

Financial results

Third quarter 2022

Group highlights



We have strong momentum with our clients in challenging markets



We delivered a good performance and are executing our strategy



We maintained a strong balance sheet and disciplined risk management

Selected highlights for 3Q22

Global Wealth Management

– Profit before tax	USD	1.5bn
– Profit before tax growth	(4%)	YoY
– Invested assets	USD	2.7trn
– Net new fee-generating assets ¹	USD	17.1bn

Personal & Corporate Banking

– Profit before tax	CHF	0.4bn
– Return on attributed equity (CHF)	19%	
– Net new investment products for Personal Banking	CHF	0.4bn

Asset Management

– Profit before tax	USD	0.1bn
– Invested assets	USD	1.0trn
– Net new money excl. money market	USD	2.0bn

Investment Bank

– Profit before tax	USD	0.4bn
– Return on attributed equity	14%	
– RWA and LRD vs. Group	30% / 31%	

“We delivered a good result of USD 2.3bn PBT in a challenging environment. Our clients turned to us for advice and entrusted us with USD 17bn of net new fee-generating assets. Our globally diversified and client-centric model combined with a balance sheet for all seasons is a competitive advantage, enabling us to deliver attractive and sustainable returns to shareholders.”

Ralph Hamers, Group CEO

Selected financials for 3Q22



Profit before tax



Diluted earnings per share



Return on CET1 capital



Cost/income ratio



CET1 capital ratio

Group highlights



We have strong momentum with our clients in challenging markets

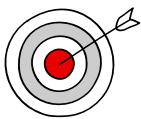
Our proactive engagement with our clients led to positive momentum with USD 17bn net new fee-generating assets¹ (NNFGA) in GWM, USD 18bn of net new money in AM (of which USD 2bn excluding money market flows), and CHF 0.4bn net new investment products in Personal Banking, an 8% annualized growth, amidst challenging market conditions. As clients repositioned their investments in response to fast and steep interest rate increases, we continued to actively manage our deposit base which resulted in a 14% YoY increase in net interest income across GWM and P&C. Client activity was differentiated across segments as institutional clients remained very active on the back of high volatility in foreign exchange and rates, whereas private investors remained generally on the sidelines.

In Americas, we attracted net new fee-generating assets of USD 4bn, we continued to see positive momentum in our SMA offering, which contributed USD 5bn net new money in AM, and we had a strong quarter in advisor recruiting.

In Switzerland, we saw CHF 2bn net new loans in GWM and P&C combined, primarily driven by mortgages.

In EMEA, our Global Markets business had its best 3Q on record, we generated USD 6bn net new fee-generating assets, and we completed the sale of our domestic wealth management business in Spain which further optimizes our footprint.

In APAC we saw USD 7bn net new fee-generating assets and we were #1 in ECM for non-domestic banks.



We delivered a good performance and are executing our strategy

3Q22 PBT was USD 2,323m (down 19% YoY) compared to a particularly strong quarter in the previous year. The cost/income ratio was 71.8%. Total revenues were down 10% YoY, while operating expenses decreased by 6%. Net profit attributable to shareholders was USD 1,733m (down 24% YoY), with diluted earnings per share of USD 0.52. Return on CET1 capital was 15.5%. We repurchased USD 1.0bn of shares in 3Q22 and USD 4.3bn in the first 9 months of the year, and we expect to repurchase approximately USD 5.5bn of shares during 2022. Our exposure to rising interest rates across the globe and expense controls contributed to the quarter's solid performance.



We maintained a strong balance sheet and disciplined risk management

In the quarter, we maintained a strong capital position with a CET1 capital ratio of 14.4% and a CET1 leverage ratio of 4.51%, both significantly in excess of our guidance of ~13% and >3.7%, respectively. Our balance sheet remains strong, with a high-quality loan book where 95% of our loans² are collateralized, and with an average LTV of less than 55%. Our highly accretive, capital-light business model with a balance sheet for all seasons and disciplined risk management position us well to face the challenges of the current macroeconomic environment.

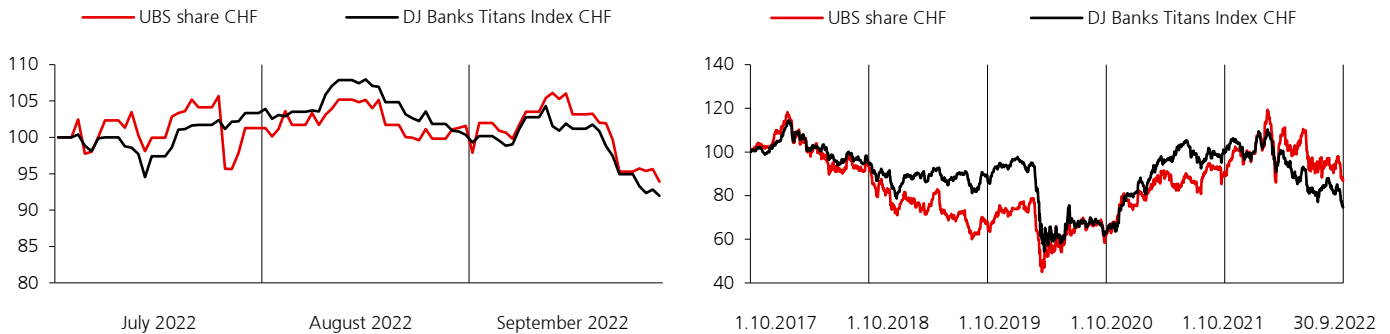
UBS share performance

Third quarter 2022
In %

1.7.2022 – 30.9.2022

Since 2017
In %

1.10.2017 – 30.9.2022



Our key figures

USD m, except where indicated	As of or for the quarter ended				As of or year-to-date	
	30.9.22	30.6.22	31.12.21	30.9.21	30.9.22	30.9.21
Group results						
Total revenues	8,236	8,917	8,705	9,115	26,534	26,689
Credit loss expense / (release)	(3)	7	(27)	(14)	22	(121)
Operating expenses	5,916	6,295	7,003	6,264	18,845	19,054
Operating profit / (loss) before tax	2,323	2,615	1,729	2,865	7,667	7,755
Net profit / (loss) attributable to shareholders	1,733	2,108	1,348	2,279	5,977	6,109
Diluted earnings per share (USD) ¹	0.52	0.61	0.38	0.63	1.74	1.68
Profitability and growth²						
Return on equity (%)	12.3	14.6	8.9	15.3	13.7	13.8
Return on tangible equity (%)	13.9	16.4	10.0	17.2	15.4	15.5
Return on common equity tier 1 capital (%)	15.5	18.9	11.9	20.8	17.8	19.5
Return on leverage ratio denominator, gross (%)	3.3	3.4	3.3	3.5	3.4	3.4
Cost / income ratio (%)	71.8	70.6	80.5	68.7	71.0	71.4
Effective tax rate (%)	25.0	19.0	21.4	20.1	21.7	21.0
Net profit growth (%)	(24.0)	5.1	(17.6)	8.9	(2.2)	24.2
Resources²						
Total assets	1,111,753	1,113,193	1,117,182	1,088,773	1,111,753	1,088,773
Equity attributable to shareholders	55,756	56,845	60,662	60,219	55,756	60,219
Common equity tier 1 capital ³	44,664	44,798	45,281	45,022	44,664	45,022
Risk-weighted assets ³	310,615	315,685	302,209	302,426	310,615	302,426
Common equity tier 1 capital ratio (%) ³	14.4	14.2	15.0	14.9	14.4	14.9
Going concern capital ratio (%) ³	19.1	19.0	20.0	20.0	19.1	20.0
Total loss-absorbing capacity ratio (%) ³	33.7	33.7	34.7	34.0	33.7	34.0
Leverage ratio denominator ³	989,787	1,025,422	1,068,862	1,044,916	989,787	1,044,916
Common equity tier 1 leverage ratio (%) ³	4.51	4.37	4.24	4.31	4.51	4.31
Liquidity coverage ratio (%)	162.7	160.8	155.5	157.3	162.7	157.3
Net stable funding ratio (%)	120.4	120.9	118.5	118.1	120.4	118.1
Other						
Invested assets (USD bn) ⁴	3,706	3,912	4,596	4,432	3,706	4,432
Personnel (full-time equivalents)	72,009	71,294	71,385	71,427	72,009	71,427
Market capitalization ¹	46,674	52,475	61,230	55,423	46,674	55,423
Total book value per share (USD) ¹	17.52	17.45	17.84	17.48	17.52	17.48
Tangible book value per share (USD) ¹	15.57	15.51	15.97	15.62	15.57	15.62

¹ Refer to the "Share information and earnings per share" section of the UBS Group third quarter 2022 report for more information. ² Refer to the "Targets, aspirations and capital guidance" section of our Annual Report 2021 for more information about our performance targets. ³ 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 2022 report for more information. ⁴ Consists of invested assets for Global Wealth Management, Asset Management and Personal & Corporate Banking. Refer to "Note 32 Invested assets and net new money" in the "Consolidated financial statements" section of our Annual Report 2021 for more information.

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 Net new fee-generating assets exclude the effects on fee-generating assets of strategic decisions by UBS to exit markets or services.

² Loans and advances to customers.

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 disclosed in text and tables are calculated on the basis of unrounded figures. Absolute changes between reporting periods disclosed in the text, which can be derived from numbers presented in related tables, are calculated on a rounded basis.

Tables | Within tables, blank fields generally indicate non-applicability or that presentation of any content would not be 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. Values that are zero on a rounded basis can be either negative or positive on an actual basis.

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