

## Second Quarter 2016 Results

Presentation to Investors and Analysts

July 28, 2016

# Disclaimer

## **Cautionary statement regarding forward-looking statements**

This presentation contains forward-looking statements that involve inherent risks and uncertainties, and we might not be able to achieve the predictions, forecasts, projections and other outcomes we describe or imply in forward-looking statements. A number of important factors could cause results to differ materially from the plans, objectives, expectations, estimates and intentions we express in these forward-looking statements, including those we identify in "Risk Factors" in our Annual Report on Form 20-F for the fiscal year ended December 31, 2015 filed with the US Securities and Exchange Commission, and in other public filings and press releases. We do not intend to update these forward-looking statements except as may be required by applicable law.

## **We may not achieve the benefits of our strategic initiatives**

We may not achieve all of the expected benefits of our strategic initiatives. Factors beyond our control, including but not limited to the market and economic conditions, changes in laws, rules or regulations and other challenges discussed in our public filings, could limit our ability to achieve some or all of the expected benefits of these initiatives.

## **Statement regarding purpose and basis of presentation**

This presentation contains certain historical information that has been re-segmented to approximate what our results under our new structure would have been, had it been in place from 2015. In addition, "Illustrative," "Ambition" and "Goal" presentations are not intended to be viewed as targets or projections, nor are they considered to be Key Performance Indicators. All such presentations are subject to a large number of inherent risks, assumptions and uncertainties, many of which are outside of our control. Accordingly, this information should not be relied on for any purpose. In preparing this presentation, management has made estimates and assumptions which affect the reported numbers. Actual results may differ. Figures throughout presentation may also be subject to rounding adjustments.

## **Statement regarding non-GAAP financial measures**

This presentation also contains non-GAAP financial measures, including adjusted results. Information needed to reconcile such non-GAAP financial measures to the most directly comparable measures under US GAAP can be found in this presentation, which is available on our website at [credit-suisse.com](http://credit-suisse.com).

## **Statement regarding capital, liquidity and leverage**

As of January 1, 2013, Basel 3 was implemented in Switzerland along with the Swiss "Too Big to Fail" legislation and regulations thereunder. As of January 1, 2015, the Bank for International Settlements (BIS) leverage ratio framework, as issued by the Basel Committee on Banking Supervision (BCBS), was implemented in Switzerland by FINMA. Our related disclosures are in accordance with our interpretation of such requirements, including relevant assumptions. Changes in the interpretation of these requirements in Switzerland or in any of our assumptions or estimates could result in different numbers from those shown in this presentation. Capital and ratio numbers for periods prior to 2013 are based on estimates, which are calculated as if the Basel 3 framework had been in place in Switzerland during such periods. Unless otherwise noted, leverage exposure is based on the BIS leverage ratio framework and consists of period-end balance sheet assets and prescribed regulatory adjustments. Beginning in 2015, the Swiss leverage ratio is calculated as Swiss total capital, divided by period-end leverage exposure. The look-through BIS tier 1 leverage ratio and CET1 leverage ratio are calculated as look-through BIS tier 1 capital and CET1 capital, respectively, divided by end-period leverage exposure.

## **2Q16 earnings review**

Tidjane Thiam, Chief Executive Officer

David Mathers, Chief Financial Officer

# Overview of Credit Suisse 2Q16 results

In CHF mn unless otherwise specified		Reported			Adjusted		
		2Q16	1Q16	2Q15	2Q16	1Q16	2Q15
APAC	Net revenues	911	907	1,040	911	907	1,040
	Pre-tax income	206	264	367	216	265	367
IWM	Net revenues	1,145	1,173	1,165	1,145	1,173	1,165
	Pre-tax income	245	300	272	260	308	272
SUB	Net revenues	1,337	1,356	1,462	1,337	1,356	1,439
	Pre-tax income	453	432	468	457	472	445
IBCM	Net revenues in USD mn	558	395	605	558	395	605
	Pre-tax income in USD mn	141	(60)	154	132	(32)	154
Global Markets	Net revenues in USD mn	1,671	1,252	2,052	1,671	1,252	2,052
	Pre-tax income in USD mn	156	(200)	415	208	(98)	473
Global Markets pre 2Q16 reclassifications	Net revenues in USD mn	1,554 <sup>1</sup>	972 <sup>2</sup>	2,359 <sup>2</sup>	1,554 <sup>1</sup>	972 <sup>2</sup>	2,359 <sup>2</sup>
	Pre-tax income in USD mn	(23) <sup>1</sup>	(649) <sup>2</sup>	552 <sup>2</sup>	29 <sup>1</sup>	(547) <sup>2</sup>	608 <sup>2</sup>
SRU	Net revenues in USD mn	(371)	(545)	437	(371)	(541)	437
	Pre-tax income in USD mn	(778)	(1,266)	(266)	(757)	(1,181)	(256)
SRU pre 2Q16 reclassifications	Net revenues in USD mn	(134) <sup>1</sup>	(108) <sup>2</sup>	241 <sup>2</sup>	(134) <sup>1</sup>	(113) <sup>2</sup>	241 <sup>2</sup>
	Pre-tax income in USD mn	(560) <sup>1</sup>	(725) <sup>2</sup>	(389) <sup>2</sup>	(539) <sup>1</sup>	(641) <sup>2</sup>	(379) <sup>2</sup>
CS Group	Net revenues	5,108	4,638	6,955	5,108	4,694	6,704
	Pre-tax Income	199	(484)	1,656	290	(173)	1,468
	Net income/(loss) attr. to shareholders	170	(302)	1,051			
	RWA in CHF bn	271	280	277			
	"Look-through" CET1 ratio	11.8%	11.4%	10.3%			
	Leverage exposure in CHF bn	967	970	1,062			
	"Look-through" CET1 leverage ratio	3.3%	3.3%	2.7%			

Note: Adjusted results are non-GAAP financial measures. A reconciliation to reported results is included in the Appendix. 1 Illustrative estimates of what the divisions' results would have been for the periods presented had the reclassifications effected in 2Q16, including those related to GMAR and the recalibration of funding and corporate function cost allocations, not been effected. 2 Represent previously reported figures as published in original financial reports for the historical quarters, which differ from figures in 2Q16 financial report as they are on post 2Q16 reclassifications basis. July 28, 2016

# Key messages

## 1 Disciplined execution

- Continued comp and non-comp cost reduction, on track to deliver 2016 cost savings target
- Substantial de-risking across Global Markets by ~50% year to date<sup>1</sup>

## 2 Continued focus on profitable growth

- APAC, IWM and SUB with wealth management inflows of CHF 11.3 bn<sup>2</sup> of quality assets at stable margins
- Notable contribution in IBCM from financing and advisory franchises
- Global Markets improvements in profitability and business model

## 3 Improved capital position

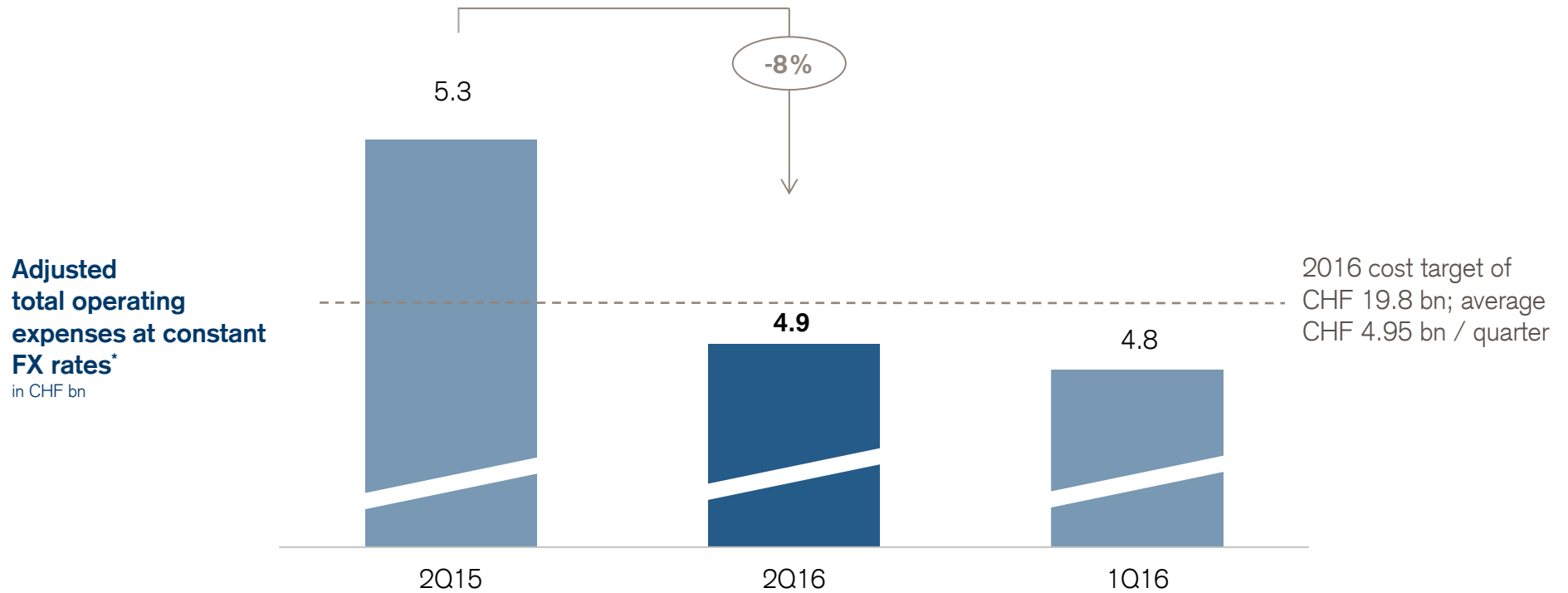
- Continued progress in SRU with capital release of USD 6 bn RWA<sup>3</sup>
- “Look-through” CET1 ratio of 11.8%

<sup>1</sup> Achieved target of reducing expected quarterly pre-tax loss by 50% in adverse stressed scenario.

<sup>2</sup> Relating to Wealth Management in SUB, IWM and APAC.

<sup>3</sup> Illustrative estimates of what the divisions' results would have been for the periods presented had the reclassifications effected in 2Q16, including those related to GMAR and the recalibration of funding and corporate function cost allocations, not been effected.

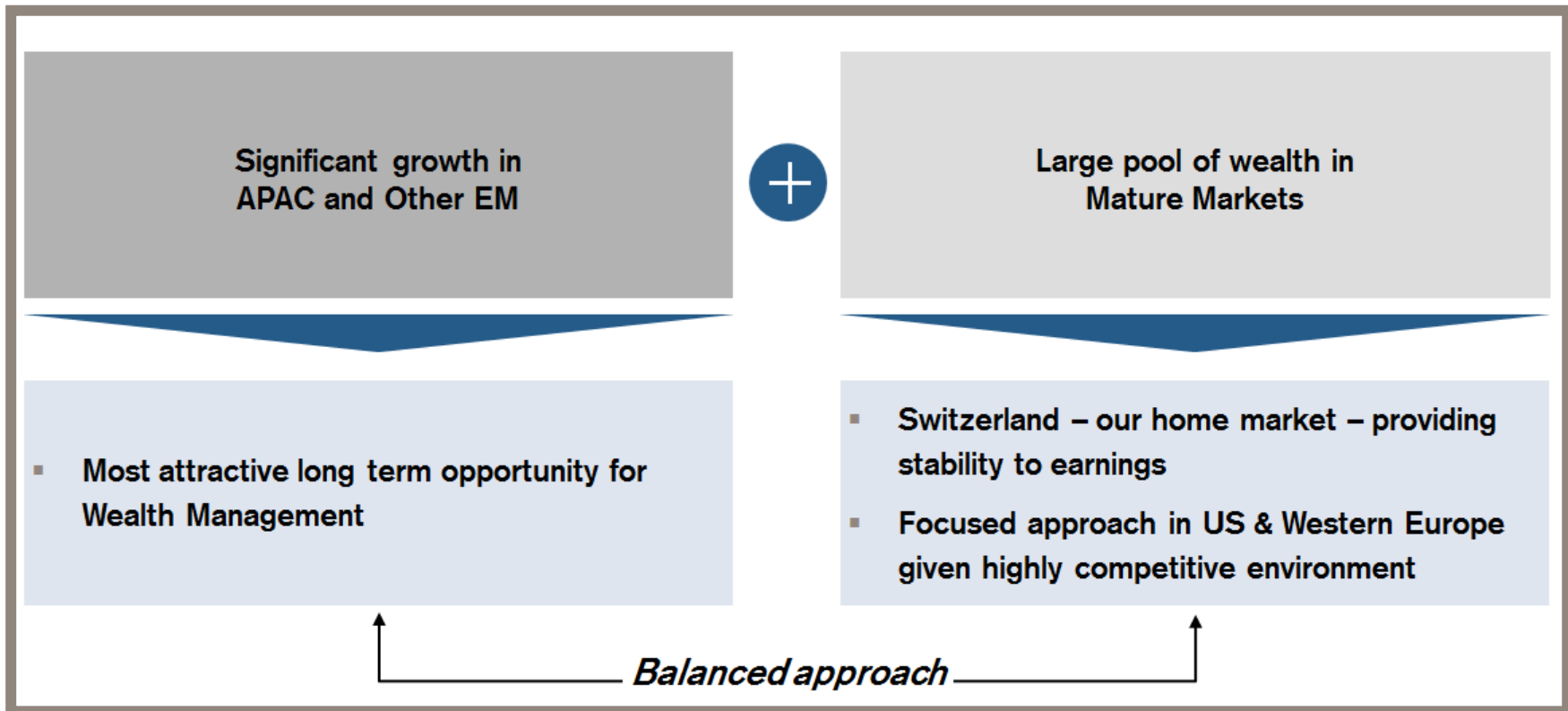
# On track for delivery of 2016 cost targets



\* See Appendix.

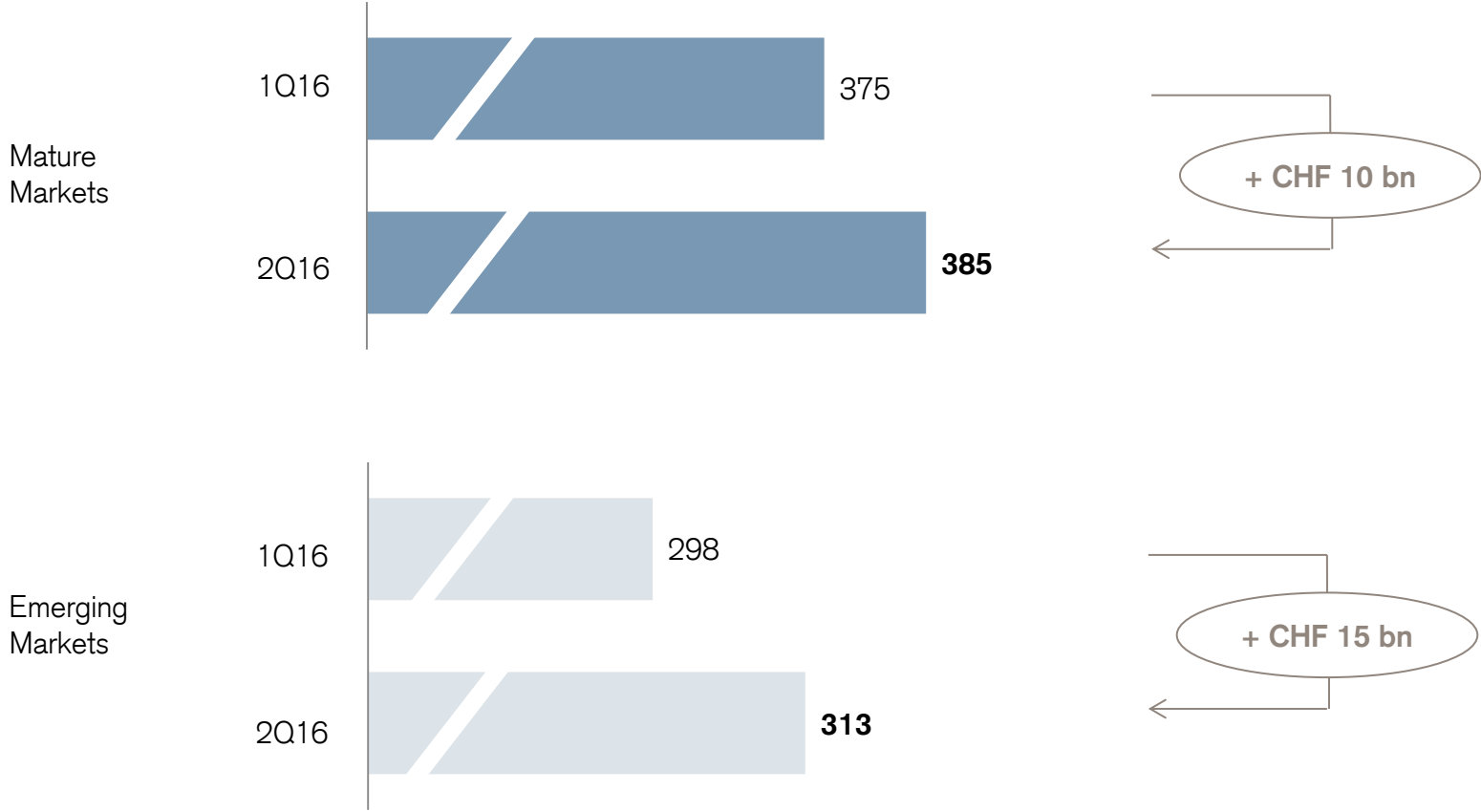
# The Wealth Management opportunity for Credit Suisse

As per Investor Day October 21, 2015



# Balanced approach to growth

Assets under Management<sup>1</sup> in CHF bn

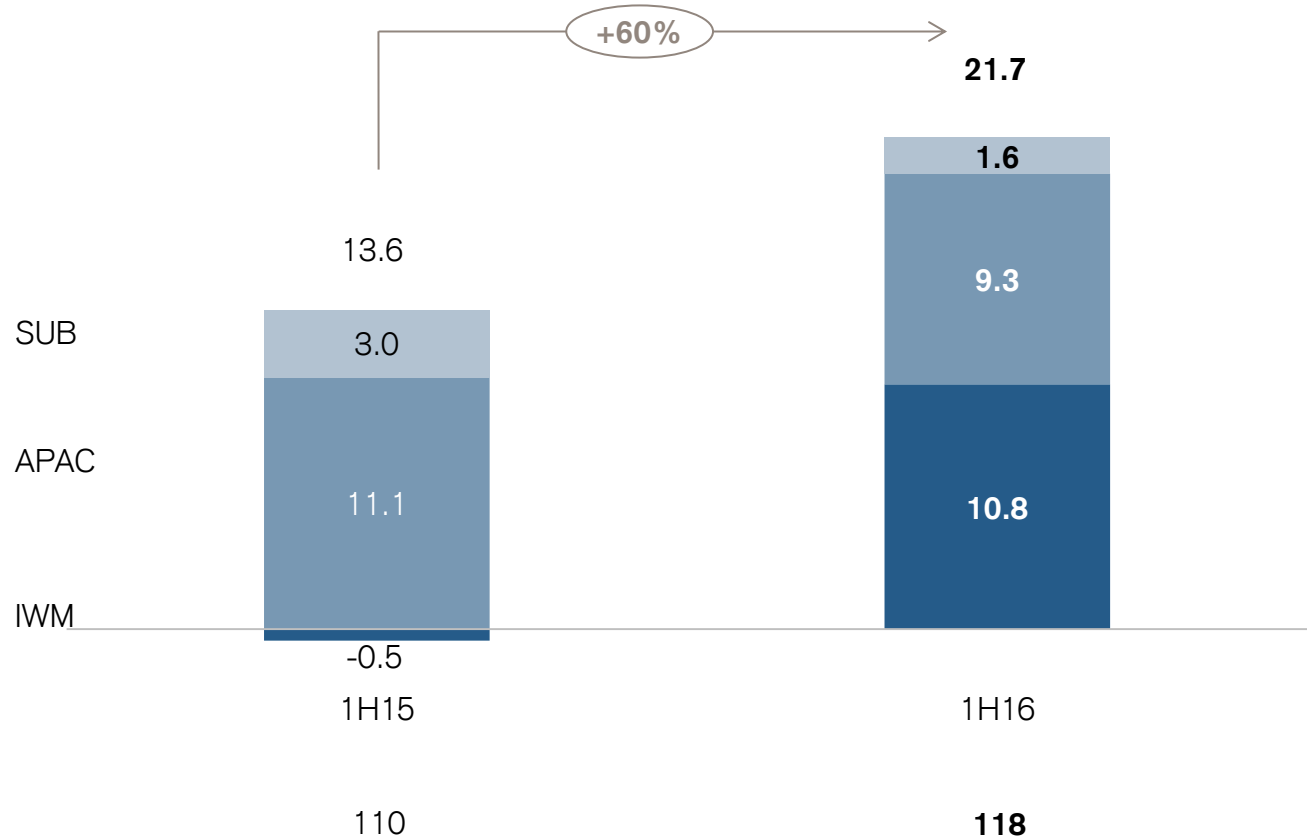


<sup>1</sup> Relating to Wealth Management in SUB, IWM and APAC.



# Wealth Management – attracting more net new assets

**Net new assets -  
 Wealth Management<sup>1</sup>**  
 in CHF bn



**Adjusted Gross Margin<sup>2</sup>**  
 in bps

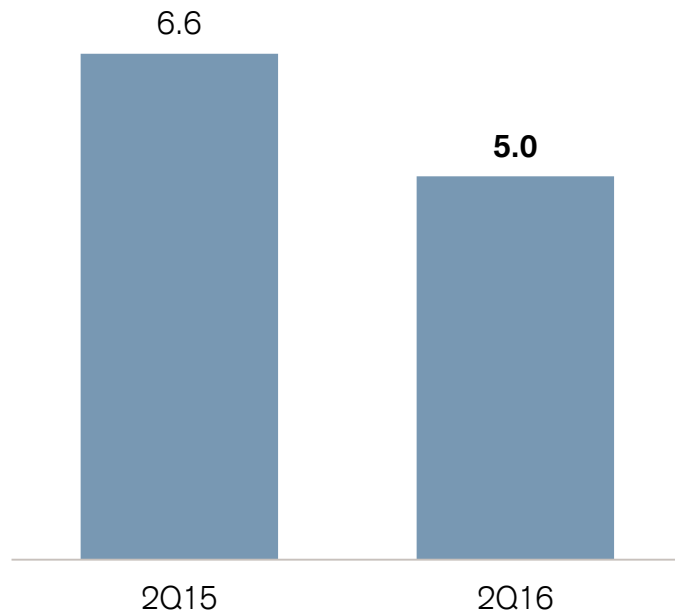
Note: Adjusted results are non-GAAP financial measures. Where identified, certain figures have also been adjusted to exclude Swisscard net revenues and operating expenses for 1H15 in SUB Wealth Management. A reconciliation to reported results, including a presentation of the impact of the deconsolidation of Swisscard, is included in the Appendix.

<sup>1</sup> Relating to Wealth Management in SUB, IWM and APAC.

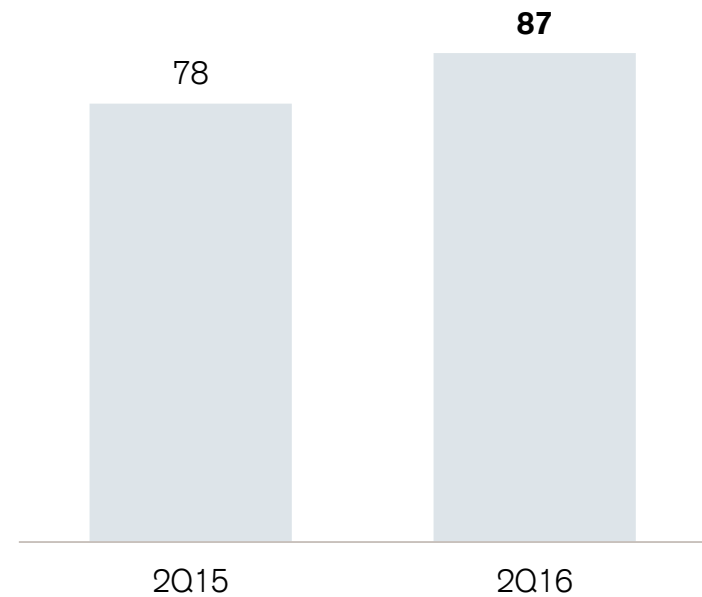
<sup>2</sup> Adjusted to exclude Swisscard net revenues of CHF 148 mn for 1H15 in SUB Wealth Management.

# APAC – profitable growth

Net new assets in CHF bn



Adjusted gross margin in bps



Adjusted return  
on regulatory capital<sup>†</sup>

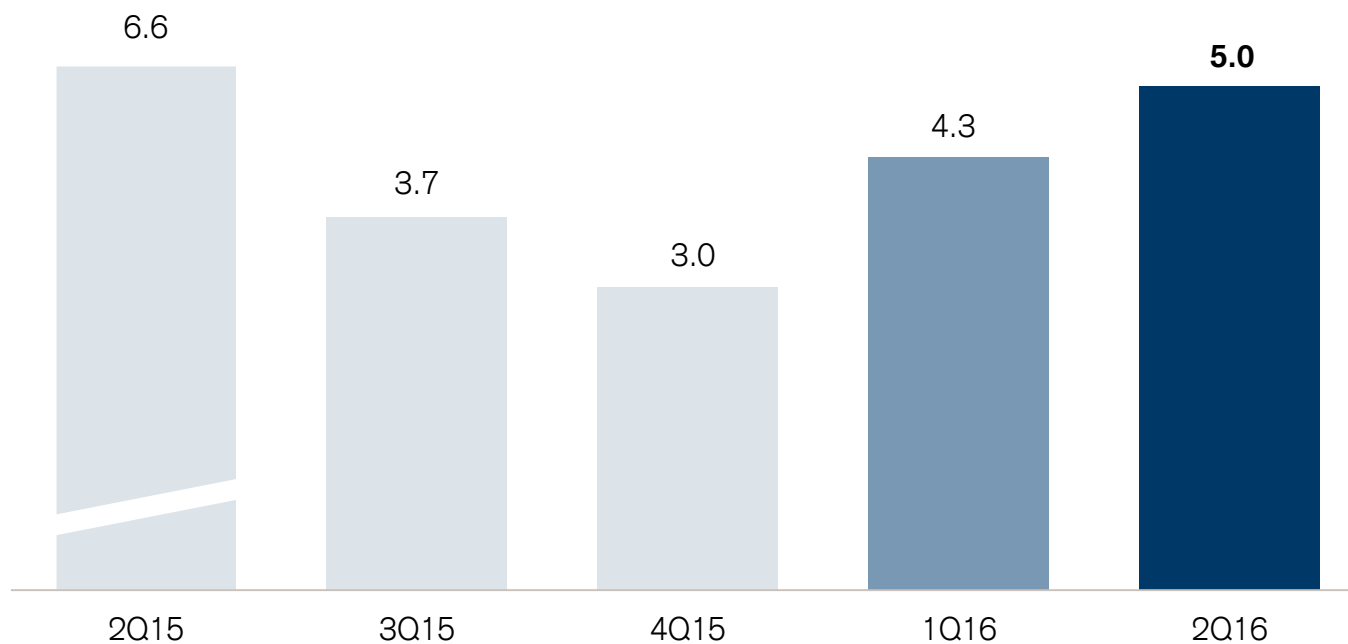
**16%**

Note: Adjusted results are non-GAAP financial measures. A reconciliation to reported results is included in the Appendix.

† See Appendix.

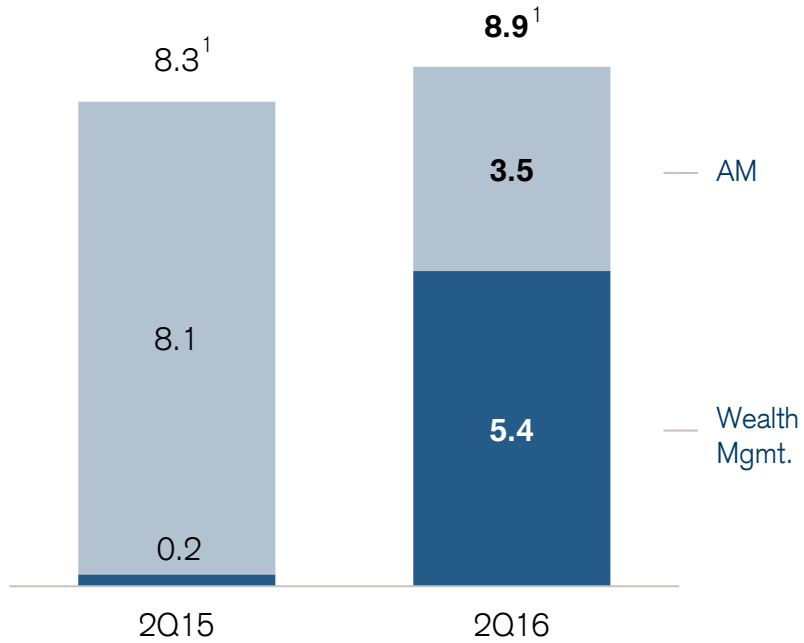
# APAC – attracting flows in a challenging market

Net new assets -  
APAC Wealth  
Management  
in CHF bn

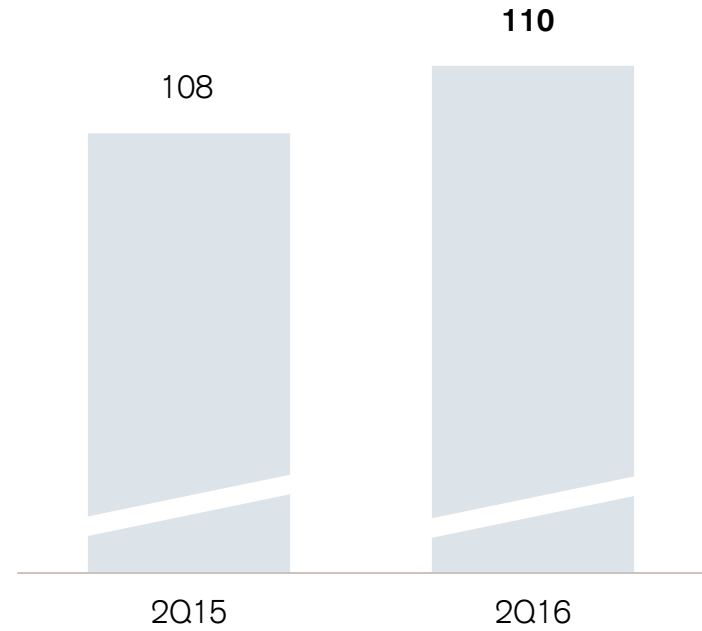


# IWM – strong performance

Net new assets in CHF bn



Adjusted gross margin<sup>2</sup> in bps



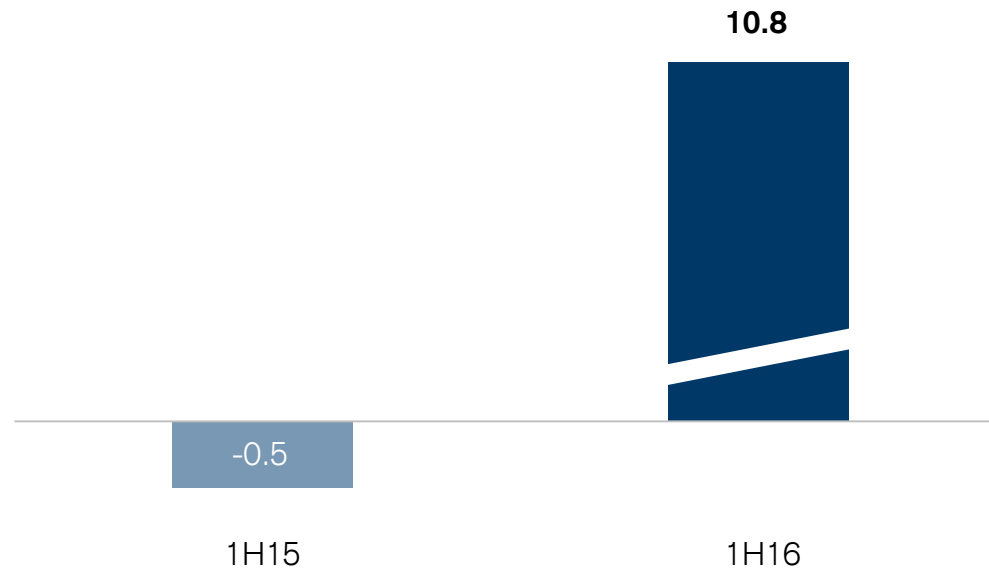
Adjusted return on regulatory capital<sup>†</sup>

**22%**

Note: Adjusted results are non-GAAP financial measures. A reconciliation to reported results is included in the Appendix.  
 1 Not adjusted for assets managed by Asset Management within IWM for other businesses.  
 2 Relating to IWM Wealth Management.  
 † See Appendix.

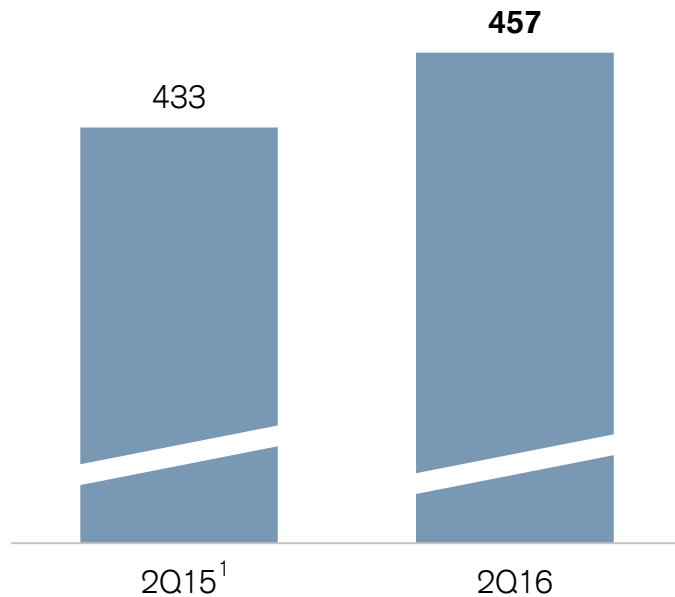
# IWM – from outflows to inflows

Net new assets - IWM  
Wealth Management  
in CHF bn

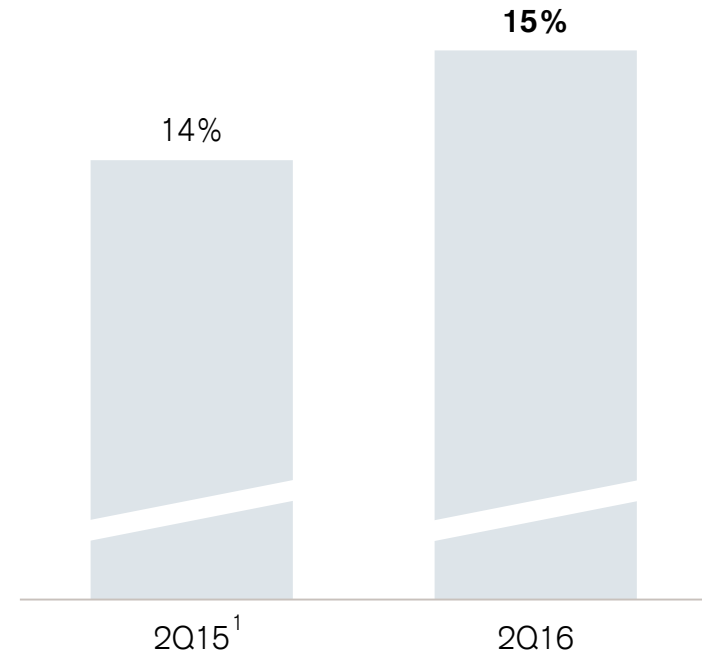


# Swiss Universal Bank – delivering profitable growth

Adjusted pre-tax income in CHF mn



Adjusted return on regulatory capital<sup>†</sup>



Note: Adjusted results are non-GAAP financial measures. Where identified, certain figures have also been adjusted to exclude Swisscard net revenues and operating expenses for 2Q15 in SUB Wealth Management. A reconciliation to reported results, including a presentation of the impact of the deconsolidation of Swisscard, is included in the Appendix.

<sup>1</sup> The Swisscard deconsolidation impact of CHF 12 mn has been excluded.

<sup>†</sup> See Appendix.

# IBCM – increasing share of wallet with clients

## Share of wallet

	1H15	1H16	
M&A <sup>1</sup>	2.8%	<b>4.3%</b>	↑
ECM Americas	5.9%	<b>6.7%</b>	↑
Leveraged Finance Americas	6.9%	<b>6.7%</b>	→
M&A Emerging Markets <sup>2</sup>	4.3%	<b>5.8%</b>	↑

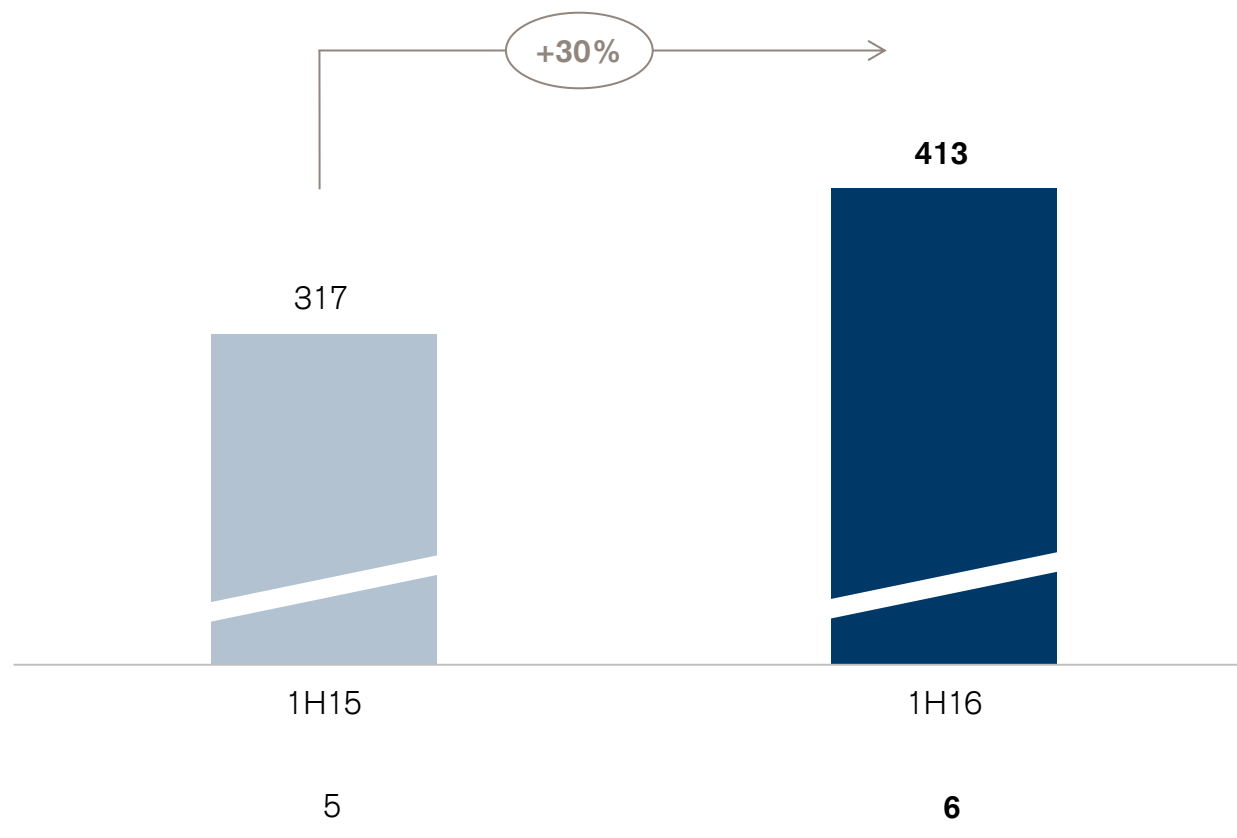
Source: Dealogic for the six months ending June 30, 2016 (as of July 6, 2016).

<sup>1</sup> Includes Americas and EMEA fees only.

<sup>2</sup> Includes emerging countries in APAC (excluding Japan), EMEA and Latin America.

# IBCM – profitable with strong pipeline in M&A

**Advisory net revenues**  
in USD mn

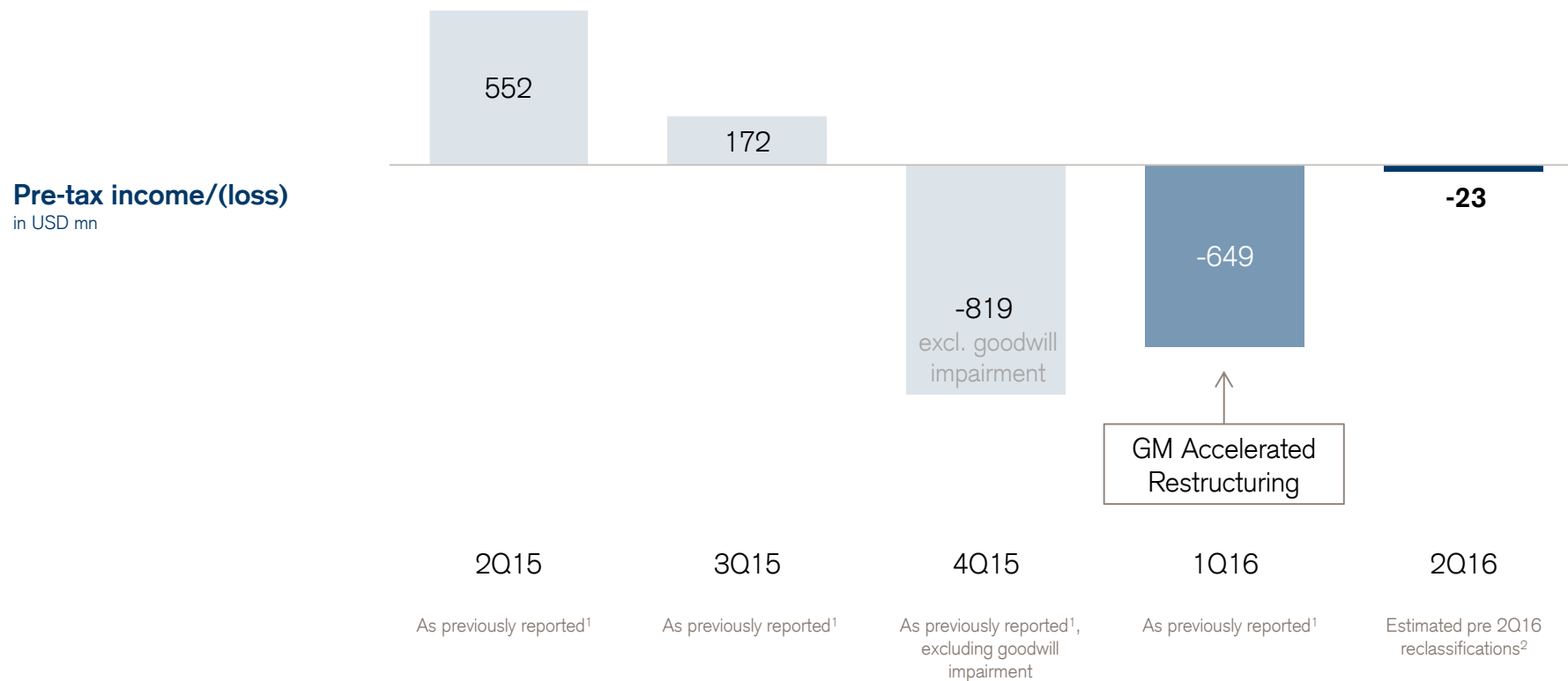


**Number of large M&A deals**  
(USD10bn+) in announced pipeline



# Global Markets – making progress

(On a pre 2Q16 reclassifications basis)



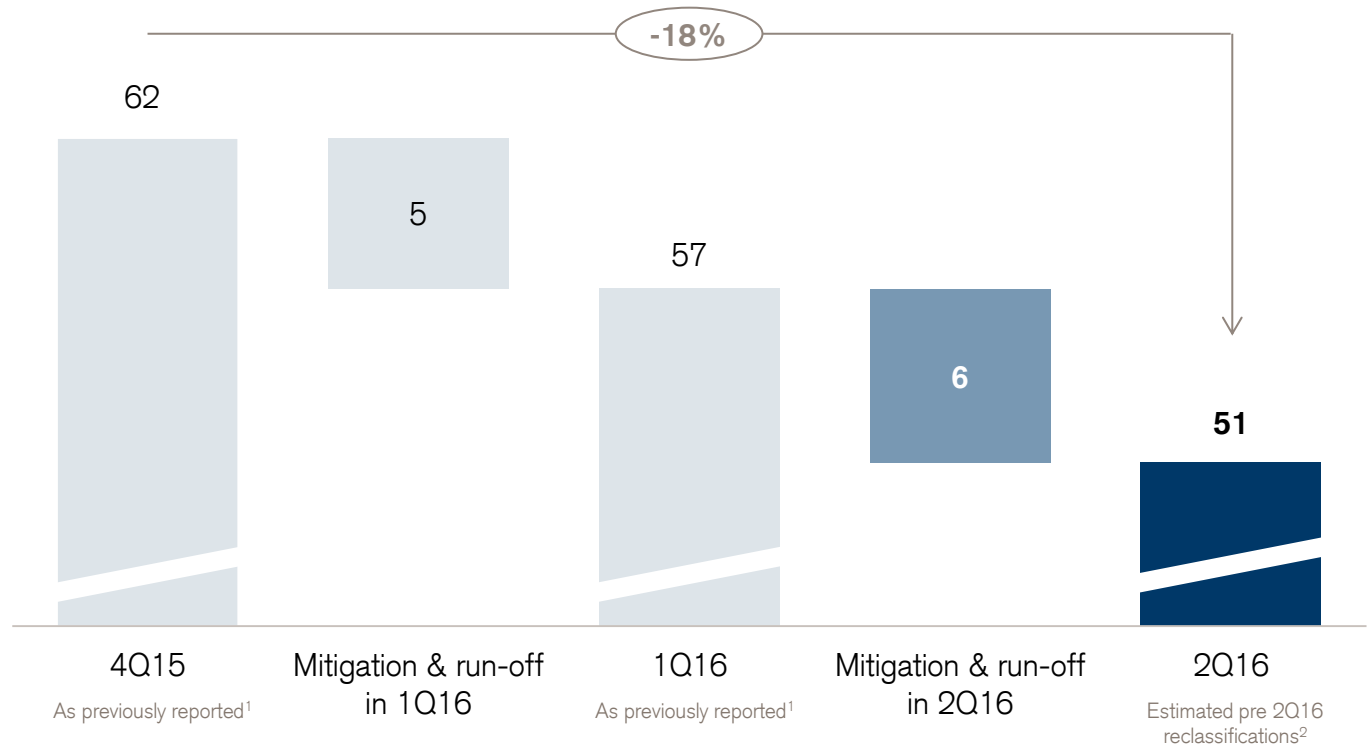
<sup>1</sup> Previously reported figures represent financials as published in original financial reports for the historical quarters, which differ from figures in 2Q16 financial report as they are on post 2Q16 reclassifications basis.

<sup>2</sup> Illustrative estimates of what GM's results would have been for the periods presented had the reclassifications effected in 2Q16, including those related to GMAR and the recalibration of funding and corporate function cost allocations, not been effected.

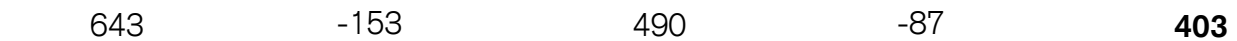
# Continued reduction of legacy business, cost and capital in the SRU

(On a pre 2Q16 reclassifications basis)

**SRU RWA**  
 in USD bn



**Adjusted total operating expenses**  
 in USD bn



<sup>1</sup> Previously reported figures represent financials as published in original financial reports for the historical quarters, which differ from figures in 2Q16 financial report as they are on post 2Q16 reclassifications basis.

<sup>2</sup> Illustrative estimates of what SRU's results would have been for the periods presented had the reclassifications effected in 2Q16, including those related to GMAR and the recalibration of funding and corporate function cost allocations, not been effected.

# Capital position improved – “look-through” CET1 ratio at 11.8%

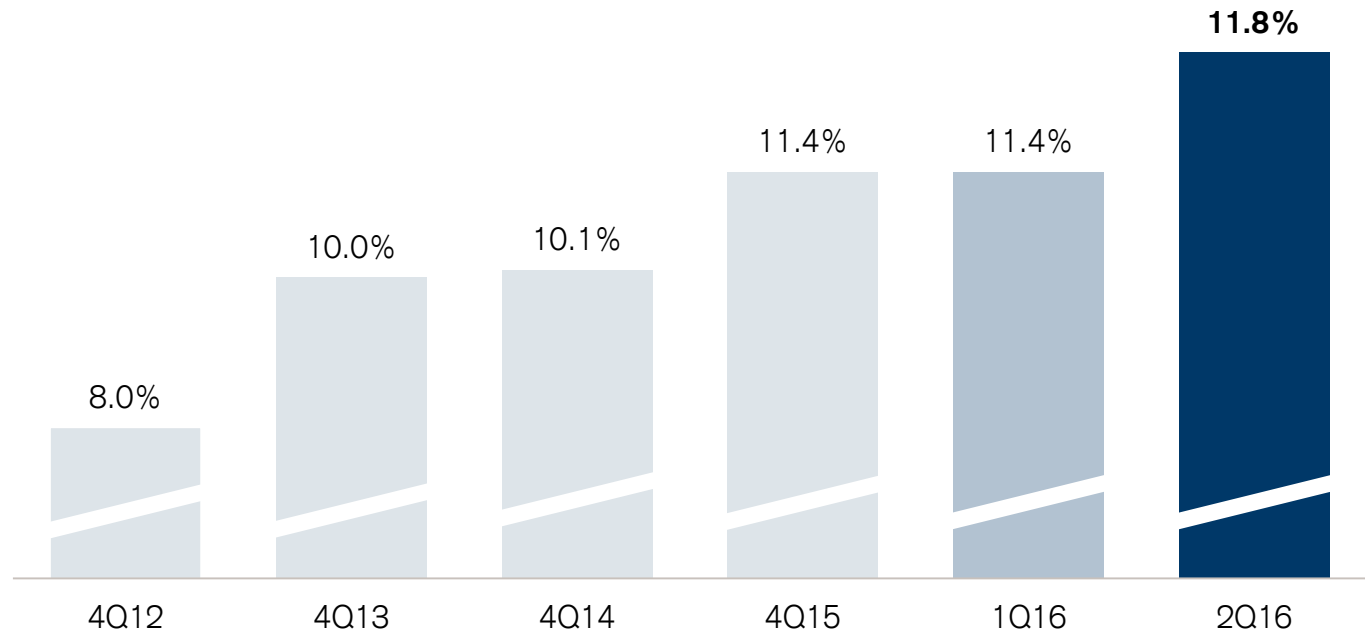
Execution

Profitable growth

Capital

Detailed Financials

Basel III CET1 capital ratio



Note: All values shown as of the end of the respective period and on a “look-through” basis.

# Summary

Execution

Profitable growth

Capital

Detailed Financials

- **Disciplined execution**
- **Continued focus on profitable growth**
- **Improved capital position**

## Detailed Financials

# Results overview

Execution

Profitable growth

Capital

Detailed Financials

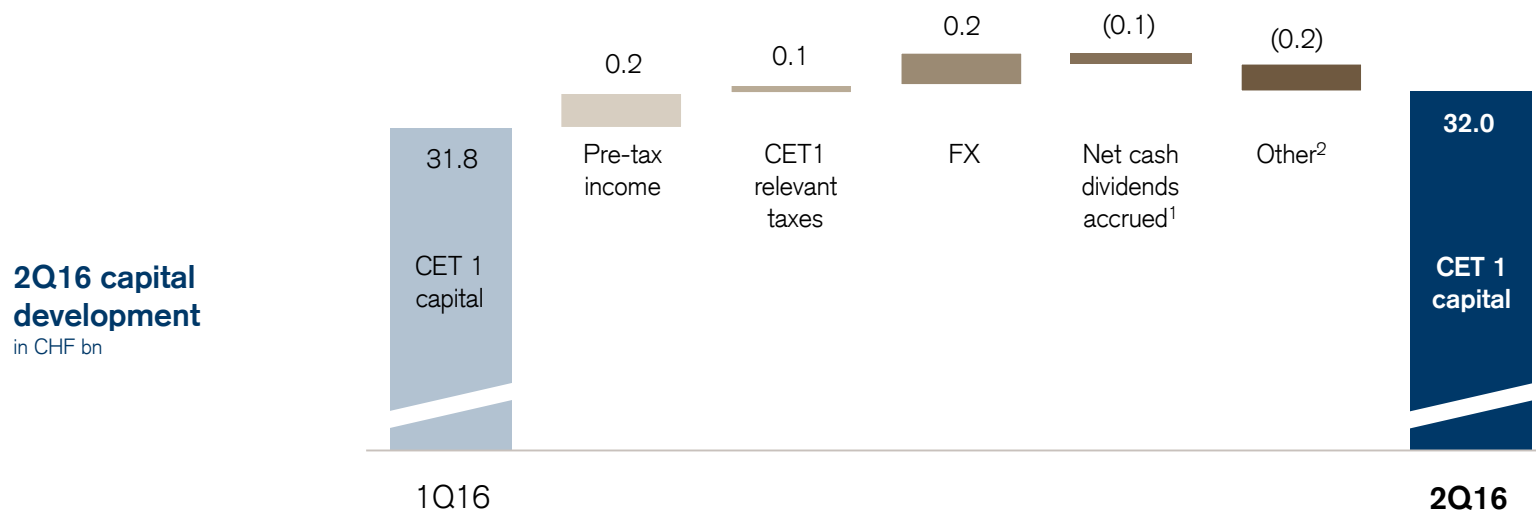
Credit Suisse Group results	2Q16	1Q16	2Q15	1H16	1H15
Net revenues	5,108	4,638	6,955	9,746	13,602
Provision for credit losses	(28)	150	51	122	81
Total operating expenses	4,937	4,972	5,248	9,909	10,354
Pre-tax income/(loss)	199	(484)	1,656	(285)	3,167
Fair value on own debt	-	-	228	-	372
Real estate gains	-	-	23	-	23
(Gains)/losses on business sales	-	56	-	56	-
Goodwill impairment	-	-	-	-	-
Restructuring expenses	91	255	-	346	-
Major litigation expenses	-	-	63	-	53
<b>Adjusted</b>					
<b>Net revenues</b>	<b>5,108</b>	<b>4,694</b>	<b>6,704</b>	<b>9,802</b>	<b>13,207</b>
<b>Provision for credit losses</b>	<b>(28)</b>	<b>150</b>	<b>51</b>	<b>122</b>	<b>81</b>
<b>Total operating expenses</b>	<b>4,846</b>	<b>4,717</b>	<b>5,185</b>	<b>9,563</b>	<b>10,301</b>
<b>Pre-tax income/(loss)</b>	<b>290</b>	<b>(173)</b>	<b>1,468</b>	<b>117</b>	<b>2,825</b>
<b>Net income/(loss) attributable to shareholders</b>	<b>170</b>	<b>(302)</b>	<b>1,051</b>	<b>(132)</b>	<b>2,105</b>
<b>Diluted Earnings/(loss) per share</b> in CHF	<b>0.08</b>	<b>(0.15)</b>	<b>0.59</b>	<b>(0.07)</b>	<b>1.20</b>
<b>Return on Tangible Equity<sup>1</sup></b>	<b>1.7%</b>	<b>n/m</b>	<b>12.5%</b>	<b>n/m</b>	<b>12.5%</b>

Note: All values shown are in CHF mn unless otherwise specified. Adjusted results are non-GAAP financial measures. A reconciliation to reported results is included in the Appendix.

<sup>1</sup> Based on tangible shareholders' equity attributable to shareholders, a non-GAAP financial measure, which is calculated by deducting goodwill and other intangible assets from total shareholders' equity attributable to shareholders as presented in our balance sheet. Management believes that the return on tangible shareholders' equity attributable to shareholders is meaningful as it allows consistent measurement of the performance of businesses without regard to whether the businesses were acquired.

# CET1 ratio increased to 11.8% driven by RWA reduction of CHF 9 bn

<b>CET1 ratio</b>	11.4%	<b>11.8%</b>
<b>CET1 leverage ratio</b>	3.3%	<b>3.3%</b>



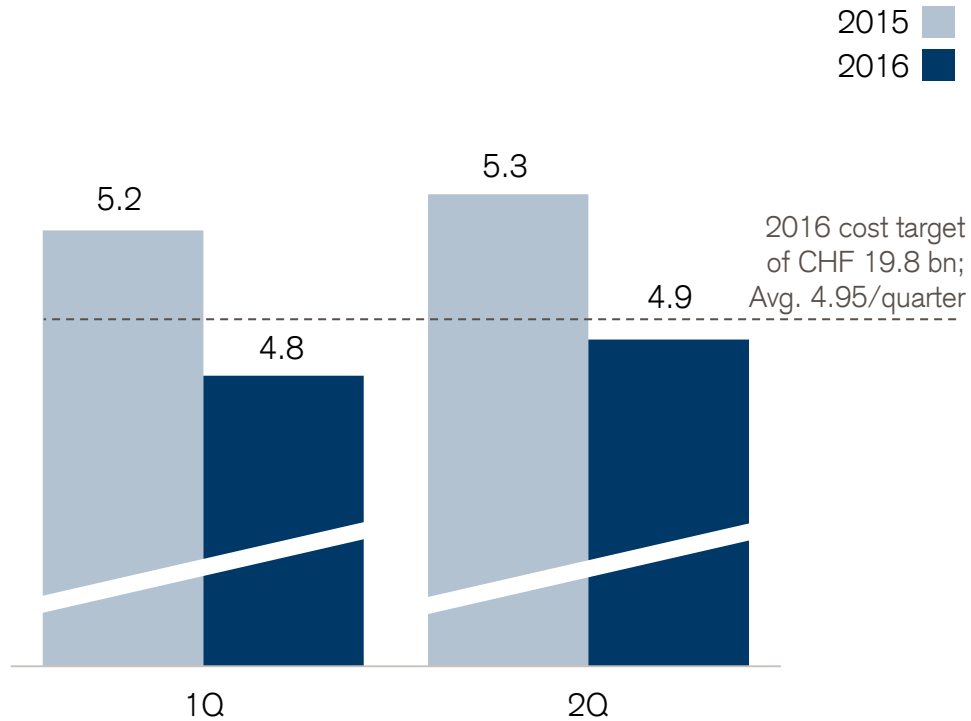
<b>Risk-weighted assets</b> (CHF bn)	280	<b>271</b>
<b>Leverage exposure</b>	970	<b>967</b>

Note: All values shown as of the end of the respective period and on a "look-through" basis.

<sup>1</sup> 'Net cash dividends accrued' represents the cash component of a dividend accrual based on the assumption that 60% of the dividend is distributed in shares, the recognition of the prior period cash dividend payment, partially offset by the release of the prior year cash dividend accrual, and related threshold impacts for deferred tax assets. <sup>2</sup> 'Other' includes the net effect of share-based compensation of CHF (0.8) bn, partially offset by common share issuances of CHF 0.7 bn, of which CHF 0.4 bn relates to issuances for settlement of share based compensation.

# On track for full year 2016 costs to be at or below target of CHF 19.8 bn

## Adjusted operating expenses at constant FX rates\* in CHF bn



## Key messages

- 1Q16 benefited from
  - lower deferred compensation expenses
  - seasonally low expenses
  - initial results of cost program
- 2Q16 was driven by
  - lower deferred compensation, albeit to a lesser extent than in 1Q16
  - further net headcount reductions of 580 FTEs from 1Q16 as part of the cost program in 2Q16
- Committed to delivering 2016 cost target
  - supported by planned net reductions of employee, consultant and contractor headcount in 2H16 to reach 6,000 total headcount net reduction in 2016
  - continue to benefit from roll-off of salary costs from 1H16

\* See Appendix.



### Adjusted key financials in CHF mn

	2Q16	1Q16	2Q15	Δ 1Q16	Δ 2Q15
Private Banking	840	846	933	(1)%	(10)%
Corp. & Inst. Banking	497	510	506	(3)%	(2)%
Net revenues	1,337	1,356	1,439	(1)%	(7)%
Provision for credit losses	9	6	33		
Total operating expenses	871	878	961	(1)%	(9)%
<b>Pre-tax income</b>	<b>457</b>	<b>472</b>	<b>445</b>	<b>(3)%</b>	<b>+3%</b>
<b>Pre-tax income ex Swisscard</b>	<b>457</b>	<b>472</b>	<b>433</b>	<b>(3)%</b>	<b>+6%</b>
<b>Cost/income ratio</b>	<b>65%</b>	<b>65%</b>	<b>67%</b>		
<b>Return on regulatory capital†</b>	<b>15%</b>	<b>16%</b>	<b>14%</b>		

### Key metrics in CHF bn

	2Q16	1Q16	2Q15	Δ 1Q16	Δ 2Q15
Adj. net margin in bps	42	40	37	+2	+5
Net new assets	0.9	0.7	1.5		
Mandates penetration	28%	27%	22%		
Net loans	165	163	163	+1%	+1%
Net new assets C&IB	0.7	2.3	(1.6)		
Risk-weighted assets	65	64	58	-	+11%
Leverage exposure	245	242	244	+1%	-

### Key messages

- Adjusted pre-tax income up 6% compared to 2Q15 excluding Swisscard:
  - Revenues down 2% from lower client activity
  - Recurring commissions and fees up 3%, supported by *Credit Suisse Invest*
  - Operating expenses down 3%

### Wealth Management

- *Credit Suisse Invest* driving mandates penetration of 28%, an increase of 6 percentage points vs. 2Q15
- Continued inflows with strong gross margin at 140 bps

### Corporate & Institutional Banking

- Continued resilient results in Corporate & Institutional Banking including credit provisions at low levels
- Good IB momentum in Switzerland reflected in a strong increase in fees vs. 1Q16

Note: Adjusted results are non-GAAP financial measures. Where identified, certain figures have also been adjusted to exclude Swisscard net revenues and operating expenses for 2Q15 in SUB PB. A reconciliation to reported results, including a presentation of the impact of the deconsolidation of Swisscard, is included in the Appendix. † See Appendix.

# International Wealth Management

Resilient performance despite reduced client activity

## Adjusted key financials in CHF mn

	2Q16	1Q16	2Q15	Δ 1Q16	Δ 2Q15
Private Banking	811	853	830	(5)%	(2)%
Asset Management	334	320	335	+4%	-
Net revenues	1,145	1,173	1,165	(2)%	(2)%
Provision for credit losses	16	(2)	(1)		
Total operating expenses	869	867	894	-	(3)%
<b>Pre-tax income</b>	<b>260</b>	<b>308</b>	<b>272</b>	<b>(16)%</b>	<b>(4)%</b>
<b>Cost/income ratio</b>	<b>76%</b>	<b>74%</b>	<b>77%</b>		
<b>Return on regulatory capital†</b>	<b>22%</b>	<b>26%</b>	<b>23%</b>		

## Key metrics in CHF bn

	2Q16	1Q16	2Q15	Δ 1Q16	Δ 2Q15
Adj. net margin in bps	27	34	28	(7)	(1)
Net new assets	5.4	5.4	0.2		
Mandates penetration	29%	30%	28%		
Number of RM	1,170	1,170	1,180	-	(10)
Net loans	43	40	39	+7%	+11%
Net new assets AM	3.5	1.5	8.1		
Risk-weighted assets	34	33	32	+2%	+7%
Leverage exposure	95	91	92	+5%	+4%

## Key messages

- Resilient pre-tax income in a challenging market environment
- Continued net new asset inflows across businesses and geographies

### Wealth Management

- Strong net interest income vs. 2Q15 reflecting higher loan volumes (incl. net new lending of CHF 3.3 bn in 2Q16) and higher margins
- Reduced transactional revenues amid subdued client activity and lower recurring revenues mostly reflecting lower AuM vs. 2Q15
- Strong NNA of CHF 5.4 bn (CHF 10.8 bn in 1H16 at 7% annualized growth rate); with inflows across Emerging Markets (9% growth) and Europe (8% growth); gross margin of 110 bps vs. 108 bps in 2Q15
- RM hiring activity up ~40% from 1H15 (new RM mostly offset by managed reductions)

### Asset Management

- YoY growth in recurring management fees at slightly higher margin; increase in performance & placement fees offset by lower investment & partnership income; 2Q16 includes investment gain from AMF
- Stable pre-tax income vs. 2Q15, reflecting stable revenues and expenses
- Net new assets of CHF 3.5 bn with an attractive product margin mix, including CHF 3 bn from the successful launch of a new fund

Note: Adjusted results are non-GAAP financial measures. A reconciliation to reported results is included in the Appendix. † See Appendix.

# Asia Pacific

## Strong client activity and continued investment in Private Banking growth

Execution

Profitable growth

Capital

Detailed Financials

### Adjusted key financials in CHF mn

	2Q16	1Q16	2Q15	Δ 1Q16	Δ 2Q15
Private Banking	337	319	307	+6%	+10%
Investment Banking	574	588	733	(2)%	(22)%
Net revenues	911	907	1,040	-	(12)%
Provision for credit losses	3	(22)	11		
Total operating expenses	692	664	662	+4%	+5%
<b>Pre-tax income</b>	<b>216</b>	<b>265</b>	<b>367</b>	<b>(18)%</b>	<b>(41)%</b>
<b>Cost/income ratio</b>	<b>76%</b>	<b>73%</b>	<b>64%</b>		
<b>Return on regulatory capital<sup>†</sup></b>	<b>16%</b>	<b>21%</b>	<b>26%</b>		

### Key metrics in CHF bn

	2Q16	1Q16	2Q15	Δ 1Q16	Δ 2Q15
Adj. net margin in bps	23	32	30	(9)	(7)
Net new assets	5.0	4.3	6.6		
Number of RM	650	620	550	+30	+100
Net loans	38	35	34	+7%	+12%
Risk-weighted assets	32	28	25	+14%	+24%
Leverage exposure	108	104	108	+4%	-

### Key messages

- Resilient 2Q16 adjusted pre-tax income and solid 16% return on regulatory capital<sup>†</sup> despite challenging markets
- Operating expenses increase from impact of client coverage joiners in Private Banking and investments in risk management and compliance and controls infrastructure to meet strategic growth and regulatory requirements

### Wealth Management

- Significant YoY growth in Wealth Management revenues to CHF 337 mn, supported by net new inflows of CHF 9.3 bn in 1H16 and record reported AuM of CHF 158 bn
- Gross margin in 2Q16 of 87 bps from higher YoY recurring revenues and net interest income reflecting higher loan volumes and higher margins
- Continued RM onboarding and upgrading with an additional 100 net hires since a year ago

### Investment Banking

- YoY revenue growth in Underwriting & Advisory and Financing activities driven by significant new mandates and the strategic focus on Entrepreneur clients reflecting the integrated approach
- In sales and trading, YoY revenue growth in Fixed Income offset by lower performance in Equities, reflecting weaker markets

Note: Adjusted results are non-GAAP financial measures. A reconciliation to reported results is included in the Appendix. † See Appendix.

# Investment Banking & Capital Markets

Increased PTI reflects improved market share & recovery in debt underwriting activity

## Adjusted key financials in USD mn

	2Q16	1Q16	2Q15	Δ 1Q16	Δ 2Q15
Gross revenues <sup>1</sup>	589	456	604	+29%	(2)%
Net revenues	558	395	605	+41%	(8)%
Provision for credit losses	-	30	-		
Total operating expenses	426	397	451	+7%	(6)%
<b>Pre-tax income/(loss)</b>	<b>132</b>	<b>(32)</b>	<b>154</b>	<b>n/m</b>	<b>(14)%</b>
<b>Cost/income ratio</b>	<b>76%</b>	<b>101%</b>	<b>74%</b>		
<b>Return on regulatory capital<sup>†</sup></b>	<b>21%</b>	<b>n/m</b>	<b>32%</b>		

## Key metrics in USD bn

	2Q16	1Q16	2Q15	Δ 1Q16	Δ 2Q15
Risk-weighted assets	17	18	15	(4)%	+17%
Leverage exposure	45	46	37	(3)%	+23%

## Key messages

- Results driven by continued progress against IBCM's strategy, with share of wallet gains across key products leading to strong 1H16 market positions
  - Continued pivot towards M&A and ECM
  - Top 5 rank<sup>2</sup> in each of M&A, ECM and Americas Leveraged Finance
  - 1H16 share of wallet gains versus 2015 with investment grade corporates in the Americas
- Gross revenues<sup>1</sup> down 2% year-on-year compared to a 15% decline in Street fees<sup>2</sup>
- Total operating expenses down YoY on lower compensation expenses
- Increased adjusted pre-tax income, up USD 164 mn vs. 1Q16, driven by a rebound in capital markets issuances and supported by senior hires in Americas
- Adjusted return on regulatory capital<sup>†</sup> of 21% in a quarter marked by subdued client activity

Note: Adjusted results are non-GAAP financial measures. A reconciliation to reported results is included in the Appendix.

<sup>1</sup> Gross revenues from advisory, debt and equity underwriting, net of JV transfers to other divisions. <sup>2</sup> Source: Dealogic; includes Americas and EMEA only. <sup>†</sup> See Appendix.

# Global Markets

## Stabilization of core franchise highlights progress on right-sizing business

Execution

Profitable growth

Capital

Detailed Financials

### Adjusted key financials in USD mn

	2016	1Q16	2Q15	Δ 1Q16	Δ 2Q15
Equities <sup>1</sup>	550	540	633	+2%	(13)%
Credit <sup>1</sup>	758	395	985	+92%	(23)%
Solutions <sup>1</sup>	423	343	466	+23%	(9)%
Other	(60)	(26)	(31)		
Net revenues	1,671	1,252	2,052	+33%	(19)%
Provision for credit losses	(17)	22	(4)		
Total operating expenses <sup>2</sup>	1,480	1,328	1,584	+11%	(7)%
<b>Pre-tax income/(loss)</b>	<b>208</b>	<b>(98)</b>	<b>473</b>	<b>n/m</b>	<b>(56)%</b>
<b>Cost/income ratio</b>	<b>89%</b>	<b>106%</b>	<b>77%</b>		
<b>Return on regulatory capital<sup>†</sup></b>	<b>6%</b>	<b>n/m</b>	<b>10%</b>		

### Key messages

- Rebound in client activity vs. 1Q16 across Credit, Equities and Solutions; lower revenues vs. 2Q15 due to significant reduction in capital usage
- Operating within 2016-2018 RWA and leverage exposure ceilings
- Substantially reduced risk exposure through portfolio sales, strategic hedges and inventory reductions; achieved target of reducing expected quarterly pre-tax loss by 50% in adverse stressed scenario

### Key metrics in USD bn

	2016	1Q16	2Q15	Δ 1Q16	Δ 2Q15
Risk-weighted assets	52	59	65	(12)%	(20)%
Leverage exposure	286	292	356	(2)%	(19)%

Note: Adjusted results are non-GAAP financial measures. A reconciliation to reported results is included in the Appendix.

<sup>1</sup> The restructured business model operates under three franchises generating revenues from trading and underwriting: Credit, Equities and Solutions. Credit comprises yield businesses, including global credit products, leveraged finance and investment grade underwriting and securitized products. Equities includes cash equities, prime services, systematic market making and equity underwriting. Solutions combines structured lending and derivatives capabilities across equity derivatives, global macro products and emerging markets. <sup>2</sup> Does not include restructuring expenses of USD 52 mn in 2Q16 and USD 102 mn in 1Q16. <sup>†</sup> See Appendix.

# Strategic Resolution Unit

Further progress in winding down RWA, leverage exposure and costs

## Key financials in USD mn

	2Q16	1Q16	2Q15	Δ 1Q16	Δ 2Q15	
Adjusted	Net revenues	(371)	(541)	437	+31%	n/m
	Provision for credit losses	(38)	119	13		
	Total operating expenses	424	521	680	(19)%	(38)%
	<b>Pre-tax loss</b>	<b>(757)</b>	<b>(1,181)</b>	<b>(256)</b>		
<i>Gains on business sales</i>	-	(4)	-			
<i>Restructuring expenses</i>	21	80	-			
<i>Major litigation expenses</i>	-	-	9			
<b>Pre-tax loss reported</b>	<b>(778)</b>	<b>(1,266)</b>	<b>(266)</b>			

## Key metrics in USD bn

	2Q16	1Q16	2Q15	Δ 1Q16	Δ 2Q15
Risk-weighted assets	58	67	77	(13)%	(25)%
RWA excl. operational risk	38	47	57	(18)%	(33)%
Leverage exposure	148	167	203	(12)%	(27)%

## Key messages

- Continued to deliver significant progress in reducing RWA, leverage exposure, and operating expenses
- Adjusted pre-tax income improved by USD 424 mn vs. 1Q16:
  - Reduced revenue losses and a net release of credit provisions compared to 1Q16
  - Continued reduction in operating expenses benefiting from the transition out of the US private banking business, substantially completed by end-2Q16
- RWA and leverage exposure reductions of USD 9 bn and USD 19 bn, respectively, were achieved across a wide range of transactions, most notably:
  - Executed sale agreement on entire portfolio of credit derivative trades (approx. 54,000 trades)
  - Sale of majority of cash credit assets during the quarter
  - Unwinds, novations, and compressions of derivatives across the legacy investment banking portfolio

Note: Adjusted results are non-GAAP financial measures. A reconciliation to reported results is included in the Appendix.

# Key messages

## 1 Disciplined execution

- Continued comp and non-comp cost reduction, on track to deliver 2016 cost savings target
- Substantial de-risking across Global Markets by ~50% year to date<sup>1</sup>

## 2 Continued focus on profitable growth

- APAC, IWM and SUB with wealth management inflows of CHF 11.3 bn<sup>2</sup> of quality assets at stable margins
- Notable contribution in IBCM from financing and advisory franchises
- Global Markets improvements in profitability and business model

## 3 Improved capital position

- Continued progress in SRU with capital release of USD 6 bn RWA<sup>3</sup>
- “Look-through” CET1 ratio of 11.8%

<sup>1</sup> Achieved target of reducing expected quarterly pre-tax loss by 50% in adverse stressed scenario.

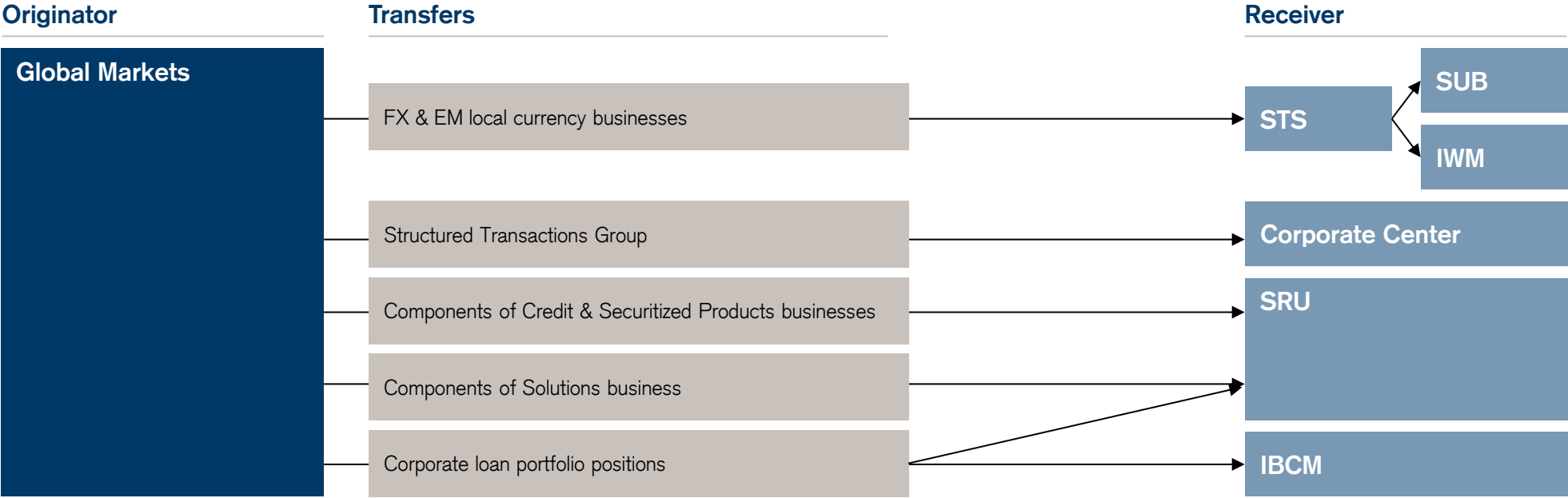
<sup>2</sup> Relating to Wealth Management in SUB, IWM and APAC.

<sup>3</sup> Illustrative estimates of what the divisions' results would have been for the periods presented had the reclassifications effected in 2Q16, including those related to GMAR and the recalibration of funding and corporate function cost allocations, not been effected.

# Appendix



# High-level overview of 2Q16 reclassifications



2Q16 all figures in USD

### Estimated pre 2Q16 reclassifications<sup>1</sup>

GM	
Pre-tax income	(23) mn
RWA	64 bn
Lev. exp.	348 bn

### Estimated impact of 2Q16 reclassifications<sup>1</sup> on receivers...

SRU	
PTI	(218) mn
RWA	7 bn
Lev. exp.	36 bn

Rest of CS	
PTI	39 mn
RWA	5 bn
Lev. exp.	26 bn

### 2Q16 as reported (post reclassifications)

GM	
Pre-tax income	156 mn
RWA	52 bn
Lev. exp.	286 bn

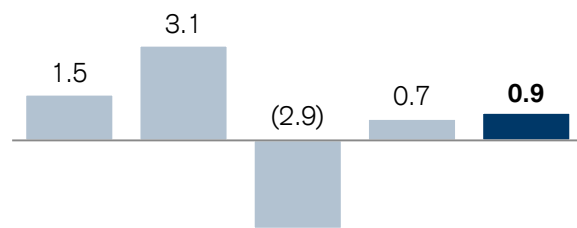
<sup>1</sup> Illustrative estimates of what the divisions' results would have been for the periods presented had the reclassifications effected in 2Q16, including those related to GMAR and the recalibration of funding and corporate function cost allocations, not been effected.



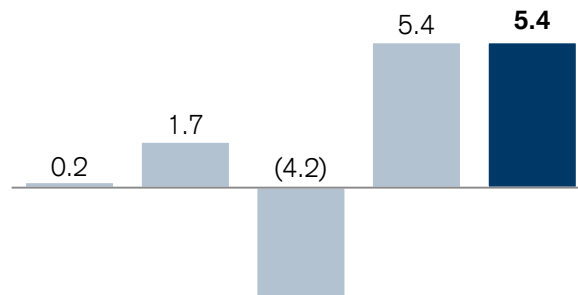
# Private Banking Businesses

## NNA generation with good margins

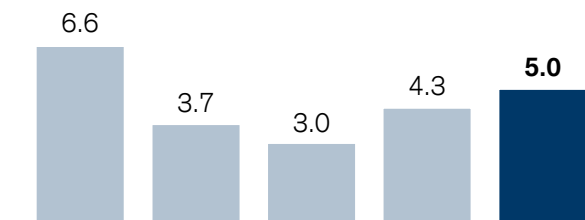
**SUB PB NNA** in CHF bn



**IWM PB NNA** in CHF bn



**APAC PB NNA** in CHF bn



2015 3Q15 4Q15 1Q16 **2Q16**

2015 3Q15 4Q15 1Q16 **2Q16**

2015 3Q15 4Q15 1Q16 **2Q16**

**Regularization outflows** included in NNA in CHF bn

(0.3) (0.3) (0.3) (0.4) **(0.3)**

(0.4) (0.3) (2.5) (1.0) **(1.0)**

0.1 (0.1) - (0.1) **(0.1)**

**NNA growth** (annualized)

2% 5% (5)% 1% **2%**

- 2% (6)% 8% **8%**

17% 9% 9% 11% **13%**

Adjusted **Gross margin**<sup>1</sup> in bps

134 141 145 142 **140**

108 106 108 119 **110**

78 84 72 86 **87**

Adjusted **Net margin**<sup>1</sup> in bps

35 34 23 40 **42**

28 28 26 34 **27**

30 19 15 32 **23**

Average AuM in CHF bn

256 243 243 238 **241**

308 295 295 287 **294**

157 144 151 148 **155**

Note: Adjusted results are non-GAAP financial measures. <sup>1</sup> Adjusted to exclude Swisscard net revenues and operating expenses for 2Q15 in SUB PB. A reconciliation to reported results, including a presentation of the impact of the deconsolidation of Swisscard, is included on slides 37, 40 and 41.

# Swiss Universal Bank

## Private Banking and Corporate & Institutional Banking

### Private Banking Adjusted key financials in CHF mn

	2Q16	1Q16	2Q15	Δ 1Q16	Δ 2Q15
Net interest income	441	460	447	(4)%	(1)%
Recurring commissions & fees	240	235	299	+2%	(19)%
Transaction- and perf.-based	159	149	187	+7%	(15)%
Other revenues	-	2	-		
Net revenues	840	846	933	(1)%	(10)%
Provision for credit losses	7	9	9		
Total operating expenses	579	597	690	(3)%	(16)%
<b>Pre-tax income</b>	<b>254</b>	<b>240</b>	<b>234</b>	<b>+7%</b>	<b>+8%</b>
<b>Pre-tax income ex Swisscard</b>	<b>254</b>	<b>240</b>	<b>222</b>	<b>+6%</b>	<b>+15%</b>
<b>Cost/income ratio</b>	<b>69%</b>	<b>71%</b>	<b>74%</b>		

### Key metrics in CHF bn

	2Q16	1Q16	2Q15	Δ 1Q16	Δ 2Q15
Adj. net margin in bps	42	40	37	+2	+5
Net new assets	0.9	0.7	1.5		
Assets under management	241	236	254	+2%	(5)%
Mandates penetration	28%	27%	22%		
Number of RM	1,530	1,560	1,580	(30)	(50)

### C&IB Adjusted key financials in CHF mn

	2Q16	1Q16	2Q15	Δ 1Q16	Δ 2Q15
Net interest income	242	272	238	(11)%	+2%
Recurring commissions & fees	123	109	113	+13%	+9%
Transaction- and perf.-based	146	139	162	+5%	(10)%
Other revenues	(14)	(10)	(7)		
Net revenues	497	510	506	(3)%	(2)%
Provision for credit losses	2	(3)	24		
Total operating expenses	292	281	271	+4%	+8%
<b>Pre-tax income</b>	<b>203</b>	<b>232</b>	<b>211</b>	<b>(13)%</b>	<b>(4)%</b>
<b>Cost/income ratio</b>	<b>59%</b>	<b>55%</b>	<b>54%</b>		

### Key metrics in CHF bn

	2Q16	1Q16	2Q15	Δ 1Q16	Δ 2Q15
Net new assets	0.7	2.3	(1.6)		
Assets under management	281	274	278	+3%	+1%
Number of RM	470	480	480	(10)	(10)

Note: Adjusted results are non-GAAP financial measures. Where identified, certain figures have also been adjusted to exclude Swisscard net revenues and operating expenses for 2Q15 in SUB PB. A reconciliation to reported results, including a presentation of the impact of the deconsolidation of Swisscard, is included on slides 37, 40 and 41.

# Swisscard deconsolidation impact

## Impact of the deconsolidation on the Swiss Universal Bank

in CHF mn	SUB adjusted			Swisscard Impact <sup>1</sup>			SUB adj. ex Swisscard		
	2Q16	1Q16	2Q15	2Q16	1Q16	2Q15	2Q16	1Q16	2Q15
Net interest income	683	732	685			9	683	732	676
Recurring commissions & fees	363	344	412			59	363	344	353
Transaction- based revenues	305	288	349			7	305	288	342
Other revenues	(14)	(8)	(7)			-	(14)	(8)	(7)
<b>Net revenues</b>	<b>1,337</b>	<b>1,356</b>	<b>1,439</b>			<b>75</b>	<b>1,337</b>	<b>1,356</b>	<b>1,364</b>
<b>Provision for credit losses</b>	<b>9</b>	<b>6</b>	<b>33</b>			<b>-</b>	<b>9</b>	<b>6</b>	<b>33</b>
<b>Total operating expenses</b>	<b>871</b>	<b>878</b>	<b>961</b>			<b>63</b>	<b>871</b>	<b>878</b>	<b>898</b>
<b>Pre-tax income</b>	<b>457</b>	<b>472</b>	<b>445</b>			<b>12</b>	<b>457</b>	<b>472</b>	<b>433</b>
<b>Return on regulatory capital<sup>†</sup></b>	<b>15%</b>	<b>16%</b>	<b>14%</b>			<b>-</b>	<b>15%</b>	<b>16%</b>	<b>14%</b>

Note: Adjusted results are non-GAAP financial measures. A reconciliation to reported results is included on slides 40 and 41 of this presentation.

This is an illustrative pro-forma presentation of the impact of the deconsolidation of the card issuing business on the historical results of SUB as if it had occurred on December 31, 2014. Given that as of July 1, 2015 the business has been deconsolidated and transferred to the equity method investment, Swisscard AECS GmbH and the transaction does not qualify for discontinued operations, the historical results are not restated in this respect. The reduction in pre-tax income in the Private Banking business of Swiss Universal Bank, is offset by the reduction in minority interest from the deconsolidation at the Group level, therefore there is no material impact on the Group's net income attributable to shareholders. These illustrative figures cannot be seen as being indicative of future trends or results. <sup>1</sup> Pro-forma impact of the card issuing business deconsolidation.

# International Wealth Management

## Private Banking and Asset Management

### Private Banking Adjusted key financials in CHF mn

	2Q16	1Q16	2Q15	Δ 1Q16	Δ 2Q15
Net interest income	304	325	252	(6)%	+21%
Recurring commissions & fees	273	276	299	(1)%	(9)%
Transaction- and perf.-based	236	254	280	(7)%	(16)%
Other revenues	(2)	(2)	(1)		
Net revenues	811	853	830	(5)%	(2)%
Provision for credit losses	16	(2)	(1)		
Total operating expenses	598	612	619	(2)%	(3)%
<b>Pre-tax income</b>	<b>197</b>	<b>243</b>	<b>212</b>	<b>(19)%</b>	<b>(7)%</b>
<b>Cost/income ratio</b>	<b>74%</b>	<b>72%</b>	<b>75%</b>		

### Key metrics in CHF bn

	2Q16	1Q16	2Q15	Δ 1Q16	Δ 2Q15
Adj. net margin in bps	27	34	28	(7)	(1)
Net new assets	5.4	5.4	0.2		
Assets under management	299	287	303	+4%	(2)%
Net loans	43	40	39	+7%	+11%
Number of RM	1,170	1,170	1,180	-	(10)

### Asset Management Adjusted key financials in CHF mn

	2Q16	1Q16	2Q15	Δ 1Q16	Δ 2Q15
Management fees	220	225	218	(2)%	+1%
Performance & placement rev.	42	17	38	+147%	+11%
Investment & partnership inc.	72	78	79	(8)%	(9)%
Net revenues	334	320	335	+4%	-
Total operating expenses	271	255	275	+6%	(1)%
<b>Pre-tax income</b>	<b>63</b>	<b>65</b>	<b>60</b>	<b>(3)%</b>	<b>+5%</b>
<b>Cost/income ratio</b>	<b>81%</b>	<b>80%</b>	<b>82%</b>		

### Key metrics in CHF bn

	2Q16	1Q16	2Q15	Δ 1Q16	Δ 2Q15
Net new assets	3.5	1.5	8.1		
Assets under management	315	301	313	+5%	+1%

Note: Adjusted results are non-GAAP financial measures. A reconciliation to reported results is included on slides 40 and 41 of this presentation.

# Asia Pacific

## Private Banking and Investment Banking

### Private Banking Adjusted key financials in CHF mn

	2Q16	1Q16	2Q15	Δ 1Q16	Δ 2Q15
Net interest income	143	134	104	+7%	+38%
Recurring commissions & fees	70	73	63	(4)%	+11%
Transaction- and perf.-based	124	128	140	(3)%	(11)%
Other revenues	-	(16)	-		
Net revenues	337	319	307	+6%	+10%
Provision for credit losses	2	(17)	-		
Total operating expenses	245	216	188	+13%	+30%
<b>Pre-tax income</b>	<b>90</b>	<b>120</b>	<b>119</b>	<b>(25)%</b>	<b>(24)%</b>
<b>Cost/income ratio</b>	<b>73%</b>	<b>68%</b>	<b>61%</b>		

### Investment Banking Adjusted key financials in USD mn

	2Q16	1Q16	2Q15	Δ 1Q16	Δ 2Q15
Fixed income sales & trading	172	252	132	(32)%	+30%
Equity sales & trading	350	299	589	+17%	(41)%
Underwriting & advisory	102	73	88	+40%	+16%
Other revenues	(34)	(29)	(26)		
Net revenues	590	595	783	(1)%	(25)%
Provision for credit losses	1	(5)	12		
Total operating expenses	458	451	505	+2%	(9)%
<b>Pre-tax income</b>	<b>131</b>	<b>149</b>	<b>266</b>	<b>(12)%</b>	<b>(51)%</b>
<b>Cost/income ratio</b>	<b>78%</b>	<b>76%</b>	<b>64%</b>		

### Key metrics in CHF bn

	2Q16	1Q16	2Q15	Δ 1Q16	Δ 2Q15
Adj. net margin in bps	23	32	30	(9)	(7)
Net new assets	5.0	4.3	6.6		
Assets under management	158	150	156	+6%	+2%
Number of RM	650	620	550	+30	+100

Note: Adjusted results are non-GAAP financial measures. A reconciliation to reported results is included on slides 40 and 41 of this presentation.

Adjusted results are non-GAAP financial measures that exclude goodwill impairment and certain other revenues and expenses included in our reported results. Management believes that adjusted results provide a useful presentation of our operating results for purposes of assessing our Group and divisional performance consistently over time, on a basis that excludes items that management does not consider representative of our underlying performance. Provided below is a reconciliation of our adjusted results to the most directly comparable US GAAP measures.

## Reconciliation of adjustment items (1/2)

	CS Group in CHF mn			SRU in USD mn			Corp. Ctr. in CHF mn			SUB PB in CHF mn			IWM PB in CHF mn			APAC PB in CHF mn		
	2Q16	1Q16	2Q15	2Q16	1Q16	2Q15	2Q16	1Q16	2Q15	2Q16	1Q16	2Q15	2Q16	1Q16	2Q15	2Q16	1Q16	2Q15
<b>Net revenues reported</b>	<b>5,108</b>	<b>4,638</b>	<b>6,955</b>	<b>(371)</b>	<b>(545)</b>	<b>437</b>	<b>(95)</b>	<b>110</b>	<b>384</b>	<b>840</b>	<b>846</b>	<b>956</b>	<b>811</b>	<b>853</b>	<b>830</b>	<b>337</b>	<b>319</b>	<b>307</b>
Fair value on own debt	-	-	228	-	-	-	-	-	228	-	-	-	-	-	-	-	-	-
Real estate gains	-	-	23	-	-	-	-	-	-	-	-	23	-	-	-	-	-	-
(Gains)/losses on business sales	-	56	-	-	4	-	-	52	-	-	-	-	-	-	-	-	-	-
<b>Net revenues adjusted</b>	<b>5,108</b>	<b>4,694</b>	<b>6,704</b>	<b>(371)</b>	<b>(541)</b>	<b>437</b>	<b>(95)</b>	<b>162</b>	<b>156</b>	<b>840</b>	<b>846</b>	<b>933</b>	<b>811</b>	<b>853</b>	<b>830</b>	<b>337</b>	<b>319</b>	<b>307</b>
<b>Provision for credit losses</b>	<b>(28)</b>	<b>150</b>	<b>51</b>	<b>(38)</b>	<b>119</b>	<b>13</b>	-	-	-	<b>7</b>	<b>9</b>	<b>9</b>	<b>16</b>	<b>(2)</b>	<b>(1)</b>	<b>2</b>	<b>(17)</b>	-
<b>Total operating expenses reported</b>	<b>4,937</b>	<b>4,972</b>	<b>5,248</b>	<b>445</b>	<b>601</b>	<b>690</b>	<b>142</b>	<b>76</b>	<b>121</b>	<b>582</b>	<b>632</b>	<b>690</b>	<b>611</b>	<b>622</b>	<b>619</b>	<b>245</b>	<b>216</b>	<b>188</b>
Goodwill impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restructuring expenses	91	255	-	21	80	-	-	-	-	3	35	-	13	10	-	-	-	-
Major litigation provisions	-	-	63	-	-	9	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total operating expenses adjusted</b>	<b>4,846</b>	<b>4,717</b>	<b>5,185</b>	<b>424</b>	<b>521</b>	<b>680</b>	<b>142</b>	<b>76</b>	<b>121</b>	<b>579</b>	<b>597</b>	<b>690</b>	<b>598</b>	<b>612</b>	<b>619</b>	<b>245</b>	<b>216</b>	<b>188</b>
<b>Pre-tax income/(loss) reported</b>	<b>199</b>	<b>(484)</b>	<b>1,656</b>	<b>(778)</b>	<b>(1,266)</b>	<b>(266)</b>	<b>(235)</b>	<b>33</b>	<b>263</b>	<b>251</b>	<b>205</b>	<b>257</b>	<b>184</b>	<b>233</b>	<b>212</b>	<b>90</b>	<b>120</b>	<b>119</b>
Total adjustments	91	311	(188)	21	84	9	-	52	(228)	3	35	(23)	13	10	-	-	-	-
<b>Pre-tax income/(loss) adjusted</b>	<b>290</b>	<b>(173)</b>	<b>1,468</b>	<b>(757)</b>	<b>(1,181)</b>	<b>(256)</b>	<b>(235)</b>	<b>85</b>	<b>35</b>	<b>254</b>	<b>240</b>	<b>234</b>	<b>197</b>	<b>243</b>	<b>212</b>	<b>90</b>	<b>120</b>	<b>119</b>

A full reconciliation of all quarters from 2014 to 2Q16 is available in the time series.



Adjusted results are non-GAAP financial measures that exclude goodwill impairment and certain other revenues and expenses included in our reported results. Management believes that adjusted results provide a useful presentation of our operating results for purposes of assessing our Group and divisional performance consistently over time, on a basis that excludes items that management does not consider representative of our underlying performance. Provided below is a reconciliation of our adjusted results to the most directly comparable US GAAP measures.

## Reconciliation of adjustment items (2/2)

	SUB C&IB in CHF mn			IWM AM in CHF mn			APAC IB in CHF mn			APAC IB in USD mn			GM in USD mn			IBCM in USD mn		
	2Q16	1Q16	2Q15	2Q16	1Q16	2Q15	2Q16	1Q16	2Q15	2Q16	1Q16	2Q15	2Q16	1Q16	2Q15	2Q16	1Q16	2Q15
<b>Net revenues reported</b>	<b>497</b>	<b>510</b>	<b>506</b>	<b>334</b>	<b>320</b>	<b>335</b>	<b>574</b>	<b>588</b>	<b>733</b>	<b>590</b>	<b>595</b>	<b>783</b>	<b>1,671</b>	<b>1,252</b>	<b>2,052</b>	<b>558</b>	<b>395</b>	<b>605</b>
Fair value on own debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Real estate gains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(Gains)/losses on business sales	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net revenues adjusted</b>	<b>497</b>	<b>510</b>	<b>506</b>	<b>334</b>	<b>320</b>	<b>335</b>	<b>574</b>	<b>588</b>	<b>733</b>	<b>590</b>	<b>595</b>	<b>783</b>	<b>1,671</b>	<b>1,252</b>	<b>2,052</b>	<b>558</b>	<b>395</b>	<b>605</b>
<b>Provision for credit losses</b>	<b>2</b>	<b>(3)</b>	<b>24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>(5)</b>	<b>11</b>	<b>1</b>	<b>(5)</b>	<b>12</b>	<b>(17)</b>	<b>22</b>	<b>(4)</b>	<b>-</b>	<b>30</b>	<b>-</b>
<b>Total operating expenses reported</b>	<b>293</b>	<b>286</b>	<b>271</b>	<b>273</b>	<b>253</b>	<b>275</b>	<b>457</b>	<b>449</b>	<b>474</b>	<b>468</b>	<b>452</b>	<b>505</b>	<b>1,532</b>	<b>1,430</b>	<b>1,641</b>	<b>417</b>	<b>425</b>	<b>451</b>
Goodwill impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restructuring expenses	1	5	-	2	(2)	-	10	1	-	10	1	-	52	102	-	(9)	28	-
Major litigation provisions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	57	-	-	-
<b>Total operating expenses adjusted</b>	<b>292</b>	<b>281</b>	<b>271</b>	<b>271</b>	<b>255</b>	<b>275</b>	<b>447</b>	<b>448</b>	<b>474</b>	<b>458</b>	<b>451</b>	<b>505</b>	<b>1,480</b>	<b>1,328</b>	<b>1,584</b>	<b>426</b>	<b>397</b>	<b>451</b>
<b>Pre-tax income/(loss) reported</b>	<b>202</b>	<b>227</b>	<b>211</b>	<b>61</b>	<b>67</b>	<b>60</b>	<b>116</b>	<b>144</b>	<b>248</b>	<b>121</b>	<b>148</b>	<b>266</b>	<b>156</b>	<b>(200)</b>	<b>415</b>	<b>141</b>	<b>(60)</b>	<b>154</b>
Total adjustments	1	5	-	2	(2)	-	10	1	-	10	1	-	52	102	57	(9)	28	-
<b>Pre-tax income/(loss) adjusted</b>	<b>203</b>	<b>232</b>	<b>211</b>	<b>63</b>	<b>65</b>	<b>60</b>	<b>126</b>	<b>145</b>	<b>248</b>	<b>131</b>	<b>149</b>	<b>266</b>	<b>208</b>	<b>(98)</b>	<b>473</b>	<b>132</b>	<b>(32)</b>	<b>154</b>

A full reconciliation of all quarters from 2014 to 2Q16 is available in the time series.

# Currency mix & Group capital metrics

## Credit Suisse Core results<sup>1</sup>

Core results	1H16 in CHF mn	Contribution				
		CHF	USD	EUR	GBP	Other
Net revenues	10,650	27%	42%	12%	3%	16%
Total expenses <sup>2</sup>	8,923	31%	34%	5%	13%	17%

## Swiss Universal Bank

Net revenues	2,693	80%	11%	7%	1%	1%
Total expenses <sup>2</sup>	1,808	85%	3%	4%	4%	4%

## International Wealth Management

Net revenues	2,318	18%	49%	16%	4%	13%
Total expenses <sup>2</sup>	1,773	40%	24%	13%	11%	12%

## Asia Pacific

Net revenues	1,818	3%	43%	1%	1%	52%
Total expenses <sup>2</sup>	1,348	3%	23%	1%	1%	72%

## Global Markets

Net revenues	2,875	2%	57%	23%	3%	15%
Total expenses <sup>2</sup>	2,919	3%	61%	4%	25%	7%

## Investment Bank & Capital Markets

Net revenues	931	0%	92%	1%	5%	2%
Total expenses <sup>2</sup>	858	17%	56%	6%	15%	6%

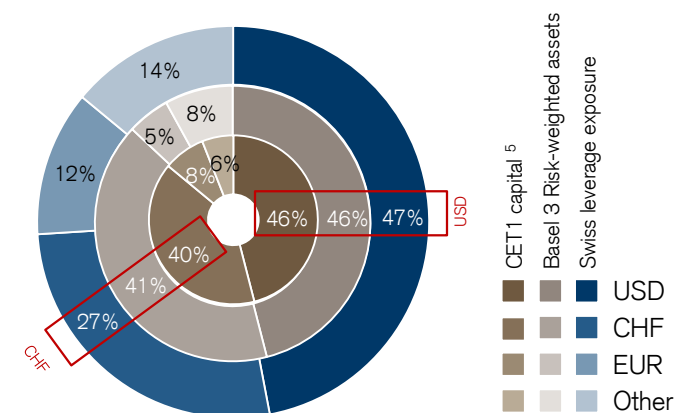
<sup>1</sup> As reported. <sup>2</sup> Total expenses include provisions for credit losses. <sup>3</sup> Sensitivity analysis based on weighted average exchange rates of USD/CHF of 0.98 and EUR/CHF of 1.10 for the 1H16 results. <sup>4</sup> Data based on June 2016 month-end currency mix and on a look-through basis. <sup>5</sup> Reflects actual capital positions in consolidated Group legal entities (net assets) including net asset hedges less applicable Basel 3 regulatory adjustments (e.g. goodwill).

## Sensitivity analysis on Core results<sup>3</sup>

Applying a +/- 10% movement on the average FX rates for 1H16, the sensitivities are:

- USD/CHF impact on 1H16 pre-tax income by CHF + 143 / (143) mn
- EUR/CHF impact on 1H16 pre-tax income by CHF + 78 / (78) mn

## Currency mix capital metric<sup>4</sup> look-through



A 10% strengthening of the USD (vs. CHF) would have a **(1.6) bps impact** on the "look-through" **BIS CET1 ratio**

# Notes

## General notes

- Throughout the presentation rounding differences may occur.
- All **risk-weighted assets (RWA)** and **leverage exposure** figures shown in this presentation are as of the end of the respective period and on a “look-through” basis.
- **Gross and net margins** are shown in basis points (bps).
- **Mandates penetration** reflects advisory and discretionary mandates as percentage of total AuM, excluding AuM from the external asset manager (EAM) business.

## Specific notes

\* “Adjusted operating expenses at constant FX rates” include adjustments as made in all our disclosures for restructuring expenses, major litigation expenses, and a goodwill impairment taken in 4Q15 as well as adjustments for FX, applying the following main currency exchange rates for 1H16: USD/CHF 0.9842, EUR/CHF 1.0949, GBP/CHF 1.3952. These currency exchange rates are unweighted, i.e. a straight line average of monthly rates. Certain non-recurring expense credits of CHF 0.3 bn incurred in 1H16 are excluded for annualization purposes of our cost savings program with a target cost base of CHF 19.8 bn for 2016. The equivalent 2015 cost base calculated under this approach is CHF 21.2 bn and our current annualized cost base for that purpose is calculated as follows:  $(4.8+4.9)*2+0.3 = 19.6$ , implying annualized cost savings to date of  $21.2-19.6 = \text{CHF } 1.6$  bn. We apply this calculation consistently for the periods under review.

† Regulatory capital reflects the worst of 10% of RWA and 3.5% of leverage exposure. Return on regulatory capital is based on (adjusted) returns after tax assuming a tax rate of 30% for all periods and capital allocated based on the worst of 10% of average RWA and 3.5% of average leverage exposure.

## Abbreviations

AM = Asset Management; APAC = Asia Pacific; AuM = Assets under Management; C&IB = Corporate & Institutional Banking; ECM = Equity Capital Markets; EM = Emerging Markets; FTE = Full time equivalents; GM = Global Markets; GMAR = Global Markets Accelerated Restructuring; HQLA = High Quality Liquid Assets; IB = Investment Banking; IBCM = Investment Banking & Capital Markets; IWM = International Wealth Management; M&A = Mergers & Acquisitions; n/m = not meaningful; NNA = Net new assets; PB = Private Banking; pp = percentage points; PTI = Pre-tax income; RM = Relationship Manager(s); SRU = Strategic Resolution Unit; STS = Sales and Trading Services; SUB = Swiss Universal Bank.

CREDIT SUISSE

