



News Release

GIC reduces stake in UBS, acquired during the Global Financial Crisis

SINGAPORE, 16 May 2017 – UBS was one of two major investments GIC made in the early stages of the Global Financial Crisis, the other being an investment in Citigroup. These investments took advantage of GIC's ability to invest long term, and offered a rare chance to take major stakes in the international banking sector. The sector was then under considerable stress, and there were opportunities as well as risks in making such major investments.

On 16 May 2017, GIC reduced its ownership of UBS from 5.1% to 2.7%. The sale of shares realizes a loss on the UBS investment.

GIC is disappointed that the UBS investment resulted in a loss, but its Citigroup investment has earned a positive return. The combined return on the UBS and Citigroup investments has been positive in mark-to-market terms.

Said Mr Lim Chow Kiat, Chief Executive Officer: "GIC made the UBS sale despite the loss because conditions have changed fundamentally since GIC invested in UBS in February 2008, as have UBS' strategy and business. It makes sense now for GIC to reduce its ownership of UBS and to redeploy these resources elsewhere.

While GIC does its best to ensure that each individual investment performs, it must accept a degree of risk in order to pursue promising opportunities and optimise overall portfolio returns.

GIC measures its performance on an overall portfolio basis, based on long term rather than annual returns. As stated in our latest Annual Report, the GIC portfolio averaged 4.0% per year real returns over the 20-year period from 1996 to 2016. This period includes the Global Financial Crisis and the UBS and Citigroup investments."

– END –

Media Contacts

Ms Jennifer Lewis
Head, Communications
Mobile: +65 9826 6198
E-mail: jenniferlewis@gic.com.sg

Ms Mah Lay Choon
Senior Vice President, Communications
Mobile: +65 9838 9425
E-mail: mahlaychoon@gic.com.sg

About GIC

GIC is a leading global investment firm with well over US\$100 billion in assets under management. Established in 1981 to secure the financial future of Singapore, the firm manages Singapore's foreign reserves. A disciplined long-term value investor, GIC is uniquely positioned for investments across a wide range of asset classes, including real estate, private equity, equities and fixed income. GIC has investments in over 40 countries and has been investing in emerging markets for more than two decades. Headquartered in Singapore, GIC employs over 1,300 people across 10 offices in key financial cities worldwide. For more information about GIC, please visit www.gic.com.sg.