

23 April 2018

1Q18 net profit up 19% YoY to CHF 1.5bn

Reported profit before tax (PBT) CHF 2.0bn, +17% YoY, +24% in USD**Adjusted¹ RoTE excluding DTAs² 17.8%, diluted EPS CHF 0.39****CHF 1.1bn adjusted¹ PBT in Global Wealth Management, +7% YoY, +14% in USD****CHF 50bn net new money in wealth and asset management businesses****CET1 capital ratio 13.1% and CET1 leverage ratio 3.76%****World's first 100% sustainable cross-asset portfolio for private clients launched**

Zurich, 23 April 2018 – UBS delivered strong first-quarter 2018 results with reported PBT up 17% year over year to CHF 1,973m (up 24% in USD) and adjusted¹ PBT down 3% to CHF 1,876m (up 3% in USD). Net profit attributable to shareholders was CHF 1,514m, up 19% from the first quarter of 2017.

Global Wealth Management had a very strong quarter with year-on-year profit growth and positive net new money in all regions. Adjusted¹ PBT rose 7% year over year to CHF 1,126m (up 14% in USD), with new records in the Americas and Asia Pacific. Personal & Corporate Banking adjusted¹ PBT was CHF 393m; transaction-based income and recurring net fee income increased, and net new business volume showed strong growth. Asset Management had strong net new money of CHF 27bn excluding money markets, taking invested assets to CHF 792bn, the highest in a decade; adjusted¹ PBT was CHF 108m. The Investment Bank delivered a strong adjusted¹ PBT of CHF 629m and an adjusted¹ return on attributed equity of 25%, driven by strong revenues in Equities and Corporate Client Solutions. Corporate Center adjusted¹ loss before tax was CHF 380m.

UBS's capital position remains strong, with a CET1 capital ratio of 13.1%, a CET1 leverage ratio of 3.76% and total loss-absorbing capacity of CHF 79bn under Swiss SRB rules applicable as of 1 January 2020. Risk-weighted assets rose to CHF 254bn on increased market volatility during the quarter and regulatory, methodology and model updates/changes, while the leverage ratio denominator decreased to CHF 882bn. During the second quarter, UBS will commence buying back its shares under the program announced in the first quarter.

"We had an excellent start to 2018, with our results once again showing the power of our diversified business. Momentum in our business is good and we continue to invest for growth and efficiency."

Sergio P. Ermotti, Group Chief Executive Officer

Outlook

We remain confident that global economic growth prospects will continue to provide a supportive backdrop to markets, even though geopolitical tensions and the rise of protectionism remain a threat to investor confidence.

All of UBS's businesses are affected by economic growth expectations, interest rates, equity market levels and foreign exchange rates. While higher compared with last year's historic lows, market volatility remains muted overall which is usually less conducive to client activity. Due to seasonal factors, second quarter transaction-based income in our Investment Bank and Global Wealth Management businesses is also typically lower than in the first quarter.

In the second quarter, funding costs related to long-term debt and capital instruments issued to comply with regulatory funding and liquidity requirements will be higher compared with the same period in 2017.

We continue to expect US dollar interest rates to rise gradually and the US economy to further improve, both of which will likely be supportive of US dollar net interest income. Momentum in our businesses is good, and we expect our results in the second quarter to provide further evidence of the strengths of our diversified business model, as well as our progress towards achieving our strategic and financial targets.

First quarter 2018 performance overview

UBS's first quarter adjusted¹ PBT was CHF 1,876m, and reported PBT was CHF 1,973m. The first quarter of 2018 included a gain of CHF 225m related to changes to the pension fund of UBS in Switzerland, which is treated as an adjusting¹ item and had no impact on CET1 capital. Results were also adjusted¹ for CHF 128m of restructuring expenses. The adjusted¹ cost/income ratio was 75%. Net profit attributable to shareholders was CHF 1,514m, with diluted earnings per share of CHF 0.39. Annualized adjusted¹ return on tangible equity excluding DTAs² was 17.8%.

Global Wealth Management (GWM) adjusted¹ PBT CHF 1,126m, +7% YoY (+14% in USD)

Higher invested asset levels and net interest margins, together with further progress on mandate penetration and loan growth, as well as increased client activity, led to an improvement in all revenue lines. Costs increased on higher financial advisor variable compensation, which was partly offset by lower expenses for compensation commitments with recruited financial advisors in the Americas. The adjusted¹ cost/income ratio improved to 73%. Mandate and managed account penetration increased to a record 33.1% of invested assets, and loans increased by 10% (up 16% in USD). Net new money was CHF 19.0bn for the quarter, with positive contributions from all regions. Adjusted¹ net margin was 19bps.

Personal & Corporate Banking (P&C) adjusted¹ PBT CHF 393m, (10%) YoY

Transaction-based income and recurring net fee income increased, offset by funding cost and interest rate headwinds, as well as higher expenses. The first quarter of 2017 included a CHF 20m one-time gain on the sale of a real estate loan portfolio. Credit losses expenses were CHF 13m with no material effect from the adoption of IFRS 9, compared with a credit loss recovery of CHF 7m in the first quarter of 2017. The adjusted¹ cost/income ratio was 58%. Annualized net new business volume growth for personal banking was 6.3%, the second best quarter since 2007.

Asset Management (AM) adjusted¹ PBT CHF 108m, (12%) YoY

Increased net management fees on higher average invested assets were offset by lower performance fees and higher personnel costs. The adjusted¹ cost/income ratio was 76%. Net new money excluding money market flows was strong at CHF 26.6bn, and invested assets reached CHF 792bn, the highest in a decade.

Investment Bank (IB) adjusted¹ PBT CHF 629m, +13% YoY (+20% in USD)

Equities revenues were up 17% (up 25% in USD), with all regions and product lines improving. Corporate Client Solutions revenues increased 15% (up 22% in USD), driven by APAC. FX, Rates and Credit revenues were down 11% (down 6% in USD) from a strong first quarter of 2017. While performance in FX was resilient, market conditions for rates and credit flow products were challenging. Costs increased, reflecting higher personnel expenses as a result of improved performance. The adjusted¹ cost/income ratio improved to 72%.

Corporate Center – Services recorded an adjusted¹ loss before tax of CHF 147m. **Group Asset and Liability Management** adjusted¹ loss before tax was CHF 222m, mainly due to the widening of US Treasury-OIS spreads, as well as increased retained costs from higher outstanding long-term debt and higher levels of high-quality liquid assets. **Non-core and Legacy Portfolio** posted an adjusted¹ loss before tax of CHF 11m.

Commitment to sustainable performance

UBS is committed to creating long-term positive impact for its clients, employees, investors and society. This is illustrated by the ongoing recognition UBS has received for its activities and capabilities related to sustainable investing, philanthropy, environmental and human rights policies, the firm's environmental footprint and community investment.

Sustainable and impact investing

In January 2018, UBS launched the world's first 100% sustainable cross-asset portfolios for private clients, targeting a market rate-risk-adjusted return as well as positive social and environmental outcomes. These portfolios include an exclusive partnership with the World Bank on an allocation to World Bank debt instruments, as well as a new best-in-class shareholder engagement strategy to focus on generating additional social and/or environmental impact through public rather than private equity.

In the first quarter, UBS announced and started work on integrating environmental, social and governance (ESG) criteria into nearly all of Asset Management's actively managed equity and fixed income portfolios. The firm also announced the launch of the UBS Global Gender Equality ETF, a joint collaboration between Asset Management and Global Wealth Management as part of UBS's commitment to sustainable and impact investing. The ETF is the first of its kind combining gender equality and sustainability. It will dedicate 5% of its management fee to philanthropic projects via the UBS Optimus Foundation to support the empowerment of women and girls.

Climate change

With its 2017 reporting, UBS has begun to align its disclosure with the Financial Stability Board's Task Force on Climate-related Financial Disclosures' recommendations. The firm plans to further do so over the five-year implementation pathway.

Recognition

For the third consecutive year, UBS has been ranked first in the "Best Private Banking Services Overall – Global" category in Euromoney's annual Private Banking Survey. UBS also retained its leading position in all segment-specific categories on a global level and took the top spot in four regions, including Western Europe and Asia.

Information in this news release is presented for UBS Group AG on a consolidated basis unless otherwise specified. Financial information for UBS AG (consolidated) does not differ materially from UBS Group AG (consolidated) and a comparison between UBS Group AG (consolidated) and UBS AG (consolidated) is provided at the end of this news release.

¹ Refer to the "Performance by business division and Corporate Center unit – reported and adjusted" table in this news release.

² Adjusted return on tangible equity excluding deferred tax expense/benefit and DTAs; calculated as adjusted net profit/loss attributable to shareholders excluding deferred tax expense/benefit, divided by average tangible equity attributable to shareholders excluding any DTAs that do not qualify as CET1 capital.

Performance by business division and Corporate Center unit – reported and adjusted^{1,2}

For the quarter ended 31.3.18								
<i>CHF million</i>	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	CC – Services ³	CC – Group ALM	CC – Non-core and Legacy Portfolio	UBS
Operating income as reported	4,195	947	441	2,308	(38)	(204)	49	7,698
Operating income (adjusted)	4,195	947	441	2,308	(38)	(204)	49	7,698
Operating expenses as reported	3,067	528	335	1,719	(2)	18	61	5,725
<i>of which: personnel-related restructuring expenses⁴</i>	3	1	1	11	47	0	0	64
<i>of which: non-personnel-related restructuring expenses⁴</i>	9	0	3	2	50	0	0	64
<i>of which: restructuring expenses allocated from CC – Services⁴</i>	47	9	7	32	(96)	1	1	0
<i>of which: gain related to changes to the Swiss pension plan⁵</i>	(61)	(35)	(10)	(5)	(114)			(225)
Operating expenses (adjusted)	3,069	553	333	1,679	110	18	60	5,822
<i>of which: net expenses for litigation, regulatory and similar matters⁶</i>	31	0	0	(2)	(24)	0	(16)	(11)
Operating profit / (loss) before tax as reported	1,129	419	106	589	(35)	(222)	(12)	1,973
Operating profit / (loss) before tax (adjusted)	1,126	393	108	629	(147)	(222)	(11)	1,876

For the quarter ended 31.3.17								
<i>CHF million</i>	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	CC – Services ³	CC – Group ALM	CC – Non-core and Legacy Portfolio	UBS
Operating income as reported	3,979	958	450	2,098	(18)	65	0	7,532
Operating income (adjusted)	3,979	958	450	2,098	(18)	65	0	7,532
Operating expenses as reported	3,039	540	347	1,619	204	2	93	5,842
<i>of which: personnel-related restructuring expenses⁴</i>	2	2	2	18	92	0	0	116
<i>of which: non-personnel-related restructuring expenses⁴</i>	11	0	5	2	110	(1)	0	127
<i>of which: restructuring expenses allocated from CC – Services⁴</i>	98	17	13	57	(188)	0	2	0
Operating expenses (adjusted)	2,929	521	327	1,541	189	2	91	5,598
<i>of which: net expenses for litigation, regulatory and similar matters⁶</i>	36	0	0	0	(4)	0	1	33
Operating profit / (loss) before tax as reported	940	418	103	480	(222)	63	(93)	1,690
Operating profit / (loss) before tax (adjusted)	1,050	437	123	558	(207)	63	(91)	1,934

¹ Adjusted results are non-GAAP financial measures as defined by SEC regulations. ² Comparative figures in this table may differ from those originally published in quarterly and annual reports 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 Corporate Center – Services operating expenses presented in this table are after service allocations to business divisions and other Corporate Center units. ⁴ Reflects restructuring expenses related to legacy cost programs. ⁵ Refer to "Note 5 Personnel expenses" in the "Consolidated financial statements" section of the UBS Group first quarter 2018 report for more information. ⁶ Includes recoveries from third parties (first quarter of 2018: CHF 17 million; first quarter of 2017: CHF 1 million).

Our key figures

<i>CHF million, except where indicated</i>	As of or for the quarter ended		
	31.3.18	31.12.17	31.3.17
Group results			
Operating income	7,698	7,122	7,532
Operating expenses	5,725	6,266	5,842
Operating profit / (loss) before tax	1,973	855	1,690
Net profit / (loss) attributable to shareholders	1,514	(2,336)	1,269
Diluted earnings per share (CHF) ¹	0.39	(0.63)	0.33
Key performance indicators²			
Profitability and growth			
Return on tangible equity (%)	13.6	(20.2)	10.9
Adjusted return on tangible equity excluding deferred tax expense / benefit and deferred tax assets (%)	17.8	8.6	17.4
Cost / income ratio (%)	74.1	86.9	77.6
Net profit growth (%)	19.4		79.5
Resources			
Common equity tier 1 capital ratio (%) ³	13.1	13.8	14.1
Common equity tier 1 leverage ratio (%) ³	3.76	3.69	3.55
Going concern leverage ratio (%) ³	5.0	4.7	4.6
Additional information			
Profitability			
Return on equity (%)	11.8	(17.8)	9.5
Return on risk-weighted assets, gross (%) ⁴	12.6	12.1	13.6
Return on leverage ratio denominator, gross (%) ⁴	3.5	3.3	3.4
Resources			
Total assets	919,361	915,642	909,608
Equity attributable to shareholders	51,243	51,214	53,661
Common equity tier 1 capital ³	33,151	32,671	31,311
Risk-weighted assets ³	253,753	237,494	221,785
Going concern capital ratio (%) ³	17.3	17.6	18.2
Total loss-absorbing capacity ratio (%) ³	31.2	33.0	33.2
Leverage ratio denominator ³	882,469	886,116	881,183
Total loss-absorbing capacity leverage ratio (%) ³	9.0	8.8	8.4
Liquidity coverage ratio (%) ⁵	136	143	128
Other			
Invested assets (CHF billion) ^{6,7}	3,155	3,179	2,922
Personnel (full-time equivalents)	62,537	61,253	59,416
Market capitalization ⁸	64,752	69,125	61,736
Total book value per share (CHF) ⁸	13.62	13.76	14.45
Tangible book value per share (CHF) ⁸	11.97	12.04	12.71

¹ Refer to "Note 8 Earnings per share (EPS) and shares outstanding" in the "Consolidated financial statements" section of the UBS Group first quarter 2018 report for more information. ² Refer to the "Measurement of performance" section of our Annual Report 2017 for the definitions of our key performance indicators. ³ Based on the Swiss systemically relevant bank framework as of 1 January 2020. Refer to the "Capital management" section of the UBS Group first quarter 2018 report for more information. ⁴ Calculated as operating income before credit loss (annualized as applicable) / average risk-weighted assets and average leverage ratio denominator, respectively. ⁵ Refer to the "Balance sheet, liquidity and funding management" section of the UBS Group first quarter 2018 report for more information. ⁶ Includes invested assets for Personal & Corporate Banking. ⁷ Certain account types were corrected during the fourth quarter of 2017. As a result, invested assets as of 31 March 2017 were corrected by CHF 12 billion. ⁸ Refer to "UBS shares" in the "Capital management" section of the UBS Group first quarter 2018 report for more information.

Income statement

<i>CHF million</i>	For the quarter ended			% change from	
	31.3.18	31.12.17	31.3.17	4Q17	1Q17
Net interest income	1,743	1,672	1,696	4	3
Fee and commission income	4,882	4,772	4,789	2	2
Fee and commission expense	(409)	(478)	(436)	(14)	(6)
Net fee and commission income	4,473	4,294	4,353	4	3
Other net income from fair value changes on financial instruments	1,466	987	1,440	49	2
Credit loss (expense) / recovery	(25)	(89)	0	(72)	
Other income	40	257	43	(84)	(6)
Total operating income	7,698	7,122	7,532	8	2
<i>of which: net interest income and other net income from fair value changes on financial instruments</i>	3,210	2,659	3,136	21	2
Personnel expenses	4,014	3,923	4,060	2	(1)
General and administrative expenses	1,424	2,054	1,506	(31)	(5)
Depreciation and impairment of property, equipment and software	272	272	255	0	6
Amortization and impairment of intangible assets	16	17	21	(9)	(26)
Total operating expenses	5,725	6,266	5,842	(9)	(2)
Operating profit / (loss) before tax	1,973	855	1,690	131	17
Tax expense / (benefit)	457	3,165	375	(86)	22
Net profit / (loss)	1,516	(2,310)	1,315		15
Net profit / (loss) attributable to non-controlling interests	1	27	47	(95)	(97)
Net profit / (loss) attributable to shareholders	1,514	(2,336)	1,269		19
Comprehensive income					
Total comprehensive income	696	(2,125)	666		4
Total comprehensive income attributable to non-controlling interests	1	336	47	(100)	(98)
Total comprehensive income attributable to shareholders	695	(2,461)	620		12

Comparison UBS Group AG (consolidated) versus UBS AG (consolidated)

	As of or for the quarter ended 31.3.18			As of or for the quarter ended 31.12.17		
	UBS Group AG (consolidated)	UBS AG (consolidated)	Difference (absolute)	UBS Group AG (consolidated)	UBS AG (consolidated)	Difference (absolute)
<i>CHF million, except where indicated</i>						
Income statement						
Operating income	7,698	7,823	(125)	7,122	7,242	(120)
Operating expenses	5,725	6,040	(315)	6,266	6,487	(221)
Operating profit / (loss) before tax	1,973	1,783	190	855	755	100
<i>of which: Global Wealth Management</i>	1,129	1,117	12	782	778	4
<i>of which: Personal & Corporate Banking</i>	419	420	(1)	392	393	(1)
<i>of which: Asset Management</i>	106	106	0	238	238	0
<i>of which: Investment Bank</i>	589	577	12	49	50	(1)
<i>of which: Corporate Center</i>	(270)	(437)	167	(605)	(704)	99
<i>of which: Services</i>	(35)	(210)	175	(155)	(252)	97
<i>of which: Group ALM</i>	(222)	(214)	(8)	(214)	(217)	3
<i>of which: Non-core and Legacy Portfolio</i>	(12)	(13)	1	(236)	(236)	0
Net profit / (loss)	1,516	1,371	144	(2,310)	(2,385)	75
<i>of which: net profit / (loss) attributable to shareholders</i>	1,514	1,370	144	(2,336)	(2,412)	76
<i>of which: net profit / (loss) attributable to preferred noteholders</i>		0	0		26	(26)
<i>of which: net profit / (loss) attributable to non-controlling interests</i>	1	1	0	27	0	27
Statement of comprehensive income						
Other comprehensive income	(819)	(732)	(87)	184	187	(3)
<i>of which: attributable to shareholders</i>	(820)	(732)	(88)	(124)	(122)	(2)
<i>of which: attributable to preferred noteholders</i>		0	0		307	(307)
<i>of which: attributable to non-controlling interests</i>	0	0	0	309	2	307
Total comprehensive income	696	639	57	(2,125)	(2,198)	73
<i>of which: attributable to shareholders</i>	695	638	57	(2,461)	(2,534)	73
<i>of which: attributable to preferred noteholders</i>		0	0		333	(333)
<i>of which: attributable to non-controlling interests</i>	1	1	0	336	3	333
Balance sheet						
Total assets	919,361	920,280	(919)	915,642	916,363	(721)
Total liabilities	868,056	869,430	(1,374)	864,371	865,588	(1,217)
Total equity	51,305	50,850	455	51,271	50,775	496
<i>of which: equity attributable to shareholders</i>	51,243	50,788	455	51,214	50,718	496
<i>of which: equity attributable to preferred noteholders</i>		0	0		0	0
<i>of which: equity attributable to non-controlling interests</i>	62	62	0	57	57	0
Capital information						
Common equity tier 1 capital	33,151	33,424	(273)	32,671	33,240	(569)
Going concern capital	44,026	40,335	3,691	41,911	36,906	5,005
Risk-weighted assets	253,753	253,784	(32)	237,494	236,606	888
Common equity tier 1 capital ratio (%)	13.1	13.2	(0.1)	13.8	14.0	(0.2)
Going concern capital ratio (%)	17.3	15.9	1.5	17.6	15.6	2.0
Total loss-absorbing capacity ratio (%)	31.2	30.7	0.5	33.0	31.4	1.6
Leverage ratio denominator	882,469	883,676	(1,207)	886,116	887,189	(1,073)
Common equity tier 1 leverage ratio (%)	3.76	3.78	(0.03)	3.69	3.75	(0.06)
Going concern leverage ratio (%)	5.0	4.6	0.4	4.7	4.2	0.5
Total loss-absorbing capacity leverage ratio (%)	9.0	8.8	0.2	8.8	8.4	0.4

UBS's first quarter 2018 report, news release and slide presentation will be available from 06:45 CEST on Monday, 23 April 2018, at www.ubs.com/quarterlyreporting.

UBS will hold a presentation of its first quarter 2018 results on Monday, 23 April 2018. The results will be presented by Sergio P. Ermotti, Group Chief Executive Officer, Kirt Gardner, Group Chief Financial Officer, Caroline Stewart, Global Head Investor Relations, and Hubertus Kuelps, Group Head Communications & Branding.

Time

- 09:00–11:00 CEST
- 08:00–10:00 BST
- 03:00–05:00 US EDT

Audio webcast

The presentation for analysts can be followed live on www.ubs.com/quarterlyreporting with a simultaneous slide show.

Webcast playback

An audio playback of the results presentation will be made available at www.ubs.com/investors later in the day.

Conference call for media Q&A session

Immediately following the presentation and analyst Q&A, there will be a separate media Q&A session. Please note: This session will be held via conference call only.

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Cautionary Statement Regarding Forward-Looking Statements

This news release contains statements that constitute “forward-looking statements,” including but not limited to management’s outlook for UBS’s financial performance and statements relating to the anticipated effect of transactions and strategic initiatives on UBS’s business and future development. While these forward-looking statements represent UBS’s judgments and expectations concerning the matters described, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from UBS’s expectations. These factors include, but are not limited to: (i) the degree to which UBS is successful in the ongoing execution of its strategic plans, including its cost reduction and efficiency initiatives and its ability to manage its levels of risk-weighted assets (RWA), including to counteract regulatory-driven increases, leverage ratio denominator, liquidity coverage ratio and other financial resources, and the degree to which UBS is successful in implementing changes to its businesses to meet changing market, regulatory and other conditions; (ii) continuing low or negative interest rate environment, 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, and currency exchange rates, and the effects of economic conditions, market developments, and geopolitical tensions on the financial position or creditworthiness of UBS’s clients and counterparties as well as on client sentiment and levels of activity; (iii) changes in the availability of capital and funding, including any changes in UBS’s credit spreads and ratings, as well as availability and cost of funding to meet requirements for debt eligible for total loss-absorbing capacity (TLAC); (iv) changes in or the implementation of financial legislation and regulation in Switzerland, the US, the UK 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, liquidity and funding 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; (v) the degree to which UBS is successful in implementing further changes to its legal structure to improve its resolvability and meet related regulatory requirements and the potential need to make further changes to the legal structure or booking model of UBS Group in response to legal and regulatory requirements, to proposals in Switzerland and other jurisdictions for mandatory structural reform of banks or systemically important institutions or to other external developments, and the extent to which such changes will have the intended effects; (vi) uncertainty as to the extent to which the Swiss Financial Market Supervisory Authority (FINMA) will confirm limited reductions of gone concern requirements due to measures to reduce resolvability risk; (vii) the uncertainty arising from the timing and nature of the UK exit from the EU and the potential need to make changes in UBS’s legal structure and operations as a result of it; (viii) changes in UBS’s competitive position, including whether differences in regulatory capital and other requirements among the major financial centers will adversely affect UBS’s ability to compete in certain lines of business; (ix) changes in the standards of conduct applicable to our businesses that may result from new regulation or new enforcement of existing standards, including recently enacted and proposed measures to impose new and enhanced duties when interacting with customers and in the execution and handling of customer transactions; (x) 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 or 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; (xi) the effects on UBS’s cross-border banking business of tax or regulatory developments and of possible changes in UBS’s policies and practices relating to this business; (xii) UBS’s ability to retain and attract the employees necessary to generate revenues and to manage, support and control its businesses, which may be affected by competitive factors including differences in compensation practices; (xiii) 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, including from changes to US taxation under the Tax Cuts and Jobs Act; (xiv) 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; (xv) limitations on the effectiveness of UBS’s internal processes for risk management, risk control, measurement and modeling, and of financial models generally; (xvi) the occurrence of operational failures, such as fraud, misconduct, unauthorized trading, financial crime, cyberattacks, and systems failures; (xvii) restrictions on the ability of UBS Group 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; (xviii) 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; and (xix) the effect that these or other factors or unanticipated events may have on our reputation and the additional consequences that this may have on our business and performance. The sequence in which the factors above are presented is not indicative of their likelihood of occurrence or the potential magnitude of their consequences. Our business and financial performance could be affected by other factors identified in our past and future filings and reports, including those filed with the SEC. More detailed information about those factors is set forth in documents furnished by UBS and filings made by UBS with the SEC, including UBS’s Annual Report on Form 20-F for the year ended 31 December 2017. 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 news release may not add up precisely to the totals provided in the tables and text. Starting in 2018, percentages, percent changes and adjusted results presented in the tables and text are calculated on the basis of unrounded figures, with the exception of movement information provided in text that can be derived from figures displayed in the tables, which is calculated on a rounded basis. For prior periods, these values are calculated on the basis of rounded figures displayed in the tables and text.

Tables

Within tables, blank fields generally indicate that the field is not applicable or not meaningful, or that information is not available as of the relevant date or for the relevant period. Zero values generally indicate that the respective figure is zero on an actual or rounded basis. Percentage changes are presented as a mathematical calculation of the change between periods.