

Ad hoc announcement pursuant to Article 53 of the SIX Exchange Regulation Listing Rules

2021 net profit of USD 7.5bn, 17.5% return on CET1 capital

“Our fourth quarter was a strong finish to a year of sustained growth. We continued to implement our strategy and build our global ecosystem. And we’ll carry that momentum forward as we deliver on our strategic plans and ambitious new targets. This success also allows us to propose a dividend of USD 0.50 per share for 2021.”

Ralph Hamers, Group CEO

Group highlights



We are executing relentlessly for our clients



We are driving growth while maintaining risk and cost discipline



We are committed to driving higher returns by unlocking the power of UBS

Selected financials for 4Q21

1.7

USD bn

Profit before tax

1.3

USD bn

Net profit attributable to UBS Group AG shareholders

0.38

USD

Diluted earnings per share

11.9

%

RoCET1 capital¹

15.0

%

CET1 capital ratio

UBS’s 4Q21 results materials are available at ubs.com/investors
The audio webcast of the earnings call starts at 09:00 CET, 1 February 2022

Group highlights



We are executing relentlessly for our clients

Our clients continued to put their trust in us, as was evident from the ongoing momentum in flows and volume growth throughout the year. Together with favorable market conditions and investor sentiment, this led to growth across the firm. During 2021, GWM saw USD 107bn of net new fee-generating assets with inflows in all regions, and there was USD 28bn in net new lending across GWM and P&C Personal Banking, while strong client activity drove YoY increases of 7% in transaction-based income in GWM and 33% in Global Banking income.



We are driving growth while maintaining risk and cost discipline

Focusing on growth

Our global ecosystem delivers the power of investing to our clients, with UBS as the orchestrator of the value flow through contributors and clients. Our ecosystem has grown to USD 4.6trn of invested assets as we supported our clients, drove positive operating leverage and this resulted in another year of strong performance. Our clients' needs are at the center of our strategy and we are focusing on serving them in more effective ways, underpinned by technology.

Expanding into new client segments

We are expanding into new client segments, building new capabilities, broadening our footprint, and adding technology-enabled solutions to open new avenues of growth. We will leverage digital to expand our reach starting in the US, where we've announced our plans to acquire Wealthfront to deliver a digital wealth management offering to millennial and Gen Z affluent investors. Together, we can expand our wallet share, access new clients, lower the cost to serve, and drive long-term growth. Looking ahead, we are planning similar models in the rest of the world.

Accelerating strategic tech investments

We are accelerating our strategic tech investments, making technology a differentiator by levelling up technology. The aim is to maintain our tech expenses at ~10% of revenues while increasing IT strategic investments.

Maintaining risk and cost discipline

Across the firm, we will maintain our risk and cost discipline to support our growth plans. By streamlining our set-up, optimizing our footprint and exiting certain markets, simplifying and working in an agile way, we aim to deliver USD ~1bn gross in-year cost saves by 2023, which will fund our growth initiatives. We are on track to deliver these cost saves, with USD 0.2bn already achieved in 2021. We continue to have an elevated focus on risk management, with continual enhancement of day-to-day efforts.



We are committed to driving higher returns by unlocking the power of UBS

Full-year 2021 PBT was USD 9,484m (up 16% YoY), including net credit loss releases of USD 148m, compared with net credit loss expenses of USD 694m in 2020. The cost/income ratio was 73.6%, an increase of 0.4 percentage points YoY. Operating income increased by 10% YoY, with operating expenses up by 8%, partly as a result of an increase in litigation provisions of USD 740m (EUR 650m) taken for the French cross-border matter. Excluding this litigation provision, operating expenses would have increased by 4% and PBT would have increased by 25%. Net profit attributable to shareholders was USD 7,457m (up 14% YoY), with diluted earnings per share of USD 2.06. Return on CET1 capital¹ was 17.5%. The quarter-end CET1 capital ratio was 15.0% (guidance: ~13%) and the CET1 leverage ratio was 4.24% (guidance: >3.7%), both up YoY. We intend to propose a 2021 ordinary dividend of USD 0.50 per share^{2,3}. We repurchased USD 2.6bn of shares in 2021, and we intend to repurchase up to USD 5bn of shares during 2022.

Targets and aspirations

We are aiming to create sustainable value through the cycle. Reflecting our improved operating performance over the last two years, we have updated our financial targets, while our capital guidance remains unchanged. In addition, we have outlined selected commercial and ESG aspirations, which support these targets.

ESG

Selected aspirations

Net-Zero
own operations
(scope 1, 2) by 2025

USD 235bn
invested assets
aligned to net-zero
by 2030, AM

USD 1bn
philanthropy
donations
to reach 25 million
beneficiaries
raised by 2025

USD 400bn
invested assets
in sustainability-focus
and impact* by 2025

Commercial

Selected aspirations

USD >6trn
invested assets across
GWM, AM, P&C
>5% growth**
in GWM net new
fee-generating assets

Financial

Targets

15–18%
return on CET1 capital
70–73%
cost/income ratio
10–15%**
GWM PBT growth

* Sustainability focus and Impact investing; sustainability focus is strategies where sustainability is an explicit part of the investment guidelines, universe, selection, and/or investment process; Impact investing is strategies that have an explicit intention to generate measurable, verifiable, positive sustainability outcomes. Impact generated is attributable to investor action and/or contribution; ** Over the cycle

Ralph Hamers, UBS's Group CEO

"In 2021, clients continued to put their trust in us and turned to us for our content, for our advice and for our solutions. We now manage USD 4.6 trillion in assets and during 2021, assets invested in sustainability-focus and impact strategies across the firm increased 78%.

We're adapting our coverage models to deliver more digital and scalable advice as well as bespoke solutions. We're expanding our core banking capabilities while continuing to focus on alternatives and sustainable investments. And we're accelerating our technology investments while maintaining strong cost discipline.

Our objective is to provide more choice on how clients can interact with our ecosystem and which of its capabilities they can make use of. Our recent acquisition of

Wealthfront, a state-of-the-art, digital-only platform in the US tailored to the next generation of affluent investors, is but one example of how we are already taking steps to meet clients' diverse and changing needs.

UBS is in better shape than ever. For the second year in a row, we achieved our targets, remained disciplined in our costs and saw strong contributions from all regions and divisions. This is just the start of what we're capable of. To make the most of the momentum we've built, our updated targets focus on where we see the biggest opportunities.

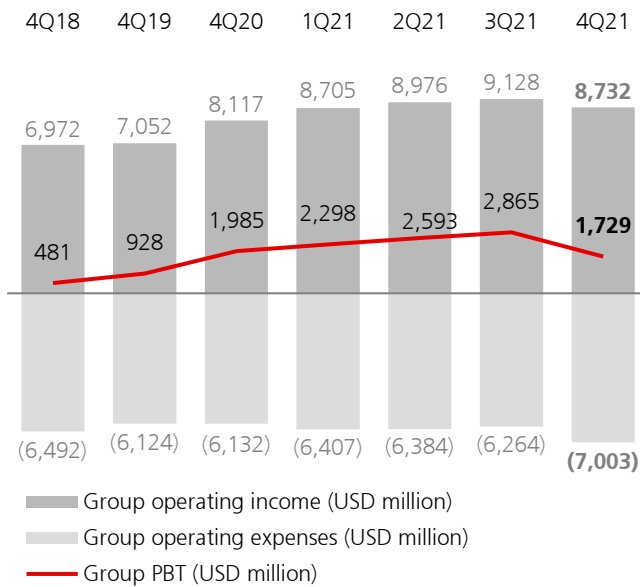
Our new aspirations, targets and goals will position us to live up to our purpose, better serve clients, deploy technology in differentiated and impactful ways, and open our ecosystem for new and existing clients."

Financial performance – selected highlights

Group	4Q21	FY21	Previous targets/guidance
Return on CET1 capital	11.9%	17.5%	Target: 12–15%
Return on tangible equity	10.0%	14.1%	
Cost/income ratio	80.5%	73.6%	Target: 75–78%
Net profit attributable to shareholders	USD 1.3bn	USD 7.5bn	
CET1 capital ratio	15.0%	15.0%	Guidance: ~13%
CET1 leverage ratio	4.24%	4.24%	Guidance: >3.7%
Tangible book value per share	USD 15.97	USD 15.97	
Global Wealth Management			
Profit before tax	USD 0.6bn	USD 4.8bn	
PBT growth	-35% YoY	19% YoY	Target: 10–15% over the cycle
Invested assets	USD 3.3trn	USD 3.3trn	
Net new fee-generating assets	USD 27bn	USD 107bn	
Personal & Corporate Banking			
Profit before tax	CHF 0.3bn	CHF 1.6bn	
Return on attributed equity (CHF)	16%	19%	
Net new loans, Personal Banking	CHF 0.1bn	CHF 2.2bn	
Asset Management			
Profit before tax	USD 0.3bn	USD 1.0bn	
Invested assets	USD 1.2trn	USD 1.2trn	
Net new money excl. money markets	USD 16bn	USD 48bn	
Investment Bank			
Profit before tax	USD 0.7bn	USD 2.6bn	
Return on attributed equity	22%	20%	
RWA and LRD vs. Group	31% / 30%	31% / 30%	Guidance: up to 1/3

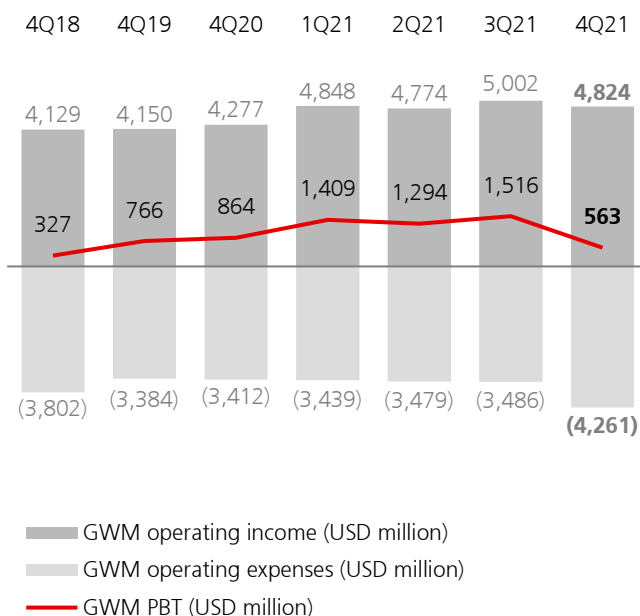
Fourth quarter 2021 performance overview

Group PBT USD 1,729m, (13%) YoY

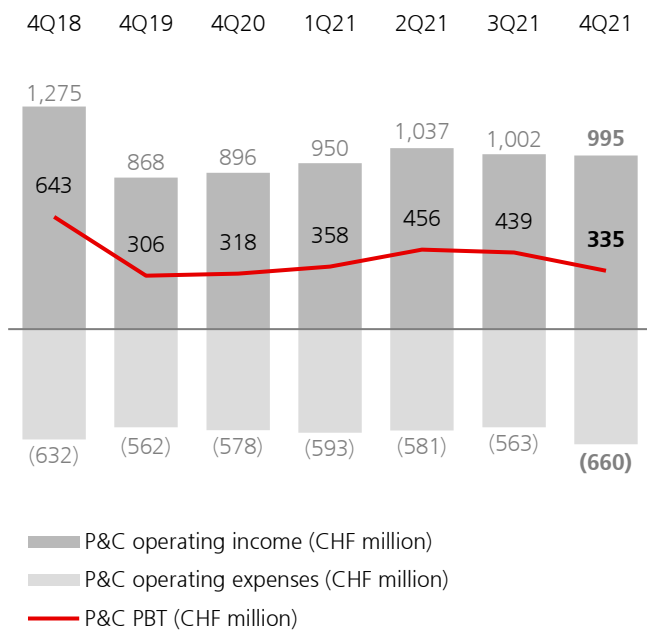


PBT was USD 1,729m (down 13% YoY), including net credit loss releases of USD 27m. The cost/income ratio was 80.5%, an increase of 5.5 percentage points YoY. Operating income increased by 8% YoY, while operating expenses increased by 14%, largely as a result of an increase in litigation provisions of USD 740m (EUR 650m) taken for the French cross-border matter. Excluding this litigation provision, operating expenses would have increased by 2% and PBT would have increased by 24%. Net profit attributable to shareholders was USD 1,348m (down 18% YoY), with diluted earnings per share of USD 0.38. Return on CET1 capital¹ was 11.9%.

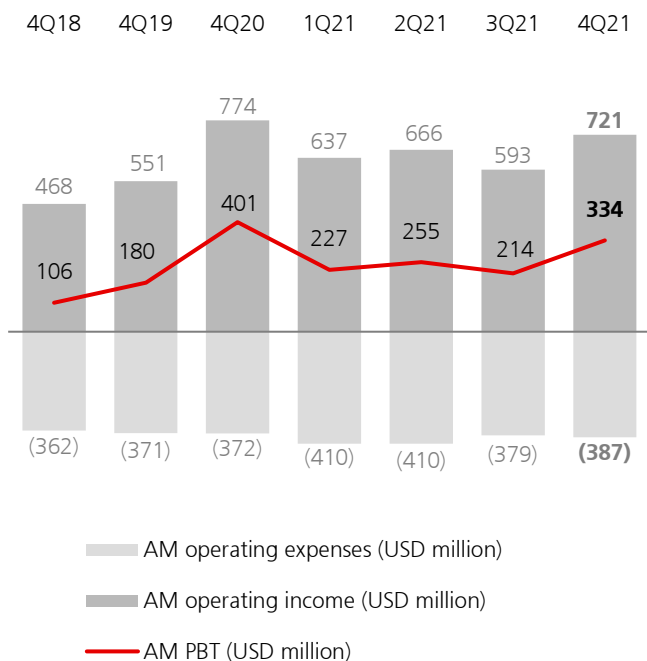
Global Wealth Management (GWM) PBT USD 563m, (35%) YoY



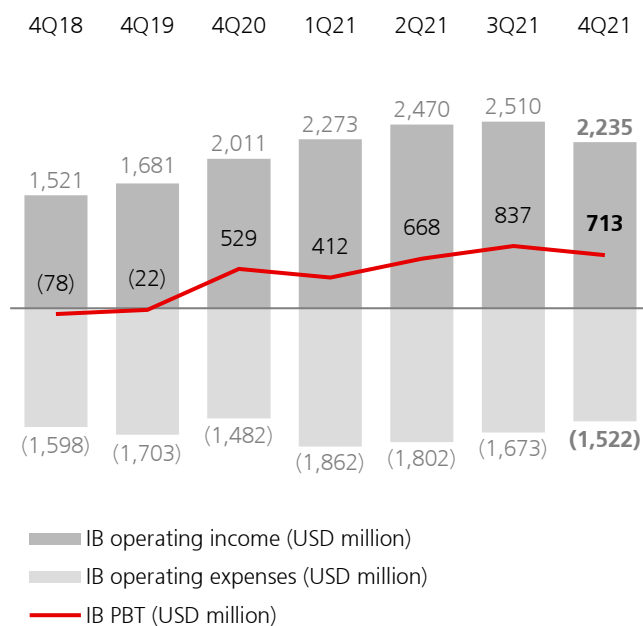
GWM PBT of USD 563m included litigation provisions of USD 657m for the French cross-border matter. Excluding this, GWM would have delivered double-digit PBT growth in all regions. Operating income increased by 13% YoY. Recurring net fee income increased by 17%, primarily driven by higher average fee-generating assets, reflecting positive market performance and net new fee-generating assets. Net interest income increased by 10%, as a result of higher loan and deposit revenues, reflecting increases in volumes. Transaction-based income rose 4%, mainly driven by high levels of client activity in the Americas, EMEA and Switzerland. Net credit loss releases were USD 2m, compared with net credit loss releases of USD 7m in 4Q20. The cost/income ratio was 88.4%, up 8.4 percentage points YoY, as income increased by 13% and operating expenses increased by 25% driven by higher litigation provisions and financial advisor variable compensation. Loans increased sequentially to USD 234bn, with USD 4bn of net new loans, driven by the Americas. Invested assets increased by 3% sequentially to USD 3,303bn. Fee-generating assets⁴ were up 5% sequentially to USD 1,482bn. Net new fee-generating assets⁴ were USD 26.9bn, supported by inflows in all regions, and representing an annualized growth rate of 8% in the quarter.

Personal & Corporate Banking (P&C) PBT CHF 335m, +5% YoY


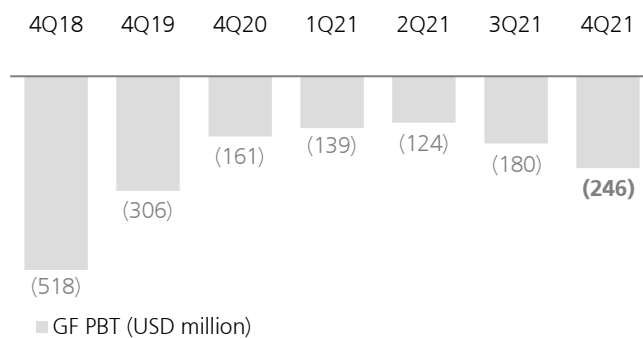
Operating income increased by 11% with increases across net interest, transaction-based and recurring net fee income. Net interest income was up 9% mainly driven by proactive deposit management. Revenue from credit card and foreign exchange transactions was the main driver of the 18% improvement in transaction-based income, reflecting a continued increase in travel and leisure spending by clients as pandemic restrictions ease. Recurring net fee income increased by 16%, primarily driven by higher investment fund, custody and mandate fees, mainly resulting from an increase in average custody assets, reflecting net new investment product inflows and positive market performance. Net credit loss releases were CHF 9m, compared with net credit loss releases of CHF 20m in 4Q20. The cost/income ratio was 67.0%, 1.0 percentage point higher YoY, as income increased by 13% and operating expenses increased by 14%, mainly reflecting higher litigation provisions, which included CHF 76m (USD 83m) for the French cross-border matter.

Asset Management (AM) PBT USD 334m, (17%) YoY


Operating income decreased by 7% YoY, as an increase in net management fees was more than offset by a decrease in performance fees to a more normalized level from particularly high levels in 4Q20. The cost/income ratio was 53.6%, a 5.5 percentage point increase YoY, with income down 7% YoY and 4% higher operating expenses. Invested assets increased by 5% sequentially to USD 1,211bn. Net new money was USD 15.1bn (USD 16.2bn excluding money market flows).

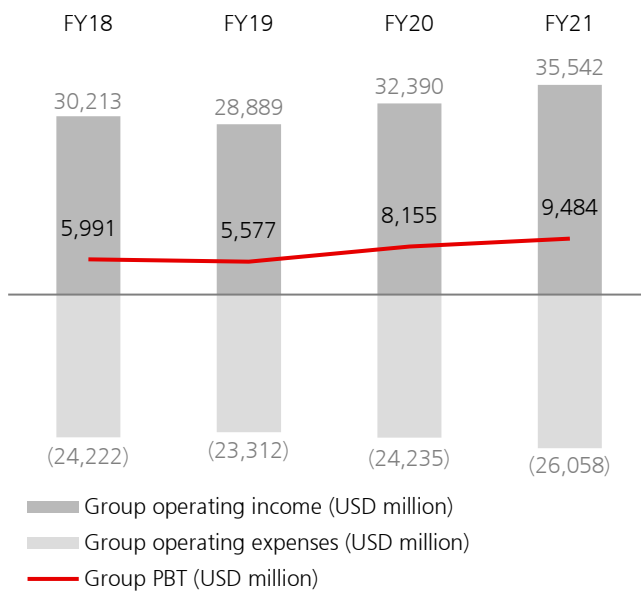
Investment Bank (IB) PBT USD 713m, +35% YoY


Operating income increased by 11% YoY. Global Markets revenues increased by 6% or USD 90m, primarily driven by higher revenues in foreign exchange, capital market financing, prime brokerage and cash equities products. Global Banking revenues increased by 4%, or USD 27m, driven by Capital Markets, notably in Leveraged Capital Markets, and Advisory revenues. Net credit loss releases were USD 16m, compared with net credit loss expenses of USD 91m in 4Q20. The cost/income ratio was 68.6%, a 1.9 percentage point improvement YoY, as income increased by 6% and operating expenses increased by 3%. Annualized return on attributed equity was 21.5%.

Group Functions PBT USD (246)m, compared with USD (161)m in 4Q20


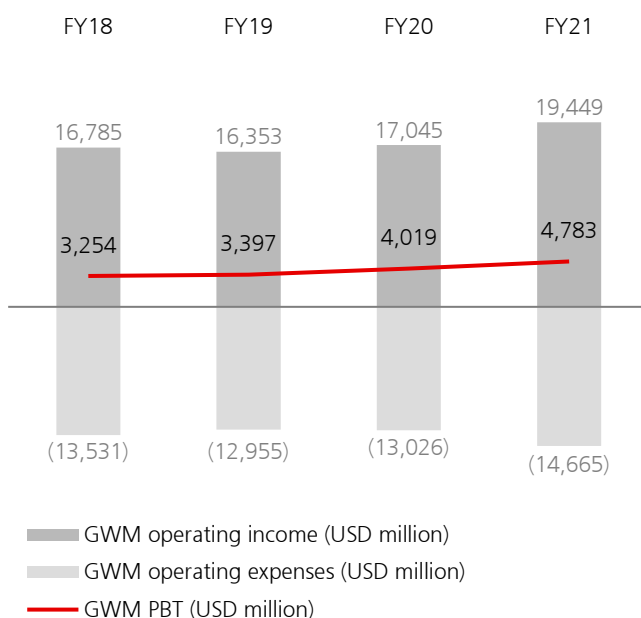
Full-year 2021 performance overview

Group PBT USD 9,484m, +16% YoY

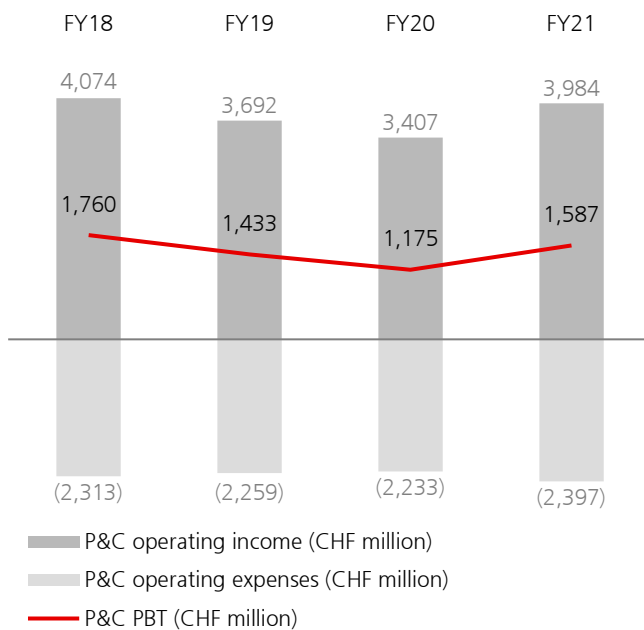


Full-year 2021 PBT was USD 9,484m (up 16% YoY), including net credit loss releases of USD 148m, compared with net credit loss expenses of USD 694m in 2020. The cost/income ratio was 73.6%, an increase of 0.4 percentage points YoY. Operating income increased by 10% YoY, with operating expenses up by 8%, partly as a result of an increase in litigation provisions of USD 740m (EUR 650m) taken for the French cross-border matter. Excluding this litigation provision, operating expenses would have increased by 4% and PBT would have increased by 25%. Net profit attributable to shareholders was USD 7,457m (up 14% YoY), with diluted earnings per share of USD 2.06. Return on CET1 capital¹ was 17.5%.

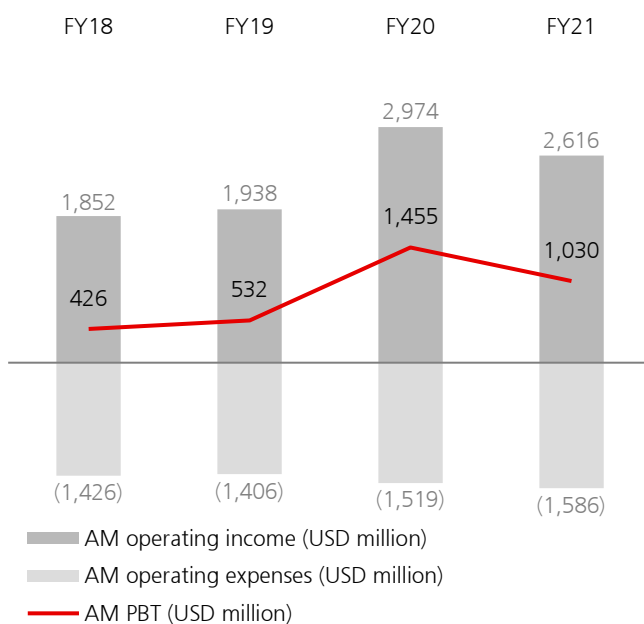
Global Wealth Management (GWM) PBT USD 4,783m, +19% YoY



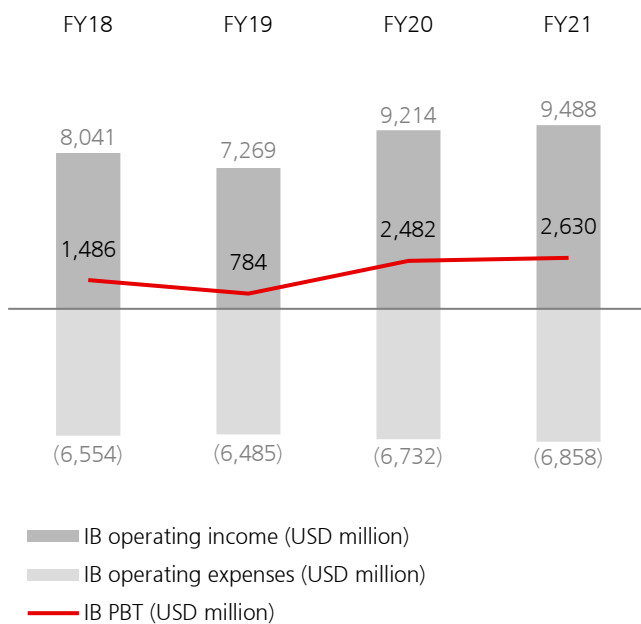
GWM PBT of USD 4,783m included litigation provisions of USD 657m for the French cross-border matter in 4Q21. Excluding this, GWM would have delivered double-digit PBT growth in all regions. Operating income increased by 14% YoY. Recurring net fee income increased by 19%, primarily driven by higher average fee-generating assets, reflecting positive market performance and net new fee-generating assets. Transaction-based income rose 7%, mainly driven by high levels of client activity in the Americas, EMEA and Switzerland. Net interest income increased by 5%, on higher loan revenues from higher volumes and margins, partly offset by lower deposit revenues. Net credit loss releases were USD 29m, compared with net credit loss expenses of USD 88m in 2020. The cost/income ratio improved to 75.5%, down 0.5 percentage points YoY, as income increased by 13% and operating expenses increased by 13% driven by financial advisor variable compensation and litigation provisions. Loans increased to USD 234bn, with USD 25bn of net new loans, mainly driven by the Americas. Invested assets increased by 10% to USD 3,303bn. Fee-generating assets⁴ were up 16% to USD 1,482bn. Net new fee-generating assets⁴ were USD 106.9bn, supported by inflows in all regions, and represented a growth rate of 8%.

Personal & Corporate Banking (P&C) PBT CHF 1,587m, +35% YoY


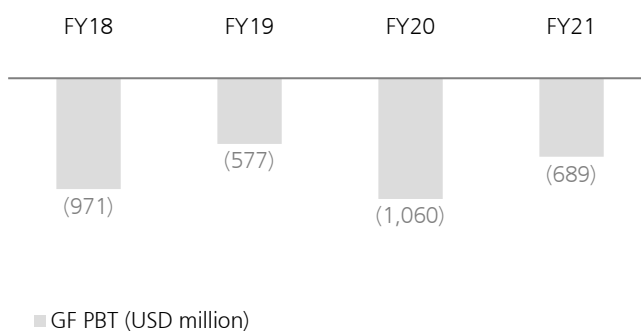
Operating income increased by 17% with increases across all income lines, with a benefit from net credit loss releases of CHF 79m compared with net credit loss expenses of CHF 243m in 2020. Recurring net fee income increased by 15%, primarily reflecting higher custody, mandate and investment fund fees. Revenue from credit card and foreign exchange transactions was the main driver of the 10% improvement in transaction-based income, reflecting a continued increase in travel and leisure spending by clients as pandemic restrictions ease. Net interest income was up 1% mainly driven by proactive deposit management. The cost/income ratio was 61.4%, 0.2 percentage points higher YoY, as income increased by 7% and operating expenses increased by 7%, mainly reflecting higher litigation provisions, which included CHF 76m (USD 83m) for the French cross-border matter, increased investments in technology, and higher variable compensation.

Asset Management (AM) PBT USD 1,030m, (29%) YoY


AM PBT of USD 1,030m decreased 29% YoY, including gains from the sale of Fondcenter AG (now Clearstream Fund Centre AG) in 3Q20 (USD 571m) and 2Q21 (USD 37m), without which, PBT would have increased by 12%. Excluding these gains, operating income would have been up 7% YoY, as an increase in net management fees more than offset a decrease in performance fees to a more normalized level. The cost/income ratio was 61.5%, a 1.7 percentage point improvement YoY when excluding the aforementioned gains, with income up 7% YoY and 4% higher operating expenses. Invested assets increased by 11% to USD 1,211bn. Net new money was USD 44.9bn (USD 48.0bn excluding money market flows).

Investment Bank (IB) PBT USD 2,630m, +6% YoY


Operating income increased by 3% YoY, or 5% excluding a USD 215m gain from the sale of intellectual property rights associated with the Bloomberg Commodity Index family in 3Q20. In 1H21, the IB incurred a USD 861m loss related to a default by a US-based client of our prime brokerage business. Global Banking revenues increased by 33%, or USD 780m, driven by Capital Market and Advisory revenues. Global Markets revenue decreased by 12% or USD 845m, driven by the aforementioned loss. Excluding this loss and the gain from sale in 2020, Global Markets would have increased by 3%, driven by higher revenues from equity derivatives, prime brokerage and cash equities products in a constructive market environment. Net credit loss releases were USD 34m, compared with net credit loss expenses of USD 305m in 2020. The cost/income ratio was 72.5%, 1.8 percentage points higher YoY, as income decreased by 1% and operating expenses increased by 2%. Return on attributed equity was 20.3%.

Group Functions PBT USD (689)m, compared with USD (1,060)m in 2020


Extending UBS's leadership in sustainable finance

UBS is committed to creating long-term positive value for its clients, employees, investors and society and the firm made substantial progress on this commitment in 2021. This is illustrated by the recognition UBS has received throughout the year for its commitment to improving performance under ESG criteria and for its efforts in offering clients sustainable finance products and services.

Recognized leader in sustainability

In 2021, UBS was again named as a member of the Dow Jones Sustainability Index, published by S&P Global. This is regarded as the world's leading sustainability rating, selecting the top 10 per cent of companies each year that score highest in three dimensions: Governance & Economic, Environmental, and Social. UBS is proud to be recognized once again for its industry leadership in the Environmental dimension.

The firm has also again been included in the CDP 'A list' for its actions to cut emissions, mitigate climate risks and develop the low-carbon economy. CDP is an international not-for-profit organization that provides a global system for companies and cities to measure, disclose and manage climate change-related information. In addition, MSCI ESG Research maintained UBS's 'AA' rating, confirming it as a leader in the industry.

Strengthening the focus on sustainable finance

Sustainable finance has long been a firm-wide priority, and UBS is continuing to support clients in their transition to a low-carbon future. For example, as a founding signatory of the Net-Zero Asset Managers Initiative, UBS in November 2021 announced its commitment to align USD 235bn of its assets under management to net-zero by 2030. This is one of the largest absolute commitments of any member firm.

According to the latest UBS Investor Sentiment Survey, sustainable investing is more important than ever to investors, with over three quarters of them expecting sustainable investing returns to match or exceed traditional investing returns. Overall, sustainability-focus and impact investments at UBS increased significantly to USD 251bn, compared with USD 141bn a year ago. Also, the USD 11bn segment of the UBS Strategy Funds offering, which is an important core solution in the Global Wealth Management and Personal Banking business, has been repositioned to incorporate sustainability throughout the entire investment process.

As a founding member of the Swiss Better Gold Association, UBS supports the sustainable development of artisanal and small-scale mining communities. The slight price premium of 1 USD per gram for the new sustainably produced gold offering launched by UBS in December 2021 is re-invested directly to improve labor standards as well as social and environmental conditions in the local communities at the mine sites.

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

² Shareholders whose shares are held through SIX (ISIN CH0244767585) will receive dividends in Swiss francs, based on a published exchange rate calculated to five decimal places immediately before the ex-dividend date. Shareholders holding shares through DTC (ISIN: CH0244767585; CUSIP: H42097107) will be paid dividends in US dollars.

³ Subject to approval by shareholders at the Annual General Meeting scheduled for 6 April 2022, the dividend will be paid on 14 April 2022 to shareholders of record as of 13 April 2022. The ex-dividend date will be 12 April 2022. In accordance with Swiss tax law, 50% of the dividend will be paid out of retained earnings and the balance will be paid out of capital contribution reserves. Dividends paid out of capital contribution reserves are not subject to Swiss withholding tax. The portion of the dividend paid out of retained earnings will be subject to a 35% Swiss withholding tax. For US federal income tax purposes, we expect that the dividend will be paid out of current or accumulated earnings and profits.

⁴ New performance measure for our Global Wealth Management business: Beginning with the first quarter of 2021, we introduced net new fee-generating assets as a new performance measure for our Global Wealth Management business. The new measure captures the growth in clients' invested assets from net flows related to mandates, investment funds with recurring fees, hedge funds and private markets investments, combined with dividend and interest payments into mandates, less fees paid to UBS by clients. The underlying assets and products generate most of Global Wealth Management's recurring net fee income and a portion of its transaction-based income. Compared with net new money, net new fee-generating assets exclude flows related to assets that primarily generate revenues when traded in the form of commissions and transaction spreads, or borrowed against in the form of net interest income, and also exclude deposit flows that generate net interest income, and custody positions that generate custody fees. We will no longer report net new money for Global Wealth Management in our quarterly reports, but will continue to disclose this measure in our annual reports.

Performance of our business divisions and Group Functions¹

For the quarter ended 31.12.21						
<i>USD million</i>	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Group Functions	Total
Operating income	4,824	1,086	721	2,235	(134)	8,732
Operating expenses	4,261	721	387	1,522	113	7,003
<i>of which: net restructuring expenses²</i>	23	4	4	27	2	60
Operating profit / (loss) before tax	563	365	334	713	(246)	1,729

For the quarter ended 31.12.20						
<i>USD million</i>	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Group Functions	Total
Operating income	4,277	992	774	2,011	63	8,117
<i>of which: valuation gain on auction rate securities³</i>					134	134
Operating expenses	3,412	640	372	1,482	225	6,132
<i>of which: impairment of internally generated software⁴</i>				67		67
Operating profit / (loss) before tax	864	353	401	529	(161)	1,985

¹ The "of which" components of operating income and operating expenses disclosed in this table are items that are not recurring or necessarily representative of the underlying business performance for the reporting period specified. ² Includes curtailment gains of USD 14 million for the fourth quarter of 2021 (third quarter of 2021: USD 8 million), which represent a reduction in the defined benefit obligation related to the Swiss pension plan resulting from a decrease in headcount following restructuring activities. ³ Reflects a valuation gain recognized in the fourth quarter of 2020 as a result of a recovery in underlying market conditions, following a change in valuation methodology. ⁴ Relates to impairment of internally generated software resulting from a decision in the fourth quarter of 2020 to not proceed with an internal business transfer from UBS Switzerland AG to UBS AG.

Our key figures

<i>USD million, except where indicated</i>	As of or for the quarter ended			As of or for the year ended	
	31.12.21	30.9.21	31.12.20	31.12.21	31.12.20
Group results					
Operating income	8,732	9,128	8,117	35,542	32,390
Operating expenses	7,003	6,264	6,132	26,058	24,235
Operating profit / (loss) before tax	1,729	2,865	1,985	9,484	8,155
Net profit / (loss) attributable to shareholders	1,348	2,279	1,636	7,457	6,557
Diluted earnings per share (USD) ¹	0.38	0.63	0.44	2.06	1.77
Profitability and growth²					
Return on equity (%)	8.9	15.3	11.0	12.6	11.3
Return on tangible equity (%)	10.0	17.2	12.4	14.1	12.8
Return on common equity tier 1 capital (%)	11.9	20.8	16.8	17.5	17.4
Return on risk-weighted assets, gross (%)	11.5	12.2	11.4	12.0	11.7
Return on leverage ratio denominator, gross (%) ³	3.3	3.5	3.2	3.4	3.4
Cost / income ratio (%)	80.5	68.7	74.9	73.6	73.3
Effective tax rate (%)	21.4	20.1	17.2	21.1	19.4
Net profit growth (%)	(17.6)	8.9	126.7	13.7	52.3
Resources²					
Total assets	1,117,182	1,088,773	1,125,765	1,117,182	1,125,765
Equity attributable to shareholders	60,662	60,219	59,445	60,662	59,445
Common equity tier 1 capital ⁴	45,281	45,022	39,890	45,281	39,890
Risk-weighted assets ⁴	302,209	302,426	289,101	302,209	289,101
Common equity tier 1 capital ratio (%) ⁴	15.0	14.9	13.8	15.0	13.8
Going concern capital ratio (%) ⁴	20.0	20.0	19.4	20.0	19.4
Total loss-absorbing capacity ratio (%) ⁴	34.7	34.0	35.2	34.7	35.2
Leverage ratio denominator ^{3,4}	1,068,862	1,044,916	1,037,150	1,068,862	1,037,150
Common equity tier 1 leverage ratio (%) ^{3,4}	4.24	4.31	3.85	4.24	3.85
Going concern leverage ratio (%) ^{3,4}	5.7	5.8	5.4	5.7	5.4
Total loss-absorbing capacity leverage ratio (%) ⁴	9.8	9.8	9.8	9.8	9.8
Liquidity coverage ratio (%) ⁵	155	157	152	155	152
Net stable funding ratio (%) ⁵	119	118	119	119	119
Other					
Invested assets (USD billion) ⁶	4,596	4,432	4,187	4,596	4,187
Personnel (full-time equivalents)	71,385	71,427	71,551	71,385	71,551
Market capitalization ¹	61,230	55,423	50,013	61,230	50,013
Total book value per share (USD) ¹	17.84	17.48	16.74	17.84	16.74
Total book value per share (CHF) ¹	16.27	16.30	14.82	16.27	14.82
Tangible book value per share (USD) ¹	15.97	15.62	14.91	15.97	14.91
Tangible book value per share (CHF) ¹	14.56	14.57	13.21	14.56	13.21

¹ Refer to the "Share information and earnings per share" section of the UBS Group fourth quarter 2021 report for more information. ² Refer to the "Performance targets and capital guidance" section of our Annual Report 2020 for more information about our performance targets. ³ Leverage ratio denominators and leverage ratios for the respective periods in 2020 do not reflect the effects of the temporary exemption that applied from 25 March 2020 until 1 January 2021 and was granted by FINMA in connection with COVID-19. Refer to the "Regulatory and legal developments" section of our Annual Report 2020 for more information. ⁴ Based on the Swiss systemically relevant bank framework as of 1 January 2020. Refer to the "Capital management" section of the UBS Group fourth quarter 2021 report for more information. ⁵ Prior to 30 September 2021 "Net stable funding ratio" is based on estimated pro forma reporting. Refer to the "Liquidity and funding management" section of the UBS Group fourth quarter 2021 report for more information. ⁶ 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 2020 for more information.

Income statement

<i>USD million</i>	For the quarter ended			% change from		For the year ended	
	31.12.21	30.9.21	31.12.20	3Q21	4Q20	31.12.21	31.12.20
Net interest income	1,770	1,693	1,622	5	9	6,705	5,862
Other net income from financial instruments measured at fair value through profit or loss	1,365	1,697	1,453	(20)	(6)	5,850	6,960
Credit loss (expense) / release	27	14	(66)	100		148	(694)
Fee and commission income	6,042	6,119	5,543	(1)	9	24,372	20,961
Fee and commission expense	(513)	(510)	(459)	1	12	(1,985)	(1,775)
Net fee and commission income	5,529	5,610	5,084	(1)	9	22,387	19,186
Other income	40	115	24	(65)	64	452	1,076
Total operating income	8,732	9,128	8,117	(4)	8	35,542	32,390
Personnel expenses	4,216	4,598	3,989	(8)	6	18,387	17,224
General and administrative expenses	2,212	1,148	1,515	93	46	5,553	4,885
Depreciation, amortization and impairment of non-financial assets	574	518	627	11	(8)	2,118	2,126
Total operating expenses	7,003	6,264	6,132	12	14	26,058	24,235
Operating profit / (loss) before tax	1,729	2,865	1,985	(40)	(13)	9,484	8,155
Tax expense / (benefit)	370	576	341	(36)	9	1,998	1,583
Net profit / (loss)	1,359	2,289	1,645	(41)	(17)	7,486	6,572
Net profit / (loss) attributable to non-controlling interests	11	9	9	18	26	29	15
Net profit / (loss) attributable to shareholders	1,348	2,279	1,636	(41)	(18)	7,457	6,557

Comprehensive income

Total comprehensive income	1,178	1,678	1,728	(30)	(32)	5,119	8,312
Total comprehensive income attributable to non-controlling interests	7	(5)	27		(73)	13	36
Total comprehensive income attributable to shareholders	1,171	1,683	1,701	(30)	(31)	5,106	8,276

Comparison between UBS Group AG consolidated and UBS AG consolidated

	As of or for the quarter ended 31.12.21			As of or for the quarter ended 30.9.21			As of or for the quarter ended 31.12.20		
	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)
<i>USD million, except where indicated</i>									
Income statement									
Operating income	8,732	8,846	(114)	9,128	9,224	(95)	8,117	8,220	(103)
Operating expenses	7,003	7,227	(224)	6,264	6,512	(248)	6,132	6,324	(192)
Operating profit / (loss) before tax	1,729	1,619	109	2,865	2,712	152	1,985	1,896	89
<i>of which: Global Wealth Management</i>	563	541	22	1,516	1,500	16	864	855	9
<i>of which: Personal & Corporate Banking</i>	365	362	3	478	479	(1)	353	353	(1)
<i>of which: Asset Management</i>	334	328	6	214	214	0	401	401	0
<i>of which: Investment Bank</i>	713	710	3	837	833	4	529	528	1
<i>of which: Group Functions</i>	(246)	(321)	75	(180)	(314)	134	(161)	(241)	79
Net profit / (loss)	1,359	1,266	93	2,289	2,163	125	1,645	1,572	73
<i>of which: net profit / (loss) attributable to shareholders</i>	1,348	1,255	93	2,279	2,154	125	1,636	1,563	73
<i>of which: net profit / (loss) attributable to non-controlling interests</i>	11	11	0	9	9	0	9	9	0
Statement of comprehensive income									
Other comprehensive income	(181)	(197)	16	(610)	(598)	(12)	83	54	29
<i>of which: attributable to shareholders</i>	(177)	(194)	16	(596)	(584)	(12)	65	36	29
<i>of which: attributable to non-controlling interests</i>	(4)	(4)	0	(14)	(14)	0	18	18	0
Total comprehensive income	1,178	1,069	109	1,678	1,565	113	1,728	1,626	102
<i>of which: attributable to shareholders</i>	1,171	1,062	109	1,683	1,570	113	1,701	1,599	102
<i>of which: attributable to non-controlling interests</i>	7	7	0	(5)	(5)	0	27	27	0
Balance sheet									
Total assets	1,117,182	1,116,145	1,037	1,088,773	1,088,246	528	1,125,765	1,125,327	438
Total liabilities	1,056,180	1,057,702	(1,522)	1,028,221	1,030,828	(2,607)	1,066,000	1,067,254	(1,254)
Total equity	61,002	58,442	2,559	60,552	57,418	3,134	59,765	58,073	1,691
<i>of which: equity attributable to shareholders</i>	60,662	58,102	2,559	60,219	57,085	3,134	59,445	57,754	1,691
<i>of which: equity attributable to non-controlling interests</i>	340	340	0	333	333	0	319	319	0
Capital information									
Common equity tier 1 capital	45,281	41,594	3,687	45,022	41,356	3,665	39,890	38,181	1,709
Going concern capital	60,488	55,434	5,054	60,369	55,334	5,035	56,178	52,610	3,567
Risk-weighted assets	302,209	299,005	3,204	302,426	299,612	2,814	289,101	286,743	2,358
Common equity tier 1 capital ratio (%)	15.0	13.9	1.1	14.9	13.8	1.1	13.8	13.3	0.5
Going concern capital ratio (%)	20.0	18.5	1.5	20.0	18.5	1.5	19.4	18.3	1.1
Total loss-absorbing capacity ratio (%)	34.7	33.3	1.3	34.0	32.6	1.4	35.2	34.2	1.0
Leverage ratio denominator	1,068,862	1,067,679	1,183	1,044,916	1,044,438	479	1,037,150	1,036,771	379
Common equity tier 1 leverage ratio (%)	4.24	3.90	0.34	4.31	3.96	0.35	3.85	3.68	0.16
Going concern leverage ratio (%)	5.7	5.2	0.5	5.8	5.3	0.5	5.4	5.1	0.3
Total loss-absorbing capacity leverage ratio (%)	9.8	9.3	0.5	9.8	9.4	0.5	9.8	9.5	0.3

Information about results materials and the earnings call

UBS's fourth quarter 2021 report, news release and slide presentation are available from 06:45 CET on Tuesday, 1 February 2022, at ubs.com/quarterlyreporting.

UBS will hold a presentation of its fourth quarter 2021 results on Tuesday, 1 February 2022. The results will be presented by Ralph Hamers (Group Chief Executive Officer), Kirt Gardner (Group Chief Financial Officer), Sarah Mackey (Head of Investor Relations), and Marsha Askins (Head Communications & Branding).

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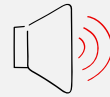


Time

09:00 CET

08:00 GMT

03:00 US EST



Audio webcast

The presentation for analysts can be followed live on ubs.com/quarterlyreporting with a simultaneous slide show.



Webcast playback

An audio playback of the results presentation will be made available at ubs.com/investors later in the day.

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, statements relating to the anticipated effect of transactions and strategic initiatives on UBS’s business and future development and goals or intentions to achieve climate, sustainability and other social objectives. While these forward-looking statements represent UBS’s judgments, expectations and objectives 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 COVID-19 pandemic and the measures taken in response to the pandemic have had and may continue to have a significant adverse effect on global economic activity, including disruptions to global supply chains, 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 credit loss expense and credit impairments. In addition, we face heightened operational risks due to remote working arrangements, including risks to supervisory and surveillance controls, as well as increased fraud and data security risks. The unprecedented scale of the measures taken to respond to the pandemic, as well as the uncertainty surrounding vaccine supply, distribution, and efficacy against mutated virus strains create significantly greater uncertainty about forward-looking statements. Factors that may affect our performance and ability to achieve our plans, outlook and other objectives also 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; (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 increasing 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 central bank policies 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) UBS’s ability to successfully implement resolvability and 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, or other external developments; (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 domestic stresses in certain major economies; (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, data leakage 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; (xxi) uncertainty over the scope of actions that may be required by UBS, governments and others to achieve goals relating to climate, environmental and social matters, as well as the evolving nature of underlying science and industry and governmental standards; and (xxii) 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 2020 and UBS’s First Quarter 2021 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 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.