

20 October 2020

3Q20 net profit USD 2.1bn, 21.9% return on CET1 capital

PBT USD 2.6bn, +92% YoY; adjusted¹ PBT USD 2.1bn, +41% YoY**Best third quarter PBT in a decade****Net profit USD 2.1bn, +99% YoY; return on CET1 capital² 21.9%; cost/income ratio 70.4%; diluted EPS USD 0.56****CET1 capital ratio 13.5% and CET1 leverage ratio³ 3.8% after establishing a USD 1.5bn reserve for potential share repurchases beginning in 2021****UBS's Board of Directors proposes the second tranche of 2019 dividend of USD 0.365 per share to be paid in November 2020****UBS makes sustainable investments its preferred solution for clients of its USD 2.8trn Global Wealth Management business**

Zurich, 20 October 2020 – UBS's third quarter 2020 results reflect ongoing strong client activity as well as the benefits of a well-diversified business model with broad regional mix. Profit before tax (PBT) was USD 2,578m, up 92% year-over-year (YoY), or +41% on an adjusted¹ basis to USD 2,052m. Net profit attributable to shareholders was USD 2,093m, up 99% YoY. Return on CET1 capital² (RoCET1) was 21.9%.

"Our third quarter results continue to demonstrate that our strategy is differentiating us as we continuously adapt and accelerate the pace of change. I am proud of the contributions all of our employees have made day in and day out over the years, particularly in the current challenging environment. Our ability to focus on clients and achieve such strong financial performance over the first nine months of this year speaks to this. UBS has all the options open to write another successful chapter of its history under Ralph's leadership."

Sergio P. Ermotti, Group Chief Executive Officer

Global Wealth Management (GWM) PBT was USD 1,057m, up 18% YoY with record third quarter PBT in Asia and the Americas. Positive operating leverage was driven by lending growth and higher transaction-based income, while costs decreased. Personal & Corporate Banking (P&C) PBT was USD 335m, down 6% YoY (down 13% in CHF), mainly reflecting credit loss expenses (CLE) of USD 92m (CHF 84m); excluding CLE, PBT would have been up 11% (up 2% in CHF). Net new business volume growth in Personal Banking was strong at 5.8%. Asset Management (AM) PBT increased 42% to USD 191m on an adjusted¹ basis, with positive operating leverage and USD 18bn net inflows excluding money market flows. The Investment Bank (IB) delivered PBT of USD 632m, driven by strong growth in all regions; annualized return on attributed equity was 19.9%. Group Functions loss before tax was USD 184m.

UBS's third quarter 2020 results included credit loss expenses of USD 89m, mainly from USD 92m (CHF 84m) in Personal & Corporate Banking and USD 15m in the Investment Bank. This was partly offset by a net credit loss recovery of USD 22m in Global Wealth Management.

As of 30 September 2020, the CET1 capital ratio was 13.5% (guidance: ~13%, or 12.7-13.3%), the CET1 leverage ratio was 3.8% (guidance: >3.7%), and the tier 1 leverage ratio⁴ was 5.5%, not factoring in any temporary concessions or relief³.

UBS remains committed to returning excess capital to its shareholders and delivering total capital returns consistent with its previous levels. The balance between cash dividends and share repurchases will be adjusted from 2020 onwards when compared with prior years' returns. Through 30 September 2020, UBS has so far accrued USD 1.0bn toward the cash dividend that UBS expects to propose at the Annual General Meeting of shareholders in April 2021.

In addition, in the third quarter, UBS has established a USD 1.5bn capital reserve for potential share repurchases reflecting strong capital generation by its businesses. Excluding this reserve, the CET1 capital ratio would have increased by 70 basis points to 14.0% as of 30 September 2020. UBS expects to be allowed to resume repurchasing shares in 2021.

The second instalment of the 2019 dividend is to be paid to UBS Group AG shareholders on 27 November 2020, subject to shareholder approval at an Extraordinary General Meeting (EGM) on 19 November 2020. This follows the decision at the 29 April 2020 Annual General Meeting (AGM) to split the distribution of the 2019 dividend into two equal instalments of USD 0.365 per share, consistent with a request by FINMA to Swiss banks in light of the uncertainty caused by COVID-19. 50% of this second distribution will be paid out of the capital contribution reserves and 50% will be paid out of retained earnings (same as with the first distribution in May 2020).

Outlook

Policies to contain the COVID-19 pandemic and fiscal and monetary stimulus to counteract associated economic impacts have been effective in mitigating the economic contraction and stabilizing economies, although with significant variation across countries and regions. However, recent increases in COVID-19 cases create renewed uncertainty, which could affect the path of recovery. The growth outlook and investor sentiment may also be affected by increasing geopolitical tensions and political uncertainties. The range of possible outcomes remains wide, making reliable predictions difficult.

The majority of our credit exposures are either with our Global Wealth Management clients or in Switzerland, and are of high quality. The rebound of markets and the effective crisis management measures in Switzerland have helped to further mitigate the risk in our credit exposures. As a result, at this stage, it is reasonable to expect credit loss expense in the fourth quarter of 2020 to remain markedly lower than in the first half of the year. Our ongoing growth initiatives and other actions to drive net interest income should offset US dollar interest rate headwinds. Going forward, the pandemic and political uncertainties may lead to periods of higher market volatility and could affect client activity positively or negatively.

We remain focused on supporting our employees, clients and the economies in which we operate while executing our strategic plans and maintaining our disciplined approach to managing risks across the firm.

Third quarter 2020 performance overview

UBS's third quarter PBT was USD 2,578m (up 92% YoY). The cost/income ratio was 70.4%, a 10.2 percentage point improvement YoY. Net profit attributable to shareholders was USD 2,093m (up 99% YoY), with diluted earnings per share of USD 0.56 (up 101% YoY). Return on CET1 capital² was 21.9%.

Global Wealth Management (GWM) PBT USD 1,057m, +18% YoY

GWM delivered the highest third-quarter PBT since 2011 with positive operating leverage and growth in all regions. It was the highest third quarter PBT on record in APAC and the Americas. Operating income grew by 3% on continued high levels of client activity and greater market volatility that led to a 16% improvement in transaction-based income. Net interest income reduced by 2%, as further pressure from lower USD interest rates was mostly offset by higher revenues from lending. Recurring net fee income also reduced marginally, with shifts in invested assets into lower-margin funds and advisory mandates. Net credit loss recoveries were USD 22m, primarily reflecting a USD 29m release on a stage 3 single structured margin lending position. The cost/income ratio improved to 75.7%, down 2.6 percentage points YoY, as operating expenses reduced by 1%. Loans grew by 7% QoQ to USD 201bn, with over USD 10bn of net new loans and growth in all regions. Invested assets rose to an all-time high of USD 2,754bn, up 6% sequentially. Net new money was USD 1.4bn with tax-related outflows in the US of USD 5.5bn. Net margin was 16bps.

Personal & Corporate Banking (P&C) PBT CHF 305m, (13%) YoY

The main driver of the reduction in PBT was CHF 84m of credit loss expenses (CLE). Stage 3 credit loss expenses were CHF 65m, primarily reflecting expenses of CHF 54m related to a case of fraud at a commodity trade finance counterparty, which affected a number of lenders, including UBS. UBS's remaining exposure to this counterparty is minimal. Lower credit card fees and revenues from foreign exchange transactions were the main driver of a decrease in transaction-based income, reflecting the effects of the COVID-19 pandemic on travel and leisure spending by clients. The cost/income ratio was 58.3%. Net new business volume growth in Personal Banking was strong at 5.6%.

Asset Management (AM) PBT USD 739m, +495% YoY

AM's PBT was significantly affected by the sale of a majority stake in Fondcenter, as well as the expenses related to the modification of certain outstanding deferred compensation awards. On an adjusted¹ basis, PBT was up 42% to USD 191m. Adjusted¹ operating income increased by 27% on strong performance with USD 74m higher performance fees, while net management fees also rose to the highest level in over a decade. The adjusted¹ cost/income ratio was 67.5%. Invested assets were up 6% QoQ to a record USD 980bn on positive market performance and foreign currency translation effects, as well as positive net new money of USD 6.0bn (USD 17.9bn excluding money market flows).

Investment Bank (IB) PBT USD 632m, +268% YoY

Global Markets revenue increased by 42% or 26% (up USD 335m) excluding a gain on the sale of intellectual property rights associated with the Bloomberg Commodity Index family, delivering the best third quarter since the acceleration of UBS's strategy in 2012 due to higher client activity levels, resulting from market volatility, notably within equity derivatives, credit, FX and cash equities. Global Banking was up 44% or USD 198m, with a significant increase in Equity Capital Markets and Leveraged Capital Markets revenues more than offsetting the reduction in Advisory, which followed market trends. Credit loss expenses were USD 15m. Operating expenses increased by 17%, or 5% on an adjusted¹ basis. The cost/income ratio improved to 74.1%. Annualized return on attributed equity was 19.9%.

Group Functions loss before tax was USD 184m.

Supporting clients, employees and society throughout the COVID-19 pandemic

The resilience of UBS's operations, its integrated and diversified business model, and its disciplined risk management, as well as its ongoing investment in technology and infrastructure, have continued to be critical in successfully operating through the COVID-19 pandemic.

UBS's workforce continued to work from home to a significant degree in the third quarter of 2020, with more than 95% of internal and external staff able to work concurrently on a remote basis. UBS is continuing to monitor country- and location-specific developments, as well as governmental requirements, and is adapting its plans for the return of employees to UBS offices accordingly, taking into consideration the health of its employees and clients.

As a sign of appreciation for their contribution throughout this challenging year, and acknowledging that the pandemic may have resulted in unexpected financial impact, the Group Executive Board has decided to award UBS's employees at less senior ranks with a one-time cash payment equivalent to one week's salary. This will have an impact on personnel expenses of approximately USD 30m in the fourth quarter of 2020.

In the third quarter of 2020, UBS modified the forfeiture conditions of certain outstanding deferred compensation awards for eligible employees in order to provide additional career flexibility during this time of uncertainty. This condition applies to voluntary leavers but not to Group Executive Board members.

Under the program established by the Swiss Federal Council in March 2020 to support small and medium-sized entities (SMEs), UBS processed more than 24,000 applications and, as of 31 July 2020, UBS had committed CHF 2.7bn of loans up to CHF 0.5m, which are 100% guaranteed by the Swiss government, and CHF 0.6bn of loans between CHF 0.5m and CHF 20m, which are 85% government-guaranteed. The total amount drawn on UBS's loan commitments under the program increased slightly, from CHF 1.6bn (48%) on 31 July 2020 to CHF 1.7bn (52%) on 30 September 2020. UBS remains committed to donating any potential profits from the government-backed lending program to COVID-19 relief efforts; however, as previously communicated, no such profits are expected in 2020.

Extending UBS's leadership in sustainable finance

Sustainable finance has been a firm-wide priority for UBS for years. The pandemic is sharpening the market's understanding of the importance of climate transition and certain social issues, such as investment risks. UBS's aim is to continue to help private and institutional clients meet their investment objectives through sustainable finance, making it a critical component of UBS's strategy.

In the third quarter, UBS, as the world's leading wealth manager and sustainable investment manager, announced that sustainable investments are now the firm's preferred solution for private clients investing globally. Managing USD 488bn in core sustainable assets, UBS is the first major global financial institution to make this recommendation.

During the quarter, UBS AM also launched a new suite of investment strategies that includes equity and fixed income, as well as both active and passive approaches. These are the building blocks of most portfolios. The strategies will be based on UBS AM's innovative Climate Aware framework, which seeks to help clients reduce the carbon footprint of investments.

In Switzerland, all funds of the UBS Vitainvest family, which cover pillar 2 (occupational pension) and pillar 3 (private retirement savings) investments, have undergone further development to follow strict ESG criteria defined by UBS. The repositioning of the fund gives clients the opportunity to combine the advantages of the well-known UBS Vitainvest retirement savings fund with the advantages of sustainable investments.

Strengthening UBS's position as an employer of choice

Solidifying UBS's position as an employer of choice, the firm is underlining the importance of family-friendly working conditions by extending paternity leave for employees in Switzerland from two to four weeks. With the extension of paid paternity leave and attractive maternity leave of up to 210 days (30 weeks), UBS is one of the leading companies in Switzerland in terms of parental leave.

According to the latest Universum survey results, published in October, UBS has also retained its place within the Top 50 World's Most Attractive Employers, and employee satisfaction rates have remained consistently above the norm for financial services organizations, according to UBS employee survey results.

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

¹ Refer to the "Performance of our business divisions and Group Functions" table for a list of items called out due to their one-off nature within the context of the quarter, which have been excluded to show the "adjusted" results referred to in this document.

² Return on CET1 capital is calculated as annualized net profit attributable to shareholders divided by average common equity tier 1 capital.

³ Excluding the effects of the temporary exemption of central bank sight deposits for the going concern leverage ratio calculation granted by the Swiss Financial Market Supervisory Authority (FINMA) on 25 March 2020 in connection with COVID-19.

⁴ Going concern leverage ratio under Swiss SRB rules.

Performance of our business divisions and Group Functions

USD million	For the quarter ended 30.9.20					
	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Group Functions	Total
Operating income	4,280	931	1,162	2,485	78	8,935
<i>of which: net gain from the sale of a majority stake in Fondcenter AG</i>	60		571			631
<i>of which: gain on the sale of intellectual property rights</i>				215		215
<i>of which: net gains from properties sold or held for sale</i>					64	64
<i>of which: gain related to investment in associates</i>	6	19				26
<i>of which: gain on the sale of equity investment measured at fair value through profit or loss</i>	4	18				22
Operating expenses	3,223	596	423	1,853	262	6,357
<i>of which: acceleration of expenses in relation to outstanding deferred compensation awards</i>	46	3	22	229	58	359
<i>of which: expenses associated with terminated real estate leases</i>					72	72
Operating profit / (loss) before tax	1,057	335	739	632	(184)	2,578

USD million	For the quarter ended 30.9.19					
	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Group Functions	Total
Operating income	4,142	919	465	1,752	(191)	7,088
<i>of which: net foreign currency translation losses¹</i>					(46)	(46)
Operating expenses	3,248	565	341	1,580	9	5,743
<i>of which: net restructuring expenses²</i>	25	8	10	31	(6)	69
Operating profit / (loss) before tax	894	354	124	172	(200)	1,345

¹ Related to the disposal or closure of foreign operations. ² Reflects expenses for new restructuring initiatives. Prior-year comparative figures also include restructuring expenses related to legacy cost programs.

Performance of our business divisions and Group Functions

<i>USD million</i>	Year-to-date 30.9.20					
	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Group Functions	Total
Operating income	12,769	2,658	2,200	7,202	(557)	24,273
<i>of which: net gain from the sale of a majority stake in Fondcenter AG</i>	60		571			631
<i>of which: gain on the sale of intellectual property rights</i>				215		215
<i>of which: net gains from properties sold or held for sale</i>					64	64
<i>of which: gain related to investment in associates</i>	6	19				26
<i>of which: gain on the sale of equity investment measured at fair value through profit or loss</i>	4	18				22
Operating expenses	9,614	1,752	1,146	5,249	342	18,103
<i>of which: acceleration of expenses in relation to outstanding deferred compensation awards</i>	46	3	22	229	58	359
<i>of which: expenses associated with terminated real estate leases</i>					72	72
<i>of which: net restructuring expenses¹</i>	72	5	6	24	0	107
Operating profit / (loss) before tax	3,155	907	1,054	1,953	(899)	6,169
	Year-to-date 30.9.19					
<i>USD million</i>	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Group Functions	Total
Operating income	12,202	2,834	1,386	5,588	(174)	21,838
<i>of which: net foreign currency translations losses²</i>					(35)	(35)
Operating expenses	9,571	1,703	1,035	4,782	97	17,188
<i>of which: net restructuring expenses¹</i>	47	14	26	57	(6)	139
Operating profit / (loss) before tax	2,631	1,131	352	806	(271)	4,650

¹ Reflects expenses for new restructuring initiatives. Prior-year comparative figures also include restructuring expenses related to legacy cost programs. ² Related to the disposal or closure of foreign operations.

Our key figures

<i>USD million, except where indicated</i>	As of or for the quarter ended				As of or year-to-date	
	30.9.20	30.6.20 ¹	31.12.19 ¹	30.9.19 ¹	30.9.20	30.9.19 ¹
Group results						
Operating income	8,935	7,403	7,052	7,088	24,273	21,838
Operating expenses	6,357	5,821	6,124	5,743	18,103	17,188
Operating profit / (loss) before tax	2,578	1,582	928	1,345	6,169	4,650
Net profit / (loss) attributable to shareholders	2,093	1,232	722	1,049	4,921	3,582
Diluted earnings per share (USD) ²	0.56	0.33	0.19	0.28	1.33	0.95
Profitability and growth³						
Return on equity (%)	14.4	8.6	5.2	7.7	11.5	8.9
Return on tangible equity (%)	16.2	9.7	5.9	8.7	12.9	10.1
Return on common equity tier 1 capital (%)	21.9	13.2	8.2	12.1	17.6	13.8
Return on risk-weighted assets, gross (%)	12.7	10.7	10.8	10.8	11.8	11.0
Return on leverage ratio denominator, gross (%) ⁴	3.7	3.2	3.1	3.1	3.5	3.2
Cost / income ratio (%)	70.4	75.8	86.8	80.6	72.7	78.5
Effective tax rate (%)	18.8	21.9	21.6	21.9	20.1	23.0
Net profit growth (%)	99.5	(11.5)	129.4	(16.2)	37.4	(14.7)
Resources³						
Total assets	1,065,153	1,063,849	972,194	973,129	1,065,153	973,129
Equity attributable to shareholders	59,451	57,003	54,501	56,155	59,451	56,155
Common equity tier 1 capital ⁵	38,197	38,114	35,535	34,627	38,197	34,627
Risk-weighted assets ⁵	283,133	286,436	259,208	264,626	283,133	264,626
Common equity tier 1 capital ratio (%) ⁵	13.5	13.3	13.7	13.1	13.5	13.1
Going concern capital ratio (%) ⁵	19.2	18.7	20.0	19.1	19.2	19.1
Total loss-absorbing capacity ratio (%) ⁵	34.5	32.7	34.6	33.3	34.5	33.3
Leverage ratio denominator ⁵	994,366	974,359	911,322	901,911	994,366	901,911
Leverage ratio denominator (with temporary FINMA exemption) ⁶	907,181	885,157			907,181	
Common equity tier 1 leverage ratio (%) ⁵	3.84	3.91	3.90	3.84	3.84	3.84
Common equity tier 1 leverage ratio (%) (with temporary FINMA exemption) ⁶	4.21	4.31			4.21	
Going concern leverage ratio (%) ⁵	5.5	5.5	5.7	5.6	5.5	5.6
Going concern leverage ratio (%) (with temporary FINMA exemption) ⁶	6.0	6.0			6.0	
Total loss-absorbing capacity leverage ratio (%) ⁵	9.8	9.6	9.8	9.8	9.8	9.8
Liquidity coverage ratio (%) ⁷	154	155	134	138	154	138
Other						
Invested assets (USD billion) ⁸	3,807	3,588	3,607	3,422	3,807	3,422
Personnel (full-time equivalents)	71,230	69,931	68,601	67,634	71,230	67,634
Market capitalization ⁹	40,113	41,303	45,661	41,210	40,113	41,210
Total book value per share (USD) ⁹	16.57	15.89	15.07	15.46	16.57	15.46
Total book value per share (CHF) ⁹	15.27	15.05	14.59	15.44	15.27	15.44
Tangible book value per share (USD) ⁹	14.78	14.10	13.28	13.66	14.78	13.66
Tangible book value per share (CHF) ⁹	13.61	13.36	12.86	13.64	13.61	13.64

1 Comparative information has been restated where applicable. Refer to the "Recent developments" and "Consolidated financial statements" sections of the UBS Group third quarter 2020 report for more information. 2 Refer to "Note 9 Earnings per share (EPS) and shares outstanding" in the "Consolidated financial statements" section of the UBS Group third quarter 2020 report for more information. 3 Refer to the "Performance targets and measurement" section of our Annual Report 2019 for more information about our performance targets. 4 The leverage ratio denominators as of 30 September 2020 and 30 June 2020, which are used for the return calculation, do not reflect the effects of the temporary exemption that has been granted by FINMA in connection with COVID-19. Refer to the "Recent developments" section of the UBS Group second quarter 2020 report for more information. 5 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 2020 report for more information. 6 Refer to the "Recent developments" section of the UBS Group second quarter 2020 report and the "Capital management" section of the UBS Group third quarter 2020 report for further details about the temporary FINMA exemption. 7 Refer to the "Balance sheet, liquidity and funding management" section of the UBS Group third quarter 2020 report for more information. 8 Includes invested assets for Global Wealth Management, Asset Management and Personal & Corporate Banking. 9 Refer to "UBS shares" in the "Capital management" section of the UBS Group third quarter 2020 report for more information.

Income statement

<i>USD million</i>	For the quarter ended			% change from		Year-to-date	
	30.9.20	30.6.20	30.9.19	2Q20	3Q19	30.9.20	30.9.19
Net interest income	1,517	1,392	1,090	9	39	4,240	3,239
Other net income from financial instruments measured at fair value through profit or loss	1,769	1,932	1,587	(8)	11	5,507	5,461
Credit loss (expense) / recovery	(89)	(272)	(38)	(67)	135	(628)	(70)
Fee and commission income	5,211	4,729	4,805	10	8	15,418	14,253
Fee and commission expense	(440)	(419)	(396)	5	11	(1,316)	(1,238)
Net fee and commission income	4,771	4,311	4,409	11	8	14,103	13,015
Other income	967	41	39			1,052	193
Total operating income	8,935	7,403	7,088	21	26	24,273	21,838
Personnel expenses	4,631	4,283	3,987	8	16	13,235	12,182
General and administrative expenses	1,173	1,063	1,308	10	(10)	3,369	3,670
Depreciation and impairment of property, equipment and software	538	458	432	17	25	1,452	1,285
Amortization and impairment of goodwill and intangible assets	15	17	16	(11)	(9)	47	50
Total operating expenses	6,357	5,821	5,743	9	11	18,103	17,188
Operating profit / (loss) before tax	2,578	1,582	1,345	63	92	6,169	4,650
Tax expense / (benefit)	485	347	294	40	65	1,242	1,067
Net profit / (loss)	2,094	1,236	1,051	69	99	4,927	3,582
Net profit / (loss) attributable to non-controlling interests	0	3	1	(92)	(80)	6	0
Net profit / (loss) attributable to shareholders	2,093	1,232	1,049	70	99	4,921	3,582
Comprehensive income							
Total comprehensive income	2,180	209	3,146	941	(31)	6,584	6,658
Total comprehensive income attributable to non-controlling interests	7	4	(5)	55		9	(8)
Total comprehensive income attributable to shareholders	2,173	205	3,151	959	(31)	6,575	6,666

Comparison between UBS Group AG consolidated and UBS AG consolidated

USD million, except where indicated	As of or for the quarter ended 30.9.20			As of or for the quarter ended 30.6.20 ¹			As of or for the quarter ended 31.12.19 ¹		
	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	8,935	9,038	(103)	7,403	7,512	(109)	7,052	7,145	(93)
Operating expenses	6,357	6,560	(203)	5,821	5,987	(166)	6,124	6,332	(207)
Operating profit / (loss) before tax	2,578	2,478	100	1,582	1,525	57	928	814	114
<i>of which: Global Wealth Management</i>	1,057	1,042	14	880	868	12	766	754	12
<i>of which: Personal & Corporate Banking</i>	335	335	0	238	238	0	310	311	(1)
<i>of which: Asset Management</i>	739	739	0	157	157	0	180	180	0
<i>of which: Investment Bank</i>	632	623	9	612	611	1	(22)	(18)	(4)
<i>of which: Group Functions</i>	(184)	(261)	77	(305)	(349)	44	(306)	(413)	107
Net profit / (loss)	2,094	2,018	76	1,236	1,197	39	727	628	100
<i>of which: net profit / (loss) attributable to shareholders</i>	2,093	2,018	76	1,232	1,194	39	722	622	100
<i>of which: net profit / (loss) attributable to non-controlling interests</i>	0	0	0	3	3	0	6	6	0
Statement of comprehensive income									
Other comprehensive income	86	70	16	(1,026)	(1,035)	9	(2,295)	(1,475)	(819)
<i>of which: attributable to shareholders</i>	80	64	16	(1,027)	(1,037)	9	(2,299)	(1,479)	(819)
<i>of which: attributable to non-controlling interests</i>	6	6	0	1	1	0	4	4	0
Total comprehensive income	2,180	2,088	92	209	161	48	(1,567)	(847)	(720)
<i>of which: attributable to shareholders</i>	2,173	2,081	92	205	157	48	(1,577)	(857)	(720)
<i>of which: attributable to non-controlling interests</i>	7	7	0	4	4	0	10	10	0
Balance sheet									
Total assets	1,065,153	1,064,621	532	1,063,849	1,063,446	403	972,194	971,927	267
Total liabilities	1,005,409	1,006,868	(1,459)	1,006,673	1,007,890	(1,216)	917,519	918,031	(512)
Total equity	59,744	57,753	1,991	57,175	55,557	1,619	54,675	53,896	779
<i>of which: equity attributable to shareholders</i>	59,451	57,461	1,991	57,003	55,384	1,619	54,501	53,722	779
<i>of which: equity attributable to non-controlling interests</i>	293	293	0	173	173	0	174	174	0
Capital information									
Common equity tier 1 capital	38,197	38,652	(454)	38,114	37,403	711	35,535	35,233	302
Going concern capital	54,396	53,004	1,392	53,505	50,954	2,551	51,842	47,191	4,650
Risk-weighted assets	283,133	281,442	1,691	286,436	284,798	1,639	259,208	257,831	1,376
Common equity tier 1 capital ratio (%)	13.5	13.7	(0.2)	13.3	13.1	0.2	13.7	13.7	0.0
Going concern capital ratio (%)	19.2	18.8	0.4	18.7	17.9	0.8	20.0	18.3	1.7
Total loss-absorbing capacity ratio (%)	34.5	34.2	0.3	32.7	31.9	0.7	34.6	33.9	0.7
Leverage ratio denominator	994,366	994,015	352	974,359	974,135	224	911,322	911,228	94
Leverage ratio denominator (with temporary FINMA exemption) ²	907,181	931,978	(24,797)	885,157	910,081	(24,925)			
Common equity tier 1 leverage ratio (%)	3.84	3.89	(0.05)	3.91	3.84	0.07	3.90	3.87	0.03
Common equity tier 1 leverage ratio (%) (with temporary FINMA exemption) ²	4.21	4.15	0.06	4.31	4.11	0.20			
Going concern leverage ratio (%)	5.5	5.3	0.1	5.5	5.2	0.3	5.7	5.2	0.5
Going concern leverage ratio (%) (with temporary FINMA exemption) ²	6.0	5.7	0.3	6.0	5.6	0.4			
Total loss-absorbing capacity leverage ratio (%)	9.8	9.7	0.1	9.6	9.3	0.3	9.8	9.6	0.2

¹ Comparative information has been restated where applicable. Refer to the "Recent developments" and "Consolidated financial statements" sections of the UBS Group third quarter 2020 report for more information.
² Refer to the "Recent developments" section of the UBS Group second quarter 2020 report and the "Capital management" section of the UBS Group third quarter 2020 report for further details about the temporary FINMA exemption.

UBS's third quarter 2020 report, media release and slide presentation will be available from 06:45 CEST on Tuesday, 20 October 2020, at www.ubs.com/quarterlyreporting.

UBS will hold a presentation of its third quarter 2020 results on Tuesday, 20 October 2020. 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, Group External Communications.

Time

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

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.

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Cautionary Statement Regarding Forward-Looking Statements

This news release contains statements that constitute "forward-looking statements," including but not limited to management's outlook for UBS's financial performance and statements relating to the anticipated effect of transactions and strategic initiatives on UBS's business and future development. While these forward-looking statements represent UBS's judgments and expectations concerning the matters described, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from UBS's expectations. The outbreak of COVID-19 and the measures being taken globally to reduce the peak of the resulting pandemic have had and may continue to have a significant adverse effect on global economic activity, and an adverse effect on the credit profile of some of our clients and other market participants, which has resulted in and may continue to increase expected credit loss expense and credit impairments. The unprecedented scale of the measures to control the COVID-19 outbreak creates significantly greater uncertainty about forward-looking statements in addition to the factors that generally affect our businesses, which 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), liquidity coverage ratio and other financial resources, including changes in RWA assets and liabilities arising from higher market volatility and other changes related to the COVID-19 pandemic; (ii) the degree to which UBS is successful in implementing changes to its businesses to meet changing market, regulatory and other conditions; (iii) the continuing low or negative interest rate environment in Switzerland and other jurisdictions; (iv) developments (including as a result of the COVID-19 pandemic) 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; (v) 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); (vi) 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, 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; (vii) 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; (viii) 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; (ix) the uncertainty arising from the UK's exit from the EU; (x) 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; (xi) changes in the standards of conduct applicable to our businesses that may result from new regulations or new enforcement of existing standards, including measures to impose new and enhanced duties when interacting with customers and in the execution and handling of customer transactions; (xii) 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; (xiii) 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; (xiv) 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; (xv) 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; (xvi) 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; (xvii) limitations on the effectiveness of UBS's internal processes for risk management, risk control, measurement and modeling, and of financial models generally; (xviii) the occurrence of operational failures, such as fraud, misconduct, unauthorized trading, financial crime, cyberattacks and systems failures, the risk of which is increased while COVID-19 control measures require large portions of the staff of both UBS and its service providers to work remotely; (xix) 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; (xx) 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 (xxi) 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 2019 and UBS's First Quarter 2020 Report on Form 6K. 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 and percent changes 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.

Non-GAAP financial measures

In addition to reporting results in accordance with International Financial Reporting Standards (IFRS), UBS reports certain measures that may qualify as Alternative Performance Measures as defined in the SIX Exchange Directive on Alternative Performance Measures, under the guidelines published by the European Securities Market Authority (ESMA), or as defined in regulations promulgated by the US Securities and Exchange Commission (SEC). Please refer to "Alternative Performance Measures" in the appendix of UBS's Quarterly Report for the third quarter of 2020 for a list of all measures UBS uses that may qualify as APMs.