

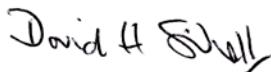
Mr. Eric Knight  
Knight Vinke  
Waaggasse 5  
8001 Zurich

22 April 2015

Dear Mr. Knight

As you know, we devote significant time in engaging with our shareholders. We take these interactions seriously and perform the in-depth analyses necessary to reach our conclusions on the feedback provided. This process was also followed with respect to your letter dated 27 March. As indicated in our response, we determined your assumptions and conclusions concerning the funding of our business units to be erroneous and without merit. Your latest correspondence does not raise any new points. In response, we consequently refer to our letter dated 8 April.

Sincerely yours,



David Sidwell  
Senior Independent Director  
UBS Group AG



Bill Parrett  
Chairman of the Audit Committee  
UBS Group AG



Axel Weber  
Chairman  
UBS Group AG

Cc: Mark Branson, Chief Executive Officer, FINMA  
Thomas Jordan, Chairman of the Governing Board, SNB