

# UBS Limited (standalone) regulatory information

Third quarter 2017

This document contains certain Pillar 3 disclosures as of 30 September 2017 of UBS Limited. The required Pillar 3 disclosures are prepared in accordance with the European Banking Authority (EBA) guidelines and are based upon the EU regulations, Directive 2013/36/EU and Regulation 575/2013 (together known as "CRD IV") and their related technical standards, as implemented within the UK by the Prudential Regulation Authority (PRA).

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## Regulatory information

Disclosures in this section are the required Pillar 3 disclosures produced in accordance with the EBA guidelines. There is no disclosure requirement for the liquidity coverage ratio for UBS Limited as of 30 September 2017.

UBS Limited has determined that by following the EBA guidelines it is appropriate to provide the required Pillar 3 disclosures on a quarterly basis. Disclosures in this section include information on UBS Limited's eligible regulatory capital and capital requirements, as well as on capital and leverage ratios.

### Eligible regulatory capital

Eligible regulatory capital represents the total amount of regulatory capital which is available to cover all of the risks identified under CRD IV.

The capital adequacy framework consists of three pillars each of which focuses on a different aspect of adequacy. Pillar 1 provides a framework for measuring minimum capital requirements for credit, market and operational risks faced by banks. Pillar 2 addresses the principles of the supervisory review process emphasizing the need for a qualitative approach to supervising banks. Pillar 3 aims to encourage market discipline by requiring banks to publish a range of disclosures, mainly on risk and capital.

The following table represents the regulatory capital of UBS Limited split by class of capital and including the total required regulatory adjustments made to each class of capital.

<b>Eligible regulatory capital</b>			
<i>GBP million</i>	30.9.17	30.6.17	31.12.16
CET 1 before adjustment	2,455	2,632	2,639
Regulatory adjustments	-123	-127	-118
<b>CET 1 capital</b>	<b>2,332</b>	2,505	2,521
Additional Tier 1 Capital	230	235	235
<b>Tier 1 capital</b>	<b>2,561</b>	2,740	2,756
Tier 2 capital	679	687	687
<b>Total eligible capital</b>	<b>3,240</b>	3,427	3,442

### Capital requirements

The capital requirements shown here represent the Pillar 1 capital requirements. UBS Limited has to hold capital in excess of this total amount to cover Pillar 2 obligations and the relevant regulatory buffers.

#### Pillar 1 capital requirements

<i>GBP million</i>	30.9.17		30.6.17		31.12.16	
	RWA	Capital	RWA	Capital	RWA	Capital
Credit, counterparty credit risk						
<i>Central governments and central banks</i>	68	5	6	0	1	0
<i>Regional governments and local authorities</i>	43	3	29	2	43	3
<i>Public sector entities</i>	69	6	60	5	36	3
<i>Multilateral development banks</i>	0	0	0	0	0	0
<i>Institutions</i>	2,532	203	2,439	195	2,030	162
<i>Corporates</i>	3,988	319	4,484	359	4,000	320
<i>Items associated with particularly high risk</i>	19	2	20	2	0	0
<i>Securitisation positions</i>	2	0	3	0	4	0
<i>Equity</i>	2	0	2	0	2	0
<i>Other Items</i>	137	11	93	7	95	8
Total credit, counterparty credit risk	6,860	549	7,135	571	6,211	497
Risk exposure amount for contribution to the default fund of a CCP	161	13	145	12	502	40
Settlement risk	36	3	49	4	22	2
Position, foreign exchange and commodities risk	2,976	238	2,587	207	2,017	161
Operational risk	1,349	108	1,349	108	1,381	110
Credit valuation adjustment exposure	893	71	931	74	948	76
Large Exposures charge						
<b>Total risk-weighted assets and capital required</b>	<b>12,274</b>	<b>982</b>	12,195	976	11,081	886

## Capital ratios

The following are the key capital ratios disclosed by UBS Limited, these represent the capital position of UBS Limited based upon the Pillar 1 requirements as defined in CRD IV.

<b>Capital ratios</b>			
<i>In %</i>	30.9.17	30.6.17	31.12.16
CET1 Ratio	19.0	20.5	22.8
Tier 1 Ratio	20.9	22.5	24.9
Total capital ratio	26.4	28.1	31.1

## Leverage ratio

The following tables set out the required disclosures for the leverage ratio for UBS Limited. The ratio is calculated in accordance with the current regulations on defined by CRD IV.

<b>Leverage ratio</b>			
<i>GBP million, except where indicated</i>	30.9.17	30.6.17	31.12.16
Tier One capital	2,561	2,740	2,756
Leverage Ratio exposure	41,419	37,880	35,793
Leverage Ratio %	6.2	7.2	7.7

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This document may contain statements that constitute “forward looking statements” including but not limited to statements relating to the anticipated effect of transactions described herein and other risks specific to UBS’s business, strategic initiatives, future business development and economic performance. While these forward-looking statements represent UBS’s judgments and expectations concerning the development of its business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from UBS’s expectations.

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