



Fourth quarter 2019

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 2019 report, translated to Swiss francs using a simplified approach. Assets, liabilities and total equity

were translated to Swiss francs at closing exchange rates prevailing on the respective balance sheet dates, and income and expenses were translated at the respective average rates prevailing for the relevant periods. As a consequence of restatements for this presentation currency change, prior period Swiss franc figures may differ from those originally published in quarterly and annual reports.

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

UBS Group

Select Swiss franc disclosures (unaudited)

Our key figures

CHF million, except where indicated	As of or for the quarter ended			As of or for the year ended	
	31.12.19	30.9.19	31.12.18	31.12.19	31.12.18
Group results					
Operating income	6,941	7,049	6,960	28,706	29,501
Operating expenses	6,025	5,712	6,464	23,156	23,676
Operating profit / (loss) before tax	916	1,337	496	5,551	5,826
Net profit / (loss) attributable to shareholders	713	1,044	329	4,281	4,394
Diluted earnings per share (CHF) ¹	0.19	0.28	0.09	1.14	1.14
Profitability and growth²					
Return on equity (%) ³	5.2	7.7	2.5	8.0	8.6
Return on tangible equity (%) ⁴	5.9	8.8	2.9	9.1	9.8
Return on common equity tier 1 capital (%) ⁵	8.3	12.1	3.9	12.5	13.1
Return on risk-weighted assets, gross (%) ⁶	10.8	10.9	11.0	11.1	11.8
Return on leverage ratio denominator, gross (%) ⁶	3.1	3.2	3.1	3.2	3.3
Cost / income ratio (%) ⁷	86.7	80.6	92.2	80.4	79.9
Adjusted cost / income ratio (%) ⁸	82.8	79.1	92.1	78.9	79.5
Effective tax rate (%)	21.6	21.9	33.6	22.8	24.5
Net profit growth (%) ⁹	116.8	(14.9)		(2.6)	348.4
Resources					
Total assets	941,198	971,484	942,416	941,198	942,416
Equity attributable to shareholders	52,795	56,093	52,040	52,795	52,040
Common equity tier 1 capital ¹⁰	34,448	34,615	33,554	34,448	33,554
Risk-weighted assets ¹⁰	250,946	264,182	259,324	250,946	259,324
Common equity tier 1 capital ratio (%) ¹⁰	13.7	13.1	12.9	13.7	12.9
Going concern capital ratio (%) ¹⁰	20.0	19.2	17.5	20.0	17.5
Total loss-absorbing capacity ratio (%) ¹⁰	34.6	33.3	31.7	34.6	31.7
Leverage ratio denominator ¹⁰	882,280	900,399	889,445	882,280	889,445
Common equity tier 1 leverage ratio (%) ¹⁰	3.90	3.84	3.77	3.90	3.77
Going concern leverage ratio (%) ¹⁰	5.7	5.6	5.1	5.7	5.1
Total loss-absorbing capacity leverage ratio (%) ¹⁰	9.8	9.8	9.3	9.8	9.3
Liquidity coverage ratio (%) ¹¹	134	138	136	134	136
Other					
Invested assets (CHF billion) ¹²	3,492	3,416	3,049	3,492	3,049
Personnel (full-time equivalents)	68,662	67,634	66,888	68,662	66,888
Market capitalization ¹³	44,206	41,141	45,137	44,206	45,137
Total book value per share (CHF) ^{13,14}	14.60	15.45	14.11	14.60	14.11
Tangible book value per share (CHF) ^{13,14}	12.87	13.64	12.33	12.87	12.33

1 Refer to "Earnings per share (EPS) and shares outstanding" in the "Consolidated financial information" section of the UBS Group fourth quarter 2019 report for more information. 2 Refer to the "Performance targets and measurement" section of our Annual Report 2018 for more information about our performance targets. 3 Calculated as net profit attributable to shareholders (annualized as applicable) divided by average equity attributable to shareholders. 4 Calculated as net profit attributable to shareholders (annualized as applicable) divided by average equity attributable to shareholders less average goodwill and intangible assets. Effective 1 January 2019, the definition of the numerator for return on tangible equity has been revised to align with numerators for return on equity and return on common equity tier 1 capital; i.e., we no longer adjust for amortization and impairment of goodwill and intangible assets. Prior periods have been restated. 5 Calculated as net profit attributable to shareholders (annualized as applicable) divided by average common equity tier 1 capital. 6 Calculated as operating income before credit loss expense or recovery (annualized as applicable) divided by average risk-weighted assets and average leverage ratio denominator, respectively. 7 Calculated as operating expenses divided by operating income before credit loss expense or recovery. 8 Calculated as adjusted operating expenses divided by adjusted operating income before credit loss expense or recovery. 9 Calculated as 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 comparison period. 10 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 2019 report for more information. 11 Refer to the "Balance sheet, liquidity and funding management" section of the UBS Group fourth quarter 2019 report for more information. 12 Includes invested assets for Global Wealth Management, Asset Management and Personal & Corporate Banking. 13 Refer to "UBS shares" in the "Capital management" section of the UBS Group fourth quarter 2019 report for more information. 14 Total book value per share and tangible book value per share in Swiss francs are calculated based on a translation of equity under our US dollar presentation currency. As a consequence of the restatement to a US dollar presentation currency, amounts may differ from those originally published in our quarterly and annual reports.

UBS Group AG interim consolidated financial information (unaudited)

Income statement

<i>CHF million, except per share data</i>	For the quarter ended			For the year ended	
	31.12.19	30.9.19	31.12.18	31.12.19	31.12.18
Interest income from financial instruments measured at amortized cost and fair value through other comprehensive income	2,527	2,685	2,674	10,618	9,879
Interest expense from financial instruments measured at amortized cost	(1,554)	(1,766)	(1,775)	(7,151)	(6,257)
Net interest income from financial instruments measured at fair value through profit or loss	269	166	322	1,004	1,303
Net interest income	1,243	1,084	1,222	4,471	4,926
Other net income from financial instruments measured at fair value through profit or loss	1,357	1,578	1,296	6,800	6,787
Credit loss (expense) / recovery	(8)	(38)	(53)	(78)	(115)
Fee and commission income	4,781	4,779	4,688	18,988	19,142
Fee and commission expense	(451)	(394)	(438)	(1,685)	(1,664)
Net fee and commission income	4,331	4,386	4,250	17,303	17,477
Other income	19	39	245	211	427
Total operating income	6,941	7,049	6,960	28,706	29,501
Personnel expenses	3,841	3,965	3,829	15,983	15,760
General and administrative expenses	1,591	1,301	2,277	5,248	6,650
Depreciation and impairment of property, equipment and software	472	429	341	1,753	1,201
Amortization and impairment of goodwill and intangible assets	121	16	17	171	64
Total operating expenses	6,025	5,712	6,464	23,156	23,676
Operating profit / (loss) before tax	916	1,337	496	5,551	5,826
Tax expense / (benefit)	198	293	167	1,264	1,426
Net profit / (loss)	718	1,045	329	4,287	4,400
Net profit / (loss) attributable to non-controlling interests	6	1	1	6	7
Net profit / (loss) attributable to shareholders	713	1,044	329	4,281	4,394
Earnings per share (CHF)					
Basic	0.20	0.29	0.09	1.17	1.18
Diluted	0.19	0.28	0.09	1.14	1.14

Balance sheet

<i>CHF million</i>	31.12.19	30.9.19	31.12.18
Assets			
Cash and balances at central banks	103,656	91,139	106,553
Loans and advances to banks	12,051	13,130	16,585
Receivables from securities financing transactions	81,560	91,800	93,750
Cash collateral receivables on derivative instruments	22,546	25,616	23,206
Loans and advances to customers	316,371	319,633	314,980
Other financial assets measured at amortized cost	22,247	23,512	22,185
Total financial assets measured at amortized cost	558,430	564,830	577,259
Financial assets at fair value held for trading	123,450	115,645	102,620
<i>of which: assets pledged as collateral that may be sold or repledged by counterparties</i>	<i>39,969</i>	<i>40,344</i>	<i>31,583</i>
Derivative financial instruments	117,958	134,015	124,093
Brokerage receivables	17,433	17,623	16,558
Financial assets at fair value not held for trading	81,269	93,006	81,303
Total financial assets measured at fair value through profit or loss	340,110	360,290	324,575
Financial assets measured at fair value through other comprehensive income	6,142	6,981	6,555
Investments in associates	1,018	1,007	1,081
Property, equipment and software	12,395	12,466	9,191
Goodwill and intangible assets	6,263	6,549	6,535
Deferred tax assets	9,233	9,455	9,935
Other non-financial assets	7,606	9,906	7,286
Total assets	941,198	971,484	942,416
Liabilities			
Amounts due to banks	6,361	8,221	10,779
Payables from securities financing transactions	7,530	5,561	10,123
Cash collateral payables on derivative instruments	30,414	32,237	28,422
Customer deposits	433,996	426,068	412,798
Debt issued measured at amortized cost	106,975	116,888	130,053
Other financial liabilities measured at amortized cost	9,403	10,489	6,769
Total financial liabilities measured at amortized cost	594,678	599,464	598,944
Financial liabilities at fair value held for trading	29,616	33,438	28,458
Derivative financial instruments	117,027	131,214	123,615
Brokerage payables designated at fair value	36,046	38,196	37,775
Debt issued designated at fair value	64,679	66,597	56,075
Other financial liabilities designated at fair value	34,795	34,723	33,031
Total financial liabilities measured at fair value through profit or loss	282,163	304,168	278,954
Provisions	2,879	2,960	3,435
Other non-financial liabilities	8,514	8,636	8,871
Total liabilities	888,234	915,228	890,204
Equity			
Share capital	327	337	332
Share premium	17,488	17,936	20,493
Treasury shares	(3,220)	(3,145)	(2,587)
Retained earnings	33,066	35,551	29,937
Other comprehensive income recognized directly in equity, net of tax	5,134	5,413	3,865
Equity attributable to shareholders	52,795	56,093	52,040
Equity attributable to non-controlling interests	169	163	173
Total equity	52,963	56,256	52,213
Total liabilities and equity	941,198	971,484	942,416

UBS Group AG key regulatory information

Liquidity coverage ratio

<i>CHF billion, except where indicated</i>	Average 4Q19 ¹	Average 3Q19 ¹
High-quality liquid assets	165	166
Net cash outflows	123	120
Liquidity coverage ratio (%)	134	138

¹ Calculated based on an average of 64 data points in the fourth quarter of 2019 and 66 data points in the third quarter of 2019.

Swiss SRB going and gone concern information

<i>CHF million, except where indicated</i>	Swiss SRB, including transitional arrangements			Swiss SRB as of 1.1.20		
	31.12.19	30.9.19	31.12.18	31.12.19	30.9.19	31.12.18
Eligible going concern capital						
Total going concern capital	55,237	55,749	51,423	50,234	50,617	45,516
Total tier 1 capital	50,234	50,617	45,516	50,234	50,617	45,516
Common equity tier 1 capital	34,448	34,615	33,554	34,448	34,615	33,554
Total loss-absorbing additional tier 1 capital	15,786	16,002	11,962	15,786	16,002	11,962
<i>of which: high-trigger loss-absorbing additional tier 1 capital</i>	<i>13,450</i>	<i>13,602</i>	<i>9,632</i>	<i>13,450</i>	<i>13,602</i>	<i>9,632</i>
<i>of which: low-trigger loss-absorbing additional tier 1 capital</i>	<i>2,337</i>	<i>2,400</i>	<i>2,330</i>	<i>2,337</i>	<i>2,400</i>	<i>2,330</i>
Total tier 2 capital	5,003	5,132	5,907			
<i>of which: low-trigger loss-absorbing tier 2 capital¹</i>	<i>5,003</i>	<i>5,132</i>	<i>5,907</i>			
Eligible gone concern capital²						
Total gone concern loss-absorbing capacity	31,547	32,281	30,924	36,550	37,413	36,831
Total tier 2 capital	2,191	2,263	1,439	7,195	7,394	7,346
<i>of which: low-trigger loss-absorbing tier 2 capital¹</i>	<i>1,669</i>	<i>1,730</i>	<i>758</i>	<i>6,672</i>	<i>6,861</i>	<i>6,665</i>
<i>of which: non-Basel III-compliant tier 2 capital³</i>	<i>522</i>	<i>533</i>	<i>681</i>	<i>522</i>	<i>533</i>	<i>681</i>
TLAC-eligible senior unsecured debt	29,355	30,019	29,485	29,355	30,019	29,485
Total loss-absorbing capacity						
Total loss-absorbing capacity	86,784	88,030	82,347	86,784	88,030	82,347
Risk-weighted assets / leverage ratio denominator						
Risk-weighted assets	250,946	264,182	259,324	250,946	264,182	259,324
Leverage ratio denominator	882,280	900,399	889,445	882,280	900,399	889,445
Capital and loss-absorbing capacity ratios (%)						
Going concern capital ratio	22.0	21.1	19.8	20.0	19.2	17.5
<i>of which: common equity tier 1 capital ratio</i>	<i>13.7</i>	<i>13.1</i>	<i>12.9</i>	<i>13.7</i>	<i>13.1</i>	<i>12.9</i>
Gone concern loss-absorbing capacity ratio	12.6	12.2	11.9	14.6	14.2	14.2
Total loss-absorbing capacity ratio	34.6	33.3	31.7	34.6	33.3	31.7
Leverage ratios (%)						
Going concern leverage ratio	6.3	6.2	5.8	5.7	5.6	5.1
<i>of which: common equity tier 1 leverage ratio</i>	<i>3.90</i>	<i>3.84</i>	<i>3.77</i>	<i>3.90</i>	<i>3.84</i>	<i>3.77</i>
Gone concern leverage ratio	3.6	3.6	3.5	4.1	4.2	4.1
Total loss-absorbing capacity leverage ratio	9.8	9.8	9.3	9.8	9.8	9.3

¹ 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. ² 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, as reflected in this table. Under the revised Capital Adequacy Ordinance issued in November 2019, effective 1 January 2020, the 50% haircut is no longer applied; refer to "Regulatory and legal developments" in the "Recent developments" section of the financial report for the fourth quarter 2019 for more information. ³ Non-Basel III-compliant tier 2 capital instruments qualify as gone concern instruments.

Risk-weighted assets by business division and Corporate Center

<i>CHF billion</i>	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Corporate Center	Total RWA
			31.12.19			
Credit and counterparty credit risk ¹	33.9	55.5	1.8	49.0	8.0	148.1
Non-counterparty-related risk ²	6.2	2.0	0.7	3.3	9.2	21.4
Market risk	0.8	0.0	0.0	4.5	1.1	6.3
Operational risk	34.8	7.4	2.0	21.8	9.1	75.1
Total	75.6	65.0	4.4	78.5	27.4	250.9
			30.9.19			
Credit and counterparty credit risk ¹	34.4	54.4	1.8	55.6	7.2	153.4
Non-counterparty-related risk ²	6.2	2.1	0.7	3.3	9.1	21.3
Market risk	0.8	0.0	0.0	6.6	1.8	9.2
Operational risk	37.2	8.0	2.1	23.3	9.7	80.2
Total	78.5	64.4	4.6	88.8	27.8	264.2
			31.12.19 vs 30.9.19			
Credit and counterparty credit risk ¹	(0.5)	1.1	(0.1)	(6.7)	0.9	(5.3)
Non-counterparty-related risk ²	0.0	0.0	0.0	0.0	0.1	0.1
Market risk	0.0	0.0	0.0	(2.1)	(0.7)	(2.8)
Operational risk	(2.4)	(0.5)	(0.1)	(1.5)	(0.6)	(5.1)
Total	(2.9)	0.6	(0.2)	(10.3)	(0.4)	(13.2)

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 2019: CHF 8.7 billion; 30 September 2019: CHF 8.7 billion), property, equipment and software (31 December 2019: CHF 12.3 billion; 30 September 2019: CHF 12.4 billion;) and other items (31 December 2019: CHF 0.4 billion; 30 September 2019: CHF 0.2 billion;).

Leverage ratio denominator by business division and Corporate Center

<i>CHF billion</i>	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Corporate Center	Total
			31.12.19			
Total IFRS assets	299.9	202.7	33.5	305.8	99.3	941.2
Difference in scope of consolidation ¹	(0.1)	0.0	(27.3)	0.0	0.1	(27.4)
Less: derivative exposures and SFTs ²	(33.8)	(19.9)	(0.9)	(137.4)	(53.5)	(245.5)
On-balance sheet exposures	265.9	182.8	5.3	168.4	45.8	668.3
Derivative exposures	6.2	1.4	0.0	70.9	7.7	86.1
Securities financing transactions	31.1	18.9	0.9	37.6	25.2	113.7
Off-balance sheet items	4.6	14.3	0.0	7.1	1.0	27.0
Items deducted from Swiss SRB tier 1 capital	(5.0)	(0.4)	(1.3)	(0.2)	(6.0)	(12.9)
Total	302.7	217.1	4.8	283.8	73.8	882.3
			30.9.19			
Total IFRS assets	311.2	202.0	32.1	324.4	101.8	971.5
Difference in scope of consolidation ¹	(0.1)	0.0	(25.5)	(0.3)	0.1	(25.8)
Less: derivative exposures and SFTs ²	(37.2)	(19.9)	(1.0)	(157.8)	(63.3)	(279.2)
On-balance sheet exposures	273.8	182.1	5.7	166.3	38.6	666.5
Derivative exposures	6.8	1.9	0.0	78.2	8.6	95.5
Securities financing transactions	34.1	18.5	1.0	47.1	28.1	128.8
Off-balance sheet items	4.3	12.6	0.0	7.9	0.4	25.2
Items deducted from Swiss SRB tier 1 capital	(6.0)	(0.8)	(1.5)	(0.3)	(6.9)	(15.5)
Total	313.1	214.3	5.2	299.2	68.7	900.4
			31.12.19 vs 30.9.19			
Total IFRS assets	(11.3)	0.7	1.4	(18.7)	(2.4)	(30.3)
Difference in scope of consolidation ¹	0.0	0.0	(1.9)	0.3	0.0	(1.6)
Less: derivative exposures and SFTs ²	3.4	0.0	0.1	20.4	9.8	33.6
On-balance sheet exposures	(7.9)	0.7	(0.4)	2.1	7.3	1.8
Derivative exposures	(0.6)	(0.5)	0.0	(7.3)	(0.9)	(9.4)
Securities financing transactions	(3.0)	0.4	(0.1)	(9.5)	(2.9)	(15.1)
Off-balance sheet items	0.2	1.8	0.0	(0.8)	0.6	1.8
Items deducted from Swiss SRB tier 1 capital	0.9	0.5	0.1	0.2	1.0	2.7
Total	(10.4)	2.8	(0.3)	(15.3)	5.1	(18.1)

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.

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	
	31.12.19	30.9.19	31.12.18	31.12.19	31.12.18
Results					
Operating income	7,033	7,148	7,070	29,121	29,920
Operating expenses	6,229	5,910	6,639	23,976	24,610
Operating profit / (loss) before tax	804	1,238	431	5,145	5,309
Net profit / (loss) attributable to shareholders	614	962	286	3,944	3,997
Profitability and growth¹					
Return on equity (%) ²	4.6	7.3	2.3	7.5	7.9
Return on tangible equity (%) ³	5.2	8.3	2.6	8.6	9.1
Return on common equity tier 1 capital (%) ⁴	7.1	11.0	3.3	11.3	11.8
Return on risk-weighted assets, gross (%) ⁵	11.0	11.1	11.2	11.3	12.0
Return on leverage ratio denominator, gross (%) ⁵	3.2	3.2	3.2	3.3	3.4
Cost / income ratio (%) ⁶	88.5	82.2	93.2	82.1	81.9
Net profit growth (%) ⁷	114.9	(13.9)		(1.3)	417.2
Resources					
Total assets	940,939	970,415	941,990	940,939	941,990
Equity attributable to shareholders	52,041	54,521	51,380	52,041	51,380
Common equity tier 1 capital ⁸	34,155	35,152	34,006	34,155	34,006
Risk-weighted assets ⁸	249,614	263,334	258,433	249,614	258,433
Common equity tier 1 capital ratio (%) ⁸	13.7	13.3	13.2	13.7	13.2
Going concern capital ratio (%) ⁸	18.3	17.8	16.1	18.3	16.1
Total loss-absorbing capacity ratio (%) ⁸	33.9	32.9	31.3	33.9	31.3
Leverage ratio denominator ⁸	882,189	900,411	889,304	882,189	889,304
Common equity tier 1 leverage ratio (%) ⁸	3.87	3.90	3.83	3.87	3.83
Going concern leverage ratio (%) ⁸	5.2	5.2	4.7	5.2	4.7
Total loss-absorbing capacity leverage ratio (%) ⁸	9.6	9.6	9.1	9.6	9.1
Other					
Invested assets (CHF billion) ⁹	3,492	3,416	3,049	3,492	3,049
Personnel (full-time equivalents) ¹⁰	47,033	47,180	47,643	47,033	47,643

¹ Refer to the "Performance targets and measurement" section of our Annual Report 2018 for more information about our performance targets. ² Calculated as net profit attributable to shareholders (annualized as applicable) divided by average equity attributable to shareholders. ³ Calculated as net profit attributable to shareholders (annualized as applicable) divided by average equity attributable to shareholders less average goodwill and intangible assets. Effective 1 January 2019, the definition of the numerator for return on tangible equity has been revised to align with numerators for return on equity and return on common equity tier 1 capital; i.e., we no longer adjust for amortization and impairment of goodwill and intangible assets. Prior periods have been restated. ⁴ Calculated as net profit attributable to shareholders (annualized as applicable) divided by average common equity tier 1 capital. ⁵ Calculated as operating income before credit loss expense or recovery (annualized as applicable) divided by average risk-weighted assets and average leverage ratio denominator, respectively. ⁶ Calculated as operating expenses divided by operating income before credit loss expense or recovery. ⁷ Calculated as 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 comparison period. ⁸ 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 2019 report for more information. ⁹ Includes invested assets for Global Wealth Management, Asset Management and Personal & Corporate Banking. ¹⁰ As of 31 December 2019, the breakdown of personnel by business division and Corporate Center was: Global Wealth Management: 22,633; Personal & Corporate Banking: 5,064; Asset Management: 2,220; Investment Bank: 4,974; Corporate Center: 12,142.

Comparison between UBS Group AG consolidated and UBS AG consolidated

CHF million, except where indicated	As of or for the quarter ended 31.12.19		
	UBS Group AG consolidated	UBS AG consolidated	Difference (absolute)
Income statement			
Operating income	6,941	7,033	(92)
Operating expenses	6,025	6,229	(204)
Operating profit / (loss) before tax	916	804	112
<i>of which: Global Wealth Management</i>	754	742	12
<i>of which: Personal & Corporate Banking</i>	306	307	(1)
<i>of which: Asset Management</i>	176	176	0
<i>of which: Investment Bank</i>	(18)	(14)	(4)
<i>of which: Corporate Center</i>	(302)	(407)	105
Net profit / (loss)	718	620	98
<i>of which: net profit / (loss) attributable to shareholders</i>	713	614	99
<i>of which: net profit / (loss) attributable to non-controlling interests</i>	6	6	0
Statement of comprehensive income			
Other comprehensive income	(2,260)	(1,453)	(807)
<i>of which: attributable to shareholders</i>	(2,264)	(1,457)	(807)
<i>of which: attributable to non-controlling interests</i>	4	4	0
Total comprehensive income	(1,542)	(833)	(709)
<i>of which: attributable to shareholders</i>	(1,551)	(843)	(709)
<i>of which: attributable to non-controlling interests</i>	10	10	0
Balance sheet			
Total assets	941,198	940,939	258
Total liabilities	888,234	888,730	(496)
Total equity	52,963	52,209	754
<i>of which: equity attributable to shareholders</i>	52,795	52,041	754
<i>of which: equity attributable to non-controlling interests</i>	169	169	0
Capital information			
Common equity tier 1 capital	34,448	34,155	292
Going concern capital	50,234	45,732	4,502
Risk-weighted assets	250,946	249,614	1,332
Common equity tier 1 capital ratio (%)	13.7	13.7	0.0
Going concern capital ratio (%)	20.0	18.3	1.7
Total loss-absorbing capacity ratio (%)	34.6	33.9	0.7
Leverage ratio denominator	882,280	882,189	91
Common equity tier 1 leverage ratio (%)	3.90	3.87	0.03
Going concern leverage ratio (%)	5.7	5.2	0.5
Total loss-absorbing capacity leverage ratio (%)	9.8	9.6	0.2

As of or for the quarter ended 30.9.19			As of or for the quarter ended 31.12.18		
UBS Group AG consolidated	UBS AG consolidated	Difference (absolute)	UBS Group AG consolidated	UBS AG consolidated	Difference (absolute)
7,049	7,148	(99)	6,960	7,070	(110)
5,712	5,910	(198)	6,464	6,639	(175)
1,337	1,238	99	496	431	65
889	872	17	334	323	11
353	352	1	643	644	(1)
124	124	0	106	105	1
171	164	7	(73)	(74)	1
(199)	(274)	75	(514)	(568)	54
1,045	963	82	329	286	43
1,044	962	82	329	286	43
1	1	0	1	1	0
2,084	1,267	816	885	886	(1)
2,090	1,274	816	884	885	(1)
(6)	(6)	0	1	1	0
3,128	2,230	898	1,215	1,173	42
3,134	2,236	898	1,213	1,171	42
(5)	(5)	0	2	2	0
971,484	970,415	1,069	942,416	941,990	426
915,228	915,730	(503)	890,204	890,438	(234)
56,256	54,684	1,571	52,213	51,553	660
56,093	54,521	1,571	52,040	51,380	660
163	163	0	173	173	0
34,615	35,152	(537)	33,554	34,006	(452)
50,617	46,816	3,801	45,516	41,680	3,835
264,182	263,334	848	259,324	258,433	891
13.1	13.3	(0.2)	12.9	13.2	(0.2)
19.2	17.8	1.4	17.5	16.1	1.4
33.3	32.9	0.4	31.7	31.3	0.5
900,399	900,411	(11)	889,445	889,304	141
3.84	3.90	(0.06)	3.77	3.83	(0.05)
5.6	5.2	0.4	5.1	4.7	0.4
9.8	9.6	0.2	9.3	9.1	0.2

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, 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; (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, including Interest Rate Benchmark Reform, 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, 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; (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 UK’s exit from the EU; (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 regulations 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, 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 as well as the amount of capital available for return to shareholders; (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 or other cybersecurity disruptions, 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 2018. 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, percent changes, and adjusted results are calculated on the basis of unrounded figures. Information about absolute changes between reporting periods, which is provided in text and which can be derived from figures displayed in the tables, is calculated on a rounded basis.

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

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

[ubs.com](https://www.ubs.com)

