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UBS AG  
Hong Kong Branch  
*(Incorporated in Switzerland with Limited Liability)*

Key Financial Information Disclosure Statements  
As at 31 December 2018

UBS AG HONG KONG BRANCH

KEY FINANCIAL INFORMATION DISCLOSURE STATEMENTS

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Note: The disclosure statements for the current period and prior periods are available in the following UBS website.

<https://www.ubs.com/global/en/legalinfo2/hongkong/disclosure-statements.html>

UBS AG HONG KONG BRANCH

KEY FINANCIAL INFORMATION DISCLOSURE STATEMENTS

31 December 2018

**Chief Executive's Declaration**

The key financial information disclosure statements as at 31 December 2018 are set out on pages 2 to 16.

Information is disclosed in accordance with the Banking (Disclosure) Rules and the guidance notes for overseas incorporated authorized institutions issued by the Hong Kong Monetary Authority.

This disclosure complies with the Hong Kong Monetary Authority's recommendations and is not false or misleading in any material aspects.



Amy Lo  
Chief Executive  
UBS AG Hong Kong Branch  
14 Oct 2019

UBS AG HONG KONG BRANCH

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2018

	Notes	For the year ended 31 Dec 2018 HKD million	For the year ended 31 Dec 2017 HKD million
Interest income		5,285	3,234
Interest expense		3,471	1,167
Net interest income		<u>1,814</u>	<u>2,067</u>
Other operating income	2	12,840	13,110
Total operating income		<u>14,654</u>	<u>15,177</u>
Operating expenses	3	11,351	11,305
Impairment losses and provisions for impaired loans and receivables		45	13
Gains less losses from the disposal of property, plant and equipment and investment properties		-	-
Profit before taxation		<u>3,258</u>	<u>3,859</u>
Tax expense		847	660
Profit after taxation		<u><u>2,411</u></u>	<u><u>3,199</u></u>

UBS AG HONG KONG BRANCH

STATEMENT OF FINANCIAL POSITION

As at 31 December 2018

	Notes	31 Dec 2018 HKD million	30 Jun 2018 HKD million
<b>ASSETS</b>			
Cash and balances with banks (except those included in amount due from overseas offices)		7,214	5,082
Placements with banks with residual maturity of more than 1 month but not more than 12 months (except those included in amount due from overseas offices)		-	-
Amount due from overseas offices		49,451	46,450
Trade bills		-	-
Certificates of deposit held		1,790	706
Securities held for trading purposes		35,002	34,611
Loans and receivables	4	164,812	183,470
Investment securities		-	-
Other investments		3,384	7,184
Property, plant and equipment and investment properties		2,100	2,117
Total assets		<u>263,753</u>	<u>279,620</u>
<b>LIABILITIES</b>			
Deposits and balances from banks (except those included in amount due to overseas offices)		1,186	1,274
Deposits from customers	8	160,380	154,836
Amount due to overseas offices		59,262	95,870
Certificates of deposit issued		8,534	8,662
Issued debt securities		18,481	7,160
Other liabilities		15,824	11,749
Provisions		86	69
Total liabilities		<u>263,753</u>	<u>279,620</u>

## NOTES TO THE FINANCIAL STATEMENTS

**1 Business activities**

UBS AG Hong Kong Branch ("the Branch") is a branch of UBS AG, a bank incorporated in Switzerland. The Branch provides a broad range of financial services including wealth management, advisory services, underwriting, financing, brokerage and asset management.

**2 Other operating income**

Notes	For the year ended 31 Dec 2018 HKD million	For the year ended 31 Dec 2017 HKD million
Net trading income		
Profit on dealing in foreign currencies	285	276
Profit/(loss) on trading securities	(19)	41
Profit from other trading activities	118	131
	<u>384</u>	<u>448</u>
Net fee and commission income		
Fee and commission income	7,030	6,676
Less: Fee and commission expenses	(1,752)	(1,770)
	<u>5,278</u>	<u>4,906</u>
Other income	7,178	7,756
	<u>12,840</u>	<u>13,110</u>

**3 Operating expenses**

	For the year ended 31 Dec 2018 HKD million	For the year ended 31 Dec 2017 HKD million
Staff costs	6,054	6,297
Rental expenses	630	613
Net service fee to other UBS entities	2,207	2,288
Other operating expenses	2,460	2,107
	<u>11,351</u>	<u>11,305</u>

**4 Loans and receivables**

	31 Dec 2018 HKD million	30 Jun 2018 HKD million
Loans and advances to customers	149,728	172,745
Accrued interest and other receivables	15,084	10,725
	<u>164,812</u>	<u>183,470</u>
Less: Collective provisions	-	5
Specific provisions		
- loans and advances to customers	15	15
- fee receivables	69	49
	<u>164,728</u>	<u>183,401</u>

## NOTES TO THE FINANCIAL STATEMENTS

**5 Analysis of gross amounts of loans and advances to customers****a. Loans and advances to customers - by industry sectors**

The analysis of gross loans and advances to customers and the percentages of secured loans and advances by industry sectors are based on the categories and definitions used by the Hong Kong Monetary Authority.

	31 Dec 2018	
	HKD million	
	Gross loans and advances	Collateral or other security *
Loans and advances for use in Hong Kong		
Manufacturing	98	100%
Industrial, commercial and financial		
Property investment	281	100%
Wholesale and retail trade	30	100%
Hotels, boardings houses & catering	120	100%
Financial concerns	5,532	100%
Stockbrokers	-	100%
	<u>5,963</u>	<u>100%</u>
Individuals		
For the purchase of other residential properties	404	100%
Other private purposes	36,684	100%
All others	265	100%
	<u>37,353</u>	<u>100%</u>
Loans and advances for use outside Hong Kong	106,314	100%
Total loans and advances to customers	<u><u>149,728</u></u>	<u><u>100%</u></u>

	30 Jun 2018	
	HKD million	
	Gross loans and advances	Collateral or other security *
Loans and advances for use in Hong Kong		
Manufacturing	35	100%
Industrial, commercial and financial		
Property investment	288	100%
Wholesale and retail trade	-	-
Hotels, boardings houses & catering	-	-
Financial concerns	3,511	100%
Stockbrokers	648	100%
	<u>4,447</u>	<u>100%</u>
Individuals		
For the purchase of other residential properties	445	100%
Other private purposes	41,217	100%
All others	19	100%
	<u>41,681</u>	<u>100%</u>
Loans and advances for use outside Hong Kong	126,582	100%
Total loans and advances to customers	<u><u>172,745</u></u>	<u><u>100%</u></u>

\*Where collateral values are greater than gross loans and advances, only the amount of collateral up to the gross loans and advances is included.

**5 Analysis of gross amounts of loans and advances to customers (Cont'd)****b. Loans and advances to customers - by geographical areas**

The gross amounts of loans and advances to customers by geographical areas are classified according to the location of the counterparties after taking into account the transfer of risk. In general, risk transfer applies when a loan or advance is guaranteed by a party in a country which is different from that of the counterparty. The basis of the country classification is in accordance with the guidance notes from the Hong Kong Monetary Authority.

	31 Dec 2018	
	HKD million	
	Loans and advances to customers	Overdue / Impaired loans and advances to customers
Hong Kong	41,067	15
British Virgin Islands	63,885	-
Others	44,776	-
	<u>149,728</u>	<u>15</u>

	30 Jun 2018	
	HKD million	
	Loans and advances to customers	Overdue / Impaired loans and advances to customers
Hong Kong	46,084	15
British Virgin Islands	82,353	-
Others	44,308	-
	<u>172,745</u>	<u>15</u>

**6 Impaired loans and advances**

	31 Dec 2018 HKD million	30 Jun 2018 HKD million
Gross impaired loans and advances to customers (Percentage of total loans and advances to customers)	15 (0.01%)	15 (0.01%)
Specific provisions	15	15
Value of the collateral in respect of such loans and advances to which the specific provisions have been made	-*	-*

\* Securities suspended for trading were included as collateral but considered to have zero market value.

There were no impaired advances to banks and other financial institutions as at 31 December 2018 and 30 June 2018.

Country provision, if required, is booked at head office level. The bank may establish and maintain Collective Loan Loss Provisions for country risk in case an event (or various events) in one or several countries has been identified that is likely to cause an impairment of assets, while there is not sufficient information as to which counterparties are actually affected, thus preventing the establishment of individual counterparty provisions or allowances in a timely fashion.



**7 Overdue, rescheduled and repossessed assets****a. Overdue and rescheduled loans and advances**

	31 Dec 2018 HKD million	30 Jun 2018 HKD million
Loans and advances to customers overdue for		
- more than 3 months but not more than 6 months	-	-
- more than 6 months but not more than 1 year	-	13 (0.01%)
- more than 1 year	15 (0.01%)	14 (0.01%)
(% to total loans and advances to customers)		
Rescheduled loans and advances to customers excluding those which have been overdue for more than 3 months	-	-
Total overdue and rescheduled loans and advances to customers (% to total loans and advances to customers)	<u>15 (0.01%)</u>	<u>27 (0.02%)</u>
Specific provisions on the overdue and rescheduled loans and advances to customers	15	15
Fair value of the collateral held in respect of the overdue loans and advances to customers	-*	-*

The Branch did not have any overdue or rescheduled advances to banks as at 31 December 2018 and 30 June 2018.

\* Securities suspended for trading were included as collateral but considered to have zero market value.

**b. Other overdue and repossessed assets**

The Branch did not have any other overdue and repossessed assets as at 31 December 2018 and 30 June 2018.

**8 Deposits from customers**

	31 Dec 2018 HKD million	30 Jun 2018 HKD million
Demand deposits and current accounts	61,057	68,806
Savings deposits	3,137	1,912
Time, call and notice deposits	<u>96,186</u>	<u>84,118</u>
	<u>160,380</u>	<u>154,836</u>

**9 International claims**

International claims are classified by the types and the locations of the counterparties after taking into account the transfer of risk. In general, such transfer of risk refers to the reduction of the Branch's exposure to a particular country by an effective transfer of credit risk to a different country with the use of credit risk mitigants which include guarantees, collaterals and credit derivatives. The basis of the country and geographical segment classification is in accordance with the guidance notes from the Hong Kong Monetary Authority.

**9 International claims (Cont'd)**

	31 Dec 2018 HKD million					
	Non-bank private sector					Total
	Banks	Official sector	Non-bank financial institutions	Non-financial private sector	Others	
International organisations	-	1,755	-	-	-	1,755
Developed countries	58,822	21,069	5,189	258	-	85,338
Switzerland	43,057	-	-	206	-	43,263
Others	15,765	21,069	5,189	52	-	42,075
Offshore centres	5	-	579	110,434	-	111,018
British Virgin Islands	-	-	-	63,578	-	63,578
Others	5	-	579	46,856	-	47,440
Developing Europe	-	-	-	-	-	-
Developing Latin America and Caribbean	-	-	-	47	-	47
Developing Africa and Middle East	-	-	-	527	-	527
Developing Asia Pacific	3,480	344	104	17,335	-	21,263
	<u>62,307</u>	<u>23,168</u>	<u>5,872</u>	<u>128,601</u>	<u>-</u>	<u>219,948</u>

	30 Jun 2018 HKD million					
	Non-bank private sector					Total
	Banks	Official sector	Non-bank financial institutions	Non-financial private sector	Others	
International organisations	-	4,890	-	-	-	4,890
Developed countries	63,275	14,603	1,063	1,447	-	80,388
Switzerland	44,658	-	-	219	-	44,877
Others	18,617	14,603	1,063	1,228	-	35,511
Offshore centres	10	-	689	120,652	-	121,351
British Virgin Islands	-	-	-	82,680	-	82,680
Others	10	-	689	37,972	-	38,671
Developing Europe	-	-	-	-	-	-
Developing Latin America and Caribbean	-	-	-	50	-	50
Developing Africa and Middle East	-	-	-	525	-	525
Developing Asia Pacific	983	-	6	19,634	-	20,623
	<u>64,268</u>	<u>19,493</u>	<u>1,758</u>	<u>142,308</u>	<u>-</u>	<u>227,827</u>

**10 Non-bank Mainland exposures**

The total direct non-bank Mainland exposures and the specific provision were as follow:

	31 Dec 18 HKD million			
	<u>On-balance sheet exposures</u>	<u>Off-balance sheet exposures</u>	<u>Total</u>	<u>Specific provision</u>
Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	-	-	-	-
PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	10,886	194	11,080	-
Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	7,459	190	7,649	15
<b>Total</b>	<b>18,345</b>	<b>384</b>	<b>18,729</b>	<b>15</b>
Total assets after provision	<u>263,667</u>			
On-balance sheet exposures as percentage of total assets	6.96%			
	30 Jun 18 HKD million			
	<u>On-balance sheet exposures</u>	<u>Off-balance sheet exposures</u>	<u>Total</u>	<u>Specific provision</u>
Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	-	-	-	-
PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	13,151	276	13,427	-
Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	9,426	42	9,468	15
<b>Total</b>	<b>22,577</b>	<b>318</b>	<b>22,895</b>	<b>15</b>
Total assets after provision	<u>279,550</u>			
On-balance sheet exposures as percentage of total assets	8.08%			

UBS AG HONG KONG BRANCH

NOTES TO THE FINANCIAL STATEMENTS

**11 Currency Risk**  
(HKD million)

The net position in a particular foreign currency is disclosed if the net position (in absolute terms) constitutes 10% or more of the total net position in all foreign currencies.

	31 Dec 2018										Total
AUD*	CHF	CNY	EUR	IDR	JPY	MYR	SGD*	USD	XAU	Others	
Spot assets	2,947	1,581	15,586	82	29,436	50	1,011	52,489	4,187	5,151	152,680
Spot liabilities	(5,250)	(1,312)	(6,435)	(58)	(6,701)	(22)	(3,072)	(171,349)	(4,187)	(6,599)	(212,149)
Forward purchases	8,304	1,314	13,939	22	24,462	386	7,934	223,380	1,881	37,986	329,897
Forward sales	(5,996)	(1,830)	(23,074)	(22)	(47,147)	(386)	(5,875)	(104,236)	(1,931)	(36,520)	(270,546)
Net options position	-	-	-	-	-	-	-	-	-	-	-
Net long / (short) position	5	(247)	(247)	17	24	28	(1)	284	(50)	18	(118)
Net structural position	-	-	-	-	-	-	-	-	-	-	-

	30 Jun 2018										Total
AUD	CHF	CNY	EUR	IDR	JPY	MYR	SGD	USD	XAU	Others	
Spot assets	5,941	1,627	11,463	72	17,225	62	1,065	70,319	3,537	4,459	151,796
Spot liabilities	(4,585)	(1,181)	(5,546)	(45)	(3,350)	(31)	(4,134)	(192,915)	(3,538)	(6,685)	(226,760)
Forward purchases	8,089	2,304	21,451	36	7,788	53	9,819	218,190	1,065	40,699	321,993
Forward sales	(9,624)	(2,719)	(27,276)	(36)	(21,716)	(53)	(6,790)	(95,252)	(1,105)	(38,530)	(247,286)
Net options position	-	-	-	-	-	-	-	-	-	-	-
Net long / (short) position	(179)	31	(410)	92	27	31	(40)	342	(41)	(57)	(257)
Net structural position	-	-	-	-	-	-	-	-	-	-	-

The above figures represent the Hong Kong dollar equivalent values of the individual currencies.

\* The foreign currency which constitutes less than 10% of the total net position in all foreign currencies is presented for comparative purpose only.

## OFF BALANCE SHEET EXPOSURES AND LIQUIDITY INFORMATION

As at 31 December 2018

	31 Dec 2018 HKD million			30 Jun 2018 HKD million		
<b>1 Contingent liabilities and commitments</b> (contractual amounts)						
Direct credit substitutes	9,318			8,829		
Transaction-related contingent items	2,462			2,462		
Other commitments	-			-		
<b>2 Derivatives transactions</b> (HKD million)						
	31 Dec 2018			30 Jun 2018		
	Fair value		Total Notional Amount	Fair value		Total Notional Amount
	Positive	Negative		Positive	Negative	
Exchange rate-related derivative contracts	3,555	4,239	580,926	5,188	3,755	522,065
Interest rate derivative contracts	251	314	88,893	150	458	117,258
Equity derivative contracts	449	444	19,164	632	627	25,928
Precious metals other than gold contracts	7	7	365	7	7	663

At branch level, the above exposures do not take into account the effects of bilateral netting agreements. Such netting is effected at UBS Group AG consolidated level.

**3 Liquidity information****a. Liquidity Maintenance Ratio**

	3 months ended 31 Dec 2018	3 months ended 30 Sep 2018	12 months ended 31 Dec 2017
Average Liquidity Maintenance Ratio for the financial period	84.5%	68.0%	53.0%

The average Liquidity Maintenance Ratio for the 3-month and the 12-month period, is the simple average of each calendar month's average Liquidity Maintenance Ratio, which is computed as required by the Hong Kong Monetary Authority for its regulatory purposes, and is in accordance with the Hong Kong Banking Ordinance.

**b. Core Funding Ratio**

	3 months ended 31 Dec 2018	3 months ended 30 Sep 2018
Average Core Funding Ratio for the financial period	1039.6%	1037.7%

The average Core Funding Ratio for the 3-month period, is the simple average of each calendar month's average Core Funding Ratio, which is computed as required by the Hong Kong Monetary Authority for its regulatory purposes, and is in accordance with the Hong Kong Banking Ordinance.

As at 31 December 2018

### 3 Liquidity information (Cont'd)

#### c. Liquidity risk management

##### Balance sheet, liquidity and funding management

##### Strategy, objectives and governance

We manage our balance sheet, liquidity and funding positions with the overall objective of optimizing the value of our business franchise across a broad range of market conditions and in consideration of current and future regulatory constraints. We employ a number of measures to monitor these positions under normal and stressed conditions. In particular, we use stress scenarios to apply behavioral adjustments to our balance sheet and calibrate the results from these internal stress models with external measures, primarily the liquidity maintenance ratio (LMR) and the core funding ratio (CFR). Our Hong Kong liquidity and funding strategy is proposed by Group Treasury, approved by the Hong Kong Asset and Liability Management Committee (HKALCO), and is overseen by the Hong Kong Management and Risk Committee (HKMRC).

This section provides more detailed information on our governance structure, liquidity and funding management, including our sources of liquidity and funding, and our contingency planning and stress testing.

Group Treasury monitors and oversees the implementation and execution of our liquidity and funding strategy and is responsible for adherence to policies, limits and targets. This enables close control of both our cash and collateral, including our high-quality liquid assets (HQLA), and centralizes the Group's general access to wholesale cash markets in Corporate Center – Group Asset and Liability Management (Group ALM). In addition, should a crisis require contingency funding measures to be invoked, Group Treasury is responsible for coordinating liquidity generation with representatives of the relevant business areas. Group Treasury reports on the Hong Kong's overall liquidity and funding position, including funding status and concentration risks regularly to HKALCO.

Liquidity and funding limits and targets are approved by HKALCO and HKMRC, and are reviewed and reconfirmed at least once a year by Group Treasury, HKALCO and HKMRC taking into consideration current and projected business strategy and risk tolerance.

The principles underlying our limit and target framework are designed to maximize and sustain the value of our business franchise and maintain an appropriate balance in the asset and liability structure. To complement and support this framework, a set of liquidity status indicators is used to assess both internal and external liquidity situations and identify potential threats. Market and Treasury Risk Control provides independent oversight over liquidity and funding risks.

Liquidity strategy, policies and any issue regarding funding and liquidity risks are reviewed in HKALCO and escalated to HKMRC which is composed of branch management, representatives from various business lines and risk control.

##### Assets and liquidity management

Our liquidity risk management aims to maintain a sound liquidity position to meet all our liabilities when due and to provide adequate time and financial flexibility to respond to a firm-specific liquidity crisis in a generally stressed market environment, without incurring unacceptable losses or risking sustained damage to our various businesses.

##### High-quality liquid assets

The HQLA holdings under Hong Kong branch are low-risk unencumbered assets under the control of Group Treasury that are easily and immediately convertible into cash at little or no loss of value in order to meet liquidity needs in a 1-calendar-month liquidity stress scenario.

Our liquid assets are managed using limits and targets to maintain an appropriate level of diversification (issuer, tenor and other risk characteristics) in response to any anticipated or unanticipated volatility in funding availability or requirements caused by adverse market, operational or firm specific events. The liquid asset portfolio size is managed to operate within the risk appetite of the Board of Directors and relevant local authorities at Group and legal entity level. The corresponding portfolio size in Hong Kong is managed to operate within the risk appetite set by HKALCO.

##### Stress testing

We perform stress testing to determine the optimal asset and liability structure that allows us to maintain an appropriately balanced liquidity and funding position under various scenarios. Liquidity crisis scenario analysis and contingency funding planning support the liquidity management process and ensure that immediate corrective measures to absorb potential sudden liquidity shortfalls can be put into effect.

The stress models and their assumptions are reviewed regularly to incorporate the latest business and market developments. We continuously refine the assumptions used to maintain a robust, actionable and tested contingency plan.

As at 31 December 2018

### **3 Liquidity information (Cont'd)**

#### **c. Liquidity risk management**

##### **Balance sheet, liquidity and funding management**

###### **Assets and liquidity management**

###### **Contingency funding**

Our Hong Kong contingency funding plan is an integral part of our global and local crisis management framework. This contingency funding plan contains an assessment of contingent funding sources in a stressed environment, liquidity status indicators and metrics, and contingency procedures. Our funding diversification and group lending and supports help protect our liquidity position in the event of a crisis. We regularly assess and test all material, known and expected cash flows, as well as the level and availability of high-grade collateral that could be used to raise additional funding if required. Our contingent funding sources include our HQLA portfolio, available and unutilized liquidity facilities at the central bank, and contingent reductions of liquid trading portfolio asset.

###### **Liabilities and funding management**

UBS operates a central funding model to generate efficiencies for the Group. Thus, intra-group funding moves liquidity from businesses and locations that create excess funding to the businesses that are net users of funds. Group ALM manages funds centrally on behalf of the Group under Group Treasury governance. All funding is provided on an arm's-length basis. As a branch of UBS AG, UBS AG Hong Kong Branch is fully integrated into the liquidity and funding risk management framework.

Group Treasury regularly monitors our funding status, including concentration risks, to ensure we maintain a well-balanced and diversified liability structure. Our funding risk management aims for the optimal asset and liability structure to finance our businesses reliably and cost-efficiently, and our funding activities are planned by analyzing the overall liquidity and funding profile of our balance sheet, taking into account the amount of stable funding that would be needed to support ongoing business activities through periods of difficult market conditions.

The funding strategy of UBS Group AG is set annually in the Funding Plan and is reviewed on a quarterly basis under its Funding Management Policy governance framework to ensure continuous funding support provided to other branches and entities including Hong Kong branch. The Funding Plan is developed by Group Treasury and approved by the Group ALCO considering amongst others currency, market and tenor diversification factors. The operational execution of funding transactions defined in the Funding Plan for specific product types is delegated to the business divisions (e.g., structured notes to the Investment Bank). Nevertheless, Group Treasury retains overall responsibility and oversight over all product types.

Group Treasury proposes, sets and oversees limits and targets for funding generation including concentration limits, weighted average maturity floors and volume. To ensure effective diversification and address potential funding concentration, actual results (monthly and year-to-date activity) are monitored on a monthly basis and are aggregated in the Group Treasury Report. The funding diversification is achieved along the categories product type, single counterparty exposure (as a percentage of the total) as well as overall participation of a particular funding source to the liability mix and tenor (minimum weighted average maturity), and are monitored continuously. Our business activities generate asset and liability portfolios that are highly diversified with respect to market, product, tenor and currency. This reduces our exposure to individual funding sources, provides a broad range of investment opportunities and reduces liquidity risk.

Hong Kong branch leverage the diversified funding portfolio from the Group and develop its own set of funding strategy including the size of term borrowing from the Group, the size of local CD issuance and customer deposit composition.

## OFF BALANCE SHEET EXPOSURES AND LIQUIDITY INFORMATION

As at 31 December 2018

**3 Liquidity information (Cont'd)****c. Liquidity risk management**

(HKD million)

The following maturity profile is based on the remaining period to repayment on a contractual maturity basis at the end of the reporting period.

	31 Dec 2018											
	Total	Next day	2 to 7 days	8 days to 1 month	>1 month up to 3 months	>3 months up to 6 months	>6 months up to 1 year	>1 year up to 2 years	>2 years up to 3 years	>3 years up to 5 years	Over 5 years	Balancing
<b>On-balance sheet liabilities</b>												
Deposits from non-bank customers	160,380	66,171	62,302	17,248	12,377	1,962	320	-	-	-	-	-
Amount payable arising from derivative contracts	4,221	2,235	62	209	252	335	1,019	238	92	21	-	-
Due to banks	60,447	31,286	-	62	11,762	17,227	-	-	-	-	-	-
Debt securities, prescribed instruments and structured financial instruments issued and outstanding	27,015	-	-	-	19,185	7,830	-	-	-	-	-	-
Other liabilities	11,338	10,982	7	26	131	104	2	-	-	-	-	86
Capital and reserves	(593)	-	-	-	-	-	-	-	-	-	-	(593)
<b>Total</b>	<b>262,808</b>	<b>110,674</b>	<b>62,371</b>	<b>17,545</b>	<b>43,707</b>	<b>27,458</b>	<b>1,341</b>	<b>238</b>	<b>92</b>	<b>21</b>	<b>115</b>	<b>(507)</b>
<b>Off-balance sheet obligations</b>												
Contractual obligations arising from securities financing transactions	12,830	-	12,830	-	-	-	-	-	-	-	-	-
Other off-balance sheet obligations	11,780	11,780	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>24,610</b>	<b>11,780</b>	<b>12,830</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>On-balance sheet assets</b>												
Currency notes and coins	2	2	-	-	-	-	-	-	-	-	-	-
Amount receivable arising from derivative contracts	3,475	1,552	59	203	237	300	987	219	75	90	5	-
Due from MA for a/c of Exchange Fund	982	982	-	-	-	-	-	-	-	-	-	-
Due from banks	55,680	53,688	372	1,536	84	-	-	-	-	-	-	-
Debt securities, prescribed instruments and structured financial instruments held (net of short positions)	36,793	36,793	-	-	-	-	-	-	-	-	-	-
Loans and advances to non-bank customers	149,728	11,090	70,113	58,251	5,225	1,722	2,400	279	633	-	-	15
Other assets	16,142	10,497	67	39	13	18	18	2	4	-	-	5,484
<b>Total</b>	<b>262,802</b>	<b>114,604</b>	<b>70,611</b>	<b>60,029</b>	<b>5,559</b>	<b>2,040</b>	<b>3,405</b>	<b>500</b>	<b>712</b>	<b>90</b>	<b>5</b>	<b>5,499</b>
<b>Off-balance sheet claims</b>												
Contractual claims arising from securities financing transactions	12,830	-	12,830	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>12,830</b>	<b>-</b>	<b>12,830</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Contractual Maturity Mismatch</b>												
<b>Cumulative Contractual Maturity Mismatch</b>												
		(7,850)	8,240	42,484	(38,148)	(25,418)	2,064	262	620	69	(110)	-
		(7,850)	390	42,874	4,726	(20,692)	(18,628)	(18,366)	(17,746)	(17,677)	(17,787)	-



As at 31 December 2018

**3 Liquidity information (Cont'd)****c. Liquidity risk management**

(HKD million)

The following maturity profile is based on the remaining period to repayment on a contractual maturity basis at the end of the reporting period.

	31 Dec 2017											
	Total	Next day	2 to 7 days	8 days to 1 month	>1 month up to 3 months	>3 months up to 6 months	>6 months up to 1 year	>1 year up to 2 years	>2 years up to 3 years	>3 years up to 5 years	Over 5 years	Balancing
<b>On-balance sheet liabilities</b>												
Deposits from non-bank customers	140,564	74,416	48,377	8,190	6,501	2,476	604	-	-	-	-	-
Amount payable arising from derivative contracts	2,831	2,108	24	49	125	172	190	229	134	33	-	-
Due to banks	88,543	37,437	125	84	28,129	22,658	-	-	-	-	110	-
Debt securities, prescribed instruments and structured financial instruments issued and outstanding	4,829	-	-	-	4,829	-	-	-	-	-	-	-
Other liabilities	7,441	7,287	5	12	67	33	2	-	-	-	-	35
Capital and reserves	(188)	-	-	-	-	-	-	-	-	-	-	(188)
<b>Total</b>	<b>244,020</b>	<b>121,248</b>	<b>48,531</b>	<b>8,335</b>	<b>39,651</b>	<b>25,339</b>	<b>796</b>	<b>229</b>	<b>134</b>	<b>33</b>	<b>123</b>	<b>(153)</b>
<b>Off-balance sheet obligations</b>												
Contractual obligations arising from securities financing transactions	13,160	-	13,160	-	-	-	-	-	-	-	-	-
Other off-balance sheet obligations	7,672	7,672	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>20,832</b>	<b>7,672</b>	<b>13,160</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>On-balance sheet assets</b>												
Currency notes and coins	4	4	-	-	-	-	-	-	-	-	-	-
Amount receivable arising from derivative contracts	2,122	1,472	25	50	124	167	167	143	77	30	-	-
Due from MA for a/c of Exchange Fund	959	959	-	-	-	-	-	-	-	-	-	-
Due from banks	42,725	39,314	774	2,390	206	41	-	-	-	-	-	-
Debt securities, prescribed instruments and structured financial instruments held (net of short positions)	35,393	35,393	-	-	-	-	-	-	-	-	-	-
Loans and advances to non-bank customers	154,346	28,612	56,393	58,577	6,448	1,308	2,909	7	78	-	-	14
Other assets	8,472	3,690	31	59	24	17	17	-	-	-	-	4,634
<b>Total</b>	<b>244,021</b>	<b>109,444</b>	<b>57,223</b>	<b>61,076</b>	<b>6,802</b>	<b>1,533</b>	<b>3,093</b>	<b>150</b>	<b>155</b>	<b>30</b>	<b>13</b>	<b>4,648</b>
<b>Off-balance sheet claims</b>												
Contractual claims arising from securities financing transactions	13,160	-	13,160	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>13,160</b>	<b>-</b>	<b>13,160</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Contractual Maturity Mismatch</b>												
<b>Cumulative Contractual Maturity Mismatch</b>												
	(19,476)	8,692	(32,849)	52,741	(23,806)	2,297	(79)	21	(12,459)	(3)	(110)	(12,572)
	(19,476)	(10,784)	9,108	41,957	(14,698)	(12,401)	(12,480)	(12,459)	(12,462)	(12,462)	(12,459)	(12,572)

UBS GROUP AG

CONSOLIDATED FINANCIAL INFORMATION

As at 31 December 2018

	31 Dec 2018 USD million	30 Jun 2018 USD million
Total shareholders' equity attributable to UBS shareholders	52,928	51,210
Common equity tier 1 capital ratio	12.9%	13.4%
Other financial information		
Statement of financial position:		
Total assets	958,489	952,817
Total liabilities	905,386	901,535
Total loans and advances	320,352	321,087
Total customer deposits	419,838	406,990
	For the year ended 31 Dec 2018 USD million	For the year ended 31 Dec 2017 USD million
Statement of comprehensive income:		
Pre-tax profit	5,991	5,351

Notes :

(1) For further details on UBS Group AG financial information, please refer to the UBS Group AG 2018 Annual Report and press release issued on 24 July 2018 for June 2018 half-year results which may be viewed on our website: [www.ubs.com](http://www.ubs.com).