refer to the "Balance sheet and off-balance sheet" section of this report for more information about movements in equity attributable to shareholders**

Average attributed equity

	For the quarter ended		
USD bn	31.3.24	31.12.23[1]	31.3.23[1]
Global Wealth Management	33.1	33.3	24.7
Personal & Corporate Banking	21.9	21.8	10.9
Asset Management	2.6	2.6	1.8
Investment Bank	17.0	16.8	14.7
Non-core and Legacy	10.6	9.5	1.1
Group Items[2]	0.5	1.0	3.7
Average equity attributed to business divisions and Group Items	85.7	84.9	56.8

1 Prior periods have been restated to reflect the changes to the equity attribution framework. 2 Includes average attributed equity related to capital deduction items for deferred tax assets, dividend accruals or unrealized gains / losses from cash flow hedge.

Liquidity and funding management

Strategy, objectives and governance

This section provides liquidity and funding management information and should be read in conjunction with "Liquidity and funding management" in the "Capital, liquidity and funding, and balance sheet" section of the UBS Group Annual Report 2023, available under "Annual reporting" at *ubs.com/investors*, which provides more information about the Group's strategy, objectives and governance in connection with liquidity and funding management.

Liquidity coverage ratio

The quarterly average liquidity coverage ratio (the LCR) of the UBS Group increased 4.6 percentage points to 220.2%, remaining above the prudential requirement communicated by the Swiss Financial Market Supervisory Authority (FINMA).

The movement in the quarterly average LCR was primarily driven by an increase in high-quality liquid assets of USD 7.0bn to USD 422.6bn, mostly driven by higher cash available from customer deposits and loan repayments. The average net cash outflows decreased by USD 0.7bn to USD 192.1bn, reflecting higher net inflows from securities financing transactions and lower outflows from derivatives and loan commitments, which were partly offset by higher net outflows from customer deposits and loans.

› **Refer to the 31 March 2024 Pillar 3 Report, available under "Pillar 3 disclosures" at *ubs.com/investors*, for more information about the LCR**

Liquidity coverage ratio

USD bn, except where indicated	Average 1Q24[1]	Average 4Q23[1]
High-quality liquid assets	422.6	415.6
Net cash outflows[2]	192.1	192.8
Liquidity coverage ratio (%)[3]	220.2	215.7

1 Calculated based on an average of 61 data points in the first quarter of 2024 and 63 data points in the fourth quarter of 2023. 2 Represents the net cash outflows expected over a stress period of 30 calendar days. 3 Calculated after the application of haircuts and inflow and outflow rates, as well as, where applicable, caps on Level 2 assets and cash inflows.

Net stable funding ratio

As of 31 March 2024, the net stable funding ratio of the UBS Group increased 1.8 percentage points to 126.4%, remaining above the prudential requirement communicated by FINMA.

Available stable funding decreased by USD 39.4bn to USD 887.0bn, mostly reflecting decreases in customer deposits, debt issued and regulatory capital. Required stable funding decreased by USD 41.6bn to USD 701.6bn, predominantly reflecting lower lending assets, mainly driven by negative currency effects.

› **Refer to the 31 March 2024 Pillar 3 Report, available under "Pillar 3 disclosures" at *ubs.com/investors*, for more information about the NSFR**

Net stable funding ratio

USD bn, except where indicated	31.3.24	31.12.23
Available stable funding	887.0	926.4
Required stable funding	701.6	743.2
Net stable funding ratio (%)	126.4	124.7

Balance sheet and off-balance sheet

This section provides balance sheet and off-balance sheet information and should be read in conjunction with "Balance sheet and off-balance sheet" in the "Capital, liquidity and funding, and balance sheet" section of the UBS Group Annual Report 2023, available under "Annual reporting" at *ubs.com/investors*, which provides more information about the balance sheet and off-balance sheet positions.

Balances disclosed in this report represent quarter-end positions, unless indicated otherwise. Intra-quarter balances fluctuate in the ordinary course of business and may differ from quarter-end positions.

Balance sheet assets (31 March 2024 vs 31 December 2023)

Total assets were USD 1,607.1bn as of 31 March 2024, a decrease of USD 110.1bn compared with 31 December 2023.

Cash and balances at central banks decreased by USD 42.6bn, mainly due to repayment of funding from the Swiss National Bank (the SNB) and currency effects. Lending assets decreased by USD 33.6bn, driven by negative currency effects of approximately USD 28.4bn. Derivatives and cash collateral receivables on derivative instruments decreased by USD 20.3bn, mainly in Derivatives & Solutions in the Investment Bank, primarily reflecting decreases in foreign currency contracts, where the contracts in place at the end of March 2024 had lower values compared with the contracts in place at the end of December 2023, as well as reductions in Non-core and Legacy. Trading assets decreased by USD 9.5bn, mainly in Non-core and Legacy, reflecting the unwinding of the Credit Suisse business, including the closure of an investment management agreement with Apollo, partly offset by higher inventory held to hedge client positions in Derivatives & Solutions.

› **Refer to "Note 2 Accounting for the acquisition of the Credit Suisse Group" in the "Consolidated financial statements" section of this report for more information about the conclusion of the investment management agreement with Apollo**

Assets

	As of		% change from
USD bn	31.3.24	31.12.23	31.12.23
Cash and balances at central banks	271.5	314.1	(14)
Lending[1]	627.4	661.0	(5)
Securities financing transactions at amortized cost	101.6	99.0	3
Trading assets	160.1	169.6	(6)
Derivatives and cash collateral receivables on derivative instruments	205.9	226.2	(9)
Brokerage receivables	22.8	21.0	8
Other financial assets measured at amortized cost	62.7	65.5	(4)
Other financial assets measured at fair value[2]	101.7	106.3	(4)
Non-financial assets	53.2	54.5	(2)
Total assets	1,607.1	1,717.2	(6)

1 Consists of Loans and advances to customers and Amounts due from banks. 2 Consists of Financial assets at fair value not held for trading and Financial assets measured at fair value through other comprehensive income.

Balance sheet liabilities (31 March 2024 vs 31 December 2023)

Total liabilities were USD 1,521.4bn as of 31 March 2024, a decrease of USD 109.2bn compared with 31 December 2023.

Derivatives and cash collateral payables on derivative instruments decreased by USD 33.5bn, mainly in Derivatives & Solutions, primarily reflecting decreases in foreign currency contracts with the same drivers as on the asset side and a decrease in cash collateral payables on derivative instruments driven by decreases in derivative financial assets, as well as reductions in Non-core and Legacy. Short-term borrowings decreased by USD 29.2bn, mainly related to the repayment of funding from the SNB, as well as net maturities of commercial paper and certificates of deposit. Customer deposits decreased by USD 28.0bn, predominantly reflecting currency effects of approximately USD 25.6bn. Debt issued designated at fair value and long-term debt issued measured at amortized cost decreased by USD 17.0bn, mainly driven by net redemption of debt issued designated at fair value in Derivatives & Solutions in the Investment Bank, and net maturities of debt issued measured at amortized cost in Group Treasury.

The "Liabilities, by product and currency" table in this section provides more information about our funding sources.

› **Refer to "Bondholder information" at *ubs.com/investors* for more information about capital and senior debt instruments**
› **Refer to the "Consolidated financial statements" section of this report for more information**

Liabilities and equity

	As of		% change from
USD bn	31.3.24	31.12.23	31.12.23
Short-term borrowings[1,2]	80.3	109.5	(27)
Securities financing transactions at amortized cost	13.0	14.4	(10)
Customer deposits	764.0	792.0	(4)
Debt issued designated at fair value and long-term debt issued measured at amortized cost[2]	310.6	327.6	(5)
Trading liabilities	35.8	34.2	5
Derivatives and cash collateral payables on derivative instruments	200.3	233.8	(14)
Brokerage payables	46.6	42.5	10
Other financial liabilities measured at amortized cost	21.4	20.9	2
Other financial liabilities designated at fair value	28.1	29.5	(5)
Non-financial liabilities	21.3	26.3	(19)
Total liabilities	1,521.4	1,630.6	(7)
Share capital	0.3	0.3	0
Share premium	13.0	13.2	(2)
Treasury shares	(5.2)	(4.8)	8
Retained earnings	76.4	74.9	2
Other comprehensive income[3]	0.7	2.5	(73)
Total equity attributable to shareholders	85.3	86.1	(1)
Equity attributable to non-controlling interests	0.5	0.5	(5)
Total equity	85.8	86.6	(1)
Total liabilities and equity	1,607.1	1,717.2	(6)

1 Consists of short-term debt issued measured at amortized cost and amounts due to banks, which includes amounts due to central banks. 2 The classification of debt issued measured at amortized cost into short-term and long-term is based on original contractual maturity and therefore long-term debt also includes debt with a remaining time to maturity of less than one year. This classification does not consider any early redemption features. 3 Excludes other comprehensive income related to defined benefit plans and own credit, which is recorded directly in Retained earnings.

Equity (31 March 2024 vs 31 December 2023)

Equity attributable to shareholders decreased by USD 848m to USD 85,260m as of 31 March 2024.

The decrease of USD 848m was mainly driven by net treasury share activity that reduced equity by USD 954m. This was predominantly due to the purchase of USD 1,002m of shares in relation to employee share-based compensation plans. In addition, total comprehensive income attributable to shareholders was negative USD 240m, reflecting a net profit of USD 1,755m and negative other comprehensive income (OCI) of USD 1,994m. OCI mainly included negative OCI related to foreign currency translation of USD 1,277m and negative cash flow hedge OCI of USD 583m.

These decreases were partly offset by deferred share-based compensation awards expensed in the income statement of USD 334m.

The payment of the 2023 dividend of USD 0.70 per share, approved by shareholders at the 2024 Annual General Meeting, reduced equity attributable to shareholders by USD 2.3bn in the second quarter of 2024.

› **Refer to the "Group performance" and "Consolidated financial statements" sections of this report for more information**

› **Refer to "Reconciliation of equity under IFRS Accounting Standards to Swiss SRB common equity tier 1 capital" in the "Capital management" section of this report for more information about the effects of OCI on common equity tier 1 capital**

Liabilities, by product and currency

					USD equivalent			
	All currencies		*of which: USD*		*of which: CHF*		*of which: EUR*	
USD bn	31.3.24	31.12.23	31.3.24	31.12.23	31.3.24	31.12.23	31.3.24	31.12.23
Short-term borrowings	80.3	109.5	32.4	49.2	28.5	41.5	8.4	8.3
of which: amounts due to banks	*47.9*	*71.0*	*10.0*	*20.4*	*28.1*	*41.1*	*3.5*	*3.1*
of which: short-term debt issued[1,2]	*32.5*	*38.5*	*22.3*	*28.8*	*0.4*	*0.3*	*4.9*	*5.2*
Securities financing transactions at amortized cost	13.0	14.4	8.6	7.8	1.5	2.4	2.6	3.3
Customer deposits	764.0	792.0	313.7	311.8	302.1	328.0	78.4	80.6
of which: demand deposits	*222.0*	*240.9*	*56.1*	*57.4*	*101.4*	*114.9*	*35.1*	*38.3*
of which: retail savings / deposits	*175.5*	*186.1*	*29.6*	*28.9*	*141.7*	*152.6*	*4.1*	*4.5*
of which: sweep deposits	*37.6*	*41.0*	*37.6*	*41.0*	*0.0*	*0.0*	*0.0*	*0.0*
of which: time deposits	*328.8*	*324.0*	*190.3*	*184.4*	*58.9*	*60.5*	*39.2*	*37.8*
Debt issued designated at fair value and long-term debt issued measured at amortized cost[2]	310.6	327.6	177.0	185.8	41.6	44.7	65.3	69.6
Trading liabilities	35.8	34.2	11.0	12.6	1.4	1.1	10.1	9.3
Derivatives and cash collateral payables on derivative instruments	200.3	233.8	156.2	181.0	5.7	9.9	24.0	26.7
Brokerage payables	46.6	42.5	35.7	31.5	0.6	0.7	2.9	2.4
Other financial liabilities measured at amortized cost	21.4	20.9	11.5	11.3	4.2	3.9	1.9	2.0
Other financial liabilities designated at fair value	28.1	29.5	4.1	6.8	0.1	0.1	3.9	3.5
Non-financial liabilities	21.3	26.3	12.5	13.2	2.9	4.2	3.5	4.4
Total liabilities	1,521.4	1,630.6	762.7	810.9	388.5	436.5	200.7	210.0

1 Short-term debt issued consists of certificates of deposit, commercial paper, acceptances and promissory notes, and other money market paper. 2 The classification of debt issued measured at amortized cost into short-term and long-term is based on original contractual maturity and therefore long-term debt also includes debt with a remaining time to maturity of less than one year. This classification does not consider any early redemption features.

Off-balance sheet (31 March 2024 vs 31 December 2023)

Guarantees decreased by USD 4.3bn, mainly driven by a decrease in sponsored repo clearing in Group Treasury, as well as currency effects. Irrevocable loan commitments decreased by USD 4.3bn, primarily driven by the unwinding of the Credit Suisse business in Non-Core and Legacy, as well as currency effects. Committed unconditionally revocable credit lines decreased by USD 12.4bn, mainly reflecting currency effects.

Off-balance sheet

	As of		% change from
USD bn	31.3.24	31.12.23	31.12.23
Guarantees[1,2]	39.6	43.9	(10)
Irrevocable loan commitments[1]	87.3	91.6	(5)
Committed unconditionally revocable credit lines	150.9	163.3	(8)
Forward starting reverse repurchase and securities borrowing agreements	17.6	18.4	(4)

1 Guarantees and irrevocable loan commitments are shown net of sub-participations. 2 Includes guarantees measured at fair value through profit or loss.

Share information and earnings per share

UBS Group AG shares are listed on the SIX Swiss Exchange (SIX). They are also listed on the New York Stock Exchange (the NYSE) as global registered shares. Each share has a nominal value of USD 0.10. Shares issued were unchanged in the first quarter of 2024 compared with the fourth quarter of 2023.

We held 256m shares as of 31 March 2024, of which 121m shares had been acquired under our 2022 share repurchase program for cancellation purposes. The remaining 135m shares are primarily held to hedge our share delivery obligations related to employee share-based compensation and participation plans.

Treasury shares held increased by 2m shares in the first quarter of 2024. This mainly reflected 25.0m shares purchased from the market to hedge future share delivery obligations related to employee share-based compensation awards, largely offset by the delivery of treasury shares under our share-based compensation plans.

Shares acquired under our 2022 program totaled 121m as of 31 March 2024 for a total acquisition cost of USD 2,277m (CHF 2,138m). This program concluded on 28 March 2024 and the 121m shares repurchased under this program will be canceled by means of a capital reduction, pending approval by the shareholders at a future Annual General Meeting.

On 3 April 2024, we launched a new 2024 share repurchase program of up to USD 2bn over two years. As previously communicated, we expect to repurchase up to USD 1bn of our shares in 2024, commencing after the completion of the merger of UBS AG and Credit Suisse AG.

› **Refer to the "Recent developments" section of this report for more information about the integration of Credit Suisse**

› **Refer to the "Equity, CET1 capital and returns" table in the "Group performance" section of this report for more information about equity attributable to shareholders and tangible equity attributable to shareholders**

	As of or for the quarter ended		
	31.3.24	31.12.23	31.3.23
Basic and diluted earnings (USD m)			
Net profit / (loss) attributable to shareholders for basic EPS	1,755	(279)	1,029
Less: (profit) / loss on own equity derivative contracts	0	0	0
Net profit / (loss) attributable to shareholders for diluted EPS	1,755	(279)	1,029
Weighted average shares outstanding			
Weighted average shares outstanding for basic EPS[1]	3,205,234,203	3,225,500,133	3,072,799,315
Effect of dilutive potential shares resulting from notional employee shares, in-the-money options and warrants outstanding[2]	159,939,399	123,601[3]	140,868,722
Weighted average shares outstanding for diluted EPS	3,365,173,602	3,225,623,734	3,213,668,037
Earnings per share (USD)			
Basic	0.55	(0.09)	0.33
Diluted	0.52	(0.09)	0.32
Shares outstanding and potentially dilutive instruments			
Shares issued	3,462,087,722	3,462,087,722	3,524,635,722
Treasury shares[4]	255,661,512	253,233,437	472,352,835
of which: related to the 2021 share repurchase program			*62,548,000*
of which: related to the 2022 share repurchase program	*120,506,008*	*120,506,008*	*298,537,950*
Shares outstanding	3,206,426,210	3,208,854,285	3,052,282,887
Potentially dilutive instruments[5]	11,621,246	163,417,391[3]	4,859,813
Other key figures			
Total book value per share (USD)	26.59	26.83	18.59
Tangible book value per share (USD)	24.29	24.49	16.54
Share price (USD)[6]	30.74	31.01	21.07
Market capitalization (USD m)[7]	106,440	107,355	74,276

1 The weighted average shares outstanding for basic earnings per share (EPS) are calculated by taking the number of shares at the beginning of the period, adjusted by the number of shares acquired or issued during the period, multiplied by a time-weighted factor for the period outstanding. As a result, balances are affected by the timing of acquisitions and issuances during the period. 2 The weighted average number of shares for notional employee awards with performance conditions reflects all potentially dilutive shares that are expected to vest under the terms of the awards. 3 Due to the net loss in the fourth quarter of 2023, 155,065,831 weighted average potential shares from unvested notional share awards were not included in the calculation of diluted EPS as they were not dilutive for the quarter ended 31 December 2023. Such shares are only taken into account for the diluted EPS calculation when their conversion to ordinary shares would decrease earnings per share or increase the loss per share, in accordance with IAS 33, Earnings per Share. 4 Based on a settlement date view. 5 Reflects potential shares that could dilute basic EPS in the future, but were not dilutive for any of the periods presented. Mainly includes equity-based awards subject to absolute and relative performance conditions and equity derivative contracts. For the quarter ended 31 December 2023, also includes 155,065,831 weighted average potential shares from unvested notional share awards that were not included in the calculation of diluted EPS as they were not dilutive. 6 Represents the share price as listed on the SIX Swiss Exchange, translated to US dollars using the closing exchange rate as of the respective date. 7 The calculation of market capitalization was amended in the second quarter of 2023 to reflect total shares issued multiplied by the share price at the end of the period. The calculation was previously based on total shares outstanding multiplied by the share price at the end of the period. Market capitalization was increased by USD 10.0bn as of 31 March 2023 as a result.

Ticker symbols UBS Group AG

Trading exchange	SIX / NYSE	Bloomberg	Reuters
SIX Swiss Exchange	UBSG	UBSG SW	UBSG.S
New York Stock Exchange	UBS	UBS UN	UBS.N

Security identification codes

ISIN	CH0244767585
Valoren	24 476 758
CUSIP	CINS H42097 10 7

Consolidated financial statements

Unaudited

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UBS Group AG interim consolidated financial statements (unaudited)

Income statement

		For the quarter ended		
USD m	Note	31.3.24	31.12.23	31.3.23
Interest income from financial instruments measured at amortized cost and fair value through other comprehensive income	4	10,078	10,036	4,777
Interest expense from financial instruments measured at amortized cost	4	(9,724)	(9,440)	(3,814)
Net interest income from financial instruments measured at fair value through profit or loss and other	4	1,585	1,498	425
Net interest income	4	1,940	2,095	1,388
Other net income from financial instruments measured at fair value through profit or loss		4,182	3,158	2,681
Fee and commission income	5	7,080	6,409	5,053
Fee and commission expense	5	(588)	(629)	(447)
Net fee and commission income	5	6,492	5,780	4,606
Other income	6	124	(179)	69
Total revenues		12,739	10,855	8,744
Credit loss expense / (release)	9	106	136	38
Personnel expenses	7	6,949	7,061	4,620
General and administrative expenses	8	2,413	2,999	2,065
Depreciation, amortization and impairment of non-financial assets		895	1,409	525
Operating expenses		10,257	11,470	7,210
Operating profit / (loss) before tax		2,376	(751)	1,495
Tax expense / (benefit)		612	(473)	459
Net profit / (loss)		1,764	(278)	1,037
Net profit / (loss) attributable to non-controlling interests		9	1	8
Net profit / (loss) attributable to shareholders		1,755	(279)	1,029

Earnings per share (USD)

Basic		0.55	(0.09)	0.33
Diluted		0.52	(0.09)	0.32

Statement of comprehensive income

	For the quarter ended		
USD m	31.3.24	31.12.23	31.3.23
Comprehensive income attributable to shareholders[1]			
Net profit / (loss)	1,755	(279)	1,029
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	(3,473)	4,197	236
Effective portion of changes in fair value of hedging instruments designated as net investment hedges, before tax	2,182	(2,620)	(127)
Foreign currency translation differences on foreign operations reclassified to the income statement	0	60	(1)
Effective portion of changes in fair value of hedging instruments designated as net investment hedges reclassified to the income statement	1	(25)	(1)
Income tax relating to foreign currency translations, including the effect of net investment hedges	13	(15)	(2)
Subtotal foreign currency translation, net of tax	(1,277)	1,597	106
Financial assets measured at fair value through other comprehensive income			
Net unrealized gains / (losses), before tax	0	8	2
Net realized (gains) / losses reclassified to the income statement from equity	0	(4)	0
Income tax relating to net unrealized gains / (losses)	0	0	0
Subtotal financial assets measured at fair value through other comprehensive income, net of tax	0	3	2
Cash flow hedges of interest rate risk			
Effective portion of changes in fair value of derivative instruments designated as cash flow hedges, before tax	(1,246)	1,803	387
Net (gains) / losses reclassified to the income statement from equity	544	566	349
Income tax relating to cash flow hedges	119	(399)	(130)
Subtotal cash flow hedges, net of tax	(583)	1,970	606
Cost of hedging			
Cost of hedging, before tax	(9)	(24)	(5)
Income tax relating to cost of hedging	0	0	0
Subtotal cost of hedging, net of tax	(9)	(24)	(5)
Total other comprehensive income that may be reclassified to the income statement, net of tax	(1,870)	3,546	709
Other comprehensive income that will not be reclassified to the income statement			
Defined benefit plans			
Gains / (losses) on defined benefit plans, before tax	(62)	164	25
Income tax relating to defined benefit plans	6	(33)	6
Subtotal defined benefit plans, net of tax	(56)	131	31
Own credit on financial liabilities designated at fair value			
Gains / (losses) from own credit on financial liabilities designated at fair value, before tax	(69)	(731)	69
Income tax relating to own credit on financial liabilities designated at fair value	2	10	(17)
Subtotal own credit on financial liabilities designated at fair value, net of tax	(68)	(721)	51
Total other comprehensive income that will not be reclassified to the income statement, net of tax	(124)	(591)	83
Total other comprehensive income	(1,994)	2,956	791
Total comprehensive income attributable to shareholders	(240)	2,677	1,820
Comprehensive income attributable to non-controlling interests			
Net profit / (loss)	9	1	8
Total other comprehensive income that will not be reclassified to the income statement, net of tax	(14)	17	5
Total comprehensive income attributable to non-controlling interests	(5)	18	13
Total comprehensive income			
Net profit / (loss)	1,764	(278)	1,037
Other comprehensive income	(2,008)	2,973	796
of which: other comprehensive income that may be reclassified to the income statement	*(1,870)*	*3,546*	*709*
of which: other comprehensive income that will not be reclassified to the income statement	*(138)*	*(573)*	*87*
Total comprehensive income	(245)	2,695	1,833

1 Refer to the "Group performance" section of this report for more information.

Balance sheet

USD m	Note	31.3.24	31.12.23
Assets			
Cash and balances at central banks		271,527	314,148
Amounts due from banks		22,143	21,161
Receivables from securities financing transactions measured at amortized cost		101,650	99,039
Cash collateral receivables on derivative instruments	11	46,714	50,082
Loans and advances to customers	9	605,283	639,844
Other financial assets measured at amortized cost	12	62,750	65,498
Total financial assets measured at amortized cost		1,110,067	1,189,773
Financial assets at fair value held for trading	10	160,104	169,633
of which: assets pledged as collateral that may be sold or repledged by counterparties		*49,382*	*51,263*
Derivative financial instruments	10, 11	159,229	176,084
Brokerage receivables	10	22,796	21,037
Financial assets at fair value not held for trading	10	99,612	104,018
Total financial assets measured at fair value through profit or loss		441,741	470,773
Financial assets measured at fair value through other comprehensive income	10	2,078	2,233
Investments in associates		2,250	2,373
Property, equipment and software		16,770	17,849
Goodwill and intangible assets		7,384	7,515
Deferred tax assets		10,614	10,682
Other non-financial assets	12	16,217	16,049
Total assets		1,607,120	1,717,246
Liabilities			
Amounts due to banks		47,857	70,962
Payables from securities financing transactions measured at amortized cost		12,961	14,394
Cash collateral payables on derivative instruments	11	37,293	41,582
Customer deposits		763,959	792,029
Debt issued measured at amortized cost	14	226,251	237,817
Other financial liabilities measured at amortized cost	12	21,356	20,851
Total financial liabilities measured at amortized cost		1,109,677	1,177,633
Financial liabilities at fair value held for trading	10	35,758	34,159
Derivative financial instruments	10, 11	163,042	192,181
Brokerage payables designated at fair value	10	46,628	42,522
Debt issued designated at fair value	10, 13	116,806	128,289
Other financial liabilities designated at fair value	10, 12	28,140	29,484
Total financial liabilities measured at fair value through profit or loss		390,374	426,635
Provisions and contingent liabilities	15	10,914	12,250
Other non-financial liabilities	12	10,388	14,089
Total liabilities		1,521,354	1,630,607
Equity			
Share capital		346	346
Share premium		12,972	13,216
Treasury shares		(5,157)	(4,796)
Retained earnings		76,436	74,880
Other comprehensive income recognized directly in equity, net of tax		663	2,462
Equity attributable to shareholders		85,260	86,108
Equity attributable to non-controlling interests		506	531
Total equity		85,766	86,639
Total liabilities and equity		1,607,120	1,717,246

Statement of changes in equity

USD m	Share capital and share premium	Treasury shares	Retained earnings	OCI recognized directly in equity, net of tax[1]	*of which: foreign currency translation*	*of which: cash flow hedges*	Total equity attributable to shareholders
Balance as of 1 January 2024[2]	13,562	(4,796)	74,880	2,462	*5,584*	*(3,109)*	86,108
Acquisition of treasury shares		(1,008)[3]					(1,008)
Delivery of treasury shares under share-based compensation plans	(595)	627					32
Other disposal of treasury shares	1	20[3]					21
Share-based compensation expensed in the income statement	334						334
Tax (expense) / benefit	5						5
Equity classified as obligation to purchase own shares	1						1
Translation effects recognized directly in retained earnings			(72)	72		*72*	0
Share of changes in retained earnings of associates and joint ventures			(1)				(1)
New consolidations / (deconsolidations) and other increases / (decreases)	11		(3)				8
Total comprehensive income for the period			1,631	(1,870)	*(1,277)*	*(583)*	(240)
of which: net profit / (loss)			*1,755*				*1,755*
of which: OCI, net of tax			*(124)*	*(1,870)*	*(1,277)*	*(583)*	*(1,994)*
Balance as of 31 March 2024[2]	13,318	(5,157)	76,436	663	*4,307*	*(3,621)*	85,260
Non-controlling interests as of 31 March 2024							506
Total equity as of 31 March 2024							85,766
Balance as of 1 January 2023[2]	13,850	(6,874)	50,004	(103)	*4,128*	*(4,234)*	56,876
Acquisition of treasury shares		(2,270)[3]					(2,270)
Delivery of treasury shares under share-based compensation plans	(798)	845					47
Other disposal of treasury shares	(4)	57[3]					53
Share-based compensation expensed in the income statement	199						199
Tax (expense) / benefit	7						7
Equity classified as obligation to purchase own shares	22						22
Translation effects recognized directly in retained earnings			24	(24)		*(24)*	0
Share of changes in retained earnings of associates and joint ventures			0				0
New consolidations / (deconsolidations) and other increases / (decreases)	0						0
Total comprehensive income for the period			1,111	709	*106*	*606*	1,820
of which: net profit / (loss)			*1,029*				*1,029*
of which: OCI, net of tax			*83*	*709*	*106*	*606*	*791*
Balance as of 31 March 2023[2]	13,275	(8,242)	51,140	581	*4,234*	*(3,652)*	56,754
Non-controlling interests as of 31 March 2023							352
Total equity as of 31 March 2023							57,106

1 Excludes other comprehensive income related to defined benefit plans and own credit that is recorded directly in Retained earnings. 2 Excludes non-controlling interests. 3 Includes treasury shares acquired and disposed of by the Investment Bank in its capacity as a market maker with regard to UBS shares and related derivatives, and to hedge certain issued structured debt instruments. These acquisitions and disposals are reported based on the sum of the net monthly movements.

Statement of cash flows

	Year-to-date	
USD m	31.3.24	31.3.23
Cash flow from / (used in) operating activities		
Net profit / (loss)	1,764	1,037
Non-cash items included in net profit and other adjustments:		
Depreciation, amortization and impairment of non-financial assets	895	525
Credit loss expense / (release)	106	38
Share of net (profits) / loss of associates and joint ventures and impairment related to associates	(58)	(10)
Deferred tax expense / (benefit)	144	(28)
Net loss / (gain) from investing activities	12	(87)
Net loss / (gain) from financing activities	(3,460)	3,442
Other net adjustments[1]	16,762	(816)
Net change in operating assets and liabilities:[1]		
Amounts due from banks and amounts due to banks	1,547	1,855
Receivables from securities financing transactions measured at amortized cost	(5,686)	7,827
Payables from securities financing transactions measured at amortized cost	(71)	5,666
Cash collateral on derivative instruments	(692)	(1,891)
Loans and advances to customers	6,401	(483)
Customer deposits	(2,545)	(22,226)
Financial assets and liabilities at fair value held for trading and derivative financial instruments	(4,422)	(6,125)
Brokerage receivables and payables	2,577	(4,618)
Financial assets at fair value not held for trading and other financial assets and liabilities	2,891	(7,182)
Provisions and other non-financial assets and liabilities	(4,035)	(1,483)
Income taxes paid, net of refunds	(585)	(545)
Net cash flow from / (used in) operating activities	11,544[2]	(25,106)
Cash flow from / (used in) investing activities		
Purchase of property, equipment and software	(413)	(375)
Disposal of property, equipment and software	28	0
Net (purchase) / redemption of financial assets measured at fair value through other comprehensive income	550	10
Purchase of debt securities measured at amortized cost	(851)	(4,255)
Disposal and redemption of debt securities measured at amortized cost	2,002	2,225
Net cash flow from / (used in) investing activities	1,315	(2,396)
Cash flow from / (used in) financing activities		
Repayment of Swiss National Bank funding	(22,082)	
Net issuance (repayment) of short-term debt measured at amortized cost	(5,851)	(2,429)
Net movements in treasury shares and own equity derivative activity	(973)	(2,191)
Issuance of debt designated at fair value and long-term debt measured at amortized cost	28,469	26,811
Repayment of debt designated at fair value and long-term debt measured at amortized cost	(39,137)	(23,193)
Inflows from securities financing transactions measured at amortized cost[3]	1,000	
Outflows from securities financing transactions measured at amortized cost[3]	(2,052)	
Net cash flows from other financing activities	(192)	(126)
Net cash flow from / (used in) financing activities	(40,818)	(1,128)
Total cash flow		
Cash and cash equivalents at the beginning of the period	340,311	195,321
Net cash flow from / (used in) operating, investing and financing activities	(27,959)	(28,629)
Effects of exchange rate differences on cash and cash equivalents[1]	(12,852)	747
Cash and cash equivalents at the end of the period[4]	299,499	167,439
of which: cash and balances at central banks[5]	*271,527*	*144,099*
of which: amounts due from banks[5]	*20,014*	*13,439*
of which: money market paper[5,6]	*7,958*	*9,901*
Additional information		
Net cash flow from / (used in) operating activities includes:		
Interest received in cash	14,382	7,047
Interest paid in cash	12,123	5,859
Dividends on equity investments, investment funds and associates received in cash[7]	582	525

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. Does not include foreign currency hedge effects related to foreign exchange swaps. 2 Includes cash receipts from the sale of loans and loan commitments of USD 7,464m within the Non-core and Legacy business division. 3 Reflects cash flows from securities financing transactions measured at amortized cost that use UBS debt instruments as the underlying. 4 USD 5,592m and USD 4,137m of Cash and cash equivalents (mainly reflected in Amounts due from banks) were restricted as of 31 March 2024 and 31 March 2023, respectively. The amount as of 31 March 2024 includes cash and cash equivalents pledged to the depositor protection system in Switzerland, following new requirements that became effective in the fourth quarter of 2023. Refer to "Note 23 Restricted and transferred financial assets" in the "Consolidated financial statements" section of the UBS Group Annual report 2023 for more information. 5 Includes only balances with an original maturity of three months or less. 6 Money market paper is included in the balance sheet under Financial assets at fair value not held for trading (31 March 2024: USD 6,854m; 31 March 2023: USD 9,644m), Other financial assets measured at amortized cost (31 March 2024: USD 221m; 31 March 2023: USD 218m), Financial assets measured at fair value through other comprehensive income (31 March 2024: USD 420m; 31 March 2023: USD 0m) and Financial assets at fair value held for trading (31 March 2024: USD 463m; 31 March 2023: USD 39m). 7 Includes dividends received from associates reported within Net cash flow from / (used in) investing activities.

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

Note 1 Basis of accounting

Basis of preparation

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

In preparing these interim financial statements, the same accounting policies and methods of computation have been applied as in the UBS Group AG consolidated annual financial statements for the period ended 31 December 2023, except for the changes described in this Note and changes in segment reporting as set out in Note 3. These interim financial statements are unaudited and should be read in conjunction with UBS Group AG's audited consolidated financial statements in the UBS Group Annual Report 2023 and the "Management report" sections of this report. In the opinion of management, all necessary adjustments have been made for a fair presentation of the Group's financial position, results of operations and cash flows.

Preparation of these interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities. These estimates and assumptions are based on the best available information. Actual results in the future could differ from such estimates and differences may be material to the financial statements. Revisions to estimates, based on regular reviews, are recognized in the period in which they occur. For more information about areas of estimation uncertainty that are considered to require critical judgment, refer to "Note 1a Material accounting policies" in the "Consolidated financial statements" section of the UBS Group Annual Report 2023.

Amendments to IAS 12, *Income Taxes*

UBS has applied for the purposes of these financial statements the exception that was introduced by the amendments to IAS 12, *Income Taxes*, issued in May 2023 in relation to top-up taxes on income under Global Anti-Base Erosion Rules that have been imposed under legislation that has been enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development. The exception requires that deferred tax assets and deferred tax liabilities be neither recognized nor disclosed in respect of such top-up taxes.

Other amendments to IFRS Accounting Standards

A number of minor amendments to IFRS Accounting Standards became effective from 1 January 2024 and have had no material effect on the Group.

IFRS 18, *Presentation and Disclosure in Financial Statements*

In April 2024, the IASB issued a new standard, IFRS 18, *Presentation and Disclosure in Financial Statements,* which replaces IAS 1, *Presentation of Financial Statements*. The main changes introduced by IFRS 18 relate to:

– the structure of income statements;
– new disclosure requirements for management performance measures (MPMs); and
– enhanced guidance on aggregation / disaggregation of information on the face of financial statements and in the notes thereto.

IFRS 18 will be effective from 1 January 2027 and will also apply to comparative information. UBS will first apply these new requirements in the Annual Report 2027 and, for interim reporting, in the first quarter 2027 interim report. UBS is assessing the impact of the new requirements on its reporting, but expects limited impact. UBS will take the opportunity to refine the grouping of items in the primary financial statements and in the notes thereto based on new principles of aggregation and disaggregation in IFRS 18.

Note 1 Basis of accounting (continued)

Currency translation rates

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

	Closing exchange rate			Average rate[1]		
	As of			For the quarter ended		
	31.3.24	31.12.23	31.3.23	31.3.24	31.12.23	31.3.23
1 CHF	1.11	1.19	1.09	1.13	1.13	1.08
1 EUR	1.08	1.10	1.08	1.08	1.08	1.08
1 GBP	1.26	1.28	1.23	1.26	1.25	1.22
100 JPY	0.66	0.71	0.75	0.67	0.68	0.75

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

Note 2 Accounting for the acquisition of the Credit Suisse Group

The transaction

On 12 June 2023, UBS Group AG acquired Credit Suisse Group AG, succeeding by operation of Swiss law to all assets and liabilities of Credit Suisse Group AG, and became the direct or indirect shareholder of all of the former direct and indirect subsidiaries of Credit Suisse Group AG. The acquisition of Credit Suisse Group AG constituted a business combination under IFRS 3, *Business Combinations*, and was required to be accounted for by applying the acquisition method of accounting.

IFRS 3 measurement period adjustments for the acquisition of the Credit Suisse Group

The acquisition of Credit Suisse Group AG was made without the ordinary due diligence procedures and outside the conventional time frame for an acquisition of this scale and nature. As such, complete information about all relevant facts and circumstances as of the acquisition date were not practically available to UBS at the time when the initial acquisition accounting was applied for the purpose of the UBS Group second quarter 2023 report, with the amounts that form part of the business combination accounting therefore considered provisional and subject to further measurement period adjustments if new information about facts and circumstances existing on the date of the acquisition is obtained within one year from the acquisition date. The acquisition of Credit Suisse Group AG resulted in provisional negative goodwill of USD 27.7bn. No adjustments were made to the acquisition date accounting during the first quarter of 2024.

For details of the accounting for the acquisition, including measurement period adjustments, refer to "Note 1a Material accounting policies" and "Note 2 Accounting for the acquisition of the Credit Suisse Group" in the "Consolidated financial statements" section of the UBS Group Annual Report 2023. For changes to segment reporting, including change in business division perimeters, refer to Note 3.

Conclusion of an investment management agreement with Apollo and the transfer of senior secured asset-based financing

In the first quarter of 2024, Credit Suisse entered into agreements with entities managed by Atlas Securitized Products Management Holdings (Atlas) and other affiliates of Apollo Management Holdings (collectively, Apollo) to conclude the investment management agreement under which Atlas has managed Credit Suisse's retained portfolio of assets of its former securitized products group. Following the closure of this agreement, the assets previously managed by Atlas are to be managed in Non-core and Legacy. The parties also agreed to conclude the transition services agreement under which Credit Suisse has provided services to Atlas. In addition, Credit Suisse AG entered into an agreement with Apollo Capital Management (ACM) and other parties managed, controlled and / or advised by ACM or its affiliates (collectively, the Assignees) to transfer USD 8.0bn of senior secured asset-based financing, with USD 6.0bn funded as of 31 December 2023 recognized as financial assets at fair value held for trading at a fair value of USD 5.5bn and the remaining notional of USD 2.0bn recognized as derivative loan commitments at a fair value of USD 0.15bn. As part of the loan transfer, Credit Suisse AG extended a one-year USD 750m senior swingline facility to the Assignees, which is accounted for as an off-balance sheet irrevocable commitment as of 31 March 2024. In the first quarter of 2024, the UBS Group recognized a net gain of USD 0.3bn from the conclusion of the investment management agreement and the assignment of the loan facilities.

Derecognition of loans and loan commitments

In addition to the transfers with Apollo noted above, during the first quarter of 2024 the Group recognized further gains of USD 0.4bn from exiting certain loans and loan commitments acquired as a result of the acquisition of the Credit Suisse Group, including USD 0.2bn in relation to the securitized products book and USD 0.2bn in relation to the corporate lending book, mainly driven by disposals to third parties and natural roll-offs, accelerated by actions to actively unwind the portfolio in Non-core and Legacy.

Note 3 Segment reporting

As part of the continued refinement of UBS's reporting structure and organizational setup, in the first quarter of 2024 certain changes were made, with an impact on segment reporting for UBS's business divisions and Group Items. Prior-period information has been adjusted for comparability. The changes are as follows:

– **Change in business division perimeters:** UBS has transferred certain businesses from Swiss Bank (Credit Suisse), previously included in Personal & Corporate Banking, to Global Wealth Management. The change predominantly related to the high net worth client segment and represents approximately USD 72bn in invested assets and approximately USD 0.6bn in annualized revenues. A number of other smaller business shifts were also executed between the business divisions in the first quarter of 2024.

– **Changes to Group Treasury allocations:** UBS has allocated to the business divisions nearly all Group Treasury costs that historically were retained and reported in Group Items. Costs continued to be retained in Group Items include costs related to hedging and own debt, and deferred tax asset funding costs. UBS has also aligned the internal funds transfer pricing methodologies applied by Credit Suisse entities to UBS's funds transfer pricing methodology. These changes resulted in funding costs of approximately USD 0.3bn, for 2023, moving from Group Items to the business divisions, predominantly related to the second half of 2023. In parallel with the changes noted above, UBS has increased the allocation of balance sheet resources from Group Treasury to the business divisions.

– **Updated cost allocations:** UBS has reallocated USD 0.3bn of annualized costs from Non-core and Legacy to the business divisions, with the aim of avoiding stranded costs in Non-core and Legacy at the end of the integration process.

Following the collective changes outlined above, prior-period information for the first quarter of 2023 has been restated, resulting in decreases in Operating profit / (loss) before tax of USD 3m for Global Wealth Management, USD 1m for Personal & Corporate Banking and of USD 11m for Group Items, and increases in Operating profit / (loss) before tax of USD 1m for Asset Management and USD 15m for the Investment Bank, with no change to Non-core and Legacy.

Note 3 Segment reporting (continued)

Prior-period information as of 31 December 2023 has also been restated, resulting in increases of Total assets of USD 98.4bn in Global Wealth Management, USD 13.3bn in Personal & Corporate Banking, USD 28.9bn in the Investment Bank and USD 28.6bn in Non-core and Legacy with a corresponding decrease of total assets of USD 169.2bn in Group Items.

These changes had no effect on the reported results or financial position of the Group.

› **Refer to the "Management report" sections of this report and the "Consolidated financial statements" section of the UBS Group Annual Report 2023 for more information about the Group's business divisions**

USD m	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Non-core and Legacy	Group Items	UBS Group
For the quarter ended 31 March 2024							
Total revenues	6,143	2,423	776	2,751	1,001	(355)	12,739
Credit loss expense / (release)	(3)	44	0	32	36	(2)	106
Operating expenses	5,044	1,404	665	2,164	1,011	(33)	10,257
Operating profit / (loss) before tax	**1,102**	**975**	**111**	**555**	**(46)**	**(320)**	**2,376**
Tax expense / (benefit)							612
Net profit / (loss)							**1,764**
As of 31 March 2024							
Total assets	**552,990**	**460,290**	**22,316**	**412,686**	**145,858**	**12,979**	**1,607,120**

USD m	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Non-core and Legacy	Group Items	UBS Group
For the quarter ended 31 March 2023[1]							
Total revenues	4,788	1,277	503	2,365	23	(211)	8,744
Credit loss expense / (release)	15	16	0	7	0	0	38
Operating expenses	3,561	663	408	1,866	699	14	7,210
Operating profit / (loss) before tax	**1,212**	**598**	**95**	**492**	**(676)**	**(225)**	**1,495**
Tax expense / (benefit)							459
Net profit / (loss)							**1,037**
As of 31 December 2023[1]							
Total assets	**567,648**	**483,794**	**21,804**	**428,269**	**201,453**	**14,277**	**1,717,246**

1 Comparative-period information has been restated for Group Treasury allocations.

Note 4 Net interest income

	For the quarter ended		
USD m	31.3.24	31.12.23	31.3.23
Interest income from loans and deposits[1]	9,089	9,201	4,106
Interest income from securities financing transactions measured at amortized cost[2]	1,217	1,085	766
Interest income from other financial instruments measured at amortized cost	347	340	259
Interest income from debt instruments measured at fair value through other comprehensive income	27	28	23
Interest income from derivative instruments designated as cash flow hedges	(602)	(617)	(376)
Total interest income from financial instruments measured at amortized cost and fair value through other comprehensive income	10,078	10,036	4,777
Interest expense on loans and deposits[3]	5,439	5,213	1,994
Interest expense on securities financing transactions measured at amortized cost[4]	495	412	365
Interest expense on debt issued	3,740	3,761	1,429
Interest expense on lease liabilities	50	53	26
Total interest expense from financial instruments measured at amortized cost	9,724	9,440	3,814
Total net interest income from financial instruments measured at amortized cost and fair value through other comprehensive income	355	597	962
Net interest income from financial instruments measured at fair value through profit or loss and other	1,585	1,498	425
Total net interest income	1,940	2,095	1,388

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

Note 5 Net fee and commission income

	For the quarter ended		
USD m	31.3.24	31.12.23	31.3.23
Underwriting fees	194	189	127
M&A and corporate finance fees	259	224	178
Brokerage fees	1,150	725	880
Investment fund fees	1,257	1,223	1,178
Portfolio management and related services	3,051	2,966	2,210
Other	1,169	1,081	479
Total fee and commission income[1]	7,080	6,409	5,053
of which: recurring	*4,407*	*4,318*	*3,413*
of which: transaction-based	*2,641*	*2,048*	*1,616*
of which: performance-based	*32*	*43*	*24*
Fee and commission expense	588	629	447
Net fee and commission income	6,492	5,780	4,606

1 Includes third-party fee and commission income for the first quarter of 2024 of USD 3,986m for Global Wealth Management (fourth quarter of 2023: USD 3,690m; first quarter of 2023: USD 3,145m), USD 708m for Personal & Corporate Banking (fourth quarter of 2023: USD 691m; first quarter of 2023: USD 449m), USD 941m for Asset Management (fourth quarter of 2023: USD 961m; first quarter of 2023: USD 687m) USD 1,332m for the Investment Bank (fourth quarter of 2023: USD 1,240m; first quarter of 2023: USD 770m), USD 5m for Group Items (fourth quarter of 2023: negative USD 233m; first quarter of 2023: USD 3m) and USD 108m for Non-core and Legacy (fourth quarter of 2023: USD 60m; first quarter of 2023: USD 0m). Comparative-period information has been restated for changes in business division perimeters, Group Treasury allocations and Non-core and Legacy cost allocations. Refer to the "Management report" section of this report and Note 3 for more information.

Note 6 Other income

	For the quarter ended		
USD m	31.3.24	31.12.23	31.3.23
Associates, joint ventures and subsidiaries			
Net gains / (losses) from acquisitions and disposals of subsidiaries[1]	(1)	20	2
Net gains / (losses) from disposals of investments in associates and joint ventures	(2)	4	0
Share of net profits of associates and joint ventures	58	(465)[2]	10
Total	55	(442)	12
Net gains / (losses) from disposals of financial assets measured at fair value through other comprehensive income	0	4	0
Income from properties[3]	14	13	4
Net gains / (losses) from properties held for sale	(1)	1	0
Other	56[4]	245[5]	54[6]
Total other income	124	(179)	69

1 Includes foreign exchange gains / (losses) reclassified from other comprehensive income related to the disposal or closure of foreign operations. 2 Includes a USD 508m share of proportionate impairment losses reflected in the SIX Group profit and loss, of which USD 317m was reported in Personal and Corporate Banking and USD 190m was reported in Global Wealth Management. 3 Includes rent received from third parties. 4 Effective from the first quarter of 2024, fees received from mortgage-servicing rights are reflected within "Net fee and commission income." Fees received from mortgage-servicing rights received in the first quarter of 2024 amounted to USD 71m. 5 Includes income of USD 75m related to mortgage-servicing rights and income of USD 41m related to insurance and similar contracts acquired as part of the Credit Suisse Group 6 Includes income of USD 35m due to extinguishment gains on own bonds.

Note 7 Personnel expenses

	For the quarter ended		
USD m	31.3.24	31.12.23	31.3.23
Salaries and variable compensation[1]	5,863	5,728	3,885
of which: variable compensation – financial advisors[2]	*1,267*	*1,176*	*1,111*
Contractors	86	90	70
Social security	409	431	279
Post-employment benefit plans	367	544[3]	236
Other personnel expenses	225	268	151
Total personnel expenses	6,949	7,061	4,620

1 Includes role-based allowances. 2 Consists of cash and deferred compensation awards and is based on compensable revenues and firm tenure using a formulaic approach. Also includes expenses related to compensation commitments with financial advisors entered into at the time of recruitment that are subject to vesting requirements. 3 Includes a USD 245m increase in the pension plan obligation of the Swiss pension plan of Credit Suisse following the decision to align that pension plan to UBS's Swiss pension plan.

Note 8 General and administrative expenses

	For the quarter ended		
USD m	31.3.24	31.12.23	31.3.23
Outsourcing costs	423	478	248
Technology costs	588	564	322
Consulting, legal and audit fees	403	565	181
Real estate and logistics costs	289	400	142
Market data services	199	212	113
Marketing and communication	115	159	52
Travel and entertainment	72	90	54
Litigation, regulatory and similar matters[1]	(5)	8	721
Other	330	523	232
Total general and administrative expenses	2,413	2,999	2,065

1 Reflects the net increase / (decrease) in provisions for litigation, regulatory and similar matters recognized in the income statement. The current quarter includes a decrease in acquired contingent liabilities measured under IFRS 3 of USD 50m as well as changes in other provisions for litigation measured under IAS 37 of USD 45m (refer to Note 15b for more information).

Note 9 Expected credit loss measurement

a) Credit loss expense / release

Total net credit loss expenses in the first quarter of 2024 were USD 106m, reflecting USD 45m net releases related to performing positions and USD 151m net expenses on credit-impaired positions.

Stage 1 and 2 net releases of USD 45m primarily related to releases in Non-core and Legacy, mainly due to repayments and stage transfers from performing to credit impaired. Such releases also included net releases from scenario effects of USD 13m across Global Wealth Management, the Investment Bank and Personal & Corporate Banking. Credit loss expenses of USD 151m for credit-impaired positions are substantially distributed across Non-core and Legacy, Personal & Corporate Banking and the Investment Bank.

Credit loss expense / (release)

	Performing positions	Credit-impaired positions		
USD m	Stages 1 and 2	Stage 3	Purchased	**Total**
For the quarter ended 31.3.24				
Global Wealth Management	(12)	7	2	(3)
Personal & Corporate Banking	(13)	64	(7)	44
Asset Management	0	0	0	0
Investment Bank	7	26	(1)	32
Non-core and Legacy	(26)	37	25	36
Group Items	(2)	0	0	(2)
Total	(45)	133	18	106
For the quarter ended 31.12.23[1]				
Global Wealth Management	(12)	3	0	(8)
Personal & Corporate Banking	(14)	95	4	85
Asset Management	0	0	0	(1)
Investment Bank	(13)	60	1	48
Non-core and Legacy	(1)	25	(9)	15
Group Items	(2)	0	0	(2)
Total	(43)	183	(4)	136
For the quarter ended 31.3.23				
Global Wealth Management	15	0		15
Personal & Corporate Banking	15	0		16
Asset Management	0	0		0
Investment Bank	(5)	12		7
Non-core and Legacy	0	0		0
Group Items	0	0		0
Total	26	12		38

1 Comparative-period information has been restated for changes in business division perimeters. Refer to "Changes to segment reporting in 2024" in the "UBS business divisions and Group Items" section and "Note 3 Segment reporting" in the "Consolidated financial statements" section of this report for more information.

b) Changes to ECL models, scenarios, scenario weights and post-model adjustments

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 first quarter of 2024 through a series of governance meetings, with input and feedback from UBS Risk and Finance experts across the business divisions and regions. ECLs for Credit Suisse AG positions were calculated based on Credit Suisse AG's models, including the same scenarios and scenario weight inputs as for UBS's existing business activity.

UBS kept scenarios and scenario weights in line with those applied in the 2023 annual reporting. The baseline scenario was updated with the latest macroeconomic forecasts as of 31 March 2024. The assumptions on a calendar-year basis are included in the table below and imply a more optimistic outlook for the US and Switzerland for 2024. The outlook for the US for 2025 is marginally less optimistic, while that for Switzerland is unchanged.

The mild debt crisis scenario and the stagflationary geopolitical crisis scenario were updated based on the latest market data, but the assumptions remained broadly unchanged. Refer to the table below.

Post-model adjustments

Total stage 1 and 2 allowances and provisions were USD 1,026m as of 31 March 2024 and included post-model adjustments of USD 286m (31 December 2023: USD 326m). Post-model adjustments are intended to cover for uncertainty levels, including the geopolitical situation and to align outputs for Credit Suisse model with those of UBS for dedicated segments. During the first quarter 2024, post-model adjustments decreased by USD 40m due to higher model driven outputs, exposure decreases and foreign exchange translation.

Comparison of shock factors

	Baseline		
Key parameters	2023	2024	2025
Real GDP growth (annual percentage change)			
US	2.5	2.3	1.4
Eurozone	0.5	0.6	1.2
Switzerland	0.8	1.3	1.5
Unemployment rate (%, annual average)			
US	3.6	3.9	4.1
Eurozone	6.5	6.7	6.8
Switzerland	2.0	2.3	2.3
Fixed income: 10-year government bonds (%, Q4)			
USD	3.9	4.1	4.1
EUR	2.0	2.2	2.2
CHF	0.7	0.7	0.7
Real estate (annual percentage change, Q4)			
US	5.2	2.5	2.0
Eurozone	(1.0)	0.9	2.6
Switzerland	0.1	1.0	2.5

Economic scenarios and weights applied

	Assigned weights in %		
ECL scenario	31.3.24	31.12.23	31.3.23
Baseline	60.0	60.0	60.0
Mild debt crisis	15.0	15.0	–
Stagflationary geopolitical crisis	25.0	25.0	25.0
Global crisis	–	–	15.0

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

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

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

USD m	31.3.24									
	Carrying amount[1]					ECL allowances				
Financial instruments measured at amortized cost	Total	Stage 1	Stage 2	Stage 3	PCI	Total	Stage 1	Stage 2	Stage 3	PCI
Cash and balances at central banks	271,527	271,378	17	0	132	(55)	0	(25)	0	(30)
Amounts due from banks	22,143	22,042	65	0	36	(24)	(6)	0	0	(18)
Receivables from securities financing transactions measured at amortized cost	101,650	101,650	0	0	0	(2)	(2)	0	0	0
Cash collateral receivables on derivative instruments	46,714	46,714	0	0	0	0	0	0	0	0
Loans and advances to customers	605,283	571,497	28,773	3,742	1,272	(1,700)	(362)	(284)	(920)	(134)
of which: Private clients with mortgages	*251,891*	*239,416*	*11,319*	*923*	*233*	*(196)*	*(55)*	*(92)*	*(39)*	*(10)*
of which: Real estate financing	*90,220*	*84,485*	*5,444*	*179*	*111*	*(64)*	*(27)*	*(28)*	*(9)*	*0*
of which: Large corporate clients	*29,008*	*23,954*	*3,917*	*689*	*447*	*(580)*	*(91)*	*(83)*	*(318)*	*(87)*
of which: SME clients	*24,276*	*20,506*	*2,745*	*951*	*74*	*(442)*	*(64)*	*(32)*	*(335)*	*(11)*
of which: Lombard	*150,759*	*149,153*	*931*	*549*	*126*	*(61)*	*(7)*	*(1)*	*(41)*	*(12)*
of which: Credit cards	*1,840*	*1,402*	*399*	*38*	*0*	*(40)*	*(6)*	*(10)*	*(23)*	*0*
of which: Commodity trade finance	*5,358*	*5,169*	*165*	*11*	*12*	*(123)*	*(17)*	*(2)*	*(104)*	*0*
of which: Ship / aircraft financing	*8,777*	*7,998*	*776*	*3*	*0*	*(47)*	*(40)*	*(7)*	*0*	*0*
of which: Consumer financing	*2,912*	*2,629*	*199*	*35*	*49*	*(64)*	*(20)*	*(19)*	*(24)*	*0*
Other financial assets measured at amortized cost	62,750	61,988	574	166	22	(134)	(35)	(9)	(83)	(6)
of which: Loans to financial advisors	*2,615*	*2,430*	*70*	*115*	*0*	*(49)*	*(6)*	*(1)*	*(43)*	*0*
Total financial assets measured at amortized cost	1,110,067	1,075,268	29,428	3,908	1,463	(1,915)	(405)	(318)	(1,003)	(189)
Financial assets measured at fair value through other comprehensive income	2,078	2,078	0	0	0	0	0	0	0	0
Total on-balance sheet financial assets in scope of ECL requirements	1,112,145	1,077,346	29,428	3,908	1,463	(1,915)	(405)	(318)	(1,003)	(189)

	Total exposure					ECL provisions				
Off-balance sheet (in scope of ECL)	Total	Stage 1	Stage 2	Stage 3	PCI	Total	Stage 1	Stage 2	Stage 3	PCI
Guarantees	41,744	40,211	1,314	173	45	(64)	(27)	(18)	(19)	1
of which: Large corporate clients	*8,643*	*7,710*	*841*	*78*	*14*	*(25)*	*(10)*	*(11)*	*(4)*	*0*
of which: SME clients	*2,670*	*2,274*	*286*	*86*	*23*	*(9)*	*(4)*	*(3)*	*(2)*	*1*
of which: Financial intermediaries and hedge funds	*20,920*	*20,865*	*55*	*0*	*0*	*(11)*	*(8)*	*(3)*	*0*	*0*
of which: Lombard	*3,959*	*3,947*	*6*	*5*	*0*	*(7)*	*0*	*0*	*(7)*	*0*
of which: Commodity trade finance	*2,088*	*2,077*	*11*	*0*	*0*	*(1)*	*(1)*	*0*	*0*	*0*
Irrevocable loan commitments	87,292	82,700	4,335	230	27	(173)	(112)	(54)	(13)	6
of which: Large corporate clients	*48,060*	*44,281*	*3,682*	*77*	*21*	*(152)*	*(93)*	*(47)*	*(13)*	*0*
Forward starting reverse repurchase and securities borrowing agreements	17,649	17,649	0	0	0	0	0	0	0	0
Unconditionally revocable loan commitments	150,918	148,116	2,616	186	0	(89)	(73)	(15)	0	0
of which: Real estate financing	*12,318*	*11,616*	*703*	*0*	*0*	*(10)*	*(10)*	*0*	*0*	*0*
of which: Large corporate clients	*16,793*	*16,422*	*358*	*12*	*0*	*(25)*	*(18)*	*(7)*	*0*	*0*
of which: SME clients	*10,548*	*10,205*	*313*	*30*	*0*	*(36)*	*(31)*	*(5)*	*0*	*0*
of which: Lombard	*61,036*	*60,901*	*133*	*1*	*0*	*0*	*0*	*0*	*0*	*0*
of which: Credit cards	*10,049*	*9,560*	*485*	*4*	*0*	*(9)*	*(8)*	*(2)*	*0*	*0*
Irrevocable committed prolongation of existing loans	3,719	3,709	7	3	0	(3)	(3)	0	0	0
Total off-balance sheet financial instruments and other credit lines	301,322	292,385	8,271	593	72	(328)	(215)	(88)	(32)	7
Total allowances and provisions						(2,243)	(620)	(406)	(1,035)	(182)

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)

USD m	31.12.23									
	Carrying amount[1]					ECL allowances				
Financial instruments measured at amortized cost	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**PCI**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**PCI**
Cash and balances at central banks	314,148	314,025	18	0	106	(48)	0	(26)	0	(22)
Amounts due from banks	21,161	21,107	17	0	38	(12)	(6)	(1)	0	(5)
Receivables from securities financing transactions measured at amortized cost	99,039	99,039	0	0	0	(2)	(2)	0	0	0
Cash collateral receivables on derivative instruments	50,082	50,082	0	0	0	0	0	0	0	0
Loans and advances to customers	639,844	611,019	24,408	2,869	1,548	(1,698)	(423)	(289)	(862)	(123)
of which: Private clients with mortgages	*268,616*	*256,614*	*10,695*	*929*	*378*	*(209)*	*(62)*	*(97)*	*(39)*	*(11)*
of which: Real estate financing	*97,817*	*92,084*	*5,367*	*270*	*97*	*(103)*	*(41)*	*(31)*	*(21)*	*(11)*
of which: Large corporate clients	*30,084*	*25,671*	*3,182*	*700*	*532*	*(575)*	*(105)*	*(70)*	*(312)*	*(89)*
of which: SME clients	*25,957*	*22,155*	*2,919*	*754*	*129*	*(402)*	*(71)*	*(42)*	*(277)*	*(13)*
of which: Lombard	*156,353*	*156,299*	*3*	*50*	*0*	*(41)*	*(13)*	*(11)*	*(17)*	*0*
of which: Credit cards	*2,041*	*1,564*	*438*	*39*	*0*	*(42)*	*(6)*	*(11)*	*(24)*	*0*
of which: Commodity trade finance	*5,727*	*5,662*	*25*	*22*	*18*	*(130)*	*(18)*	*(1)*	*(111)*	*0*
of which: Ship / aircraft financing	*9,214*	*8,920*	*273*	*4*	*17*	*(51)*	*(48)*	*(3)*	*0*	*(1)*
of which: Consumer financing	*2,982*	*2,795*	*92*	*38*	*57*	*(59)*	*(22)*	*(17)*	*(20)*	*0*
Other financial assets measured at amortized cost	65,498	64,311	968	158	61	(151)	(41)	(10)	(94)	(5)
of which: Loans to financial advisors	*2,615*	*2,422*	*79*	*114*	*0*	*(49)*	*(4)*	*(1)*	*(44)*	*0*
Total financial assets measured at amortized cost	**1,189,773**	**1,159,583**	**25,410**	**3,027**	**1,753**	**(1,911)**	**(473)**	**(326)**	**(956)**	**(156)**
Financial assets measured at fair value through other comprehensive income	**2,233**	**2,233**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total on-balance sheet financial assets in scope of ECL requirements	**1,192,006**	**1,161,816**	**25,410**	**3,027**	**1,753**	**(1,911)**	**(473)**	**(326)**	**(956)**	**(156)**

	Total exposure					ECL provisions				
Off-balance sheet (in scope of ECL)	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**PCI**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**PCI**
Guarantees	46,191	44,487	1,495	151	58	(73)	(28)	(22)	(23)	0
of which: Large corporate clients	*9,267*	*8,138*	*1,023*	*89*	*17*	*(31)*	*(11)*	*(13)*	*(7)*	*0*
of which: SME clients	*2,839*	*2,469*	*337*	*31*	*2*	*(14)*	*(4)*	*(5)*	*(5)*	*0*
of which: Financial intermediaries and hedge funds	*22,922*	*22,876*	*46*	*0*	*0*	*(12)*	*(8)*	*(3)*	*0*	*0*
of which: Lombard	*5,045*	*5,045*	*0*	*0*	*0*	*(1)*	*0*	*0*	*(1)*	*0*
of which: Commodity trade finance	*2,037*	*2,027*	*9*	*0*	*0*	*(1)*	*(1)*	*0*	*0*	*0*
Irrevocable loan commitments	91,643	87,080	4,297	218	48	(178)	(117)	(51)	(14)	4
of which: Large corporate clients	*50,696*	*46,708*	*3,881*	*59*	*48*	*(149)*	*(94)*	*(41)*	*(12)*	*(2)*
Forward starting reverse repurchase and securities borrowing agreements	18,444	18,444	0	0	0	0	0	0	0	0
Unconditionally revocable loan commitments	163,256	160,456	2,654	146	0	(95)	(78)	(17)	0	0
of which: Real estate financing	*15,846*	*15,033*	*813*	*0*	*0*	*(14)*	*(11)*	*(3)*	*0*	*0*
of which: Large corporate clients	*17,139*	*16,678*	*454*	*8*	*0*	*(23)*	*(17)*	*(6)*	*0*	*0*
of which: SME clients	*11,658*	*11,253*	*375*	*29*	*0*	*(38)*	*(33)*	*(5)*	*0*	*0*
of which: Lombard	*77,618*	*77,618*	*0*	*1*	*0*	*0*	*0*	*0*	*0*	*0*
of which: Credit cards	*10,458*	*9,932*	*522*	*4*	*0*	*(10)*	*(8)*	*(2)*	*0*	*0*
Irrevocable committed prolongation of existing loans	4,608	4,593	11	4	0	(4)	(4)	0	0	0
Total off-balance sheet financial instruments and other credit lines	**324,141**	**315,060**	**8,456**	**519**	**106**	**(350)**	**(226)**	**(90)**	**(37)**	**3**
Total allowances and provisions						**(2,261)**	**(700)**	**(416)**	**(993)**	**(153)**

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'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.

Coverage ratios for core loan portfolio 31.3.24

	Gross carrying amount (USD m)					ECL coverage (bps)					
On-balance sheet	Total	Stage 1	Stage 2	Stage 3	PCI	Total	Stage 1	Stage 2	Stage 1&2	Stage 3	PCI
Private clients with mortgages	252,087	239,471	11,412	962	243	8	2	81	6	406	395
Real estate financing	90,284	84,512	5,472	188	111	7	3	50	6	493	0
Total real estate lending	342,372	323,984	16,884	1,150	354	8	3	71	6	420	270
Large corporate clients	29,587	24,045	4,001	1,008	534	196	38	208	62	3,160	1,632
SME clients	24,718	20,570	2,777	1,286	85	179	31	114	41	2,602	1,305
Total corporate lending	54,305	44,615	6,777	2,293	619	188	35	169	53	2,847	1,587
Lombard	150,820	149,160	932	590	138	4	0	10	1	699	840
Credit cards	1,879	1,408	410	61	0	211	41	256	89	3,802	0
Commodity trade finance	5,481	5,186	168	115	12	224	32	144	35	9,044	0
Ship / aircraft financing	8,823	8,038	782	3	0	53	50	84	53	0	0
Consumer financing	2,976	2,649	218	59	49	215	77	884	138	4,093	31
Other loans and advances to customers	40,327	36,818	2,886	389	234	21	9	31	11	657	626
Loans to financial advisors	2,664	2,435	71	157	0	186	23	160	27	2,716	0
Total other lending	212,971	205,695	5,466	1,375	434	22	6	91	9	1,900	606
Total[1]	609,647	574,295	29,127	4,819	1,406	29	6	98	11	1,998	953

	Gross exposure (USD m)					ECL coverage (bps)					
Off-balance sheet	Total	Stage 1	Stage 2	Stage 3	PCI	Total	Stage 1	Stage 2	Stage 1&2	Stage 3	PCI
Private clients with mortgages	7,907	7,590	289	29	0	7	6	34	7	24	0
Real estate financing	13,652	12,919	732	0	0	7	8	0	7	0	0
Total real estate lending	21,559	20,509	1,021	29	0	7	7	4	7	23	0
Large corporate clients	73,534	68,451	4,881	168	35	28	18	133	25	995	0
SME clients	15,269	14,438	678	130	23	34	29	216	38	181	0
Total corporate lending	88,803	82,889	5,559	297	58	29	20	143	27	640	0
Lombard	68,645	68,477	161	7	0	1	0	1	0	9,921	0
Credit cards	10,049	9,560	485	4	0	9	8	34	9	0	0
Commodity trade finance	4,446	4,429	18	0	0	6	6	127	6	0	0
Ship / aircraft financing	1,643	1,643	0	0	0	13	12	0	13	0	0
Consumer financing	167	167	0	0	0	0	0	0	0	0	0
Financial intermediaries and hedge funds	48,923	48,619	304	0	0	3	2	114	3	0	0
Other off-balance sheet commitments	39,437	38,444	723	256	14	6	4	40	4	257	0
Total other lending	173,310	171,338	1,691	267	14	3	2	49	3	493	0
Total[2]	283,672	274,736	8,271	593	72	12	8	106	11	543	0
Total on- and off-balance sheet[3]	893,319	849,030	37,399	5,412	1,479	23	7	100	11	1,838	860

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 31.12.23

	Gross carrying amount (USD m)					ECL coverage (bps)					
On-balance sheet	Total	Stage 1	Stage 2	Stage 3	PCI	Total	Stage 1	Stage 2	Stage 1&2	Stage 3	PCI
Private clients with mortgages	268,825	256,675	10,792	968	389	8	2	90	6	399	283
Real estate financing	97,920	92,124	5,398	290	108	11	4	57	7	713	980
Total real estate lending	366,745	348,800	16,190	1,258	497	9	3	79	6	472	434
Large corporate clients	30,660	25,775	3,252	1,012	620	188	41	215	60	3,083	1,429
SME clients	26,359	22,226	2,961	1,031	142	153	32	141	45	2,689	893
Total corporate lending	57,019	48,001	6,213	2,042	762	172	37	180	53	2,884	1,329
Lombard	156,394	156,312	15	67	0	3	1	7,616	2	2,487	0
Credit cards	2,083	1,571	449	63	0	200	40	253	87	3,801	0
Commodity trade finance	5,858	5,681	26	133	18	223	32	365	34	8,333	6
Ship / aircraft financing	9,265	8,968	276	4	17	56	54	99	55	0	315
Consumer financing	3,041	2,817	110	58	57	195	79	1,559	135	3,422	7
Other loans and advances to customers	41,136	39,293	1,419	105	320	21	10	39	11	3,981	0
Loans to financial advisors	2,665	2,426	80	159	0	185	17	122	20	2,793	0
Total other lending	220,442	217,068	2,373	589	412	21	7	210	9	4,376	8
Total[1]	**644,206**	**613,869**	**24,777**	**3,889**	**1,671**	**27**	**7**	**117**	**11**	**2,329**	**737**

	Gross exposure (USD m)					ECL coverage (bps)					
Off-balance sheet	Total	Stage 1	Stage 2	Stage 3	PCI	Total	Stage 1	Stage 2	Stage 1&2	Stage 3	PCI
Private clients with mortgages	9,782	9,505	261	15	0	6	5	27	6	40	0
Real estate financing	17,107	16,281	826	0	0	9	8	44	9	0	0
Total real estate lending	26,889	25,786	1,088	15	0	8	7	40	8	40	0
Large corporate clients	77,103	71,524	5,357	157	65	26	17	111	24	1,217	242
SME clients	16,762	15,868	812	80	2	40	29	196	37	640	0
Total corporate lending	93,865	87,392	6,170	236	67	29	19	122	26	1,022	221
Lombard	86,173	86,173	0	1	0	0	0	0	0	0	0
Credit cards	10,458	9,932	522	4	0	10	8	35	10	0	0
Commodity trade finance	4,640	4,628	13	0	0	6	5	151	6	0	0
Ship / aircraft financing	1,053	1,053	0	0	0	26	26	0	26	0	0
Consumer financing	153	153	0	0	0	0	0	0	0	0	0
Financial intermediaries and hedge funds	42,578	42,325	253	0	0	3	3	142	3	0	0
Other off-balance sheet commitments	39,887	39,174	411	263	39	7	4	111	5	453	0
Total other lending	184,944	183,438	1,199	268	39	3	2	85	3	486	0
Total[2]	**305,697**	**296,616**	**8,456**	**519**	**106**	**11**	**8**	**107**	**10**	**717**	**0**
Total on- and off-balance sheet[3]	**949,904**	**910,485**	**33,233**	**4,408**	**1,777**	**22**	**7**	**114**	**11**	**2,140**	**675**

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 three months of 2024, 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 techniques[1]

	31.3.24				31.12.23			
USD m	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	116,980	30,734	12,390	160,104	118,975	28,045	22,613	169,633
of which: Equity instruments	*103,929*	*344*	*247*	*104,520*	*102,602*	*1,403*	*321*	*104,325*
of which: Government bills / bonds	*5,972*	*6,652*	*35*	*12,659*	*6,995*	*8,763*	*73*	*15,830*
of which: Investment fund units	*6,022*	*1,943*	*234*	*8,198*	*8,392*	*1,124*	*129*	*9,645*
of which: Corporate and municipal bonds	*1,052*	*16,152*	*1,045*	*18,250*	*984*	*12,801*	*1,284*	*15,069*
of which: Loans	*0*	*5,499*	*10,606*	*16,105*	*0*	*3,837*	*19,618*	*23,456*
of which: Asset-backed securities	*4*	*139*	*119*	*262*	*3*	*112*	*133*	*248*
Derivative financial instruments	1,146	155,710	2,373	159,229	622	172,903	2,559	176,084
of which: Foreign exchange	*416*	*61,337*	*197*	*61,951*	*347*	*78,060*	*253*	*78,659*
of which: Interest rate	*0*	*52,144*	*402*	*52,546*	*0*	*55,190*	*407*	*55,597*
of which: Equity / index	*0*	*36,489*	*1,186*	*37,675*	*0*	*34,174*	*1,299*	*35,473*
of which: Credit	*0*	*2,590*	*434*	*3,024*	*0*	*3,456*	*513*	*3,969*
of which: Commodities	*7*	*3,001*	*2*	*3,011*	*1*	*1,869*	*13*	*1,883*
Brokerage receivables	0	22,796	0	22,796	0	21,037	0	21,037
Financial assets at fair value not held for trading	31,065	59,843	8,704	99,612	30,717	64,865	8,435	104,018
of which: Financial assets for unit-linked investment contracts	*16,458*	*25*	*0*	*16,482*	*15,877*	*7*	*0*	*15,884*
of which: Corporate and municipal bonds	*60*	*14,532*	*217*	*14,809*	*62*	*16,722*	*215*	*17,000*
of which: Government bills / bonds	*14,065*	*7,019*	*0*	*21,083*	*14,306*	*4,801*	*0*	*19,107*
of which: Loans	*0*	*3,710*	*2,167*	*5,878*	*0*	*4,252*	*2,258*	*6,510*
of which: Securities financing transactions	*0*	*32,840*	*98*	*32,938*	*0*	*36,857*	*52*	*36,909*
of which: Asset-backed securities	*0*	*1,169*	*500*	*1,668*	*0*	*1,525*	*180*	*1,704*
of which: Auction rate securities	*0*	*0*	*1,211*	*1,211*	*0*	*0*	*1,208*	*1,208*
of which: Investment fund units	*371*	*458*	*688*	*1,517*	*367*	*548*	*678*	*1,592*
of which: Equity instruments	*111*	*1*	*3,017*	*3,130*	*105*	*38*	*3,097*	*3,241*
Financial assets measured at fair value through other comprehensive income on a recurring basis								
Financial assets measured at fair value through other comprehensive income	67	2,011	0	2,078	68	2,165	0	2,233
of which: Commercial paper and certificates of deposit	*0*	*1,783*	*0*	*1,783*	*0*	*1,948*	*0*	*1,948*
of which: Corporate and municipal bonds	*67*	*179*	*0*	*246*	*68*	*207*	*0*	*276*
Non-financial assets measured at fair value on a recurring basis								
Precious metals and other physical commodities	6,466	0	0	6,466	5,930	0	0	5,930
Non-financial assets measured at fair value on a non-recurring basis								
Other non-financial assets[2]	0	0	35	35	0	0	31	31
Total assets measured at fair value	155,725	271,093	23,502	450,320	156,312	289,015	33,639	478,966

Note 10 Fair value measurement (continued)

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

	31.3.24				31.12.23			
USD m	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	26,785	8,771	202	35,758	27,684	6,315	161	34,159
of which: Equity instruments	*18,996*	*294*	*66*	*19,356*	*18,266*	*248*	*92*	*18,606*
of which: Corporate and municipal bonds	*34*	*6,966*	*132*	*7,132*	*28*	*4,981*	*62*	*5,071*
of which: Government bills / bonds	*6,596*	*1,232*	*0*	*7,828*	*8,559*	*905*	*0*	*9,464*
of which: Investment fund units	*1,159*	*216*	*3*	*1,378*	*832*	*118*	*4*	*954*
Derivative financial instruments	967	156,208	5,867	163,042	771	185,815	5,595	192,181
of which: Foreign exchange	*372*	*58,684*	*51*	*59,107*	*457*	*89,394*	*36*	*89,887*
of which: Interest rate	*0*	*49,966*	*307*	*50,273*	*0*	*52,673*	*246*	*52,920*
of which: Equity / index	*0*	*41,522*	*4,302*	*45,825*	*0*	*38,046*	*3,333*	*41,380*
of which: Credit	*0*	*3,205*	*525*	*3,731*	*0*	*4,081*	*619*	*4,700*
of which: Commodities	*3*	*2,618*	*20*	*2,642*	*0*	*1,437*	*21*	*1,458*
of which: Loan commitments measured at FVTPL	*0*	*127*	*555*	*682*	*0*	*135*	*1,037*	*1,172*
Financial liabilities designated at fair value on a recurring basis								
Brokerage payables designated at fair value	0	46,628	0	46,628	0	42,522	0	42,522
Debt issued designated at fair value	0	102,823	13,983	116,806	0	113,012	15,276	128,289
Other financial liabilities designated at fair value	0	25,490	2,650	28,140	0	26,878	2,606	29,484
of which: Financial liabilities related to unit-linked investment contracts	*0*	*16,612*	*0*	*16,612*	*0*	*15,992*	*0*	*15,992*
of which: Securities financing transactions	*0*	*5,121*	*0*	*5,121*	*0*	*7,416*	*0*	*7,416*
of which: Over-the-counter debt instruments and others	*0*	*3,757*	*2,650*	*6,407*	*0*	*3,471*	*2,606*	*6,076*
Total liabilities measured at fair value	27,752	339,920	22,703	390,374	28,454	374,542	23,638	426,635

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

	For the quarter ended		
USD m	31.3.24	31.12.23	31.3.23
Reserve balance at the beginning of the period	404	396	422
Profit / (loss) deferred on new transactions	42	54	91
(Profit) / loss recognized in the income statement	(62)	(48)	(113)
Foreign currency translation	0	1	0
Reserve balance at the end of the period	384	404	399

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

Other valuation adjustment reserves on the balance sheet

	As of	
USD m	31.3.24	31.12.23
Own credit adjustments on financial liabilities designated at fair value[1]	(1,315)	(1,287)
of which: debt issued designated at fair value	*(1,334)*	*(1,297)*
of which: other financial liabilities designated at fair value	*19*	*10*
Credit valuation adjustments[2]	(118)	(145)
Funding and debit valuation adjustments	(107)	(116)
Other valuation adjustments	(2,135)	(2,654)
of which: liquidity	*(1,588)*	*(2,051)*
of which: model uncertainty	*(547)*	*(603)*

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.

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 31 March 2024 and unobservable, and a range of values for those unobservable inputs.

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

The significant unobservable inputs disclosed in the table below are consistent with those included in "Note 21 Fair value measurement" in the "Consolidated financial statements" section of the UBS Group Annual Report 2023.

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

	Fair value						Range of inputs						
	Assets		Liabilities				31.3.24			31.12.23			
USD bn	31.3.24	31.12.23	31.3.24	31.12.23	Valuation technique(s)	Significant unobservable input(s)[1]	low	high	weighted average[2]	low	high	weighted average[2]	unit[1]
Financial assets and liabilities at fair value held for trading and Financial assets at fair value not held for trading													
Corporate and municipal bonds	*1.3*	*1.5*	*0.1*	*0.1*	Relative value to market comparable	Bond price equivalent	8	126	98	5	126	99	points
					Discounted expected cash flows	Discount margin	486	486	486	135	491	463	basis points
Traded loans, loans measured at fair value, loan commitments and guarantees	*12.9*	*22.0*	*0.0*	*0.0*	Relative value to market comparable	Loan price equivalent	1	142	83	1	120	88	points
					Discounted expected cash flows	Credit spread	19	2,374	513	19	2,681	614	basis points
					Market comparable and securitization model	Credit spread	122	1,803	310	162	1,849	318	basis points
					Option model	Gap risk	0	2	0	0	2	0	%
Auction rate securities	*1.2*	*1.2*			Discounted expected cash flows	Credit spread	135	208	151	135	205	150	basis points
Investment fund units[3]	*0.8*	*0.8*	*0.0*	*0.0*	Relative value to market comparable	Net asset value							
Equity instruments[3]	*3.4*	*3.4*	*0.1*	*0.1*	Relative value to market comparable	Price							
Debt issued designated at fair value[4]			14.0	15.3									
Other financial liabilities designated at fair value			2.7	2.6	Discounted expected cash flows	Funding spread	106	201		51	201		basis points
Derivative financial instruments													
Interest rate	*0.4*	*0.4*	*0.3*	*0.2*	Option model	Volatility of interest rates	41	87		45	154		basis points
						Volatility of inflation	1	6		1	6		%
						IR-to-IR correlation	3	100		4	100		%
Credit	*0.4*	*0.5*	*0.5*	*0.6*	Discounted expected cash flows	Credit spreads	3	1,804		1	2,421		basis points
						Credit correlation	50	66		50	66		%
						Credit volatility	60	60		60	60		%
						Bond price equivalent	1	133		2	242		points
						Recovery rates	0	100		14	100		%
Equity / index	*1.3*	*1.3*	*4.3*	*3.3*	Option model	Equity dividend yields	0	19		0	17		%
						Volatility of equity stocks, equity and other indices	4	152		4	142		%
						Equity-to-FX correlation	(35)	78		(40)	77		%
						Equity-to-equity correlation	(50)	100		(50)	100		%
Loan commitments measured at FVTPL			*0.5*	*1.0*	Relative value to market comparable	Loan price equivalent	10	100		35	102		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 The range of inputs is not disclosed, as there is a dispersion of values given the diverse nature of the investments. 4 Debt issued designated at fair value primarily consists of UBS structured notes, which include variable maturity notes with various equity and foreign exchange underlying risks, as well as rates-linked and credit-linked notes, all of which have embedded derivative parameters that are considered to be unobservable. The equivalent derivative instrument parameters for debt issued or embedded derivatives for over-the-counter debt instruments are presented in the respective derivative financial instruments lines in this table.

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 assumptions[1]

	31.3.24		31.12.23	
USD m	Favorable changes	Unfavorable changes	Favorable changes	Unfavorable changes
Traded loans, loans measured at fair value and guarantees	441	(407)	635	(600)
Securities financing transactions	37	(33)	30	(32)
Auction rate securities	39	(25)	67	(21)
Asset-backed securities	54	(58)	39	(36)
Equity instruments	447	(428)	430	(413)
Investment fund units	142	(144)	135	(137)
Loan commitments measured at FVTPL	148	(176)	313	(343)
Interest rate derivatives, net	209	(102)	217	(103)
Credit derivatives, net	117	(117)	140	(131)
Foreign exchange derivatives, net	4	(4)	5	(4)
Equity / index derivatives, net	563	(498)	521	(443)
Other	126	(141)	281	(276)
Total	2,327	(2,133)	2,815	(2,538)

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

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 2024.

Note 10 Fair value measurement (continued)

Movements of Level 3 instruments

USD bn	Balance at the beginning of the period	Net gains / losses included in comprehensive income[1]	*of which: related to instruments held at the end of the period*	Purchases	Sales	Issuances	Settlements	Transfers into Level 3	Transfers out of Level 3	Foreign currency translation	Balance at the end of the period
For the three months ended 31 March 2024[2]											
Financial assets at fair value held for trading	22.6	(0.2)	*(0.0)*	0.4	(8.9)	0.9	(3.4)	1.6	(0.7)	(0.1)	12.4
of which: Equity instruments	*0.3*	*(0.0)*	*0.0*	*0.0*	*(0.0)*	*0.0*	*(0.0)*	*0.1*	*(0.1)*	*(0.0)*	*0.2*
of which: Corporate and municipal bonds	*1.3*	*(0.1)*	*(0.0)*	*0.3*	*(0.4)*	*0.0*	*(0.0)*	*0.0*	*(0.0)*	*(0.0)*	*1.0*
of which: Loans	*19.6*	*0.4*	*(0.0)*	*0.0*	*(7.8)*	*0.9*	*(3.3)*	*1.4*	*(0.5)*	*(0.0)*	*10.6*
Derivative financial instruments – assets	2.6	0.1	*0.1*	0.0	(0.0)	0.4	(0.4)	0.1	(0.3)	(0.0)	2.4
of which: Interest rate	*0.4*	*0.1*	*0.1*	*0.0*	*(0.0)*	*0.1*	*(0.1)*	*0.0*	*(0.1)*	*0.0*	*0.4*
of which: Equity / index	*1.3*	*(0.1)*	*(0.1)*	*0.0*	*(0.0)*	*0.3*	*(0.2)*	*0.0*	*(0.1)*	*(0.0)*	*1.2*
of which: Credit	*0.5*	*(0.0)*	*0.0*	*0.0*	*(0.0)*	*0.0*	*(0.1)*	*0.1*	*(0.1)*	*(0.0)*	*0.4*
Financial assets at fair value not held for trading	8.4	(0.0)	*(0.1)*	0.1	(0.1)	0.4	(0.4)	0.4	(0.1)	(0.1)	8.7
of which: Loans	*2.3*	*0.1*	*0.1*	*0.0*	*(0.0)*	*0.2*	*(0.3)*	*0.0*	*(0.1)*	*(0.0)*	*2.2*
of which: Auction rate securities	*1.2*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*1.2*
of which: Equity instruments	*3.1*	*(0.0)*	*(0.1)*	*0.0*	*(0.0)*	*0.0*	*(0.0)*	*0.0*	*0.0*	*(0.1)*	*3.0*
Derivative financial instruments – liabilities	5.6	0.3	*0.3*	0.0	(0.2)	1.6	(1.2)	0.3	(0.6)	(0.0)	5.9
of which: Interest rate	*0.2*	*0.1*	*0.1*	*0.0*	*0.0*	*0.0*	*(0.1)*	*0.0*	*(0.0)*	*0.0*	*0.3*
of which: Equity / index	*3.3*	*0.5*	*0.4*	*0.0*	*(0.0)*	*1.5*	*(0.8)*	*0.2*	*(0.3)*	*(0.0)*	*4.3*
of which: Credit	*0.6*	*(0.0)*	*(0.0)*	*0.0*	*(0.0)*	*0.1*	*(0.2)*	*0.1*	*(0.1)*	*(0.0)*	*0.5*
of which: Loan commitments measured at FVTPL	*1.0*	*(0.1)*	*(0.1)*	*0.0*	*(0.2)*	*0.0*	*(0.0)*	*0.0*	*(0.2)*	*(0.0)*	*0.6*
Debt issued designated at fair value	15.3	0.2	*0.2*	0.0	0.0	1.6	(1.4)	0.9	(2.5)	(0.1)	14.0
Other financial liabilities designated at fair value	2.6	(0.2)	*(0.1)*	0.0	(0.0)	0.0	(0.3)	0.5	(0.0)	(0.0)	2.7
For the three months ended 31 March 2023											
Financial assets at fair value held for trading	1.5	0.1	*0.1*	0.1	(0.6)	0.1	0.0	0.1	(0.1)	0.0	1.1
of which: Investment fund units	*0.1*	*(0.0)*	*(0.0)*	*0.0*	*(0.0)*	*0.0*	*0.0*	*0.0*	*(0.0)*	*0.0*	*0.0*
of which: Corporate and municipal bonds	*0.5*	*0.0*	*0.0*	*0.1*	*(0.2)*	*0.0*	*0.0*	*0.0*	*(0.0)*	*0.0*	*0.4*
of which: Loans	*0.6*	*0.0*	*0.0*	*0.0*	*(0.4)*	*0.1*	*0.0*	*0.0*	*(0.0)*	*(0.0)*	*0.3*
Derivative financial instruments – assets	1.5	(0.1)	*(0.1)*	0.0	0.0	0.2	(0.1)	0.0	(0.1)	0.0	1.3
of which: Interest rate	*0.5*	*(0.0)*	*(0.0)*	*0.0*	*0.0*	*0.0*	*(0.0)*	*0.0*	*(0.1)*	*(0.0)*	*0.4*
of which: Equity / index	*0.7*	*(0.1)*	*(0.1)*	*0.0*	*0.0*	*0.1*	*(0.1)*	*0.0*	*(0.0)*	*0.0*	*0.6*
of which: Credit	*0.3*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*(0.0)*	*0.0*	*(0.0)*	*0.0*	*0.3*
Financial assets at fair value not held for trading	3.7	0.0	*0.0*	0.3	(0.2)	0.0	0.0	0.0	(0.0)	0.0	3.8
of which: Loans	*0.7*	*0.0*	*0.0*	*0.1*	*0.0*	*0.0*	*0.0*	*0.0*	*(0.0)*	*(0.0)*	*0.8*
of which: Auction rate securities	*1.3*	*0.0*	*0.0*	*0.0*	*(0.0)*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*1.3*
of which: Equity instruments	*0.8*	*0.0*	*0.0*	*0.1*	*(0.1)*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.9*
Derivative financial instruments – liabilities	1.7	0.1	*0.1*	0.0	0.0	0.4	(0.2)	0.0	0.1	0.0	2.1
of which: Interest rate	*0.1*	*(0.0)*	*(0.0)*	*0.0*	*0.0*	*0.1*	*(0.0)*	*0.0*	*0.2*	*(0.0)*	*0.4*
of which: Equity / index	*1.2*	*0.1*	*0.1*	*0.0*	*0.0*	*0.2*	*(0.1)*	*0.0*	*(0.0)*	*0.0*	*1.4*
of which: Credit	*0.3*	*(0.0)*	*(0.0)*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*(0.0)*	*0.0*	*0.3*
Debt issued designated at fair value	10.5	0.4	*0.4*	0.0	0.0	1.3	(1.3)	0.3	(0.7)	0.0	10.5
Other financial liabilities designated at fair value	0.7	0.0	*0.0*	0.0	0.0	0.1	(0.0)	0.0	(0.2)	(0.0)	0.6

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 31 March 2024 were USD 23.5bn (31 December 2023: USD 33.6bn). Total Level 3 liabilities as of 31 March 2024 were USD 22.7bn (31 December 2023: USD 23.6bn).

f) Financial instruments not measured at fair value

The table below reflects the estimated fair values of financial instruments not measured at fair value. Valuation principles applied when determining fair value estimates for financial instruments not measured at fair value are consistent with those described in "Note 21 Fair value measurement" in the "Consolidated financial statements" section of the UBS Group Annual Report 2023.

Financial instruments not measured at fair value

	31.3.24		31.12.23	
USD bn	Carrying amount	Fair value	Carrying amount	Fair value
Assets				
Cash and balances at central banks	271.5	271.5	314.1	314.1
Amounts due from banks	22.1	22.2	21.2	21.2
Receivables from securities financing transactions measured at amortized cost	101.6	101.7	99.0	99.0
Cash collateral receivables on derivative instruments	46.7	46.7	50.1	50.1
Loans and advances to customers	605.3	600.2	639.8	633.7
Other financial assets measured at amortized cost	62.8	60.7	65.5	64.0
Liabilities				
Amounts due to banks	47.9	47.8	71.0	71.0
Payables from securities financing transactions measured at amortized cost	13.0	12.9	14.4	14.4
Cash collateral payables on derivative instruments	37.3	37.3	41.6	41.5
Customer deposits	764.0	764.8	792.0	792.9
Debt issued measured at amortized cost	226.3	230.9	237.8	241.3
Other financial liabilities measured at amortized cost[1]	16.2	16.0	15.3	15.2

1 Excludes lease liabilities.

Note 11 Derivative instruments

a) Derivative instruments

As of 31.3.24, USD bn	Derivative financial assets	Derivative financial liabilities	Notional values related to derivative financial assets and liabilities[1]	Other notional values[2]
Derivative financial instruments				
Interest rate	52.5	50.3	3,469	21,010
Credit derivatives	3.0	3.7	206	
Foreign exchange	62.0	59.1	7,014	224
Equity / index	37.7	45.8	1,439	92
Commodities	3.0	2.6	152	20
Other[3]	1.0	1.5	182	
Total derivative financial instruments, based on netting under IFRS Accounting Standards[4]	159.2	163.0	12,461	21,346
Further netting potential not recognized on the balance sheet[5]	(141.5)	(147.9)		
of which: netting of recognized financial liabilities / assets	*(115.7)*	*(115.7)*		
of which: netting with collateral received / pledged	*(25.8)*	*(32.1)*		
Total derivative financial instruments, after consideration of further netting potential	17.7	15.2		

As of 31.12.23, USD bn	Derivative financial assets	Derivative financial liabilities	Notional values related to derivative financial assets and liabilities[1]	Other notional values[2]
Derivative financial instruments				
Interest rate	55.6	52.9	3,524	20,074
Credit derivatives	4.0	4.7	275	
Foreign exchange	78.7	89.9	6,913	180
Equity / index	35.5	41.4	1,397	95
Commodities	2.0	1.6	143	16
Other[3]	0.4	1.6	117	
Total derivative financial instruments, based on netting under IFRS Accounting Standards[4]	176.1	192.2	12,369	20,366
Further netting potential not recognized on the balance sheet[5]	(162.8)	(167.9)		
of which: netting of recognized financial liabilities / assets	*(133.0)*	*(133.0)*		
of which: netting with collateral received / pledged	*(29.8)*	*(35.0)*		
Total derivative financial instruments, after consideration of further netting potential	13.3	24.2		

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 (except for OTC derivatives settled through collateralized-to-market arrangements, which are presented under Derivative financial assets and Derivative financial liabilities). The fair value of these derivatives is presented on the balance sheet net of the corresponding cash margin under Cash collateral receivables on derivative instruments and Cash collateral payables on derivative instruments and was not material for all periods presented. 3 Includes mainly Loan commitments measured at FVTPL, as well as unsettled purchases and sales of non-derivative financial instruments for which the changes in the fair value between trade date and settlement date are recognized as derivative financial instruments. 4 Financial assets and liabilities are presented net on the balance sheet if UBS has the unconditional and legally enforceable right to offset the recognized amounts, both in the normal course of business and in the event of default, bankruptcy or insolvency of UBS or its counterparties, and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. 5 Reflects the netting potential in accordance with enforceable master netting and similar arrangements where not all criteria for a net presentation on the balance sheet have been met. Refer to "Note 22 Offsetting financial assets and financial liabilities" in the "Consolidated financial statements" section of the UBS Group Annual Report 2023 for more information.

b) Cash collateral on derivative instruments

USD bn	Receivables 31.3.24	Payables 31.3.24	Receivables 31.12.23	Payables 31.12.23
Cash collateral on derivative instruments, based on netting under IFRS Accounting Standards[1]	46.7	37.3	50.1	41.6
Further netting potential not recognized on the balance sheet[2]	(28.8)	(22.6)	(32.9)	(26.4)
of which: netting of recognized financial liabilities / assets	*(26.0)*	*(19.8)*	*(29.7)*	*(23.2)*
of which: netting with collateral received / pledged	*(2.8)*	*(2.8)*	*(3.2)*	*(3.2)*
Cash collateral on derivative instruments, after consideration of further netting potential	17.9	14.7	17.2	15.2

1 Financial assets and liabilities are presented net on the balance sheet if UBS has the unconditional and legally enforceable right to offset the recognized amounts, both in the normal course of business and in the event of default, bankruptcy or insolvency of UBS or its counterparties, and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. 2 Reflects the netting potential in accordance with enforceable master netting and similar arrangements where not all criteria for a net presentation on the balance sheet have been met. Refer to "Note 22 Offsetting financial assets and financial liabilities" in the "Consolidated financial statements" section of the UBS Group Annual Report 2023 for more information.

Note 12 Other assets and liabilities

a) Other financial assets measured at amortized cost

USD m	31.3.24	31.12.23
Debt securities	43,031	45,057
Loans to financial advisors	2,615	2,615
Fee- and commission-related receivables	2,472	2,619
Finance lease receivables	5,948	6,288
Settlement and clearing accounts	395	338
Accrued interest income	2,981	3,163
Other[1]	5,308	5,418
Total other financial assets measured at amortized cost	62,750	65,498

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	31.3.24	31.12.23
Precious metals and other physical commodities	6,466	5,930
Deposits and collateral provided in connection with litigation, regulatory and similar matters[1]	2,736	2,726
Prepaid expenses	2,048	2,080
Current tax assets	1,620	1,456
VAT, withholding tax and other tax receivables	952	1,327
Properties and other non-current assets held for sale	156	188
Other	2,239	2,342
Total other non-financial assets	16,217	16,049

1 Refer to Note 15 for more information.

c) Other financial liabilities measured at amortized cost

USD m	31.3.24	31.12.23
Other accrued expenses	3,063	3,270
Accrued interest expenses	6,482	6,692
Settlement and clearing accounts	2,234	1,519
Lease liabilities	5,213	5,502
Other	4,364	3,868
Total other financial liabilities measured at amortized cost	21,356	20,851

d) Other financial liabilities designated at fair value

USD m	31.3.24	31.12.23
Financial liabilities related to unit-linked investment contracts	16,612	15,992
Securities financing transactions	5,121	7,416
Over-the-counter debt instruments and other	6,407	6,076
Total other financial liabilities designated at fair value	28,140	29,484

e) Other non-financial liabilities

USD m	31.3.24	31.12.23
Compensation-related liabilities	6,530	9,746
of which: net defined benefit liability	*772*	*796*
Current tax liabilities	1,447	1,460
Deferred tax liabilities	330	325
VAT, withholding tax and other tax payables	888	1,120
Deferred income	670	635
Other	524	802
Total other non-financial liabilities	10,388	14,089

Note 13 Debt issued designated at fair value

USD m	31.3.24	31.12.23
Equity-linked[1]	56,608	60,573
Rates-linked	25,940	28,883
Credit-linked	6,756	7,730
Fixed-rate	17,359	20,541
Commodity-linked	3,618	3,844
Other	6,525	6,718
of which: debt that contributes to total loss-absorbing capacity	*4,476*	*4,629*
Total debt issued designated at fair value[2]	116,806	128,289

1 Includes investment fund unit-linked instruments issued. 2 As of 31 March 2024, 99% of Total debt issued designated at fair value was unsecured.

Note 14 Debt issued measured at amortized cost

USD m	31.3.24	31.12.23
Short-term debt[1]	32,485	38,530
Senior unsecured debt	143,540	147,547
of which: contributes to total loss-absorbing capacity (TLAC)	*98,973*	*101,939*
Covered bonds	6,498	5,214
Subordinated debt	16,446	17,644
of which: eligible as high-trigger loss-absorbing additional tier 1 capital instruments	*12,021*	*10,744*
of which: eligible as low-trigger loss-absorbing additional tier 1 capital instruments	*1,217*	*1,214*
of which: eligible as non-Basel III-compliant tier 2 capital instruments	*537*	*538*
Debt issued through the Swiss central mortgage institutions	25,669	27,377
Other long-term debt	1,613	1,506
Long-term debt[2]	193,766	199,288
Total debt issued measured at amortized cost[3,4]	226,251	237,817

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 (92% secured), 100% of the balance was unsecured as of 31 March 2024.

Note 15 Provisions and contingent liabilities

a) Provisions and contingent liabilities

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

USD m	31.3.24	31.12.23
Provisions related to expected credit losses (IFRS 9, *Financial Instruments*)[1]	328	350
Provisions related to Credit Suisse loan commitments (IFRS 3, *Business Combinations*)	1,667	1,924
Provisions related to litigation, regulatory and similar matters (IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*)	3,920	4,020
Acquisition-related contingent liabilities (IFRS 3, *Business Combinations*)	3,783	3,832
Restructuring, real-estate and other provisions (IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*)	1,216	2,123
Total provisions and contingent liabilities	10,914	12,250

1 Refer to Note 9c for more information.

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

USD m	Litigation, regulatory and similar matters[1]	Restructuring[2]	Real estate[3]	Other[4]	Total
Balance as of 31 December 2023	4,020	741	259	1,123	6,144
Increase in provisions recognized in the income statement	59	122	2	20	203
Release of provisions recognized in the income statement	(15)	(44)	(2)	(796)	(857)
Provisions used in conformity with designated purpose	(102)	(155)	(4)	(12)	(273)
Foreign currency translation and other movements	(44)	(3)	(17)	(17)	(82)
Balance as of 31 March 2024	3,920	662	238	317	5,136

1 Consists of provisions for losses resulting from legal, liability and compliance risks. 2 Consists of USD 443m of provisions for onerous contracts related to real estate as of 31 March 2024 (31 December 2023: USD 448m) and USD 218m of personnel-related restructuring provisions as of 31 March 2024 (31 December 2023: USD 294m). 3 Mainly includes provisions for reinstatement costs with respect to leased properties. 4 Mainly includes provisions related to employee benefits and operational risks.

Information about provisions and contingent liabilities in respect of litigation, regulatory and similar matters, as a class, is included in Note 15b. There are no material contingent liabilities associated with the other classes of provisions.

b) Litigation, regulatory and similar matters

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

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

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

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 15a above. It is not practicable to provide an aggregate estimate of liability for our litigation, regulatory and similar matters as a class of contingent liabilities beyond what has been identified as a consequence of the acquisition of Credit Suisse as set out below. Doing so would require UBS to provide 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. Although UBS therefore cannot provide a numerical estimate of the future losses that could arise from litigation, regulatory and similar matters, UBS believes that the aggregate amount of possible future losses from this class that are more than remote substantially exceeds the level of current provisions.

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

The risk of loss associated with litigation, regulatory and similar matters is a component of operational risk for purposes of determining capital requirements. Information concerning our capital requirements and the calculation of operational risk for this purpose is included in the "Capital management" section of this report.

Matters related to Credit Suisse entities are separately described herein. The amounts shown in the table below reflect the provisions recorded under IFRS Accounting Standards accounting principles. In connection with the acquisition of Credit Suisse, UBS Group AG additionally has reflected in its purchase accounting under IFRS 3 a further valuation adjustment of USD 3.8bn reflecting an updated estimate of outflows relating to contingent liabilities for all present obligations included in the scope of the acquisition at fair value upon closing, even if it is not probable that they will result in an outflow of resources, significantly decreasing the recognition threshold for litigation liabilities beyond those that generally apply under IFRS Accounting Standards and US GAAP.

Provisions for litigation, regulatory and similar matters by business division and in Group Items[1]

USD m	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Non-core and Legacy	Group Items	UBS Group
Balance as of 31 December 2023	1,235	157	15	294	2,186	134	4,020
Increase in provisions recognized in the income statement	12	0	0	1	46	0	59
Release of provisions recognized in the income statement	(1)	0	0	(2)	(12)	0	(15)
Provisions used in conformity with designated purpose	(20)	0	(12)	0	(69)	0	(102)
Foreign currency translation and other movements	(26)	(4)	0	(5)	(9)	0	(44)
Balance as of 31 March 2024	1,201	152	2	288	2,142	134	3,920

1 Provisions, if any, for the matters described in items A2, B8 and B10 of this Note are recorded in Global Wealth Management; provisions, if any, for the matters described in items B1, B2, B3, B4, B5, B6, B7, B9, B11 and B12 of this Note are recorded in Non-core and Legacy; provisions, if any, for the matters described in items B13 and B14 of this Note are recorded in Group Items. Provisions, if any, for the matters described in items A1 and A4 of this Note are allocated between Global Wealth Management and Personal & Corporate Banking; and provisions, if any, for the matters described in item A3 are allocated between the Investment Bank and Group Items.

A. Litigation, regulatory and similar matters involving UBS AG and subsidiaries

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.

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.

Our balance sheet at 31 March 2024 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.

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 except those for the recovery of approximately USD 125m of payments alleged to be fraudulent conveyances and preference payments. In 2016, the bankruptcy court dismissed these claims against the UBS entities. In 2019, the Court of Appeals reversed the dismissal of the BMIS Trustee's remaining claims, and the US Supreme Court subsequently denied a petition seeking review of the Court of Appeals' decision. The case has been 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 United Kingdom 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.

Note 15 Provisions and contingent liabilities (continued)

Foreign exchange-related civil litigation: Putative class actions have been filed since 2013 in US federal courts and in other jurisdictions against UBS and other banks on behalf of putative classes of persons who engaged in foreign currency transactions with any of the defendant banks. UBS has 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 under a settlement agreement that provides for UBS to pay an aggregate of USD 141m and provide cooperation to the settlement classes. Certain class members have excluded themselves from that settlement and have filed individual actions in US and English courts against UBS and other banks, alleging violations of US and European competition laws and unjust enrichment. UBS and the other banks have resolved those individual matters.

In 2015, a putative class action was filed in federal court against UBS and numerous other banks on behalf of persons and businesses in the US who directly purchased foreign currency from the defendants and alleged co-conspirators for their own end use. In 2022, the court denied plaintiffs' motion for class certification. In March 2023, the court granted defendants' summary judgment motion, dismissing the case. Plaintiffs have appealed.

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 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, Euroyen TIBOR, Yen LIBOR, EURIBOR, CHF LIBOR, GBP LIBOR and seek unspecified compensatory and other damages under varying legal theories.

USD LIBOR class and individual actions in the US: In 2013 and 2015, the district court in the USD LIBOR actions dismissed, in whole or in part, certain plaintiffs' antitrust claims, federal racketeering claims, Commodity Exchange Act claims, and state common law claims, and again dismissed the antitrust claims in 2016 following an appeal. In 2021, the Second Circuit affirmed the district court's dismissal in part and reversed in part and remanded to the district court for further proceedings. The Second Circuit, among other things, held that there was personal jurisdiction over UBS and other foreign defendants. Separately, in 2018, the Second Circuit reversed in part the district court's 2015 decision dismissing certain individual plaintiffs' claims and certain of these actions are now proceeding. In April 2024, UBS and the remaining defendants in one of the putative class actions, the USD Exchange action, reached a settlement in principle, subject to court approval. The USD Exchange action sought recovery on behalf of persons who transacted in Eurodollar futures and options on Eurodollar futures on exchanges between 2005 and May 2010. In 2020, an individual action was filed in the Northern District of California against UBS 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 LIBOR rate and monopolized the market for LIBOR-based consumer loans and credit cards. In September 2022, the court granted defendants' motion to dismiss the complaint in its entirety, while allowing plaintiffs the opportunity to file an amended complaint. Plaintiffs filed an amended complaint in October 2022, and defendants moved to dismiss the amended complaint. In October 2023, the court dismissed the amended complaint with prejudice. In January 2024, plaintiffs appealed the dismissal to the Ninth Circuit Court of Appeals. Defendants filed their response to the appeal in March 2024.

Other benchmark class actions in the US:
Yen LIBOR / Euroyen TIBOR – In 2017, the court dismissed one Yen LIBOR / Euroyen TIBOR action in its entirety on standing grounds. In 2020, the appeals court reversed the dismissal and, subsequently, plaintiffs in that action filed an amended complaint focused on Yen LIBOR. In 2022, the court granted UBS's motion for reconsideration and dismissed the case against UBS. The dismissal of the case against UBS could be appealed following the disposition of the case against the remaining defendant in the district court.

CHF LIBOR – In 2017, the court dismissed the CHF LIBOR action on standing grounds and failure to state a claim. Plaintiffs filed an amended complaint, and the court granted a renewed motion to dismiss in 2019. Plaintiffs appealed. In 2021, the Second Circuit granted the parties' joint motion to vacate the dismissal and remand the case for further proceedings. Plaintiffs filed a third amended complaint in November 2022 and defendants moved to dismiss the amended complaint in January 2023.

EURIBOR – In 2017, the court in the EURIBOR lawsuit dismissed the case as to UBS and certain other foreign defendants for lack of personal jurisdiction. Plaintiffs have appealed.

GBP LIBOR – The court dismissed the GBP LIBOR action in 2019. Plaintiffs have appealed.

Government bonds: Putative class actions have been filed since 2015 in US federal courts against UBS and other banks on behalf of persons who participated in markets for US Treasury securities since 2007. A consolidated complaint was filed in 2017 in the US District Court for the Southern District of New York alleging that the banks colluded with respect to, and manipulated prices of, US Treasury securities sold at auction and in the secondary market and asserting claims under the antitrust laws and for unjust enrichment. Defendants' motions to dismiss the consolidated complaint were granted in 2021. Plaintiffs filed an amended complaint, which defendants moved to dismiss later in 2021. In March 2022, the court granted defendants' motion to dismiss that complaint, and in February 2024, the Second Circuit affirmed the district court's dismissal. Similar class actions have been filed concerning European government bonds and other government bonds.

In 2021, the European Commission issued a decision finding that UBS and six other banks breached European Union antitrust rules in 2007–2011 relating to European government bonds. The European Commission fined UBS EUR 172m. UBS is appealing the amount of the fine.

With respect to additional matters and jurisdictions not encompassed by the settlements and orders referred to above, our balance sheet at 31 March 2024 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.

4. Swiss retrocessions

The Federal Supreme Court of Switzerland ruled in 2012, in a test case against UBS, that distribution fees paid to a firm for distributing third-party and intra-group investment funds and structured products must be disclosed and surrendered to clients who have entered into a discretionary mandate agreement with the firm, absent a valid waiver. FINMA issued a supervisory note to all Swiss banks in response to the Supreme Court decision. UBS has met the FINMA requirements and has notified all potentially affected clients.

The Supreme Court decision has resulted, and continues to result, in a number of client requests for UBS to disclose and potentially surrender retrocessions. Client requests are assessed on a case-by-case basis. Considerations taken into account when assessing these cases include, among other things, the existence of a discretionary mandate and whether or not the client documentation contained a valid waiver with respect to distribution fees.

Our balance sheet at 31 March 2024 reflected a provision with respect to matters described in this item 4 in an amount that UBS believes to be appropriate under the applicable accounting standard. The ultimate exposure will depend on client requests and the resolution thereof, factors that are difficult to predict and assess. Hence, 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.

B. Litigation, regulatory and similar matters involving Credit Suisse entities

1. 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 US Department of Justice (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. Credit Suisse continues to evaluate its approach toward satisfying its remaining consumer relief obligations, and Credit Suisse currently anticipates that it will take much longer than the five-year period provided in the settlement to satisfy in full its obligations in respect of these consumer relief measures, subject to risk appetite and market conditions. Credit Suisse expects to incur costs in relation to satisfying those obligations. The amount of consumer relief Credit Suisse must provide also increases after 2021 pursuant to the original settlement by 5% per annum of the outstanding amount due until these obligations are settled. The monitor publishes reports periodically on these consumer relief matters.

Civil litigation: Repurchase litigations – CSS LLC and/or certain of its affiliates have also been named as 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 or anticipated future litigation exposure. Unless otherwise stated, these amounts reflect the original unpaid principal balance amounts as alleged in these actions and do not include any reduction in principal amounts since issuance.

DLJ Mortgage Capital, Inc. (DLJ) is a defendant in New York state court in: (i) one action brought by Asset Backed Securities Corporation Home Equity Loan Trust, Series 2006-HE7, in which plaintiff alleges damages of not less than USD 374m in an amended complaint filed in August 2019; in January 2020, DLJ filed a motion to dismiss, which the court granted in part and denied in part in December 2023, dismissing with prejudice all notice-based claims; in February 2024, the parties filed notices of appeal; (ii) one action brought by Home Equity Asset Trust, Series 2006-8, in which plaintiff alleges damages of not less than USD 436m; (iii) one action brought by Home Equity Asset Trust 2007-1, in which plaintiff alleges damages of not less than USD 420m; in December 2018, the court denied DLJ's motion for partial summary judgment in this action, which was affirmed on appeal; in March 2022, the New York State Court of Appeals reversed the decision and ordered that DLJ's motion for partial summary judgment be granted; a non-jury trial in the action was held between January and February 2023, and a decision is pending; (iv) one action brought by Home Equity Asset Trust 2007-2, in which plaintiff alleges damages of not less than USD 495m; and (v) one action brought by CSMC Asset-Backed Trust 2007-NC1, in which no damages amount is alleged. These actions are at various procedural stages.

2. Tax and securities law matters

In May 2014, Credit Suisse AG entered into settlement agreements with several US regulators regarding its US cross-border matters. As part of the agreements, Credit Suisse AG, among other things, engaged an independent corporate monitor that reports to the New York State Department of Financial Services. As of July 2018, the monitor concluded both his review and his assignment. Credit Suisse AG continues to report to and cooperate with US authorities in accordance with Credit Suisse AG's obligations under the agreements, including by conducting a review of cross-border services provided by Credit Suisse's Switzerland-based Israel Desk. Most recently, Credit Suisse AG has provided information to US authorities regarding potentially undeclared US assets held by clients at Credit Suisse AG since the May 2014 plea. Credit Suisse AG continues to cooperate with the authorities. In March 2023, the US Senate Finance Committee issued a report criticizing Credit Suisse AG's history regarding US tax compliance. The report called on the DOJ to investigate Credit Suisse AG's compliance with the 2014 plea.

In February 2021, a qui tam complaint was filed in the Eastern District of Virginia, alleging that Credit Suisse AG had violated the False Claims Act by failing to disclose all US accounts at the time of the 2014 plea, which allegedly allowed Credit Suisse AG to pay a criminal fine in 2014 that was purportedly lower than it should have been. The DOJ moved to dismiss the case, and the Court summarily dismissed the suit. The case is now on appeal with the US Federal Court of Appeals for the Fourth Circuit.

3. Rates-related matters

Regulatory matters: Regulatory authorities in a number of jurisdictions, including the US, UK, EU and Switzerland, have for an extended period of time been conducting investigations into the setting of LIBOR and other reference rates with respect to a number of currencies, as well as the pricing of certain related derivatives. These ongoing investigations have included information requests from regulators regarding LIBOR-setting practices and reviews of the activities of various financial institutions, including Credit Suisse Group AG, which was a member of three LIBOR rate-setting panels (US Dollar LIBOR, Swiss Franc LIBOR and Euro LIBOR). Credit Suisse is cooperating fully with these investigations.

Regulatory authorities in a number of jurisdictions, including WEKO, the European Commission (Commission), the South African Competition Commission and the Brazilian Competition Authority have been conducting investigations into the trading activities, information sharing and the setting of benchmark rates in the foreign exchange (including electronic trading) markets. Credit Suisse continues to cooperate with ongoing investigations.

Credit Suisse Group AG, Credit Suisse AG and Credit Suisse Securities (Europe) Limited (CSSEL) received a Statement of Objections and a Supplemental Statement of Objections from the Commission in July 2018 and March 2021, respectively, alleging that Credit Suisse entities engaged in anticompetitive practices in connection with their foreign exchange trading business. In December 2021, the Commission issued a formal decision imposing a fine of EUR 83.3m. In February 2022, Credit Suisse appealed this decision to the EU General Court.

The reference rates investigations have also included information requests from regulators concerning supranational, sub-sovereign and agency (SSA) bonds and commodities markets. Credit Suisse Group AG and CSSEL received a Statement of Objections from the Commission in December 2018, alleging that Credit Suisse entities engaged in anticompetitive practices in connection with their SSA bonds trading business. In April 2021, the Commission issued a formal decision imposing a fine of EUR 11.9m. In July 2021, Credit Suisse appealed this decision to the EU General Court.

Civil litigation:

USD LIBOR litigation – Beginning in 2011, certain Credit Suisse entities were named in various putative class and individual lawsuits filed in the US, alleging banks on the US dollar LIBOR panel manipulated US dollar LIBOR to benefit their reputation and increase profits. All remaining matters have been consolidated for pre-trial purposes into a multi-district litigation in the US District Court for the Southern District of New York (SDNY).

In a series of rulings between 2013 and 2019 on motions to dismiss, the SDNY (i) narrowed the claims against the Credit Suisse entities and the other defendants (dismissing antitrust, Racketeer Influenced and Corrupt Organizations Act (RICO), Commodity Exchange Act, and state law claims), (ii) narrowed the set of plaintiffs who may bring claims, and (iii) narrowed the set of defendants in the LIBOR actions (including the dismissal of several Credit Suisse entities from various cases on personal jurisdiction and statute of limitation grounds). After a number of putative class and individual plaintiffs appealed the dismissal of their antitrust claims to the United States Court of Appeals for the Second Circuit (Second Circuit), in December 2021, the Second Circuit affirmed in part and reversed in part the district court's decision and remanded the case to the SDNY.

Separately, in May 2017, the plaintiffs in three putative class actions moved for class certification. In February 2018, the SDNY denied certification in two of the actions and granted certification over a single antitrust claim in an action brought by over-the-counter purchasers of LIBOR-linked derivatives. In April 2024, Credit Suisse and the remaining defendants in one of the putative class actions in which class certification was denied, the USD Exchange action, reached a settlement in principle, subject to court approval. The USD Exchange action sought recovery on behalf of persons who transacted in Eurodollar futures and options on Eurodollar futures on exchanges between 2005 and May 2010.

USD ICE LIBOR litigation – In August 2020, members of the ICE LIBOR panel, including Credit Suisse Group AG and certain of its affiliates, were named in a civil action in the US District Court for the Northern District of California, alleging that panel banks manipulated ICE LIBOR to profit from variable interest loans and credit cards. In December 2021, the court denied plaintiffs' motion for preliminary and permanent injunctions to enjoin panel banks from continuing to set LIBOR or automatically setting the benchmark to zero each day, and in September 2022, the court granted defendants' motions to dismiss. In October 2022, plaintiffs filed an amended complaint. In November 2022, defendants filed a motion to dismiss the amended complaint. In October 2023, the court dismissed the amended complaint with prejudice without leave to amend. Plaintiffs have appealed.

Foreign exchange litigation – Credit Suisse Group AG and affiliates as well as other financial institutions have been named in civil lawsuits relating to the alleged manipulation of foreign exchange rates.

Credit Suisse AG, together with other financial institutions, was named in a consolidated putative class action in Israel, which made allegations similar to the consolidated class action. In April 2022, Credit Suisse entered into an agreement to settle all claims. The settlement remains subject to court approval.

Treasury markets litigation – CSS LLC, along with over 20 other primary dealers of US treasury securities, was named in a number of putative civil class action complaints in the US relating to the US treasury markets. These complaints generally alleged that the defendants colluded to manipulate US treasury auctions, as well as the pricing of US treasury securities in the when-issued market, with impacts upon related futures and options, and that certain of the defendants participated in a group boycott to prevent the emergence of anonymous all-to-all trading in the secondary market for treasury securities. In March 2022, the SDNY granted defendants' motion to dismiss and dismissed with prejudice all claims against the defendants, and in February 2024, the Second Circuit affirmed the district court's dismissal.

SSA bonds litigation – Credit Suisse Group AG and certain of its affiliates, together with other financial institutions, were named in two Canadian putative class actions, which allege that defendants conspired to fix the prices of SSA bonds sold to and purchased from investors in the secondary market. One putative class action was dismissed against Credit Suisse in February 2020. In October 2022, in the second action, Credit Suisse entered into an agreement to settle all claims. The settlement remains subject to court approval.

Credit default swap auction litigation – In June 2021, Credit Suisse Group AG and affiliates, along with other banks and entities, were named in a putative class action complaint filed in the US District Court for the District of New Mexico alleging manipulation of credit default swap (CDS) final auction prices. In April 2022, defendants filed a motion to dismiss. In June 2023, the court granted in part and denied in part defendants' motion to dismiss. In November 2023, defendants filed a motion to enforce the previous CDS settlement with 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 have appealed the SDNY decision.

4. OTC trading cases

Interest rate swaps litigation: Credit Suisse Group AG and affiliates, along with other financial institutions, have been named in a consolidated putative civil class action complaint and complaints filed by individual plaintiffs relating to interest rate swaps, alleging that dealer defendants conspired with trading platforms to prevent the development of interest rate swap exchanges. The individual lawsuits were brought by TeraExchange LLC, a swap execution facility, and affiliates; Javelin Capital Markets LLC, a swap execution facility, and an affiliate; and trueEX LLC, a swap execution facility, which claim to have suffered lost profits as a result of defendants' alleged conspiracy. All interest rate swap actions have been consolidated in a multi-district litigation in the SDNY.

Defendants moved to dismiss the putative class and individual actions, and the SDNY granted in part and denied in part these motions.

In February 2019, class plaintiffs in the consolidated multi-district litigation filed a motion for class certification. In March 2019, class plaintiffs filed a fourth amended consolidated class action complaint. In January 2022, Credit Suisse entered into an agreement to settle all class action claims. The settlement remains subject to court approval.

Credit default swaps litigation: In June 2017, Credit Suisse Group AG and affiliates, along with other financial institutions, were named in a civil action filed in the SDNY by Tera Group, Inc. and related entities (Tera), alleging violations of antitrust law in connection with the allegation that CDS dealers conspired to block Tera's electronic CDS trading platform from successfully entering the market. In July 2019, the SDNY granted in part and denied in part defendants' motion to dismiss. In January 2020, plaintiffs filed an amended complaint. In April 2020, defendants filed a motion to dismiss. In August 2023, the court granted the motion, dismissing all claims with prejudice. Plaintiffs have appealed.

Stock loan litigation: Credit Suisse Group AG and certain of its affiliates, as well as other financial institutions, were originally named in a number of civil lawsuits in the SDNY, certain of which are brought by class action plaintiffs alleging that the defendants conspired to keep stock-loan trading in an over-the-counter market and collectively boycotted certain trading platforms that sought to enter the market, and certain of which are brought by trading platforms that sought to enter the market alleging that the defendants collectively boycotted the platforms. In January 2022, Credit Suisse entered into an agreement to settle all class action claims. In February 2022, the court entered an order granting preliminary approval to the agreement to settle all class action claims. The settlement remains subject to final court approval.

Odd-lot corporate bond litigation: In April 2020, CSS LLC and other financial institutions were named in a putative class action complaint filed in the SDNY, alleging a conspiracy among the financial institutions to boycott electronic trading platforms and fix prices in the secondary market for odd-lot corporate bonds. In October 2021, the SDNY granted defendants' motion to dismiss. Plaintiffs have appealed.

5. ATA litigation

Since November 2014, a series of lawsuits have been filed against a number of banks, including Credit Suisse AG and, in two instances, Credit Suisse AG, New York Branch, 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 United States Court of Appeals for the Second Circuit affirmed a September 2019 ruling by the EDNY granting defendants' motion to dismiss the first filed lawsuit. In October 2023, the United States 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 plaintiffs have filed amended complaints, including two that were dismissed prior to the court allowing plaintiffs to replead.

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 is investigating 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. Several parties appealed the judgment. In June 2019, the Criminal Court of Appeals of Geneva ruled in the appeal of the judgment against the former relationship manager, upholding the main findings of the Geneva criminal court. Several parties appealed the decision to the Swiss Federal Supreme Court. In February 2020, the Swiss Federal Supreme Court rendered its judgment on the appeals, substantially confirming the findings of the Criminal Court of Appeals of Geneva.

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

In Singapore, in the civil lawsuit brought against Credit Suisse Trust Limited, a Credit Suisse AG affiliate, in May 2023, the Singapore International Commercial Court issued a first instance judgment finding for the plaintiffs and directing the parties' experts to agree on the amount of the damages award according to the calculation method and parameters adopted by the court. As the parties' experts were unable to agree on the amount of the damages, following court directions, the parties filed their proposed draft orders with supporting documents in August 2023. In September 2023, the court ruled that the damages under its May 2023 judgment are USD 742.73m, excluding post-judgment interest. This figure does not exclude potential overlap with the Bermuda proceedings against Credit Suisse Life (Bermuda) Ltd., which are currently being appealed. The court ordered the parties to ensure that there shall be no double recovery in relation to this award and any sum recovered in the Bermuda proceedings. Credit Suisse Trust Limited has appealed the judgment and has applied for a stay of execution pending that appeal. In November 2023, the court granted a stay of execution of its May 2023 judgment pending appeal on the condition that damages awarded and post-judgment interest accrued are paid into court deposit within 21 days, which condition was satisfied.

In Bermuda, in the civil lawsuit brought against Credit Suisse Life (Bermuda) Ltd., a Credit Suisse AG affiliate, trial took place in the Supreme Court of Bermuda in November and December 2021. The Supreme Court of Bermuda issued a first instance judgment in March 2022, finding for the plaintiff. In May 2022, the Supreme Court of Bermuda issued an order awarding damages of USD 607.35m to the plaintiff. In May 2022, Credit Suisse Life (Bermuda) Ltd. appealed the decision to the Bermuda Court of Appeal. In July 2022, the Supreme Court of Bermuda granted a stay of execution of its judgment pending appeal on the condition that damages awarded were paid into an escrow account within 42 days, which condition was satisfied. In June 2023, the Bermuda Court of Appeal issued its judgment confirming the award issued by the Supreme Court of Bermuda and upholding the Supreme Court of Bermuda's finding that Credit Suisse Life (Bermuda) Ltd. had breached its contractual and fiduciary duties, but overturning the Supreme Court of Bermuda's finding that Credit Suisse Life (Bermuda) Ltd. had made fraudulent misrepresentations. In July 2023, Credit Suisse Life (Bermuda) Ltd. filed its notice of motion for leave to appeal to the Judicial Committee of the Privy Council and applied for a stay of execution of the Bermuda Court of Appeal's judgment pending the outcome of the appeal to the Judicial Committee of the Privy Council on the condition that the damages awarded remain within the escrow account and that interest be added to the escrow account calculated at the Bermuda statutory rate of 3.5%. A hearing on the applications for leave to appeal and stay of execution took place in December 2023. Further, in December 2023, USD 75m was released from the escrow account and paid to plaintiffs. In March 2024, the Bermuda Court of Appeal granted leave to appeal and ordered that the current stay shall continue pending determination of the appeal to the Judicial Committee of the Privy Council until and unless the plaintiffs provide a top tier bank guarantee for the remaining judgment debt of USD 536.64m plus interest. The court further ordered Credit Suisse Life (Bermuda) Ltd. to pay an additional USD 29.5m into escrow in respect of accrued interest.

7. Mozambique matter

Credit Suisse has been 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 consented to the entry of a Cease and Desist Order by the SEC. Under the terms of the DPA, UBS Group AG (as successor to Credit Suisse Group AG) must continue compliance enhancement and remediation efforts agreed by Credit Suisse, report to the DOJ on those efforts for three years and undertake additional measures as outlined in the DPA. If the DPA's conditions are complied with, the charges will be dismissed at the end of the DPA's three-year term. In addition, CSSEL entered into a Plea Agreement and pleaded guilty to one count of conspiracy to violate the US federal wire fraud statute. CSSEL is bound by the same compliance, remediation and reporting obligations under the DPA. The total monetary sanctions paid to the DOJ and SEC, taking into account various credits and offsets, was approximately USD 275m. Under the terms of the resolution with the DOJ, Credit Suisse also paid USD 22.6m in restitution to eligible investors in the 2016 Eurobonds issued by the Republic of Mozambique.

In connection with the resolution with the FCA, Credit Suisse paid a penalty of approximately USD 200m and, further to an agreement with the FCA, forgave USD 200m of debt owed to Credit Suisse by Mozambique.

The FINMA decree concluding its enforcement proceeding, ordered the bank to remediate certain deficiencies. Credit Suisse's implementation of the measures required under the FINMA decree has been reviewed by an independent third party appointed by FINMA, which review recommends some enhancements to the measures that Credit Suisse has implemented. FINMA also arranged for certain existing transactions to be reviewed by the same independent third party on the basis of specific risk criteria, and required enhanced disclosure of certain sovereign transactions.

In February 2019, certain Credit Suisse entities, three former employees and several other unrelated entities were sued in the English High Court by the Republic of Mozambique seeking a declaration that the sovereign guarantee issued in connection with the ProIndicus loan syndication was void, and damages. Credit Suisse entities subsequently filed cross claims against several entities controlled by Privinvest Holding SAL (Privinvest) that acted as the project contractor, Iskandar Safa, the owner of Privinvest, and several Mozambique officials. In addition, several of the banks that participated in the ProIndicus loan syndicate brought claims against Credit Suisse entities seeking a declaration that Credit Suisse is liable to compensate them for alleged losses suffered as a result of any invalidity of the sovereign guarantee or damages stemming from the alleged loss. In September 2023, Credit Suisse, the Republic of Mozambique, and certain of the lenders in the ProIndicus syndicate entered into a settlement agreement that, with the subsequent settlement with Privinvest entities referred to below, resolved all claims involving Credit Suisse entities in the English High Court.

In February 2022, Privinvest and Iskandar Safa brought a defamation claim in a Lebanese court against CSSEL and Credit Suisse Group AG and in November 2022, a Privinvest employee who was the lead negotiator on behalf of the Privinvest entities in relation to the Mozambique transactions, also brought a defamation claim in the same court against those entities. In November 2023, UBS Group AG (as successor to Credit Suisse Group AG), the Credit Suisse entities, Privinvest and Iskandar Safa entered into an agreement to settle all claims among them in the English High Court and in Lebanon.

8. Cross-border private banking matters

Credit Suisse offices in various locations, including the UK, the Netherlands, France and Belgium, have been contacted by regulatory and law enforcement authorities that are 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. Credit Suisse has conducted a review of these issues, the UK and French aspects of which have been closed, and is continuing to cooperate with the authorities.

9. 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 due December 4, 2030 (XIV ETNs). In August 2018, plaintiffs filed a consolidated amended class action complaint, naming Credit Suisse Group AG and certain affiliates and executives, which asserts claims for violations of Sections 9(a)(4), 9(f), 10(b) and 20(a) of the US Securities Exchange Act of 1934 and Rule 10b-5 thereunder and Sections 11 and 15 of the US Securities Act of 1933 and alleges that the defendants are responsible for losses to investors following a decline in the value of XIV ETNs in February 2018. Defendants moved to dismiss the amended complaint in November 2018. In September 2019, the SDNY granted defendants' motion to dismiss and dismissed with prejudice all claims against the defendants. In October 2019, plaintiffs filed a notice of appeal. In April 2021, the Second Circuit issued an order affirming in part and vacating in part the SDNY's September 2019 decision granting defendants' motion to dismiss with prejudice. In July 2022, plaintiffs filed a motion for class certification. In March 2023, the court denied plaintiffs' motion to certify two of their three alleged classes and granted plaintiffs' motion to certify their third alleged class. In March 2023, defendants moved for reconsideration and filed a petition for permission to appeal the court's class certification decision to the Second Circuit. In April 2023, plaintiffs filed a motion seeking leave to amend their complaint. In May 2023, plaintiffs filed a renewed motion for class certification, which defendants have opposed. In January 2024, the court issued an order denying plaintiffs' motion to amend. In March 2024, the court denied plaintiffs' renewed motion to certify two of the three alleged classes, without prejudice, and denied defendants' motion for reconsideration on the certification of the third alleged class.

DGAZ litigation: In January 2022, Credit Suisse AG was named in a class action complaint filed in the SDNY brought on behalf of a putative class of short sellers of VelocityShares 3x Inverse Natural Gas Exchange Traded Notes linked to the S&P GSCI Natural Gas Index ER due February 9, 2032 (DGAZ ETNs). The complaint asserts claims for violations of Section 10(b) of the US Securities Exchange Act of 1934 and Rule 10b-5 thereunder and alleges that Credit Suisse is responsible for losses suffered by short sellers following a June 2020 announcement that Credit Suisse would delist and suspend further issuances of the DGAZ ETNs. In July 2022, Credit Suisse AG filed a motion to dismiss. In March 2023, the court granted Credit Suisse AG's motion to dismiss. In May 2023, the court entered an order dismissing the case with prejudice. In February 2024, the Second Circuit affirmed the district court's dismissal.

10. Bulgarian former clients matter

Credit Suisse AG has been responding to an investigation by the Swiss Office of the Attorney General (SOAG) 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 December 2020, the SOAG brought charges against Credit Suisse AG and other parties. Credit Suisse AG believes its diligence and controls complied with applicable legal requirements and intends to defend itself vigorously. The trial in the Swiss Federal Criminal Court took place in the first quarter of 2022. In June 2022, 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. In July 2022, Credit Suisse AG appealed the decision to the Swiss Federal Court of Appeals.

11. SCFF

Credit Suisse has received requests for documents and information in connection with inquiries, investigations, enforcement and other actions relating to the supply chain finance funds (SCFF) matter by FINMA, the FCA and other regulatory and governmental agencies. The Luxembourg Commission de Surveillance du Secteur Financier is reviewing the matter and has commissioned a report from a third party. Credit Suisse is cooperating with these authorities.

In February 2023, FINMA announced the conclusion of its enforcement proceedings against Credit Suisse in connection with the SCFF matter. In its order, FINMA reported that Credit Suisse had seriously breached applicable Swiss supervisory laws in this context with regard to risk management and appropriate operational structures. While FINMA recognized that Credit Suisse has already taken extensive organizational measures based on its own investigation into the SCFF matter, particularly to strengthen its governance and control processes, and FINMA is supportive of these measures, the regulator has ordered certain additional remedial measures. These include a requirement that the most important (approximately 500) business relationships must be reviewed periodically and holistically at the Credit Suisse Executive Board level, in particular for counterparty risks, and that Credit Suisse must set up a document defining the responsibilities of approximately 600 of its highest-ranking managers. The latter of these measures has been made applicable to UBS Group. Separate from the enforcement proceeding regarding Credit Suisse, FINMA has opened four enforcement proceedings against former managers of Credit Suisse.

In May 2023, FINMA opened an enforcement proceeding against Credit Suisse in order to confirm compliance with supervisory requirements in response to inquiries from FINMA's enforcement division in the SCFF matter.

The Attorney General of the Canton of Zurich has initiated a criminal procedure in connection with the SCFF matter and several fund investors have joined the procedure as interested parties. In such procedure, while certain former and active Credit Suisse employees, among others, have been named as accused persons, Credit Suisse itself is not a party to the procedure.

Certain civil actions have been filed by fund investors and other parties against Credit Suisse and/or certain officers and directors in various jurisdictions, which make allegations including mis-selling and breaches of duties of care, diligence and other fiduciary duties.

12. Archegos

Credit Suisse has received requests for documents and information in connection with inquiries, investigations and/or actions relating to Credit Suisse's relationship 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, COMCO, the Hong Kong Competition Commission and other regulatory and governmental agencies. Credit Suisse is cooperating with the authorities in these matters.

In July 2023, the US Federal Reserve and the PRA announced resolutions of their investigations of Credit Suisse's relationship with Archegos. UBS Group AG, Credit Suisse AG, Credit Suisse Holdings (USA) Inc., and Credit Suisse AG, New York Branch entered into an Order to Cease and Desist with the Board of Governors of the Federal Reserve System. Under the terms of the order, Credit Suisse paid a civil money penalty of USD 269m 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.

CSI and CSSEL entered into a settlement agreement with the PRA providing for the resolution of the PRA's investigation, following which the PRA published a Final Notice imposing a financial penalty of GBP 87m on CSI and CSSEL for breaches of various of the PRA's Fundamental Rules.

FINMA also entered a decree dated 14 July 2023 announcing the conclusion of its enforcement proceeding, finding that Credit Suisse had seriously violated financial market law in connection with its business relationship with Archegos and ordering remedial measures directed at Credit Suisse AG and UBS Group AG, as the legal successor to Credit Suisse Group AG. These include a requirement that UBS Group AG apply its restrictions on its own positions relating to individual clients throughout the financial group, as well as adjustments to the compensation system of the entire financial group to provide for bonus allocation criteria that take into account risk appetite. FINMA also announced it has opened enforcement proceedings against a former Credit Suisse manager in connection with this matter.

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.

13. Credit Suisse financial disclosures

Credit Suisse Group AG and certain directors, officers and executives have been named in securities class action complaints pending in the SDNY. These complaints, filed on behalf of purchasers of Credit Suisse shares, additional tier 1 capital notes, and other securities in 2023, allege that defendants made misleading statements regarding: (i) customer outflows in late 2022; (ii) the adequacy of Credit Suisse's financial reporting controls; and (iii) the adequacy of Credit Suisse's risk management processes, and include allegations relating to Credit Suisse Group AG's merger with UBS Group AG. Many of the actions have been consolidated, and a motion to dismiss has been filed and remains pending. One additional action, filed in October 2023, has been stayed pending a determination on whether it should be consolidated with the earlier actions.

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

14. Merger-related litigation

Certain Credit Suisse Group AG affiliates and certain directors, officers and executives have been named in class action complaints pending in the SDNY. One complaint, brought on behalf of Credit Suisse shareholders, alleges breaches of fiduciary duty under Swiss law and civil RICO claims under United States federal law. In February 2024, the court granted defendants' motions to dismiss the civil RICO claims and conditionally dismissed the Swiss law claims pending defendants' acceptance of jurisdiction in Switzerland. In March 2024, having received consents to Swiss jurisdiction from all defendants served with the complaint, the court dismissed the Swiss law claims against those defendants. Additional complaints, brought on behalf of holders of Credit Suisse additional tier 1 capital notes (AT1 noteholders) allege breaches of fiduciary duty under Swiss law, arising from a series of scandals and misconduct, which led to Credit Suisse Group AG's merger with UBS Group AG, causing losses to shareholders and AT1 noteholders. The motion to dismiss the first of these complaints was granted in March 2024 on the basis that Switzerland and not New York is the most appropriate forum for litigation.

Significant regulated subsidiary and sub-group information

Unaudited

Financial and regulatory key figures for our significant regulated subsidiaries and sub-groups

	UBS AG (consolidated)		UBS AG (standalone)		UBS Switzerland AG (standalone)		UBS Europe SE (consolidated)		UBS Americas Holding LLC (consolidated)	
All values in million, except where indicated	*USD*		*USD*		*CHF*		*EUR*		*USD*	
Financial and regulatory requirements	IFRS Accounting Standards Swiss SRB rules		IFRS Accounting Standards Swiss SRB rules		Swiss GAAP Swiss SRB rules		IFRS Accounting Standards EU regulatory rules		US GAAP US Basel III rules	
As of or for the quarter ended	31.3.24	31.12.23	31.3.24	31.12.23	31.3.24	31.12.23	31.3.24	31.12.23[1]	31.3.24	31.12.23
Financial information[2]										
Income statement										
Total operating income[3]	9,056	7,951	2,365	2,254	2,463	2,275	300	293	3,658	3,333
Total operating expenses	7,677	7,618	2,203	2,205	1,605	1,562	236	255	3,562	3,422
Operating profit / (loss) before tax	1,379	333	163	49	858	713	64	38	96	(89)
Net profit / (loss)	1,014	242	216	(48)	698	586	22	21	22	(63)
Balance sheet										
Total assets	1,116,806	1,156,016	676,385	698,149	320,367	314,231	47,872	46,981	194,508	194,258
Total liabilities	1,061,443	1,100,448	621,007	642,602	303,744	298,305	43,779	42,894	169,532	169,319
Total equity	55,363	55,569	55,379	55,546	16,624	15,926	4,093	4,087	24,976	24,939
Capital[4]										
Common equity tier 1 capital	43,863	44,130	51,971	52,553	12,630	12,515	2,619	2,625	14,136	14,081
Additional tier 1 capital	14,204	12,498	14,204	12,498	5,000	5,000	600	600	2,838	2,837
Total going concern capital / Tier 1 capital	58,067	56,628	66,175	65,051	17,630	17,515	3,219	3,225	16,975	16,919
Tier 2 capital	537	538	532	533					199	202
Total capital							3,219	3,225	17,174	17,120
Total gone concern loss-absorbing capacity	54,773	54,458	54,768	54,452	11,243	11,176	2,528[5]	2,534[5]	7,400[6]	7,400[6]
Total loss-absorbing capacity	112,840	111,086	120,943	119,504	28,872	28,691	5,747	5,759	24,375[6]	24,319[6]
Risk-weighted assets and leverage ratio denominator[4]										
Risk-weighted assets	328,732	333,979	356,821	354,083	111,292	107,097	12,718	12,382	75,897	73,096
Leverage ratio denominator	1,078,591	1,104,408	641,315	643,939	337,653	330,515	48,796	45,078	183,701	184,015
Supplementary leverage ratio denominator									209,750	208,242
Capital and leverage ratios (%)[4]										
Common equity tier 1 capital ratio	13.3	13.2	14.6	14.8	11.3	11.7	20.6	21.2	18.6	19.3
Going concern capital ratio / Tier 1 capital ratio	17.7	17.0	18.5	18.4	15.8	16.4	25.3	26.0	22.4	23.1
Total capital ratio							25.3	26.0	22.6	23.4
Total loss-absorbing capacity ratio	34.3	33.3			25.9	26.8	45.2	46.5	32.1	33.3
Tier 1 leverage ratio							6.6	7.2	9.2	9.2
Supplementary tier 1 leverage ratio									8.1	8.1
Going concern leverage ratio	5.4	5.1	10.3	10.1	5.2	5.3				
Total loss-absorbing capacity leverage ratio	10.5	10.1			8.6	8.7	11.8	12.8	13.3	13.2
Gone concern capital coverage ratio			105.9	112.5						
Liquidity coverage ratio[4]										
High-quality liquid assets (bn)	251.0	254.5	123.7	130.0	77.5	76.3	18.3	18.9	28.4	28.0
Net cash outflows (bn)	131.3	134.3	46.1	50.4	54.4	53.6	12.4	12.8	18.9	18.9
Liquidity coverage ratio (%)	191.4	189.7	268.7[7]	260.2	142.5[8]	142.5	147.9	148.7	149.9	147.7
Net stable funding ratio[4]										
Total available stable funding (bn)	589.3	602.6	274.6	279.8	224.6	222.7	13.6	13.9	107.4	107.9
Total required stable funding (bn)	484.7	503.8	288.3	304.9	166.8	166.1	11.1	10.6	80.3	81.7
Net stable funding ratio (%)	121.6	119.6	95.2[9]	91.7	134.6[9]	134.1	122.6	131.5	133.7	132.1
Other										
Joint and several liability between UBS AG and UBS Switzerland AG (bn)[10]					3	3				

1 Comparative figures have been restated to align with the regulatory reports as submitted to the European Central Bank (the ECB). 2 The financial information disclosed does not represent financial statements under the respective GAAP / IFRS Accounting Standards. 3 The total operating income includes credit loss expense or release. 4 Refer to the 31 March 2024 Pillar 3 Report, available under "Pillar 3 disclosures" at ubs.com/investors, for more information. 5 Consists of positions that meet the conditions laid down in Art. 72a–b of the Capital Requirements Regulation II with regard to contractual, structural or legal subordination. 6 Consists of eligible long-term debt that meets the conditions specified in 12 CFR § 252.162 of the final TLAC rules. Total loss-absorbing capacity is the sum of tier 1 capital and eligible long-term debt. 7 In the first quarter of 2024, the liquidity coverage ratio (the LCR) of UBS AG was 268.7%, remaining above the prudential requirements communicated by FINMA. 8 In the first quarter of 2024, the LCR of UBS Switzerland AG, which is a Swiss SRB, was 142.5%, remaining above the prudential requirement communicated by FINMA in connection with the Swiss Emergency Plan. 9 In accordance with Art. 17h para. 3 and 4 of the Liquidity Ordinance, UBS AG standalone is required to maintain a minimum NSFR of at least 80% without taking into account excess funding of UBS Switzerland AG and 100% after taking into account such excess funding. 10 Refer to the "Capital, liquidity and funding, and balance sheet" section of this report for more information about the joint and several liability. Under certain circumstances, the Swiss Banking Act and FINMA's Banking Insolvency Ordinance authorize FINMA to modify, extinguish or convert to common equity liabilities of a bank in connection with a resolution or insolvency of such bank.

UBS Group AG is a holding company and conducts substantially all of its operations through UBS AG, Credit Suisse AG and subsidiaries thereof. UBS Group AG, UBS AG and Credit Suisse AG have contributed a significant portion of their respective capital to, and provide substantial liquidity to, such subsidiaries. Many of these subsidiaries are subject to regulations requiring compliance with minimum capital, liquidity and similar requirements. The table in this section summarizes the regulatory capital components and capital ratios of our significant regulated subsidiaries and sub-groups determined under the regulatory framework of each subsidiary's or sub-group's home jurisdiction.

Supervisory authorities generally have discretion to impose higher requirements or to otherwise limit the activities of subsidiaries. Supervisory authorities also may require entities to measure capital and leverage ratios on a stressed basis and may limit the ability of an entity to engage in new activities or take capital actions based on the results of those tests.

In June 2023, the Federal Reserve Board released the results of its 2023 Dodd–Frank Act Stress Test (DFAST). UBS's US intermediate holding company, UBS Americas Holding LLC, and Credit Suisse's intermediate holding, Credit Suisse Holdings (USA), Inc., exceeded the minimum capital requirements under the severely adverse scenario. Following the completion of the annual DFAST and the Comprehensive Capital Analysis and Review (the CCAR), UBS Americas Holding LLC was assigned a stress capital buffer (an SCB) of 9.1% (previously 4.8%) under the SCB rule as of 1 October 2023, resulting in a total common equity tier 1 (CET1) capital requirement of 13.6%. Credit Suisse Holdings (USA), Inc. was assigned an SCB of 7.2% (previously 9.0%), resulting in a total CET1 capital requirement of 11.7%.

Additional information on the above entities is provided in the 31 March 2024 Pillar 3 Report, which is available under "Pillar 3 disclosures" at *ubs.com/investors*.

	Credit Suisse AG (consolidated)		Credit Suisse AG (standalone)		Credit Suisse (Schweiz) AG (consolidated)		Credit Suisse (Schweiz) AG (standalone)		Credit Suisse International (standalone)		Credit Suisse Holdings (USA), Inc. (consolidated)	
All values in million, except where indicated	*CHF*		*CHF*		*CHF*		*CHF*		*USD*		*USD*	
Financial and regulatory requirements	US GAAP Swiss SRB rules		Swiss SRB rules (phase-in)		Swiss SRB rules		Swiss SRB rules		UK regulatory rules		US Basel III rules	
As of or for the quarter ended	31.3.24	31.12.23	31.3.24	31.12.23	31.3.24	31.12.23	31.3.24	31.12.23	31.3.24	31.12.23	31.3.24	31.12.23
Financial information[1]												
Income statement												
Total operating income[2]	1,606	1,268										
Total operating expenses	3,011	4,005										
Operating profit / (loss) before tax	(1,405)	(2,737)										
Net profit / (loss)	(1,501)	(2,749)										
Balance sheet												
Total assets	420,376	452,507										
Total liabilities	382,177	414,391										
Total equity	38,199	38,116										
Capital[3]												
Common equity tier 1 capital	38,382	38,187	32,941	33,346	11,016	11,051	10,397	10,396	12,896	12,689	8,394	9,387
Additional tier 1 capital	466	458	466	458	3,100	3,100	3,100	3,100	1,200	1,200	522	522
Total going concern capital / Tier 1 capital	38,848	38,646	33,407	33,805	14,116	14,151	13,497	13,496	14,096	13,889	8,917	9,909
Tier 2 capital									0	0	58	78
Total capital									14,096	13,889	8,974	9,987
Total gone concern loss-absorbing capacity	37,933	38,284	37,865	38,216	8,846	9,040	8,882	9,066	4,586	4,586	3,000	3,000
Total loss-absorbing capacity	76,782	76,930	71,272	72,021	22,962	23,191	22,379	22,562	18,682	18,475	11,917	12,909
Risk-weighted assets and leverage ratio denominator[3]												
Risk-weighted assets	173,285	181,690	188,418	182,772	82,172	83,254	81,504	82,611	28,068	34,698	10,427	12,979
Leverage ratio denominator	485,606	524,968	282,144	288,610	246,156	253,818	243,924	251,692	67,069	78,135	25,799	29,484
Supplementary leverage ratio denominator											28,043	34,370
Capital and leverage ratios (%)[3]												
Common equity tier 1 capital ratio	22.1	21.0	17.5	18.2	13.4	13.3	12.8	12.6	45.9	36.6	80.5	72.3
Going concern capital ratio / Tier 1 capital ratio	22.4	21.3	17.7	18.5	17.2	17.0	16.6	16.3	50.2	40.0	85.5	76.4
Total capital ratio									50.2	40.0	86.1	77.0
Total loss-absorbing capacity ratio	44.3	42.3			27.9	27.9	27.5	27.3	66.6	53.2	114.3	99.5[4]
Tier 1 leverage ratio									21.0	17.8	34.6	33.6
Supplementary tier 1 leverage ratio											31.8	28.8
Going concern leverage ratio	8.0	7.4	11.8	11.7	5.7	5.6	5.5	5.4				
Total loss-absorbing capacity leverage ratio	15.8	14.7			9.3	9.1	9.2	9.0	27.9	23.6	46.2	43.8[4]
Gone concern capital coverage ratio			139.2	143.4								
Liquidity coverage ratio[3]												
High-quality liquid assets (bn)	149.6	142.6	78.7	67.3	56.9	52.1	56.9	52.0	14.6	15.4	11.0	12.6
Net cash outflows (bn)	56.8	53.8	17.5	17.1	37.6	34.4	38.0	34.9	4.5	6.0	5.6	6.6
Liquidity coverage ratio (%)	263.3[5]	265.1	449.1[6]	393.6	151.3[7]	151.3	149.6[8]	149.3	340.3	280.3	199.5	195.1
Net stable funding ratio[3]												
Total available stable funding (bn)	272.9	287.1	160.1	160.3	133.5	128.5	131.8	126.8	26.7	30.4	15.1	15.3
Total required stable funding (bn)	199.4	213.1	129.5	121.6	116.9	118.7	115.4	116.7	20.0	24.2	7.2	8.6
Net stable funding ratio (%)	136.9	134.7	123.6[9]	131.8[9]	114.2	108.3	114.2[9]	108.7[9]	136.7	125.6	210.3	179.1
Other												
Joint and several liability between Credit Suisse AG standalone and Credit Suisse (Schweiz) AG standalone (bn)[10]							0.6	0.5				

1 The financial information disclosed does not represent financial statements under the respective GAAP / IFRS Accounting Standards. 2 The total operating income includes credit loss expense or release. 3 Refer to the 31 March 2024 Pillar 3 Report, available under "Pillar 3 disclosures" at ubs.com/investors, for more information. 4 Comparative information has been aligned with final audited data. 5 In the first quarter of 2024, the liquidity coverage ratio (the LCR) of Credit Suisse AG consolidated was 263.3%, remaining above the prudential requirements communicated by FINMA. 6 In the first quarter of 2024, the LCR of Credit Suisse AG standalone was 449.1%, remaining above the prudential requirements communicated by FINMA. 7 In the first quarter of 2024, the LCR of Credit Suisse (Schweiz) AG consolidated was 151.3%, remaining above the prudential requirements communicated by FINMA. 8 In the first quarter of 2024, the LCR of Credit Suisse (Schweiz) AG standalone was 149.6%, remaining above the prudential requirements communicated by FINMA. 9 In accordance with Art. 17h para. 3 and 4 of the Liquidity Ordinance, Credit Suisse AG standalone is allowed to fulfill the minimum NSFR of 100% by taking into consideration any excess funding of Credit Suisse (Schweiz) AG standalone, and Credit Suisse AG standalone has an NSFR requirement of at least 80% without taking into consideration any such excess funding. Credit Suisse (Schweiz) AG must always fulfill an NSFR of at least 100% on a standalone basis. 10 The contingent liabilities of Credit Suisse (Schweiz) AG under this joint and several liability were fully collateralized through cash deposits from Credit Suisse AG.

Appendix

Alternative performance measures

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
Active Digital Banking clients in Corporate & Institutional Clients (%) – Personal & Corporate Banking	Calculated as the average number of active clients for each month in the relevant period divided by the average number of total clients. "Clients" refers to the number of unique business relationships or legal entities operated by Corporate & Institutional Clients, excluding clients that do not have an account, mono-product clients and clients that have defaulted on loans or credit facilities. At the end of each month, any client that has logged on at least once in that month is determined to be "active" (a log-in time stamp is allocated to all business relationship numbers or per legal entity in a digital banking contract).	This measure provides information about the proportion of active Digital Banking clients in the total number of UBS clients (within the aforementioned meaning) which are serviced by Corporate & Institutional Clients.
Active Digital Banking clients in Personal Banking (%) – Personal & Corporate Banking	Calculated as the average number of active clients for each month in the relevant period divided by the average number of total clients. "Clients" refers to the number of unique business relationships operated by Personal Banking, excluding persons under the age of 15, clients who do not have a private account, clients domiciled outside Switzerland and clients who have defaulted on loans or credit facilities. At the end of each month, any client that has logged on at least once in that month is determined to be "active" (a log-in time stamp is allocated to all business relationship numbers in a digital banking contract).	This measure provides information about the proportion of active Digital Banking clients in the total number of UBS clients (within the aforementioned meaning) who are serviced by Personal Banking.
Active Mobile Banking clients in Personal Banking (%) – Personal & Corporate Banking	Calculated as the average number of active clients for each month in the relevant period divided by the average number of total clients. "Clients" refers to the number of unique business relationships operated by Personal Banking, excluding persons under the age of 15, clients who do not have a private account, clients domiciled outside Switzerland and clients who have defaulted on loans or credit facilities. At the end of each month, any client that has logged on via the mobile app at least once in that month is determined to be "active" (a log-in time stamp is allocated to all business relationship numbers in a digital banking contract).	This measure provides information about the proportion of active Mobile Banking clients in the total number of UBS clients (within the aforementioned meaning) who are serviced by Personal Banking.
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 gross income.
Fee and trading income for Corporate & Institutional Clients (USD and CHF) – Personal & Corporate Banking	Calculated as the total of recurring net fee and transaction-based income for Corporate & Institutional Clients.	This measure provides information about the amount of fee and trading income for Corporate & Institutional Clients.

APM label	Calculation	Information content
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.
Fee-pool-comparable revenues (USD) – the Investment Bank	Calculated as the total of revenues from: merger-and-acquisition-related transactions; Equity Capital Markets, excluding derivatives; Leveraged Capital Markets, excluding the impact of mark-to-market movements on loan portfolios; and Debt Capital Markets, excluding revenues related to debt underwriting of UBS instruments.	This measure provides information about the amount of revenues in the Investment Bank that are comparable with the relevant global fee pools.
Gross margin on invested assets (bps) – Asset Management	Calculated as total revenues (annualized as applicable) 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.
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.
Investment products for Personal Banking (USD and CHF) – Personal & Corporate Banking	Calculated as the sum of investment funds (including UBS Vitainvest third-pillar pension funds, as well as money market funds), mandates and third-party life insurance operated in Personal Banking.	This measure provides information about the volume of investment funds (including UBS Vitainvest third-pillar pension funds, as well as money market funds), mandates and third-party life insurance operated in Personal Banking.
Net interest margin (bps) – Personal & Corporate Banking	Calculated as net interest income (annualized as applicable) 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 as applicable), 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 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.

APM label	Calculation	Information content
Net new investment products for Personal Banking (USD and CHF) – Personal & Corporate Banking	Calculated as the net amount of inflows and outflows of investment products during a specific period.	This measure provides information about the development of investment products during a specific period as a result of net new investment product 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 new money 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 as applicable) 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 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. › **Refer to the "Group performance" section of this report for more information**	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.
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. › **Refer to the "Group performance" section of this report for more information**	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 equity[1] (%)	Calculated as annualized business division operating profit before tax 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 capital[1] (%)	Calculated as annualized net profit attributable to shareholders 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 equity[1] (%)	Calculated as annualized net profit attributable to shareholders divided by average equity attributable to shareholders.	This measure provides information about the profitability of the business in relation to equity.
Return on leverage ratio denominator, gross[1] (%)	Calculated as annualized total revenues divided by average leverage ratio denominator.	This measure provides information about the revenues of the business in relation to the leverage ratio denominator.

APM label	Calculation	Information content
Return on tangible equity[1] (%)	Calculated as annualized net profit attributable to shareholders 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.
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. › **Refer to the "Group performance" section of this report for more information**	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.
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 equity[1] (%)	Calculated as annualized underlying business division operating profit before tax (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 capital[1] (%)	Calculated as annualized net profit attributable to shareholders 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 equity[1] (%)	Calculated as annualized net profit attributable to shareholders 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 first quarter of 2024 and the fourth quarter of 2023 is presented on a consolidated basis, including for each quarter Credit Suisse data for three months, and for the purpose of the calculation of return measures has been annualized multiplying such by four. Profit or loss information for the first quarter of 2023 includes pre-acquisition UBS data for three months, and for the purpose of the calculation of return measures has been annualized multiplying such by four.

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.

Information related to underlying return on common equity tier 1 (CET1) capital and underlying return on tangible equity (%)

	As of or for the quarter ended		
USD m, except where indicated	31.3.24	31.12.23	31.3.23
Underlying operating profit / (loss) before tax	2,617	592	1,566
Underlying tax expense / (benefit)	732	(329)	459
NCI	9	1	8
Underlying net profit / (loss)	1,877	920	1,099
Underlying net profit / (loss), annualized	7,507	3,680	4,396
Tangible equity	77,877	78,593	50,481
Average tangible equity	78,235	77,440	50,545
CET1 capital	78,147	78,485	44,590
Average CET1 capital	78,316	77,947	45,024
Underlying return on tangible equity (%)	9.6	4.8	8.7
Underlying return on common equity tier 1 capital	9.6	4.7	9.8

Abbreviations frequently used in our financial reports

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

Abbreviations frequently used in our financial reports (continued)

K

KRT	Key Risk Taker

L

LAS	liquidity-adjusted stress
LCR	liquidity coverage ratio
LGD	loss given default
LIBOR	London Interbank Offered Rate
LLC	limited liability company
LoD	lines of defense
LRD	leverage ratio denominator
LTIP	Long-Term Incentive Plan
LTV	loan-to-value

M

M&A	mergers and acquisitions
MRT	Material Risk Taker

N

NII	net interest income
NSFR	net stable funding ratio
NYSE	New York Stock Exchange

O

OCA	own credit adjustment
OCI	other comprehensive income
OECD	Organisation for Economic Co-operation and Development
OTC	over-the-counter

P

PCI	purchased credit impaired
PD	probability of default
PIT	point in time
PPA	purchase price allocation
P&L	profit or loss

Q

QCCP	Qualifying central counterparty

R

RBC	risk-based capital
RbM	risk-based monitoring
REIT	real estate investment trust
RMBS	residential mortgage-backed securities
RniV	risks not in VaR
RoCET1	return on CET1 capital
RoU	right-of-use
rTSR	relative total shareholder return
RWA	risk-weighted assets

S

SA	standardized approach or société anonyme
SA-CCR	standardized approach for counterparty credit risk
SAR	Special Administrative Region of the People's Republic of China
SDG	Sustainable Development Goal
SEC	US Securities and Exchange Commission
SFT	securities financing transaction
SI	sustainable investing or sustainable investment
SIBOR	Singapore Interbank Offered Rate
SICR	significant increase in credit risk
SIX	SIX Swiss Exchange
SME	small and medium-sized entities
SMF	Senior Management Function
SNB	Swiss National Bank
SOR	Singapore Swap Offer Rate
SPPI	solely payments of principal and interest
SRB	systemically relevant bank
SRM	specific risk measure
SVaR	stressed value-at-risk

T

TBTF	too big to fail
TCFD	Task Force on Climate-related Financial Disclosures
TIBOR	Tokyo Interbank Offered Rate
TLAC	total loss-absorbing capacity
TTC	through the cycle

U

USD	US dollar

V

VaR	value-at-risk
VAT	value added tax

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 Group Annual Report: Published in English, this report provides descriptions of: the Group strategy and performance; the strategy and performance of the business divisions and Group Items; risk, treasury and capital management; corporate governance; the compensation framework, including information about compensation for the Board of Directors and the Group Executive Board members; and financial information, including the financial statements.

"Auszug aus dem Geschäftsbericht": This publication provides a German translation of selected sections of the UBS Group Annual Report.

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." Starting with the Annual Report 2022, 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 share price charts, as well as data and dividend information, and for bondholders; 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 Group 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 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, terrorist activity and conflicts in the Middle East, as well as the continuing Russia–Ukraine war, may have significant impacts on global markets, exacerbate global inflationary pressures, and slow global growth. In addition, the ongoing conflicts may continue to cause significant population displacement, and lead to shortages of vital commodities, including energy shortages and food insecurity outside the areas immediately involved in armed conflict. Governmental responses to the armed conflicts, including, with respect to the Russia–Ukraine war, coordinated successive sets of sanctions on Russia and Belarus, and Russian and Belarusian entities and nationals, and the uncertainty as to whether the ongoing conflicts will widen and intensify, may continue to have significant adverse effects on the market and macroeconomic conditions, including in ways that cannot be anticipated. UBS's acquisition of the Credit Suisse Group has materially changed our outlook and strategic direction and introduced new operational challenges. The integration of the Credit Suisse entities into the UBS structure is expected to take between three and five years and presents significant risks, including the risks that UBS Group AG may be unable to achieve the cost reductions and other benefits contemplated by the transaction. This creates significantly greater uncertainty about forward-looking statements. Other factors that may affect our performance and ability to achieve our 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, including as a result of the acquisition of the Credit Suisse Group; (iii) increased 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, deterioration or slow recovery in residential and commercial real estate markets, the effects of economic conditions, including increasing inflationary pressures, market developments, increasing geopolitical tensions, 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, Credit Suisse, sovereign issuers, structured credit products or credit-related exposures, as well as availability and cost of funding to meet requirements for debt eligible for total loss-absorbing capacity (TLAC), in particular in light of the acquisition of the Credit Suisse Group; (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 and any additional requirements due to its acquisition of the Credit Suisse Group, or other developments; (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 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 our 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 our RWA, including as a result of its acquisition of the Credit Suisse Group, as well as the amount of capital available for return to shareholders; (xiii) the effects on UBS's business, in particular cross-border banking, of sanctions, tax or regulatory developments and of possible changes in UBS's policies and practices; (xiv) 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; (xv) 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; (xvi) UBS's ability to implement new technologies and business methods, including digital services and 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; (xvii) limitations on the effectiveness of UBS's internal processes for risk management, risk control, measurement and modeling, and of financial models generally; (xviii) 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 cyberattack threats from both nation states and non-nation-state actors targeting financial institutions; (xix) restrictions on the ability of UBS Group AG and 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; (xx) 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; (xxi) 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 possibility of conflict between different governmental standards and regulatory regimes; (xxii) the ability of UBS to access capital markets; (xxiii) 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 (e.g., the Russia–Ukraine war), pandemic, security breach, cyberattack, power loss, telecommunications failure or other natural or man-made event, including the ability to function remotely during long-term disruptions such as the COVID-19 (coronavirus) pandemic; (xxiv) the level of success in the absorption of Credit Suisse, in the integration of the two groups and their businesses, and in the execution of the planned strategy regarding cost reduction and divestment of any non-core assets, the existing assets and liabilities of Credit Suisse, the level of resulting impairments and write-downs, the effect of the consummation of the integration on the operational results, share price and credit rating of UBS – delays, difficulties, or failure in closing the transaction may cause market disruption and challenges for UBS to maintain business, contractual and operational relationships; and (xxv) the effect that these or other factors or unanticipated events, including media reports and speculations, 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 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 2023. 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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