UBS leads the way in wealth management

Corporate profile for 4Q17

Building on its history of over 150 years, UBS is committed to bringing its global resources to bear on the portfolios of high net worth individuals to help them pursue their wealth management goals. Today, as the world’s largest wealth manager, we are strongly positioned to help our clients address the realities of the global economy and their sophisticated needs. Customized solutions are delivered by dedicated Financial Advisors who are aligned to help give clients confidence in reaching their goals no matter what the environment.

The UBS approach to managing wealth

• **Exclusive research.** The Chief Investment Office Wealth Management Research (CIO WMR) team combines insights from global research professionals and local expertise to give clients access to our best investment thinking. Informed by a rigorous investment process, CIO WMR’s insights help clients make better investment decisions in a rapidly changing global marketplace.

• **Global solutions.** Our clients’ complex needs drive the solutions we provide. We offer a wide variety of solutions—whether from inside or outside of UBS—across a full range of products and platforms.

• **Top-ranked Financial Advisors.** Attuned to the specific needs of those with significant wealth, UBS Wealth Management Americas Financial Advisors manage an average of $180 million in invested assets. To help clients pursue their ultimate goals, our Advisors provide comprehensive strategies and solutions based on an understanding of clients’ objectives and risk tolerance, and the financial plans they create together.

Strong and well-capitalized

UBS remains financially strong, with solid long-term credit ratings. UBS has a Basel III common equity Tier 1 (CET1) capital ratio (fully applied) of 13.8% as of 31.12.17. The Basel III framework is a global regulatory standard on bank capital adequacy, stress testing and market liquidity risk; it is designed to improve the banking sector’s ability to absorb shocks arising from financial and economic stress. UBS’s capital position is strong, and its Basel III CET1 capital ratio is among the highest among large global banks.

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1 Scorpio Partnership’s “Global Private Banking Benchmark 2017” rank of global wealth managers by assets under management.
2 Many of the UBS Financial Advisors are recognized on a number of industry lists and rankings, such as Barron’s Top 1,200, Barron’s Top 100 and Barron’s Top Women Financial Advisors.
3 As of 12.31.17.

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UBS Group AG

S&P’s long-term rating/outlook | Moody’s long-term rating/outlook
---|---
A-/S | A1/S
A+ | Baa1/S

Credit Suisse Group AG

BBB+/S | Baa2/S

Credit Suisse AG

A+/S | A1/S

HSBC Holdings PLC

A/N | A2/N

HSBC Bank PLC

AA- | A3/N

Bank of America Corp.

BBB+/S | A3/S

Bank of America N.A.

A+/S | Aa3/S

Citigroup Inc.

BBB+/S | Baa1/P

Citibank N.A.

A+/S | A1/P

The Goldman Sachs Group Inc.

BBB+/S | A3/S

Goldman Sachs Bank USA

A+/S | A1/S

JPMorgan Chase & Co.

A-/S | A3/S

JPMorgan Chase Bank N.A.

A+/S | Aa3/S

Morgan Stanley

BBB+/S | A3/S

Morgan Stanley Bank N.A.

A+/S | A1/S

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Legend: Group holding / operating company
Source: credit rating agencies’ websites.
S&P: Issuer Credit Ratings: details
 Moody’s: senior unsecured debt rating: details
1 Moody’s rates senior unsecured debt issued by a funding vehicle guaranteed by UBS Group AG on an unsolicited basis.
Invested assets were $1,225 billion in 4Q17, compared with $1,189 billion in 3Q17 and $1,100 billion in 4Q16.

UBS Wealth Management Americas (WMA) 4Q17 performance highlights

- Pre-tax profit was $390 million in 4Q17, compared with $358 million in 4Q16 and $351 million in 3Q17.
- Invested assets were $1,225 billion in 4Q17, compared with $1,100 billion in 4Q16 and $1,189 billion in 3Q17.
- Operating income was $2,200 million in 4Q17, increased 7% from 4Q16 and increased 3% from 3Q17.

### Wealth Management Americas

<table>
<thead>
<tr>
<th>Performance</th>
<th>4Q17</th>
<th>3Q17</th>
<th>4Q16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating income</td>
<td>2,200</td>
<td>2,126</td>
<td>2,049</td>
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<tr>
<td>Operating expenses</td>
<td>1,810</td>
<td>1,775</td>
<td>1,692</td>
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<tr>
<td>Pre-tax profit</td>
<td>390</td>
<td>351</td>
<td>358</td>
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</tbody>
</table>

### Assets (USD billions)

- Invested assets: 1,225, 1,189, 1,100

### UBS key corporate figures

<table>
<thead>
<tr>
<th>Assets (USD billions)</th>
<th>4Q17</th>
<th>3Q17</th>
</tr>
</thead>
<tbody>
<tr>
<td>UBS Group AG</td>
<td>3,259</td>
<td>3,164</td>
</tr>
<tr>
<td>Wealth Management</td>
<td>1,177</td>
<td>1,135</td>
</tr>
<tr>
<td>Wealth Management Americas</td>
<td>1,225</td>
<td>1,189</td>
</tr>
<tr>
<td>Asset Management</td>
<td>795</td>
<td>768</td>
</tr>
</tbody>
</table>

### Resources and other (USD millions)

- Equity attributable to UBS shareholders: 52,615, 55,193
- Market capitalization: 70,860, 65,784

1. Source: UBS quarterly report for 4Q17.
2. Refer to the “UBS Figures” section of the firm’s quarterly report for 4Q17.
3. UBS and its business divisions, excluding WMA, report results in CHF. USD figures are provided for convenience, based on the following conversion rates: 3Q17 spot 0.9755 CHF per 1 USD and 2Q17 spot 0.9680 CHF per 1 USD. Spot rate is used for invested assets, equity attributable to UBS shareholders and market capitalization. WMA results reflect actual USD. Group invested assets include invested assets for Personal & Corporate Banking.
4. Certain account types were corrected during the fourth quarter of 2017. Prior periods were corrected accordingly. The effect on net new money in all periods was immaterial.

For the complete list of UBS private bank and wealth management awards: Click here.

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These are adjusted results, which are non-GAAP financial measures as defined by SEC regulations. Refer to the fourth quarter report, which is available in the section “Quarterly Reporting” at ubs.com/investors for an overview of adjusted numbers.

As a firm providing wealth management services to clients, we offer both investment advisory and brokerage services. These services are separate and distinct, differ in material ways and are governed by different laws and separate contracts. For more information on the distinctions between our brokerage and investment advisory services, please speak with your Financial Advisor or visit our website at ubs.com/workingwithus.

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