

22 October 2019

3Q19 net profit USD 1,049m

Reported PBT USD 1.3bn; adjusted¹ PBT USD 1.5bn**Reported RoCET1² 12.1% for 3Q19 and 13.8% for 9M19****CET1 capital ratio 13.1% and CET1 leverage ratio 3.8%; tier 1 leverage ratio³ 5.6%****Invested assets of USD 3.4trn in GWM and AM combined, with NNM of USD 49bn****UBS confirmed leader in Dow Jones Sustainability Index for fifth year running**

Zurich, 22 October 2019 – In a challenging environment, UBS delivered solid third quarter 2019 results. Reported profit before tax (PBT) was USD 1,345m, down 21% year over year (YoY), and adjusted PBT decreased by 18% to USD 1,459m. The Group's adjusted cost/income ratio was 79.1%. Net profit attributable to shareholders was USD 1,049m, down 16% YoY. Reported return on CET1 capital² (RoCET1) was 12.1%.

Global Wealth Management (GWM) adjusted PBT was USD 919m; invested assets reached a new high of USD 2,502bn; recurring net fee income increased from the prior quarter. Personal & Corporate Banking adjusted PBT was USD 362m; net new business volume growth in personal banking was strong at 3.0% (3.1% in CHF). Asset Management (AM) adjusted PBT was USD 135m with higher operating income YoY; invested assets rose to USD 858bn mainly on strong net new money (NNM) inflows. The Investment Bank (IB) delivered adjusted PBT of USD 203m; adjusted annualized RoAE was 6.6%. Corporate Center adjusted loss before tax was USD 160m.

UBS's capital position remains strong, with a CET1 capital ratio of 13.1%, a CET1 leverage ratio of 3.8%, a fully applied tier 1 leverage ratio³ of 5.6%, and total loss-absorbing capacity of USD 88bn. During the third quarter of 2019, UBS repurchased USD 306m of its shares under its share repurchase program; year-to-date repurchases were USD 604m. Equity attributable to shareholders increased by USD 3bn, of which USD 2bn related to other comprehensive income from defined benefit plans, predominantly reflecting the recognition of the Swiss pension plan surplus that had no impact on CET1 capital.

"We delivered solid results generating attractive returns, considering the market conditions. We continue to take actions to grow profitability and further capitalize on the strengths of our diversified franchise, delivering long-term value for our clients and shareholders."

Sergio P. Ermotti, Group Chief Executive Officer

¹ Adjusted results are non-GAAP financial measures defined by SEC regulations. Refer to the "Performance of our business divisions and Corporate Center – reported and adjusted" table in this news release.

Outlook

Stimulus measures and easing of monetary policy by central banks may help to mitigate slowing global economic growth over the medium term. Geopolitical tensions and trade disputes continue to impact investor confidence. Positive momentum toward resolving these issues would likely improve confidence and the economic outlook.

Low and persistent negative interest rates and expectations of further monetary easing will adversely affect net interest income compared with last year. Our regional and business diversification, along with actions that we are taking, will help to mitigate these headwinds. Recurring revenues should also benefit from higher invested assets.

As we execute on our strategy, we are balancing investments for growth while managing for efficiency. We remain committed to delivering on our capital return objectives and creating sustainable long-term value for our shareholders.

Third quarter 2019 performance overview

UBS's third quarter adjusted¹ PBT was USD 1,459m (down 18% YoY), and reported PBT was USD 1,345m (down 21% YoY). Adjusted figures this quarter exclude USD 69m of restructuring expenses, as well as USD 46m of net foreign currency translation losses. The adjusted cost/income ratio was 79.1%. Net profit attributable to shareholders was USD 1,049m (down 16% YoY), with diluted earnings per share of USD 0.28 (down 14% YoY). Reported return on CET1 capital² was 12.1%.

Global Wealth Management (GWM) adjusted PBT USD 919m, (2%) YoY

Recurring net fee income rose for the second quarter in a row on higher invested assets, but was down YoY. Transaction-based income increased by 14%, while net interest income decreased by 3%. Mandate penetration was stable at 34.4% of invested assets. Loans were stable sequentially, as positive net new loans were largely offset by currency effects. The adjusted cost/income ratio was 77.7%. Net new money was USD 15.7bn; the net new money growth rate was 2.5%. Adjusted net margin was 15bps.

Personal & Corporate Banking (P&C) adjusted PBT CHF 360m, (10%) YoY

Operating income decreased despite higher transaction-based income, mainly on an increase in credit loss expenses, which was primarily driven by a provision on a single exposure, as well as lower net interest income. Adjusted operating expenses were unchanged despite continued investments in technology. The adjusted cost/income ratio was 58.7%. Business momentum remained strong, with Personal Banking net new business volume growth of 3.1%; loans also grew sequentially. Net interest margin was 150bps.

Asset Management (AM) adjusted PBT USD 135m, +6% YoY

Adjusted PBT grew YoY for the fourth consecutive quarter. For the quarter, net management fees increased by USD 12m, reflecting higher average invested assets. Performance fees decreased by USD 3m. The adjusted cost/income ratio improved to 71.1%. Invested assets rose to USD 858bn, and net new money inflows excluding money markets were USD 24.1bn.

Investment Bank (IB) adjusted PBT USD 203m, (59%) YoY

Lower revenues were driven by Corporate Client Solutions (down 19%), in part due to a reduction in global fee pools, as well as a decrease in Equities (down 7%) and FX, Rates & Credit (down 1%), both partly reflecting a strong prior-year quarter. Operating expenses increased, partly as the third quarter of 2018 included net releases for litigation expenses. The adjusted cost/income ratio was 88.4%. Adjusted return on attributed equity was 6.6%. Associated with structural changes in the Investment Bank, restructuring expenses in the fourth quarter of 2019 are expected to be around USD 100m.

Corporate Center adjusted loss before tax was USD 160m.

¹ Adjusted results are non-GAAP financial measures defined by SEC regulations. Refer to the "Performance of our business divisions and Corporate Center – reported and adjusted" table in this news release.

Commitment to sustainable performance

UBS is committed to creating long-term value for its clients, employees, investors and society. This is illustrated by the ongoing recognition UBS receives for its activities and capabilities related to sustainable investing, philanthropy, environmental and human rights policies governing client and supplier relationships, the firm's environmental footprint and community investment.

Confirmed leader in sustainability

UBS was ranked first in the Diversified Financial Services and Capital Markets Industry of the Dow Jones Sustainability Index (DJSI) for the fifth year in a row. UBS is not only the industry leader in the overall assessment; it also tops all three dimensions: Economic, Environmental and Social. The index, in which more than 3,500 of the world's largest companies are covered, is the most widely recognized corporate sustainability rating globally.

UBS is proud to be among the founding signatories of the Principles for Responsible Banking, as announced in September. With these principles, leading banks around the globe, holding a collective USD 47trn in assets representing one third of the global banking sector, pledged to strategically align their businesses with the UN Sustainable Development Goals (UN SDGs) and the Paris Agreement on Climate Change, and increase their contribution to the achievement of both.

Providing innovative sustainable and impact investing solutions

In September, UBS announced it had raised USD 225m from its private clients for the KKR Global Impact Fund, marking a significant step toward meeting its commitment to allocate USD 5bn of client assets to new impact investments dedicated to the UN SDGs by the end of 2021. The sum represents one of the largest investments to date in the private equity impact investment vehicle.

Sustainable investment solutions include UBS's award-winning Climate Aware strategy, which recently reached USD 2bn in invested assets, underpinned by its active corporate engagement program that is helping to drive positive change toward a low-carbon economy. Also, with the successful final close of UBS Clean Energy Infrastructure Switzerland 2, the firm has raised a total of CHF 472m in commitments to the second offering of its pioneering investment solution, providing institutional investors access to a diversified portfolio of investments in growth areas of sustainable energy production, energy efficiency and supply infrastructure with a focus on Switzerland.

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 Adjusted results are non-GAAP financial measures defined by SEC regulations. Refer to the "Performance of our business divisions and Corporate Center – reported and adjusted" table in this news release.

² Return on CET1 capital. Net profit attributable to shareholders (annualized as applicable) divided by average common equity tier 1 capital.

³ Going concern ratio under Swiss SRB rules applicable as of 1 January 2020.

Performance of our business divisions and Corporate Center – reported and adjusted^{1,2}

For the quarter ended 30.9.19

<i>USD million</i>	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Corporate Center ³	UBS
Operating income as reported	4,142	919	465	1,752	(191)	7,088
<i>of which: net foreign currency translations losses⁴</i>					(46)	(46)
Operating income (adjusted)	4,142	919	465	1,752	(145)	7,133
Operating expenses as reported	3,248	565	341	1,580	9	5,743
<i>of which: personnel-related restructuring expenses⁵</i>	0	0	1	1	44	46
<i>of which: non-personnel-related restructuring expenses⁵</i>	0	0	2	1	20	23
<i>of which: restructuring expenses allocated from Corporate Center^{5,6}</i>	25	8	8	28	(70)	0
Operating expenses (adjusted)	3,223	557	331	1,549	15	5,674
<i>of which: net expenses for litigation, regulatory and similar matters⁷</i>	69	0	0	0	(4)	65
Operating profit / (loss) before tax as reported	894	354	124	172	(200)	1,345
Operating profit / (loss) before tax (adjusted)	919	362	135	203	(160)	1,459

For the quarter ended 30.9.18

<i>USD million</i>	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Corporate Center ³	UBS
Operating income as reported	4,084	972	457	1,944	(29)	7,428
<i>of which: gains on sale of real estate</i>					31	31
<i>of which: gains on sale of subsidiaries and businesses</i>					25	25
Operating income (adjusted)	4,084	972	457	1,944	(85)	7,371
Operating expenses as reported	3,220	574	339	1,490	100	5,724
<i>of which: personnel-related restructuring expenses⁵</i>	11	1	2	1	44	60
<i>of which: non-personnel-related restructuring expenses⁵</i>	0	0	1	3	59	63
<i>of which: restructuring expenses allocated from Corporate Center^{5,6}</i>	61	8	6	32	(106)	0
Operating expenses (adjusted)	3,148	565	330	1,455	103	5,601
<i>of which: net expenses for litigation, regulatory and similar matters⁷</i>	28	0	0	(59)	34	2
Operating profit / (loss) before tax as reported	864	398	118	453	(128)	1,704
Operating profit / (loss) before tax (adjusted)	936	407	127	489	(188)	1,770

1 Adjusted results are non-GAAP financial measures as defined by SEC regulations. 2 Prior-year comparative figures in this table have been restated for the changes in Corporate Center cost and resource allocation to the business divisions and the changes in the equity attribution framework. Refer to "Note 2 Segment reporting" in the "Consolidated financial statements" section of the UBS Group third quarter 2019 report for more information. Comparatives may additionally differ as a result of 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 operating expenses presented in this table are after service allocations to business divisions. 4 Related to the disposal or closure of foreign operations. 5 Reflects restructuring expenses related to legacy cost programs as well as expenses for new restructuring initiatives. 6 Prior periods may include allocations (to) / from other business divisions. 7 Reflects the net increase in / (release of) provisions for litigation, regulatory and similar matters recognized in the income statement. Refer to "Note 16 Provisions and contingent liabilities" in the "Consolidated financial statements" section of the UBS Group third quarter 2019 report for more information. Also includes recoveries from third parties (third quarter of 2019: USD 2 million; third quarter of 2018: USD 0 million).

Performance of our business divisions and Corporate Center – reported and adjusted^{1,2}

USD million	Year-to-date 30.9.19					
	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Corporate Center ³	UBS
Operating income as reported	12,202	2,834	1,386	5,588	(174)	21,838
<i>of which: net foreign currency translations losses⁴</i>					(35)	(35)
Operating income (adjusted)	12,202	2,834	1,386	5,588	(139)	21,873
Operating expenses as reported	9,571	1,703	1,035	4,782	97	17,188
<i>of which: personnel-related restructuring expenses⁵</i>	0	0	6	3	80	89
<i>of which: non-personnel-related restructuring expenses⁵</i>	0	0	6	5	40	50
<i>of which: restructuring expenses allocated from Corporate Center⁶</i>	48	14	15	49	(126)	0
Operating expenses (adjusted)	9,524	1,690	1,008	4,725	103	17,049
<i>of which: net expenses for litigation, regulatory and similar matters⁷</i>	88	0	0	(1)	(26)	61
Operating profit / (loss) before tax as reported	2,631	1,131	352	806	(271)	4,650
Operating profit / (loss) before tax (adjusted)	2,678	1,145	378	864	(242)	4,823

USD million	Year-to-date 30.9.18					
	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Corporate Center ³	UBS
Operating income as reported	12,656	2,883	1,384	6,520	(203)	23,240
<i>of which: gains on sale of real estate</i>					31	31
<i>of which: gains on sale of subsidiaries and businesses</i>					25	25
Operating income (adjusted)	12,656	2,883	1,384	6,520	(259)	23,184
Operating expenses as reported	9,729	1,731	1,064	4,956	251	17,730
<i>of which: personnel-related restructuring expenses⁵</i>	17	3	18	15	138	191
<i>of which: non-personnel-related restructuring expenses⁵</i>	15	0	7	8	152	182
<i>of which: restructuring expenses allocated from Corporate Center⁶</i>	149	26	21	97	(293)	0
<i>of which: gain related to changes to the Swiss pension plan⁸</i>	(66)	(38)	(10)	(5)	(122)	(241)
Operating expenses (adjusted)	9,612	1,739	1,028	4,841	377	17,599
<i>of which: net expenses for litigation, regulatory and similar matters⁷</i>	113	(1)	0	(59)	70	123
Operating profit / (loss) before tax as reported	2,927	1,152	320	1,564	(454)	5,510
Operating profit / (loss) before tax (adjusted)	3,044	1,144	356	1,679	(637)	5,585

¹ Adjusted results are non-GAAP financial measures as defined by SEC regulations. ² Prior-year comparative figures in this table have been restated for the changes in Corporate Center cost and resource allocation to the business divisions and the changes in the equity attribution framework. Refer to "Note 2 Segment reporting" in the "Consolidated financial statements" section of the UBS Group third quarter 2019 report for more information. Comparatives may additionally differ as a result of 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 operating expenses presented in this table are after service allocations to business divisions. ⁴ Related to the disposal or closure of foreign operations. ⁵ Reflects restructuring expenses related to legacy cost programs as well as expenses for new restructuring initiatives. ⁶ Prior periods may include allocations (to) / from other business divisions. ⁷ Reflects the net increase in / (release of) provisions for litigation, regulatory and similar matters recognized in the income statement. Refer to "Note 16 Provisions and contingent liabilities" in the "Consolidated financial statements" section of the UBS Group third quarter 2019 report for more information. Also includes recoveries from third parties of USD 10 million and USD 28 million for the first nine months of 2019 and 2018, respectively. ⁸ Changes to the pension fund of UBS in Switzerland in the first quarter of 2018 resulted in a reduction in the pension obligation recognized by UBS. As a consequence, a pre-tax gain of USD 241 million was recognized in the income statement in the first quarter of 2018, with no overall effect on total equity. Refer to "Note 29 Pension and other post-employment benefit plans" in the "Consolidated financial statements" section of our Annual Report 2018 for more information.

Our key figures

<i>USD million, except where indicated</i>	As of or for the quarter ended				As of or year-to-date	
	30.9.19	30.6.19	31.12.18	30.9.18	30.9.19	30.9.18
Group results						
Operating income	7,088	7,532	6,972	7,428	21,838	23,240
Operating expenses	5,743	5,773	6,492	5,724	17,188	17,730
Operating profit / (loss) before tax	1,345	1,759	481	1,704	4,650	5,510
Net profit / (loss) attributable to shareholders	1,049	1,392	315	1,253	3,582	4,201
Diluted earnings per share (USD) ¹	0.28	0.37	0.08	0.33	0.95	1.09
Profitability and growth²						
Return on equity (%) ³	7.7	10.4	2.4	9.7	8.9	10.7
Return on tangible equity (%) ⁴	8.7	11.9	2.7	11.1	10.1	12.2
Return on common equity tier 1 capital (%) ⁵	12.1	16.0	3.7	14.5	13.8	16.3
Return on risk-weighted assets, gross (%) ⁶	10.8	11.4	10.8	11.6	11.0	12.1
Return on leverage ratio denominator, gross (%) ⁶	3.1	3.3	3.1	3.3	3.2	3.4
Cost / income ratio (%) ⁷	80.6	76.5	92.4	77.0	78.5	76.1
Adjusted cost / income ratio (%) ⁸	79.1	76.1	92.2	75.9	77.7	75.7
Effective tax rate (%)	21.9	20.8	34.4	26.3	23.0	23.6
Net profit growth (%) ⁹	(16.2)	0.7		27.6	(14.7)	24.1
Resources						
Total assets	973,118	968,728	958,489	950,192	973,118	950,192
Equity attributable to shareholders	56,187	53,180	52,928	52,094	56,187	52,094
Common equity tier 1 capital ¹⁰	34,673	34,948	34,119	34,816	34,673	34,816
Risk-weighted assets ¹⁰	264,626	262,135	263,747	257,041	264,626	257,041
Common equity tier 1 capital ratio (%) ¹⁰	13.1	13.3	12.9	13.5	13.1	13.5
Going concern capital ratio (%) ¹⁰	19.2	19.1	17.5	17.9	19.2	17.9
Total loss-absorbing capacity ratio (%) ¹⁰	33.3	33.3	31.7	31.8	33.3	31.8
Leverage ratio denominator ¹⁰	901,914	911,379	904,598	915,066	901,914	915,066
Common equity tier 1 leverage ratio (%) ¹⁰	3.84	3.83	3.77	3.80	3.84	3.80
Going concern leverage ratio (%) ¹⁰	5.6	5.5	5.1	5.0	5.6	5.0
Total loss-absorbing capacity leverage ratio (%) ¹⁰	9.8	9.6	9.3	8.9	9.8	8.9
Liquidity coverage ratio (%) ¹¹	138	145	136	135	138	135
Other						
Invested assets (USD billion) ¹²	3,422	3,381	3,101	3,330	3,422	3,330
Personnel (full-time equivalents)	67,634	66,922	66,888	65,556	67,634	65,556
Market capitalization ^{13,14}	41,210	43,491	45,907	58,856	41,210	58,856
Total book value per share (USD) ¹³	15.47	14.53	14.35	13.98	15.47	13.98
Total book value per share (CHF) ^{13,15}	15.45	14.18	14.11	13.72	15.45	13.72
Tangible book value per share (USD) ¹³	13.67	12.72	12.55	12.25	13.67	12.25
Tangible book value per share (CHF) ^{13,15}	13.64	12.42	12.33	12.02	13.64	12.02

¹ Refer to "Note 9 Earnings per share (EPS) and shares outstanding" in the "Consolidated financial statements" section of the UBS Group third 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 third quarter 2019 report for more information. ¹¹ Refer to the "Balance sheet, liquidity and funding management" section of the UBS Group third 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 third quarter 2019 report for more information. ¹⁴ Beginning with our Annual Report 2018, the calculation of market capitalization has been amended to reflect total shares outstanding multiplied by the share price at the end of the period. The calculation was previously based on total shares issued multiplied by the share price at the end of the period. Market capitalization has been reduced by USD 2.1 billion as of 31 December 2018 and by USD 2.0 billion as of 30 September 2018 as a result. ¹⁵ 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.

Income statement

<i>USD million</i>	For the quarter ended			% change from		Year-to-date	
	30.9.19	30.6.19	30.9.18	2Q19	3Q18	30.9.19	30.9.18
Net interest income	1,090	1,026	1,182	6	(8)	3,239	3,822
Other net income from financial instruments measured at fair value through profit or loss	1,587	1,939	1,689	(18)	(6)	5,461	5,663
Credit loss (expense) / recovery	(38)	(12)	(10)	208	289	(70)	(64)
Fee and commission income	4,805	4,907	4,875	(2)	(1)	14,253	14,897
Fee and commission expense	(396)	(434)	(409)	(9)	(3)	(1,238)	(1,264)
Net fee and commission income	4,409	4,474	4,466	(1)	(1)	13,015	13,633
Other income	39	105	101	(63)	(61)	193	187
Total operating income	7,088	7,532	7,428	(6)	(5)	21,838	23,240
Personnel expenses	3,987	4,153	3,936	(4)	1	12,182	12,293
General and administrative expenses	1,308	1,175	1,462	11	(10)	3,670	4,504
Depreciation and impairment of property, equipment and software	432	427	310	1	39	1,285	885
Amortization and impairment of intangible assets	16	18	15	(7)	7	50	48
Total operating expenses	5,743	5,773	5,724	(1)	0	17,188	17,730
Operating profit / (loss) before tax	1,345	1,759	1,704	(24)	(21)	4,650	5,510
Tax expense / (benefit)	294	366	448	(20)	(34)	1,067	1,303
Net profit / (loss)	1,051	1,393	1,256	(25)	(16)	3,582	4,207
Net profit / (loss) attributable to non-controlling interests	1	1	3	34	(60)	0	6
Net profit / (loss) attributable to shareholders	1,049	1,392	1,253	(25)	(16)	3,582	4,201
Comprehensive income							
Total comprehensive income	3,146	2,473	809	27	289	6,658	3,022
Total comprehensive income attributable to non-controlling interests	(5)	(5)	4	1		(8)	4
Total comprehensive income attributable to shareholders	3,151	2,478	805	27	291	6,666	3,018

Comparison between UBS Group AG consolidated and UBS AG consolidated

	As of or for the quarter ended 30.9.19			As of or for the quarter ended 30.6.19			As of or for the quarter ended 31.12.18		
<i>USD million, except where indicated</i>	UBS Group AG consolidated	UBS AG consolidated	Difference (absolute)	UBS Group AG consolidated	UBS AG consolidated	Difference (absolute)	UBS Group AG consolidated	UBS AG consolidated	Difference (absolute)
Income statement									
Operating income	7,088	7,187	(100)	7,532	7,632	(100)	6,972	7,083	(111)
Operating expenses	5,743	5,942	(199)	5,773	5,975	(202)	6,492	6,667	(176)
Operating profit / (loss) before tax	1,345	1,245	100	1,759	1,657	102	481	416	65
<i>of which: Global Wealth Management</i>	894	877	17	874	857	17	327	316	11
<i>of which: Personal & Corporate Banking</i>	354	354	0	390	392	(2)	644	645	(1)
<i>of which: Asset Management</i>	124	124	0	124	124	0	106	105	1
<i>of which: Investment Bank</i>	172	165	7	427	419	8	(78)	(79)	1
<i>of which: Corporate Center</i>	(200)	(275)	75	(56)	(135)	79	(518)	(571)	53
Net profit / (loss)	1,051	969	82	1,393	1,308	85	315	273	42
<i>of which: net profit / (loss) attributable to shareholders</i>	1,049	967	82	1,392	1,307	85	315	272	42
<i>of which: net profit / (loss) attributable to non-controlling interests</i>	1	1	0	1	1	0	1	1	0
Statement of comprehensive income									
Other comprehensive income	2,095	1,274	821	1,080	1,076	4	893	895	(2)
<i>of which: attributable to shareholders</i>	2,101	1,280	821	1,086	1,082	4	892	894	(2)
<i>of which: attributable to non-controlling interests</i>	(6)	(6)	0	(6)	(6)	0	1	1	0
Total comprehensive income	3,146	2,243	903	2,473	2,384	89	1,208	1,168	41
<i>of which: attributable to shareholders</i>	3,151	2,248	903	2,478	2,389	89	1,207	1,166	41
<i>of which: attributable to non-controlling interests</i>	(5)	(5)	0	(5)	(5)	0	2	2	0
Balance sheet									
Total assets	973,118	972,048	1,071	968,728	968,645	83	958,489	958,055	434
Total liabilities	916,768	917,271	(503)	915,378	916,116	(738)	905,386	905,624	(238)
Total equity	56,351	54,776	1,574	53,350	52,529	821	53,103	52,432	671
<i>of which: equity attributable to shareholders</i>	56,187	54,613	1,574	53,180	52,359	821	52,928	52,256	671
<i>of which: equity attributable to non-controlling interests</i>	163	163	0	170	170	0	176	176	0
Capital information									
Common equity tier 1 capital	34,673	35,211	(538)	34,948	35,881	(933)	34,119	34,608	(489)
Going concern capital	50,702	46,895	3,807	49,993	46,500	3,493	46,279	42,413	3,865
Risk-weighted assets	264,626	263,777	849	262,135	261,364	772	263,747	262,840	907
Common equity tier 1 capital ratio (%)	13.1	13.3	(0.2)	13.3	13.7	(0.4)	12.9	13.2	(0.2)
Going concern capital ratio (%)	19.2	17.8	1.4	19.1	17.8	1.3	17.5	16.1	1.4
Total loss-absorbing capacity ratio (%)	33.3	32.9	0.4	33.3	33.0	0.3	31.7	31.3	0.5
Leverage ratio denominator	901,914	901,926	(11)	911,379	911,601	(221)	904,598	904,458	140
Common equity tier 1 leverage ratio (%)	3.84	3.90	(0.06)	3.83	3.94	(0.10)	3.77	3.83	(0.05)
Going concern leverage ratio (%)	5.6	5.2	0.4	5.5	5.1	0.4	5.1	4.7	0.4
Total loss-absorbing capacity leverage ratio (%)	9.8	9.6	0.2	9.6	9.5	0.1	9.3	9.1	0.2

UBS's third quarter 2019 report, news release and slide presentation will be available from 06:45 CEST on Tuesday, 22 October 2019, at www.ubs.com/quarterlyreporting.

UBS will hold a presentation of its third quarter 2019 results on Tuesday, 22 October 2019. The results will be presented by Sergio P. Ermotti, Group Chief Executive Officer, Kirt Gardner, Group Chief Financial Officer, Martin Osinga, Investor Relations, and Mark Hengel, 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.

UBS Group AG and UBS AG

Investor contact

Switzerland: +41-44-234 41 00

Media contact

Switzerland: +41-44-234 85 00

UK: +44-207-567 47 14

Americas: +1-212-882 58 58

APAC: +852-297-1 82 00

www.ubs.com

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) 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’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, 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 news release 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 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.