



Fourth quarter 2018

Select Swiss franc disclosures

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Basis of preparation

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

The select Swiss franc disclosures in this document include information prepared on the basis of US dollars values disclosed

in our fourth quarter 2018 report, translated to Swiss francs using a simplified approach. Assets, liabilities and total equity were converted to Swiss francs at closing exchange rates prevailing on the respective balance sheet dates, and income and expenses were translated at the respective average rates prevailing for the relevant periods. As a consequence of restatements for this presentation currency change, prior period Swiss franc figures may differ from those originally published in quarterly and annual reports.

→ **Refer to the "Recent developments" section of the UBS Group AG fourth quarter 2018 report for more information**

UBS Group

Select Swiss franc disclosures (unaudited)

Our key figures

CHF million, except where indicated	As of or for the quarter ended			As of or for the year ended	
	31.12.18	30.9.18	31.12.17	31.12.18	31.12.17
Group results					
Operating income	6,960	7,280	7,109	29,501	29,063
Operating expenses	6,089	5,611	6,266	23,300	23,800
Operating profit / (loss) before tax	871	1,669	843	6,201	5,263
Net profit / (loss) attributable to shareholders	704	1,227	(2,341)	4,769	980
Diluted earnings per share (CHF) ¹	0.18	0.32	(0.63)	1.24	0.26
Key performance indicators²					
Profitability and growth					
Return on tangible equity (%)	6.4	11.1	(20.3)	10.8	2.3
Adjusted return on tangible equity excluding deferred tax expense / benefit and deferred tax assets (%)	5.0	15.7	8.5	13.8	13.7
Cost / income ratio (%)	86.8	77.0	87.1	78.7	81.5
Adjusted cost / income ratio (%) ³	86.6	75.9	83.5	78.2	78.2
Net profit growth (%)		29.4		386.7	(70.3)
Resources					
Common equity tier 1 capital ratio (%) ⁴	13.1	13.5	13.8	13.1	13.8
Common equity tier 1 leverage ratio (%) ⁴	3.81	3.80	3.69	3.81	3.69
Going concern leverage ratio (%) ⁴	5.2	5.0	4.7	5.2	4.7
Additional information					
Profitability					
Return on equity (%)	5.4	9.6	(17.9)	9.3	1.9
Return on risk-weighted assets, gross (%) ⁵	11.0	11.6	12.1	11.8	12.6
Return on leverage ratio denominator, gross (%) ⁵	3.1	3.2	3.3	3.3	3.3
Resources					
Total assets	942,416	932,471	915,600	942,416	915,600
Equity attributable to shareholders	52,415	51,122	51,172	52,415	51,172
Common equity tier 1 capital ⁴	33,920	34,167	32,671	33,920	32,671
Risk-weighted assets ⁴	259,324	252,247	237,494	259,324	237,494
Going concern capital ratio (%) ⁴	17.7	17.9	17.6	17.7	17.6
Total loss-absorbing capacity ratio (%) ⁴	31.9	31.8	33.0	31.9	33.0
Leverage ratio denominator ⁴	889,445	898,000	886,116	889,445	886,116
Total loss-absorbing capacity leverage ratio (%) ⁴	9.3	8.9	8.8	9.3	8.8
Liquidity coverage ratio (%) ⁶	136	135	143	136	143
Other					
Invested assets (CHF billion) ⁷	3,049	3,267	3,179	3,049	3,179
Personnel (full-time equivalents)	66,888	65,556	61,253	66,888	61,253
Market capitalization ⁸	47,174	59,754	69,125	47,174	69,125
Total book value per share (CHF) ⁸	14.21	13.72	13.75	14.21	13.75
Tangible book value per share (CHF) ⁸	12.44	12.02	12.03	12.44	12.03

¹ Refer to "Earnings per share (EPS) and shares outstanding" in the "Consolidated financial information" section of the UBS Group fourth 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 Calculated as adjusted operating expenses / adjusted operating income before credit loss (expense) or recovery. ⁴ Based on the Swiss systemically relevant bank framework as of 1 January 2020. Refer to the "Capital management" section of the UBS Group fourth quarter 2018 report for more information. ⁵ Calculated as operating income before credit loss (annualized as applicable) / average risk-weighted assets and average leverage ratio denominator, respectively. ⁶ Refer to the "Balance sheet, liquidity and funding management" section of the UBS Group fourth quarter 2018 report for more information. ⁷ Includes invested assets for Personal & Corporate Banking. ⁸ Refer to "UBS shares" in the "Capital management" section of the UBS Group fourth quarter 2018 report for more information.

UBS Group AG interim consolidated financial information (unaudited)

Income statement

	For the quarter ended			For the year ended	
<i>CHF million, except per share data</i>	31.12.18	30.9.18	31.12.17	31.12.18	31.12.17
Interest income from financial instruments measured at amortized cost and fair value through other comprehensive income	2,674	2,486	2,714	9,879	10,218
Interest expense from financial instruments measured at amortized cost	(1,775)	(1,613)	(1,467)	(6,257)	(5,296)
Interest income from financial instruments measured at fair value through profit or loss	1,732	1,777	893	6,813	3,975
Interest expense from financial instruments measured at fair value through profit or loss	(1,161)	(979)	(467)	(4,566)	(2,370)
Net interest income	1,471	1,670	1,672	5,869	6,528
Other net income from fair value changes on financial instruments	1,048	1,143	987	5,844	4,972
Credit loss (expense) / recovery	(53)	(9)	(89)	(115)	(128)
Fee and commission income	4,688	4,779	4,772	19,142	18,991
Fee and commission expense	(438)	(401)	(478)	(1,664)	(1,804)
Net fee and commission income	4,250	4,378	4,294	17,477	17,186
Other income	245	98	245	426	505
Total operating income	6,960	7,280	7,109	29,501	29,063
Personnel expenses	3,829	3,858	3,923	15,760	15,889
General and administrative expenses	1,901	1,433	2,054	6,275	6,808
Depreciation and impairment of property, equipment and software	341	304	272	1,201	1,033
Amortization and impairment of intangible assets	17	15	17	64	70
Total operating expenses	6,089	5,611	6,266	23,300	23,800
Operating profit / (loss) before tax	871	1,669	843	6,201	5,263
Tax expense / (benefit)	167	439	3,158	1,426	4,208
Net profit / (loss)	705	1,230	(2,314)	4,776	1,056
Net profit / (loss) attributable to non-controlling interests	1	3	27	7	76
Net profit / (loss) attributable to shareholders	704	1,227	(2,341)	4,769	980
Earnings per share (CHF)					
Basic	0.19	0.33	(0.63)	1.28	0.26
Diluted	0.18	0.32	(0.63)	1.24	0.26

Balance sheet

CHF million	31.12.18	30.9.18	31.12.17
Assets			
Cash and balances at central banks	106,553	92,632	87,775
Loans and advances to banks	16,585	15,339	13,739
Receivables from securities financing transactions	93,750	81,951	89,633
Cash collateral receivables on derivative instruments	23,206	21,414	23,434
Loans and advances to customers	314,980	318,127	318,509
Other financial assets measured at amortized cost	22,185	20,623	36,861
Total financial assets measured at amortized cost	577,259	550,086	569,950
Financial assets at fair value held for trading	102,620	120,843	126,144
<i>of which: assets pledged as collateral that may be sold or repledged by counterparties</i>	<i>31,583</i>	<i>37,019</i>	<i>35,363</i>
Derivative financial instruments	124,093	114,246	118,227
Brokerage receivables	16,558	20,235	
Financial assets at fair value not held for trading	81,303	87,196	58,933
Total financial assets measured at fair value through profit or loss	324,575	342,520	303,304
Financial assets measured at fair value through other comprehensive income	6,555	6,618	8,665
Investments in associates	1,081	982	1,018
Property, equipment and software	9,191	9,042	8,829
Goodwill and intangible assets	6,535	6,316	6,398
Deferred tax assets	9,935	9,635	9,802
Other non-financial assets	7,286	7,272	7,633
Total assets	942,416	932,471	915,600
Liabilities			
Amounts due to banks	10,779	10,109	7,533
Payables from securities financing transactions	10,123	10,816	17,044
Cash collateral payables on derivative instruments	28,422	27,635	30,247
Customer deposits	412,798	401,298	408,999
Debt issued measured at amortized cost	130,053	133,990	139,551
Other financial liabilities measured at amortized cost	6,769	6,330	36,337
Total financial liabilities measured at amortized cost	598,944	590,179	639,711
Financial liabilities at fair value held for trading	28,458	32,030	30,463
Derivative financial instruments	123,615	113,553	116,133
Brokerage payables designated at fair value	37,775	38,268	
Debt issued designated at fair value	56,075	61,631	49,502
Other financial liabilities designated at fair value	33,031	34,605	16,223
Total financial liabilities measured at fair value through profit or loss	278,954	280,087	212,322
Provisions	3,060	2,963	3,133
Other non-financial liabilities	8,871	8,083	9,205
Total liabilities	889,828	881,311	864,371
Equity			
Equity attributable to shareholders	52,415	51,122	51,172
Equity attributable to non-controlling interests	173	38	57
Total equity	52,588	51,160	51,229
Total liabilities and equity	942,416	932,471	915,600

UBS Group AG key regulatory information

Liquidity coverage ratio

CHF billion, except where indicated	Average 4Q18 ¹	Average 3Q18 ¹
High-quality liquid assets	173	174
Net cash outflows	127	129
Liquidity coverage ratio (%)	136	135

¹ Calculated based on an average of 64 data points in the fourth quarter of 2018 and 63 data points in the third quarter of 2018.

Swiss SRB going and gone concern information

CHF million, except where indicated	Swiss SRB, including transitional arrangements			Swiss SRB as of 1.1.20		
	31.12.18	30.9.18	31.12.17 ¹	31.12.18	30.9.18	31.12.17
Going concern capital						
Common equity tier 1 capital	33,920 ²	34,167	35,494	33,920 ²	34,167	32,671
High-trigger loss-absorbing additional tier 1 capital	9,632	8,633	6,857	9,632	8,633	6,857
Low-trigger loss-absorbing additional tier 1 capital	2,330	2,314	1,087 ³	2,330	2,314	2,383
Total loss-absorbing additional tier 1 capital	11,962	10,948	7,944	11,962	10,948	9,240
Total tier 1 capital	45,882	45,115	43,438	45,882	45,115	41,911
High-trigger loss-absorbing tier 2 capital	0	427	435			
Low-trigger loss-absorbing tier 2 capital ⁴	5,907	5,853	7,874			
Total tier 2 capital	5,907	6,281	8,309			
Total going concern capital	51,789	51,395	51,748	45,882	45,115	41,911
Gone concern loss-absorbing capacity⁵						
High-trigger loss-absorbing tier 2 capital						218
Low-trigger loss-absorbing tier 2 capital ⁴	758	743	378	6,665	6,596	8,252
Non-Basel III-compliant tier 2 capital ⁶	681	686	689	681	686	689
Total tier 2 capital	1,439	1,429	1,067	7,346	7,283	9,159
TLAC-eligible senior unsecured debt	29,485	27,789	27,233	29,485	27,789	27,233
Total gone concern loss-absorbing capacity	30,924	29,218	28,300	36,831	35,071	36,392
Total loss-absorbing capacity	82,713	80,614	80,048	82,713	80,186	78,303
Risk-weighted assets / leverage ratio denominator						
Risk-weighted assets	259,324	252,247	238,394	259,324	252,247	237,494
Leverage ratio denominator	889,445	898,000	887,635	889,445	898,000	886,116
Capital and loss-absorbing capacity ratios (%)						
Going concern capital ratio	20.0	20.4	21.7	17.7	17.9	17.6
of which: common equity tier 1 capital ratio	13.1	13.5	14.9	13.1	13.5	13.8
Gone concern loss-absorbing capacity ratio	11.9	11.6	11.9	14.2	13.9	15.3
Total loss-absorbing capacity ratio	31.9	32.0	33.6	31.9	31.8	33.0
Leverage ratios (%)						
Going concern leverage ratio	5.8	5.7	5.8	5.2	5.0	4.7
of which: common equity tier 1 leverage ratio	3.81	3.80	4.00	3.81	3.80	3.69
Gone concern leverage ratio	3.5	3.3	3.2	4.1	3.9	4.1
Total loss-absorbing capacity leverage ratio	9.3	9.0	9.0	9.3	8.9	8.8

¹ As of 31 December 2017, the phase-in deduction applied for the purpose of the CET1 capital calculation was 80%. These effects are fully phased in from 1 January 2018. Prudential filters applied to RWA and LRD are also fully phased in from 1 January 2018. ² IFRS 9 expected credit loss effects are considered on a phased-in basis in accordance with the FINMA guidance. Refer to "Introduction and basis for preparation" of our 31 December 2018 Pillar 3 report – UBS Group and significant regulated subsidiaries and sub-groups, which will be available from March 2019, under "Pillar 3 disclosures" at www.ubs.com/investors for more information. ³ Low-trigger loss-absorbing additional tier 1 capital of CHF 2,383 million was partly offset by required deductions for goodwill of CHF 1,296 million. ⁴ Under the transitional rules of the Swiss SRB framework, outstanding low-trigger loss-absorbing tier 2 capital instruments are subject to amortization starting five years prior to their maturity, with the amortized portion qualifying as gone concern loss-absorbing capacity. ⁵ Instruments available to meet gone concern requirements are eligible until one year before maturity, with a haircut of 50% applied in the last year of eligibility. ⁶ Non-Basel III-compliant tier 2 capital instruments qualify as gone concern instruments.

Risk-weighted assets by business division and Corporate Center unit

<i>CHF billion</i>	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	CC – Services	CC – Group ALM	CC – Non-core and Legacy Portfolio	Total RWA
				31.12.18				
Credit and counterparty credit risk ¹	28.8	51.8	1.6	49.0	1.8	9.0	3.4	145.4
Non-counterparty-related risk ²	0.1	0.1	0.1	0.0	17.8	0.0	0.0	18.0
Market risk	1.3	0.0	0.0	16.5 ³	0.0	0.6	1.3	19.7
Operational risk	27.1	4.0	2.4	19.9	11.7	2.2	9.0	76.3
Total⁴	57.2	55.9	4.1	85.4	31.3	11.8	13.6	259.3
RWA held by CC – Group ALM on behalf of business divisions and other CC units ⁵	2.3	1.1	0.1	0.4	0.0	(3.9)	0.0	0.0
RWA after allocation from CC – Group ALM to business divisions and other CC units	59.5	57.0	4.1	85.8	31.3	7.9	13.7	259.3
				30.9.18				
Credit and counterparty credit risk ¹	28.4	48.9	1.5	50.0	2.0	8.7	4.0	143.6
Non-counterparty-related risk ²	0.1	0.1	0.1	0.0	17.6	0.0	0.0	17.8
Market risk	1.2	0.0	0.0	10.5	(2.0) ³	0.5	1.2	11.4
Operational risk	27.0	4.0	2.4	19.8	13.3	2.5	10.3	79.4
Total⁴	56.6	53.0	4.0	80.4	31.0	11.8	15.5	252.2
RWA held by CC – Group ALM on behalf of business divisions and other CC units ⁵	2.1	1.1	0.1	0.4	0.0	(3.8)	0.0	0.0
RWA after allocation from CC – Group ALM to business divisions and other CC units	58.8	54.0	4.0	80.8	31.0	8.0	15.6	252.2
				31.12.18 vs 30.9.18				
Credit and counterparty credit risk ¹	0.4	2.9	0.1	(1.1)	(0.2)	0.3	(0.6)	1.9
Non-counterparty-related risk ²	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.1
Market risk	0.1	0.0	0.0	6.0	2.0	0.1	0.0	8.2
Operational risk	0.1	0.0	0.0	0.0	(1.7)	(0.3)	(1.3)	(3.2)
Total⁴	0.6	2.9	0.1	5.0	0.3	0.0	(1.9)	7.1
RWA held by CC – Group ALM on behalf of business divisions and other CC units ⁵	0.1	0.0	0.0	0.0	0.0	(0.2)	0.0	0.0
RWA after allocation from CC – Group ALM to business divisions and other CC units	0.7	2.9	0.1	5.0	0.8	(0.1)	(1.9)	7.1

¹ Includes settlement risk, credit valuation adjustments, equity exposures in the banking book and securitization exposures in the banking book. ² Non-counterparty-related risk includes deferred tax assets recognized for temporary differences (31 December 2018: CHF 8.6 billion; 30 September 2018: CHF 8.6 billion), property, equipment and software (31 December 2018: CHF 9.1 billion; 30 September 2018: CHF 9.0 billion) and other items (31 December 2018: CHF 0.2 billion; 30 September 2018: CHF 0.2 billion). ³ As of 31 December 2018, the effect of portfolio diversification across businesses, which was previously reflected in Corporate Center – Services market risk RWA, was included in the Investment Bank market risk RWA. ⁴ Represents RWA held by the respective business division or Corporate Center unit. ⁵ Represents RWA held by Corporate Center – Group ALM that are directly associated with activity managed centrally on behalf of the business divisions and other Corporate Center units. Refer to "Equity attribution and return on attributed equity" in this section for more information.

Leverage ratio denominator by business division and Corporate Center unit

<i>CHF billion</i>	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	CC – Services	CC – Group ALM	CC – Non-core and Legacy Portfolio	Total
				31.12.18				
Total IFRS assets	196.7	136.5	24.0	254.2	21.4	275.4	34.1	942.3
Difference in scope of consolidation ¹	(0.2)	0.0	(21.4)	(0.4)	(0.1)	0.1	0.0	(21.9)
Less: derivative exposures and SFTs ²	(8.6)	(0.8)	0.0	(133.5)	0.0	(94.4)	(31.0)	(268.4)
On-balance sheet exposures	187.9	135.7	2.6	120.3	21.3	181.1	3.2	652.0
Derivative exposures	8.4	1.2	0.0	74.0	0.0	3.8	6.3	93.8
Securities financing transactions	2.7	0.0	0.0	31.5	0.0	93.4	1.1	128.7
Off-balance sheet items	4.9	12.7	0.0	10.4	0.1	0.4	0.0	28.5
Items deducted from Swiss SRB tier 1 capital	0.0	0.0	0.0	0.0	(13.6)	0.0	0.0	(13.6)
Total³	203.9	149.6	2.6	236.1	7.8	278.8	10.7	889.4
LRD held by CC – Group ALM on behalf of business divisions and other CC units ⁴	62.1	40.5	2.5	15.8	0.3	(122.8)	1.6	0.0
LRD after allocation from CC – Group ALM to business divisions and other CC units	266.1	190.1	5.1	251.9	8.0	156.0	12.3	889.4
				30.9.18				
Total IFRS assets	196.0	136.1	26.1	269.6	20.7	249.8	34.2	932.5
Difference in scope of consolidation ¹	(0.1)	0.0	(23.5)	(0.5)	(0.1)	0.1	0.1	(24.1)
Less: derivative exposures and SFTs ²	(5.9)	(0.9)	0.0	(130.4)	0.0	(80.5)	(30.9)	(248.6)
On-balance sheet exposures	189.9	135.2	2.6	138.7	20.6	169.5	3.4	659.8
Derivative exposures	8.6	1.4	0.0	77.7	0.0	3.2	6.7	97.7
Securities financing transactions	2.5	0.0	0.0	39.4	0.0	80.1	1.1	123.1
Off-balance sheet items	4.5	11.9	0.0	11.4	0.1	2.6	0.0	30.5
Items deducted from Swiss SRB tier 1 capital					(13.1)			(13.1)
Total³	205.6	148.4	2.6	267.2	7.6	255.4	11.3	898.0
LRD held by CC – Group ALM on behalf of business divisions and other CC units ⁴	56.0	39.6	2.2	15.7	0.8	(116.1)	1.9	0.0
LRD after allocation from CC – Group ALM to business divisions and other CC units	261.6	188.0	4.8	282.8	8.3	139.3	13.2	898.0
				31.12.18 vs 30.9.18				
Total IFRS assets	0.7	0.4	(2.2)	(15.4)	0.7	25.6	0.0	9.8
Difference in scope of consolidation ¹	0.0	0.0	2.2	0.0	0.0	0.0	(0.1)	2.2
Less: derivative exposures and SFTs ²	(2.7)	0.1	0.0	(3.1)	0.0	(14.0)	(0.1)	(19.8)
On-balance sheet exposures	(2.0)	0.5	0.0	(18.5)	0.7	11.7	(0.2)	(7.8)
Derivative exposures	(0.2)	(0.2)	0.0	(3.7)	0.0	0.6	(0.4)	(3.9)
Securities financing transactions	0.2	0.0	0.0	(7.9)	0.0	13.3	0.0	5.6
Off-balance sheet items	0.4	0.9	0.0	(1.0)	0.0	(2.2)	0.0	(2.0)
Items deducted from Swiss SRB tier 1 capital					(0.5)			(0.5)
Total³	(1.7)	1.2	0.0	(31.1)	0.2	23.4	(0.6)	(8.6)
LRD held by CC – Group ALM on behalf of business divisions and other CC units ⁴	6.2	0.9	0.3	0.1	(0.5)	(6.7)	(0.3)	0.0
LRD after allocation from CC – Group ALM to business divisions and other CC units	4.5	2.1	0.3	(30.9)	(0.3)	16.7	(0.9)	(8.6)

¹ Represents the difference between the IFRS and the regulatory scope of consolidation, which is the applicable scope for the LRD calculation. ² Consists of derivative financial instruments, cash collateral receivables on derivative instruments, receivables from securities financing transactions, and margin loans as well as prime brokerage receivables and financial assets at fair value not held for trading, both related to securities financing transactions, in accordance with the regulatory scope of consolidation, which are presented separately under Derivative exposures and Securities financing transactions. ³ Represents LRD held by the respective business division or Corporate Center unit. ⁴ Represents LRD held by Corporate Center – Group ALM that is directly associated with activity managed centrally on behalf of the business divisions and other Corporate Center units. Refer to "Equity attribution and return on attributed equity" in this section for more information.

UBS AG

consolidated

Select Swiss franc disclosures (unaudited)

UBS AG (consolidated) key figures

CHF million, except where indicated	As of or for the quarter ended			As of or for the year ended	
	31.12.18	30.9.18	31.12.17	31.12.18	31.12.17
Results					
Operating income	7,070	7,376	7,230	29,920	29,475
Operating expenses	6,264	5,843	6,487	24,235	24,481
Operating profit / (loss) before tax	806	1,533	742	5,685	4,994
Net profit / (loss) attributable to shareholders	661	1,118	(2,417)	4,372	773
Key performance indicators¹					
Profitability and growth					
Return on tangible equity (%)	6.1	10.4	(21.1)	10.0	1.8
Cost / income ratio (%)	87.9	79.1	88.6	80.7	82.7
Net profit growth (%)		23.4		465.8	(76.6)
Resources					
Common equity tier 1 capital ratio (%) ²	13.3	13.7	14.0	13.3	14.0
Common equity tier 1 leverage ratio (%) ²	3.87	3.83	3.75	3.87	3.75
Going concern leverage ratio (%) ²	4.7	4.6	4.2	4.7	4.2
Additional information					
Profitability					
Return on equity (%)	5.2	8.9	(18.6)	8.7	1.5
Return on risk-weighted assets, gross (%) ³	11.2	11.7	12.4	12.0	12.8
Return on leverage ratio denominator, gross (%) ³	3.2	3.3	3.3	3.4	3.4
Resources					
Total assets	941,990	933,091	916,322	941,990	916,322
Equity attributable to shareholders	51,755	50,136	50,676	51,755	50,676
Common equity tier 1 capital ²	34,372	34,392	33,240	34,372	33,240
Risk-weighted assets ²	258,433	251,428	236,606	258,433	236,606
Going concern capital ratio (%) ²	16.3	16.5	15.6	16.3	15.6
Total loss-absorbing capacity ratio (%) ²	31.4	31.3	31.4	31.4	31.4
Leverage ratio denominator ²	889,304	898,894	887,189	889,304	887,189
Total loss-absorbing capacity leverage ratio (%) ²	9.1	8.8	8.4	9.1	8.4
Other					
Invested assets (CHF billion) ⁴	3,049	3,267	3,179	3,049	3,179
Personnel (full-time equivalents) ⁵	47,643	47,091	46,009	47,643	46,009

¹ Refer to the "Measurement of performance" section of our Annual Report 2017 for the definitions of our key performance indicators. ² Based on the Swiss systemically relevant bank framework as of 1 January 2020. Refer to the "Capital management" section of the UBS Group fourth quarter 2018 report for more information. ³ Calculated as operating income before credit loss (annualized as applicable) / average risk-weighted assets and average leverage ratio denominator, respectively. ⁴ Includes invested assets for Personal & Corporate Banking. ⁵ As of 31 December 2018, the breakdown of personnel by business division and Corporate Center unit was: Global Wealth Management: 23,554; Personal & Corporate Banking: 5,100; Asset Management: 2,273; Investment Bank: 4,928; Corporate Center – Services: 11,576; Corporate Center – Group ALM: 169; Corporate Center – Non-core and Legacy Portfolio: 44.

Comparison UBS Group AG consolidated versus UBS AG consolidated

CHF million, except where indicated	As of or for the quarter ended 31.12.18		
	UBS Group AG (consolidated)	UBS AG (consolidated)	Difference (absolute)
Income statement			
Operating income	6,960	7,070	(110)
Operating expenses	6,089	6,264	(175)
Operating profit / (loss) before tax	871	806	65
<i>of which: Global Wealth Management</i>	794	783	11
<i>of which: Personal & Corporate Banking</i>	714	715	(1)
<i>of which: Asset Management</i>	113	112	1
<i>of which: Investment Bank</i>	(42)	(43)	1
<i>of which: Corporate Center</i>	(708)	(761)	53
<i>of which: Services</i>	(482)	(525)	43
<i>of which: Group ALM</i>	(132)	(143)	11
<i>of which: Non-core and Legacy Portfolio</i>	(93)	(93)	0
Net profit / (loss)	705	662	43
<i>of which: net profit / (loss) attributable to shareholders</i>	704	661	43
<i>of which: net profit / (loss) attributable to preferred noteholders</i>			
<i>of which: net profit / (loss) attributable to non-controlling interests</i>	1	1	0
Statement of comprehensive income			
Other comprehensive income	885	886	(1)
<i>of which: attributable to shareholders</i>	884	885	(1)
<i>of which: attributable to preferred noteholders</i>			
<i>of which: attributable to non-controlling interests</i>	1	1	0
Total comprehensive income	1,589	1,548	41
<i>of which: attributable to shareholders</i>	1,588	1,546	41
<i>of which: attributable to preferred noteholders</i>			
<i>of which: attributable to non-controlling interests</i>	2	2	0
Balance sheet			
Total assets	942,416	941,990	426
Total liabilities	889,828	890,062	(234)
Total equity	52,588	51,928	660
<i>of which: equity attributable to shareholders</i>	52,415	51,755	660
<i>of which: equity attributable to non-controlling interests</i>	173	173	0
Capital information			
Common equity tier 1 capital	33,920	34,372	(452)
Going concern capital	45,882	42,046	3,836
Risk-weighted assets	259,324	258,433	891
Common equity tier 1 capital ratio (%)	13.1	13.3	(0.2)
Going concern capital ratio (%)	17.7	16.3	1.4
Total loss-absorbing capacity ratio (%)	31.9	31.4	0.5
Leverage ratio denominator	889,445	889,304	141
Common equity tier 1 leverage ratio (%)	3.81	3.87	(0.05)
Going concern leverage ratio (%)	5.2	4.7	0.4
Total loss-absorbing capacity leverage ratio (%)	9.3	9.1	0.2

As of or for the quarter ended 30.9.18			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)
7,280	7,376	(96)	7,109	7,230	(121)
5,611	5,843	(232)	6,266	6,487	(221)
1,669	1,533	136	843	742	101
932	923	9	782	778	4
413	414	(1)	392	393	(1)
120	120	0	238	238	0
472	462	10	49	50	(1)
(268)	(384)	116	(617)	(717)	100
(118)	(215)	97	(155)	(252)	97
(126)	(145)	19	(226)	(229)	3
(24)	(24)	0	(236)	(236)	0
1,230	1,121	109	(2,314)	(2,390)	76
1,227	1,118	109	(2,341)	(2,417)	76
3	3	0	27	26	(26)
				0	27
(441)	(439)	(2)	(245)	(243)	(2)
(442)	(440)	(2)	(423)	(421)	(2)
				176	(176)
1	1	0	178	2	176
789	682	107	(2,559)	(2,633)	74
785	678	107	(2,764)	(2,838)	74
				203	(203)
4	4	(0)	205	2	203
932,471	933,091	(620)	915,600	916,322	(722)
881,311	882,917	(1,606)	864,371	865,588	(1,217)
51,160	50,174	986	51,229	50,733	496
51,122	50,136	986	51,172	50,676	496
38	38	(0)	57	57	(0)
34,167	34,392	(225)	32,671	33,240	(569)
45,115	41,432	3,683	41,911	36,906	5,005
252,247	251,428	819	237,494	236,606	888
13.5	13.7	(0.1)	13.8	14.0	(0.2)
17.9	16.5	1.4	17.6	15.6	2.0
31.8	31.3	0.4	33.0	31.4	1.6
898,000	898,894	(894)	886,116	887,189	(1,073)
3.80	3.83	(0.02)	3.69	3.75	(0.06)
5.0	4.6	0.4	4.7	4.2	0.5
8.9	8.8	0.2	8.8	8.4	0.4

Cautionary Statement Regarding Forward-Looking Statements | This report contains statements that constitute “forward-looking statements,” including but not limited to management’s outlook for UBS’s financial performance and statements relating to the anticipated effect of transactions and strategic initiatives on UBS’s business and future development. While these forward-looking statements represent UBS’s judgments and expectations concerning the matters described, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from UBS’s expectations. These factors include, but are not limited to: (i) the degree to which UBS is successful in 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) and leverage ratio denominator (LRD), including to counteract regulatory-driven increases, 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) the continuing low or negative interest rate environment in Switzerland and other jurisdictions, 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, the European Union 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, 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) UBS’s ability to maintain and improve its systems and controls for the detection and prevention of money laundering and compliance with sanctions to meet evolving regulatory requirements and expectations, in particular in the US; (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 such withdrawal; (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; (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; (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 report may not add up precisely to the totals provided in the tables and text. Starting in 2018, percentages, percent changes, and adjusted results are calculated on the basis of unrounded figures. Information on absolute changes between reporting periods, which is provided in text and that can be derived from figures displayed in the tables, is calculated on a rounded basis.

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

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