

UBS Group AG  
Form 6-K  
March 15, 2019

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 6-K**

**REPORT OF FOREIGN PRIVATE ISSUER**

**PURSUANT TO RULE 13a-16 OR 15d-16 UNDER**  
**THE SECURITIES EXCHANGE ACT OF 1934**

**Date: March 15, 2019**

**UBS Group AG**

**Commission File Number: 1-36764**

**UBS AG**

**Commission File Number: 1-15060**

(Registrants' Name)

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Bahnhofstrasse 45, Zurich, Switzerland and  
Aeschenvorstadt 1, Basel, Switzerland

(Address of principal executive offices)

Indicate by check mark whether the registrants file or will file annual reports under cover of Form 20 F or Form 40-F.

Form 20-F  x

Form 40-F  o

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This Form 6-K consists of the UBS Group Funding (Switzerland) AG audited standalone financial statements for the year ended 31 December 2018, which appear immediately following this page.

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UBS Group Funding (Switzerland) AG

Standalone financial statements as of 31 December 2018.



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## UBS Group Funding (Switzerland) AG standalone financial statements (audited)

**Income statement**

	Note	USD million		CHF million	
		For the year ended <b>31.12.18</b>	31.12.17	For the year ended <b>31.12.18</b>	31.12.17
Financial income	3	<b>1,525</b>	508	<b>1,503</b>	495
<b>Operating income</b>		<b>1,525</b>	508	<b>1,503</b>	495
Other operating expenses	4	<b>0</b>	0	<b>0</b>	0
Financial expenses	5	<b>1,517</b>	504	<b>1,495</b>	491
<b>Operating expenses</b>		<b>1,517</b>	504	<b>1,495</b>	491
Profit / (loss) before income taxes		<b>8</b>	4	<b>8</b>	4
Tax expense / (benefit)		<b>2</b>	1	<b>2</b>	1
<b>Net profit / (loss)</b>		<b>6</b>	3	<b>6</b>	3

UBS Group Funding (Switzerland) AG was incorporated on 14 November 2016. The income statement and corresponding Notes presented for the period ended on 31 December 2017 include income and expenses for the period from 14 November 2016 to 31 December 2017.

**Balance sheet**

	Note	USD million		CHF million	
		<b>31.12.18</b>	31.12.17	<b>31.12.18</b>	31.12.17
<b>Assets</b>					
Liquid assets	6	<b>115</b>	20	<b>113</b>	19
Accrued income and prepaid expenses	7	<b>1,017</b>	481	<b>1,000</b>	469
<b>Total current assets</b>		<b>1,133</b>	501	<b>1,114</b>	488
Financial assets	8	<b>41,784</b>	28,424	<b>41,083</b>	27,708
Other non-current assets	9	<b>33</b>	0	<b>33</b>	0
<b>Total non-current assets</b>		<b>41,817</b>	28,424	<b>41,116</b>	27,708
<b>Total assets</b>		<b>42,950</b>	28,925	<b>42,230</b>	28,196
<b>Liabilities</b>					
Other current liabilities	10	<b>42</b>	29	<b>42</b>	29
Accrued expenses and deferred income	11	<b>728</b>	197	<b>715</b>	192
<b>Total short-term liabilities</b>		<b>770</b>	227	<b>757</b>	221
Long-term interest-bearing liabilities	12	<b>42,019</b>	28,555	<b>41,314</b>	27,835
Other long-term liabilities	13	<b>145</b>	130	<b>142</b>	127
<b>Total long-term liabilities</b>		<b>42,163</b>	28,685	<b>41,456</b>	27,962
<b>Total liabilities</b>		<b>42,933</b>	28,912	<b>42,213</b>	28,183
<b>Equity</b>					
Share capital	14	<b>0</b>	0	<b>0</b>	0

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General reserves	<b>10</b>	10	<b>10</b>	10
<i>of which: statutory capital reserve</i>	<b>10</b>	10	<b>10</b>	10
<i>of which: capital contribution reserve</i>	<b>10</b>	10	<b>10</b>	10
Net profit / (loss)	<b>6</b>	3	<b>6</b>	3
<b>Equity attributable to shareholders</b>	<b>16</b>	14	<b>16</b>	13
<b>Total liabilities and equity</b>	<b>42,950</b>	28,925	<b>42,230</b>	28,196
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## UBS Group Funding (Switzerland) AG standalone financial statements (audited)

**Reconciliation of equity**

A reconciliation of equity for the year ended 31 December 2018 from the former Swiss franc presentation currency to the new US dollar presentation currency is provided in the table below.

<i>In million</i>	Share capital	General reserves	Net profit / (loss)	Total equity
<b>Balance as of 1 January 2018, CHF</b>	<b>0</b>	<b>10</b>	<b>3</b>	<b>13</b>
Dividend distribution			(3)	(3)
Net profit / (loss) for the period before conversion, CHF			4	4
CHF equity at conversion date 1 October 2018 <sup>1</sup>	0	10	4	14
USD equity opening balance at conversion date 1 October 2018	0	10	4	14
Net profit / (loss) for the period after conversion, USD			3	3
<b>Balance as of 31 December 2018, USD</b>	<b>0</b>	<b>10</b>	<b>6</b>	<b>16</b>

<sup>1</sup> Conversion date rate as of 1 October 2018 represents the closing exchange rate as of 30 September 2018 (CHF / USD 1.02).

**Statement of appropriation of total profit / (loss) carried forward**

The Board of Directors proposes that the Annual General Meeting of Shareholders (AGM) on 7 March 2019 approve an ordinary dividend distribution of USD 6 million. Dividends are declared and paid in US dollars. The total amount of the dividends will be capped at CHF 8 million (Cap). To the extent that the CHF dividend calculated based on USD 6 million would exceed the Cap on the day of the AGM, due to the exchange rate determined by the Board of Directors in its reasonable opinion, the USD amount of the dividend will be reduced on a pro-rata basis so that the total CHF amount does not exceed the Cap.

The Board of Directors proposes that the AGM on 7 March 2019 approve the following appropriation of total profit / (loss) carried forward and dividend distribution.

**Proposed appropriation of total profit / (loss) carried forward if the Cap is not triggered**

USD million    CHF million

	For the year ended <b>31.12.18</b>	For the year ended <b>31.12.18</b>
Net profit for the period	6	6
Profit / (loss) carried forward	0	0
<b>Total profit / (loss) carried forward available for appropriation</b>	<b>6</b>	<b>6</b>

**Appropriation of total profit / (loss) carried forward**

Dividend distribution	(6)	(6) <sup>1</sup>
<b>Profit / (loss) carried forward</b>	<b>0</b>	<b>0</b>

1 Translated at closing exchange rate as of 31 December 2018 (CHF / USD 1.02).

**Proposed appropriation of total profit / (loss) carried forward and proposed dividend distribution out of capital contribution reserve if the Cap is triggered**

	USD million For the year ended <b>31.12.18</b>	CHF million For the year ended <b>31.12.18</b>
<b>Appropriation of total profit / (loss) carried forward</b>		
Dividend distribution	(6)	(6)
<b>Profit / (loss) carried forward</b>	<b>0</b>	<b>0</b>

**Proposed dividend distribution out of capital contribution reserve**

Total capital contribution reserve before distribution	10	10
Dividend distribution	0	(2)
<b>Total capital contribution reserve after distribution</b>	<b>10</b>	<b>8</b>

The total CHF dividend is capped at CHF 8 million. The USD amount (6 million) will be reduced to CHF 8 million multiplied by the exchange rate determined by the Board of Directors on the day of the AGM.

## **Note 1 Corporate information**

UBS Group Funding (Switzerland) AG is incorporated and domiciled in Switzerland and its registered office is at Bahnhofstrasse 45, CH-8001 Zurich, Switzerland. UBS Group Funding (Switzerland) AG operates under article 620ff. of the Swiss Code of Obligations as an *Aktiengesellschaft* (a corporation limited by shares).

### **Establishment of UBS Group Funding (Switzerland) AG**

UBS Group Funding (Switzerland) AG was incorporated on 14 November 2016 as a wholly owned subsidiary of UBS Group AG. The company was established to issue UBS Group AG guaranteed perpetual capital notes that qualify as Basel III additional tier 1 (AT1) capital and senior unsecured debt that contributes to the total loss-absorbing capacity (TLAC) of UBS.

UBS Group Funding (Switzerland) AG was designated by FINMA as a significant group company according to article 2bis para. 1 lit. b of the Swiss Banking Act.

### **Issuance of AT1 capital instruments and TLAC-eligible senior unsecured debt**

Throughout 2018 and 2017, UBS Group Funding (Switzerland) AG issued TLAC-eligible senior unsecured debt and perpetual AT1 capital notes. The proceeds from the issuances of those instruments were on-lent to UBS AG.

In May 2018, outstanding perpetual capital notes that qualify as Basel III AT1 capital issued by UBS Group AG were transferred to UBS Group Funding (Switzerland) AG at book value with a retrospective effect as of 1 January 2018. In May 2017 outstanding TLAC-eligible senior unsecured debt issued by UBS Group Funding (Jersey) Limited was transferred to UBS Group Funding (Switzerland) AG. Both transfers were carried out by means of an issuer substitution pursuant to the voluntary substitution provisions provided in the terms and conditions of the relevant instruments. Following the transfers, the outstanding perpetual capital notes and TLAC-eligible senior unsecured debt continue to be guaranteed by UBS Group AG, and investors' seniority of claims against UBS Group AG remains unchanged.

In December 2018, the Swiss Parliament approved changes to the tax treatment of too big to fail (TBTF) instruments issued by the holding companies of Swiss systemically important banks. The new law aims to eliminate the additional tax burden imposed on systemically important banks as a result of required issuances of TBTF instruments at the holding company level. The Swiss Federal Council will announce an effective date for the change after the referendum period closes in April 2019. No referendum has been called at this point. Once effective, new loss-absorbing additional tier 1 capital instruments and total loss-absorbing capacity (TLAC)-eligible senior unsecured debt will be issued directly out of UBS Group AG. It is also expected that UBS Group AG will assume outstanding capital and debt instruments that were previously issued by UBS Group Funding (Switzerland) AG as a means of managing the aforementioned tax burden.

→ **Refer to Note 12 for more information on the main terms and conditions of the perpetual capital notes and TLAC-eligible senior unsecured debt issued**

## **Note 2 Accounting policies**

The UBS Group Funding (Switzerland) AG standalone financial statements are prepared in accordance with the principles of the Swiss Law on Accounting and Financial Reporting (32nd title of the Swiss Code of Obligations).

The functional currency of UBS Group Funding (Switzerland) AG is the US dollar. The significant accounting and valuation principles applied are described below.

### **Change in functional and presentation currency**

As of 1 October 2018 (the conversion date) UBS Group Funding (Switzerland) AG prospectively changed its functional currency from Swiss francs to US dollars.

UBS Group Funding (Switzerland) AG also prospectively changed the presentation currency of its standalone financial statements from Swiss francs to US dollars. The interim Swiss franc financial information of UBS Group Funding (Switzerland) AG as of 30 September 2018, including the balance sheet, year-to-date income statement and all related notes, was translated into US dollars at the closing rate on 30 September 2018 (the conversion date rate). This conversion had no impact on the income statement or equity.

As the primary presentation currency of the standalone financial statements of UBS Group Funding (Switzerland) AG is US dollars, amounts in Swiss francs are additionally presented for each component of the financial statements. UBS Group Funding (Switzerland) AG applies the modified closing rate method for translating the US dollar amounts into Swiss francs: assets and liabilities are translated at the closing rate, equity positions at historic rates and income and expense items at the weighted average rate for the period. All resulting currency translation effects are recognized separately in *Voluntary earnings reserve*, amounting to CHF 0 million as of 31 December 2018. Under Swiss Code of Obligations, prior period financial statements are not restated. All comparative prior-period information as of and for the year ended 31 December 2017 is translated at the closing rate as of 31 December 2017.

UBS Group Funding (Switzerland) AG standalone financial statements (audited)

## **Note 2 Accounting policies (continued)**

### **Foreign currency translation**

Transactions denominated in foreign currency are translated into US dollars at the spot exchange rate on the date of the transaction. At the balance sheet date, all assets and liabilities that are denominated in a foreign currency are translated into US dollars using the closing exchange rate. Where the asset mirrors the terms of a corresponding liability or the asset and liability otherwise form an economic hedge relationship, the asset and liability are treated as one unit of account for foreign currency translation purposes, with offsetting unrealized foreign currency translation gains and losses based on the closing exchange rate presented net in the income statement. All currency translation effects are recognized in the income statement.

→ **Refer to Note 17 for information on the main currency translation rates used**

### **Financial assets**

*Financial assets* include loans granted to UBS AG that substantially mirror the terms of the AT1 perpetual capital notes and the TLAC eligible senior unsecured debt instruments issued. These loans qualify as Basel III AT1 capital and gone concern loss absorbing capacity, respectively, at the UBS AG consolidated level. They are measured at nominal value.

→ **Refer to Note 8 for more information**

### **Long-term interest-bearing liabilities**

Long-term interest-bearing liabilities include perpetual capital notes that qualify as Basel III AT1 capital and TLAC-eligible senior unsecured debt instruments. They are measured at nominal value. Any difference to nominal value, e.g., premium, discount or external costs that are directly related to the issue, is deferred as *Accrued income and prepaid expenses* or *Accrued expenses and deferred income* and amortized to *Financial expenses* or *Financial income* over the maturity of the instrument, or until the first call date or optional redemption date, where applicable.

→ **Refer to Note 12 for more information**

### **Dispensations in the standalone financial statements**

As UBS Group AG, the holding company of UBS Group Funding (Switzerland) AG, prepares consolidated financial statements in accordance with IFRS, UBS Group Funding (Switzerland) AG is exempt from various disclosures in the standalone financial statements. The dispensations include the management report and the statement of cash flows, as well as

certain note disclosures.

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## Income statement notes

**Note 3 Financial income**

	USD million		CHF million	
	For the year ended	For the year ended	For the year ended	For the year ended
	<b>31.12.18</b>	31.12.17	<b>31.12.18</b>	31.12.17
Interest income on liquid assets	<b>1</b>	0	<b>1</b>	0
Interest income on long-term receivables from UBS AG	<b>1,524</b>	508	<b>1,502</b>	495
Foreign currency translation gains	<b>0</b>	0	<b>0</b>	0
<b>Total financial income</b>	<b>1,525</b>	508	<b>1,503</b>	495

**Note 4 Other operating expenses**

UBS Group Funding (Switzerland) AG had no employees throughout the period from incorporation on 14 November 2016 to 31 December 2018. Other operating expenses mainly consist of paying agency fees, audit fees and capital tax expenses.

**Note 5 Financial expenses**

Financial expenses comprise interest expense on interest-bearing liabilities.

## UBS Group Funding (Switzerland) AG standalone financial statements (audited)

## Balance sheet notes

**Note 6 Liquid assets**

Liquid assets comprise current accounts held at UBS AG.

**Note 7 Accrued income and prepaid expenses**

	USD million		CHF million	
	For the year ended	31.12.17	For the year ended	31.12.17
	<b>31.12.18</b>		<b>31.12.18</b>	
Accrued interest income	<b>625</b>	199	<b>615</b>	194
Prepaid expenses	<b>392</b>	282	<b>386</b>	275
<b>Total accrued income and prepaid expenses</b>	<b>1,017</b>	481	<b>1,000</b>	469

**Note 8 Financial assets**

	USD million		CHF million	
	For the year ended	31.12.17	For the year ended	31.12.17
	<b>31.12.18</b>		<b>31.12.18</b>	
Onward lending to UBS AG <sup>1</sup>	<b>41,782</b>	28,422	<b>41,081</b>	27,706
Other long-term receivables from UBS AG	<b>2</b>	2	<b>2</b>	2
<b>Total financial assets</b>	<b>41,784</b>	28,424	<b>41,083</b>	27,708

<sup>1</sup> Long-term receivables from the onward lending of the proceeds from the issuances of TLAC-eligible senior unsecured debt and loss-absorbing additional tier 1 perpetual capital notes to UBS AG.

**Note 9 Other non-current assets**

Other non-current assets are comprised of incentive fee receivables from UBS Group AG due after 12 months after the balance sheet date.

**Note 10 Other current liabilities**

Other current liabilities are comprised of guarantee fee payables to UBS Group AG due within 12 months after the balance sheet date.



**Note 11 Accrued expenses and deferred income**

	USD million		CHF million	
	For the year ended <b>31.12.18</b>	31.12.17	For the year ended <b>31.12.18</b>	31.12.17
Accrued interest expense	<b>678</b>	193	<b>667</b>	188
Other	<b>49</b>	5	<b>49</b>	4
<b>Total accrued expenses and deferred income</b>	<b>728</b>	197	<b>715</b>	192

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**Note 12 Long-term interest-bearing liabilities**

Long-term interest-bearing liabilities totaled USD 42,019 million (CHF 41,314 million) as of 31 December 2018 (31 December 2017: USD 28,555 million (CHF 27,835 million)), comprising USD 41,782 million (CHF 41,081 million) of debt issued (31 December 2017: USD 28,422 million (CHF 27,706 million)) and USD 237 million (CHF 233 million) of fixed-term loans (31 December 2017: USD 132 million (CHF 129 million)). In May 2018, outstanding perpetual capital notes that qualify as Basel III AT1 capital issued by UBS Group AG were transferred to UBS Group Funding (Switzerland) AG at book value by means of an issuer substitution with a retrospective effect as of 1 January 2018.

**Notes issued, overview by amount, maturity and coupon**

<i>In million, except where indicated</i>	<b>31.12.18</b>				<b>31.12.17</b>	
	<b>Carrying value</b>				<b>Carrying value</b>	
	<b>in transaction currency</b>	<b>in Carrying value USD</b>	<b>Maturity<sup>1,2</sup></b>	<b>Coupon<sup>1,2</sup></b>	<b>in transaction currency</b>	<b>in Carrying value USD</b>
Euro-denominated TLAC-eligible senior unsecured notes	<b>1,750</b>	<b>2,005</b>	<b>20.09.21</b>	<b>3M EUR LIBOR + 70 bps</b>	1,750	2,100
US dollar-denominated TLAC-eligible senior unsecured notes	<b>2,000</b>	<b>2,000</b>	<b>23.05.22</b>	<b>3.491% 3M USD LIBOR + 122 bps</b>	2,000	2,000
US dollar-denominated TLAC-eligible senior unsecured notes	<b>1,000</b>	<b>1,000</b>	<b>23.05.22</b>	<b>3.491% 3M USD LIBOR + 122 bps</b>	1,000	1,000
US dollar-denominated TLAC-eligible senior unsecured notes	<b>2,000</b>	<b>2,000</b>	<b>23.03.27</b>	<b>4.253%</b>	2,000	2,000
Swiss franc-denominated TLAC-eligible senior unsecured notes	<b>400</b>	<b>407</b>	<b>18.05.23</b>	<b>0.625%</b>	400	410
Euro-denominated TLAC-eligible senior unsecured notes	<b>1,250</b>	<b>1,432</b>	<b>16.11.22</b>	<b>1.75%</b>	1,250	1,500
Swiss franc-denominated TLAC-eligible senior unsecured notes	<b>300</b>	<b>305</b>	<b>22.02.22</b>	<b>0.75%</b>	300	308

Swiss franc-denominated TLAC-eligible senior unsecured notes	150	153	23.02.26	1.25%	150	154
Euro-denominated TLAC-eligible senior unsecured notes	750	859	04.03.24	2.125%	750	900
US dollar-denominated TLAC-eligible senior unsecured notes	1,500	1,500	24.09.20	2.95%	1,500	1,500
US dollar-denominated TLAC-eligible senior unsecured notes	2,500	2,500	24.09.25	4.125%	2,500	2,500
US dollar-denominated TLAC-eligible senior unsecured notes	300	300	24.09.20	3M USD LIBOR + 144 bps	300	300
US dollar-denominated TLAC-eligible senior unsecured notes	2,000	2,000	15.04.21	3% 3M USD LIBOR + 178 bps	2,000	2,000
US dollar-denominated TLAC-eligible senior unsecured notes	1,000	1,000	14.04.21	3% 3M USD LIBOR + 178 bps	1,000	1,000
US dollar-denominated TLAC-eligible senior unsecured notes	2,000	2,000	15.04.26	4.125%	2,000	2,000
US dollar-denominated TLAC-eligible senior unsecured notes	2,000	2,000	01.02.22	2.65% 3M USD LIBOR + 153 bps	2,000	2,000
US dollar-denominated TLAC-eligible senior unsecured notes	500	500	01.02.22	2.65% 3M USD LIBOR + 153 bps	500	500
Euro-denominated TLAC-eligible senior unsecured notes	1,250	1,432	01.09.26	1.25%	1,250	1,500
Euro-denominated TLAC-eligible senior unsecured notes	1,250	1,432	30.11.23	1.5% 3M USD LIBOR + 95 bps	1,250	1,500
US dollar-denominated TLAC-eligible senior unsecured notes	1,250	1,250	15.08.22	2.859%	1,250	1,250
US dollar-denominated TLAC-eligible senior unsecured notes	2,000	2,000	15.08.22	2.859%	2,000	2,000

Euro-denominated TLAC-eligible senior unsecured notes	<b>1,750</b>	<b>2,005</b>	<b>17.04.24</b>	<b>1.25%</b>
Yen-denominated TLAC-eligible senior unsecured notes	<b>130,000</b>	<b>1,186</b>	<b>08.11.23</b>	<b>0.719%</b>
Yen-denominated TLAC-eligible senior unsecured notes	<b>20,000</b>	<b>182</b>	<b>09.11.27</b>	<b>0.973%</b>
US dollar-denominated high-trigger loss-absorbing additional tier 1				
perpetual capital notes Euro-denominated low-trigger loss-absorbing additional tier 1	<b>2,000</b>	<b>2,000</b>	<b>31.01.23</b>	<b>5%</b>
perpetual capital notes US dollar-denominated low-trigger loss-absorbing additional tier 1	<b>1,000</b>	<b>1,146</b>	<b>19.02.22</b>	<b>5.75%</b>
perpetual capital notes US dollar-denominated high-trigger loss-absorbing additional tier 1	<b>1,250</b>	<b>1,250</b>	<b>19.02.25</b>	<b>7%</b>
perpetual capital notes US dollar-denominated high-trigger loss-absorbing additional tier 1	<b>1,250</b>	<b>1,250</b>	<b>19.02.20</b>	<b>7.125%</b>
perpetual capital notes US dollar-denominated high-trigger loss-absorbing additional tier 1	<b>1,575</b>	<b>1,575</b>	<b>07.08.25</b>	<b>6.875%</b>
perpetual capital notes US dollar-denominated high-trigger loss-absorbing additional tier 1	<b>1,500</b>	<b>1,500</b>	<b>22.03.21</b>	<b>6.875%</b>
perpetual capital notes	<b>1,100</b>	<b>1,100</b>	<b>10.08.21</b>	<b>7.125%</b>

Singapore  
dollar-denominated  
high-trigger  
loss-absorbing  
additional tier 1

perpetual capital notes	<b>700</b>	<b>514</b>	<b>28.11.23</b>	<b>5.875%</b>	
<b>Total notes issued</b>		<b>41,782</b>			28,422

1 For the TLAC-eligible senior unsecured notes disclosed maturity refers to the contractual maturity date or, if applicable, to the earlier optional redemption date of the respective issuance. The disclosed coupon rate refers to the contractual coupon rate applied from the issue date up to the contractual maturity date or, if applicable, to the earlier optional redemption date. 2 For the loss-absorbing additional tier 1 perpetual capital notes disclosed maturity refers to the first call date and the disclosed coupon rate refers to the contractual fixed coupon rate from the issue date up to, but excluding, the first call date.

UBS Group Funding (Switzerland) AG standalone financial statements (audited)

**Note 12 Long-term interest-bearing liabilities (continued)****Notes issued,  
overview by amount,  
maturity and coupon**

<i>In million, except where indicated</i>	<b>31.12.18</b>				<b>31.12.17</b>	
	<b>Carrying value</b>				<b>Carrying value</b>	
	<b>in transaction currency</b>	<b>in Carrying value in CHF</b>	<b>Maturity<sup>1,2</sup></b>	<b>Coupon<sup>1,2</sup></b>	<b>in transaction currency</b>	<b>in Carrying value in CHF</b>
Euro-denominated TLAC-eligible senior unsecured notes	<b>1,750</b>	<b>1,971</b>	<b>20.09.21</b>	<b>3M EUR LIBOR + 70 bps</b>	1,750	2,047
US dollar-denominated TLAC-eligible senior unsecured notes	<b>2,000</b>	<b>1,966</b>	<b>23.05.22</b>	<b>3.491% 3M USD LIBOR + 122 bps</b>	2,000	1,950
US dollar-denominated TLAC-eligible senior unsecured notes	<b>1,000</b>	<b>983</b>	<b>23.05.22</b>	<b>3.491% 3M USD LIBOR + 122 bps</b>	1,000	975
US dollar-denominated TLAC-eligible senior unsecured notes	<b>2,000</b>	<b>1,966</b>	<b>23.03.27</b>	<b>4.253%</b>	2,000	1,950
Swiss franc-denominated TLAC-eligible senior unsecured notes	<b>400</b>	<b>400</b>	<b>18.05.23</b>	<b>0.625%</b>	400	400
Euro-denominated TLAC-eligible senior unsecured notes	<b>1,250</b>	<b>1,408</b>	<b>16.11.22</b>	<b>1.75%</b>	1,250	1,462
Swiss franc-denominated TLAC-eligible senior unsecured notes	<b>300</b>	<b>300</b>	<b>22.02.22</b>	<b>0.75%</b>	300	300
Swiss franc-denominated TLAC-eligible senior unsecured notes	<b>150</b>	<b>150</b>	<b>23.02.26</b>	<b>1.25%</b>	150	150
Euro-denominated TLAC-eligible senior unsecured notes	<b>750</b>	<b>845</b>	<b>04.03.24</b>	<b>2.125%</b>	750	877
US dollar-denominated TLAC-eligible senior	<b>1,500</b>	<b>1,475</b>	<b>24.09.20</b>	<b>2.95%</b>	1,500	1,462

unsecured notes US dollar-denominated TLAC-eligible senior unsecured notes	<b>2,500</b>	<b>2,458</b>	<b>24.09.25</b>	<b>4.125% 3M USD LIBOR + 144 bps</b>	2,500	2,437
US dollar-denominated TLAC-eligible senior unsecured notes	<b>300</b>	<b>295</b>	<b>24.09.20</b>		300	292
US dollar-denominated TLAC-eligible senior unsecured notes	<b>2,000</b>	<b>1,966</b>	<b>15.04.21</b>	<b>3% 3M USD LIBOR + 178 bps</b>	2,000	1,950
US dollar-denominated TLAC-eligible senior unsecured notes	<b>1,000</b>	<b>983</b>	<b>14.04.21</b>		1,000	975
US dollar-denominated TLAC-eligible senior unsecured notes	<b>2,000</b>	<b>1,966</b>	<b>15.04.26</b>	<b>4.125%</b>	2,000	1,950
US dollar-denominated TLAC-eligible senior unsecured notes	<b>2,000</b>	<b>1,966</b>	<b>01.02.22</b>	<b>2.65% 3M USD LIBOR + 153 bps</b>	2,000	1,950
US dollar-denominated TLAC-eligible senior unsecured notes	<b>500</b>	<b>492</b>	<b>01.02.22</b>		500	487
Euro-denominated TLAC-eligible senior unsecured notes	<b>1,250</b>	<b>1,408</b>	<b>01.09.26</b>	<b>1.25%</b>	1,250	1,462
Euro-denominated TLAC-eligible senior unsecured notes	<b>1,250</b>	<b>1,408</b>	<b>30.11.23</b>	<b>1.5% 3M USD LIBOR + 95 bps</b>	1,250	1,462
US dollar-denominated TLAC-eligible senior unsecured notes	<b>1,250</b>	<b>1,229</b>	<b>15.08.22</b>		1,250	1,218
US dollar-denominated TLAC-eligible senior unsecured notes	<b>2,000</b>	<b>1,966</b>	<b>15.08.22</b>	<b>2.859%</b>	2,000	1,950
Euro-denominated TLAC-eligible senior unsecured notes	<b>1,750</b>	<b>1,971</b>	<b>17.04.24</b>	<b>1.25%</b>		
Yen-denominated TLAC-eligible senior unsecured notes	<b>130,000</b>	<b>1,166</b>	<b>08.11.23</b>	<b>0.719%</b>		
Yen-denominated TLAC-eligible senior unsecured notes	<b>20,000</b>	<b>179</b>	<b>09.11.27</b>	<b>0.973%</b>		

US dollar-denominated high-trigger loss-absorbing additional tier 1					
perpetual capital notes Euro-denominated low-trigger loss-absorbing additional tier 1	<b>2,000</b>	<b>1,966</b>	<b>31.01.23</b>	<b>5%</b>	
perpetual capital notes US dollar-denominated low-trigger loss-absorbing additional tier 1	<b>1,000</b>	<b>1,126</b>	<b>19.02.22</b>	<b>5.75%</b>	
perpetual capital notes US dollar-denominated high-trigger loss-absorbing additional tier 1	<b>1,250</b>	<b>1,229</b>	<b>19.02.25</b>	<b>7%</b>	
perpetual capital notes US dollar-denominated high-trigger loss-absorbing additional tier 1	<b>1,250</b>	<b>1,229</b>	<b>19.02.20</b>	<b>7.125%</b>	
perpetual capital notes US dollar-denominated high-trigger loss-absorbing additional tier 1	<b>1,575</b>	<b>1,549</b>	<b>07.08.25</b>	<b>6.875%</b>	
perpetual capital notes US dollar-denominated high-trigger loss-absorbing additional tier 1	<b>1,500</b>	<b>1,475</b>	<b>22.03.21</b>	<b>6.875%</b>	
perpetual capital notes Singapore dollar-denominated high-trigger loss-absorbing additional tier 1	<b>1,100</b>	<b>1,082</b>	<b>10.08.21</b>	<b>7.125%</b>	
perpetual capital notes	<b>700</b>	<b>505</b>	<b>28.11.23</b>	<b>5.875%</b>	
<b>Total notes issued</b>		<b>41,081</b>			<b>27,706</b>



1 For the TLAC-eligible senior unsecured notes disclosed maturity refers to the contractual maturity date or, if applicable, to the earlier optional redemption date of the respective issuance. The disclosed coupon rate refers to the contractual coupon rate applied from the issue date up to the contractual maturity date or, if applicable, to the earlier optional redemption date. 2 For the loss-absorbing additional tier 1 perpetual capital notes disclosed maturity refers to the first call date and the disclosed coupon rate refers to the contractual fixed coupon rate from the issue date up to, but excluding, the first call date.

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**Note 13 Other long-term liabilities**

Other long-term liabilities are comprised of guarantee fee payables to UBS Group AG due after 12 months after the balance sheet date.

**Note 14 Share capital**

As of 31 December 2018 and 31 December 2017, the issued share capital consisted of 1,000,000 registered shares at a par value of CHF 0.10 each.

**Note 15 Contingent liabilities**

UBS Group Funding (Switzerland) AG is jointly and severally liable for the combined value added tax (VAT) liability of UBS entities that belong to the VAT group of UBS in Switzerland.

## UBS Group Funding (Switzerland) AG standalone financial statements (audited)

## Additional information

**Note 16 Related parties**

<i>USD million</i>	<b>31.12.18</b>		31.12.17	
	<b>Amounts due from</b>	<b>Amounts due to</b>	Amounts due from	Amounts due to
Qualified shareholders <sup>1</sup>	<b>45</b>	<b>187</b>		159
Affiliated entities <sup>2</sup>	<b>42,524</b>	<b>239</b>	28,643	133
External auditors		<b>0</b>		0

1 Qualified shareholder of UBS Group Funding (Switzerland) AG is UBS Group AG. 2 Affiliated entities of UBS Group Funding (Switzerland) AG include UBS AG, which is a direct subsidiary of UBS Group AG.

<i>CHF million</i>	<b>31.12.18</b>		31.12.17	
	<b>Amounts due from</b>	<b>Amounts due to</b>	Amounts due from	Amounts due to
Qualified shareholders <sup>1</sup>	<b>44</b>	<b>184</b>		155
Affiliated entities <sup>2</sup>	<b>41,811</b>	<b>235</b>	27,921	130
External auditors		<b>0</b>		0

1 Qualified shareholder of UBS Group Funding (Switzerland) AG is UBS Group AG. 2 Affiliated entities of UBS Group Funding (Switzerland) AG include UBS AG, which is a direct subsidiary of UBS Group AG.

**Note 17 Currency translation rates**

The following table shows the currency rates used to translate the transactions in foreign currencies into US dollars in 2018 and into Swiss francs in 2017.

	Against USD		Against CHF	
	Closing exchange rate	Average rate	Closing exchange rate	Average rate
	As of <b>31.12.18</b>	For the year ended <b>31.12.18</b>	As of 31.12.17	For the year ended 31.12.17
1 CHF	<b>1.02</b>	<b>1.02</b>	1.00	1.00
1 EUR	<b>1.15</b>	<b>1.18</b>	1.17	1.12
100 JPY	<b>0.91</b>	<b>0.91</b>		
1 SGD	<b>0.73</b>	<b>0.74</b>		
1 USD	<b>1.00</b>	<b>1.00</b>	0.97	0.98

























**Notice to investors** | This document and the information contained herein are provided solely for information purposes, and are not to be construed as solicitation of an offer to buy or sell any securities or other financial instruments in Switzerland, the United States or any other jurisdiction. No investment decision relating to securities of or relating to UBS Group AG, UBS AG or their affiliates should be made on the basis of this document. Refer to UBS's Annual Report 2018 for additional information. This report is available at [www.ubs.com/investors](http://www.ubs.com/investors).

**Rounding** | Numbers presented throughout this report may not add up precisely to the totals provided in the tables and text. Starting in 2018, percentages, percent changes, and adjusted results are calculated on the basis of unrounded figures. Information on absolute changes between reporting periods, which is provided in text and that can be derived from figures displayed in the tables, is calculated on a rounded basis.

**Tables** | Within tables, blank fields generally indicate that the field is not applicable or not meaningful, or that information is not available as of the relevant date or for the relevant period. Zero values generally indicate that the respective figure is zero on an actual or rounded basis. Percentage changes are presented as a mathematical calculation of the change between periods.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on their behalf by the undersigned, thereunto duly authorized.

UBS Group AG

By: /s/ Todd Tuckner

Name: Todd Tuckner

Title: Group Controller and

Chief Accounting Officer

By: /s/ David Kelly

Name: David Kelly

Title: Managing Director

UBS AG

By: /s/ Todd Tuckner

Name: Todd Tuckner

Title: Group Controller and

Chief Accounting Officer

By: /s/ David Kelly

Name: David Kelly

Title: Managing Director

Date: March 15, 2019

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