Media Release
Zurich, 1 November, 2018

Third quarter financial results

3Q18 pre-tax income of CHF 856 million, up 38% – on track to deliver 2018 targets

Third quarter highlights:

- Third quarter adjusted* pre-tax income of CHF 856 million, 38% higher than third quarter of 2017; strongest third quarter since 2014 on an adjusted* basis; reported pre-tax income of CHF 671 million, up 68%
- Lowest quarterly adjusted* costs in last five years, on track to achieve our adjusted* operating cost base target of less than CHF 17 billion[1] by end-2018; cumulative net cost savings of CHF 4 billion[1] since end-2015, representing 96% of our total targeted cost savings
- Tenth consecutive quarter of profit and eighth consecutive quarter of year-on-year profit increase, both on an adjusted* basis
- Strong third quarter inflows in Wealth Management with CHF 10.3 billion of Net New Assets (NNA); total NNA for Wealth Management and Asset Management of CHF 14.8 billion for the quarter, up 29% year-on-year
- Record Wealth Management AuM of CHF 785 billion, up 4% year-on-year; total AuM of CHF 1.4 trillion at the end of the third quarter, up 5%
- IBCM net revenues of USD 543 million, up 15%, outperforming the Street[2] – down 5%, driven by strength in M&A and Equity Capital Markets, delivering on the strategy we set out in 2015
- Net income attributable to shareholders of CHF 424 million for the quarter, up 74% year-on-year
- Strong capital position; look-through CET1 ratio increased to 12.9% from 12.8% at end-2Q18. Following the call of CHF 5.9 billion of High-Trigger Tier 1 capital instruments and successful High-Trigger Tier 1 issuances at lower cost, look-through Tier 1 leverage ratio of 5.1%

Nine month highlights:

- Nine month adjusted* pre-tax income of CHF 3.3 billion, up 53% from CHF 2.2 billion in the first nine months of 2017; strongest first nine months of the year since 2014 on an adjusted* basis; nine month reported pre-tax income of CHF 2.8 billion
- Wealth Management NNA of CHF 33.8 billion year-to-date, the highest level since the first nine months of 2013; total nine month NNA for Wealth Management and Asset Management of CHF 55.3 billion, up 6% year-on-year
- Step change in profitability in Wealth Management-related businesses achieved against 2015, with adjusted* pre-tax income of CHF 3.7 billion in first nine months of 2018, up 60%[3] in three years
- Net income attributable to shareholders of CHF 1.8 billion for the first nine months of the year, up 54% year-on-year

Tidjane Thiam, Chief Executive Officer of Credit Suisse, commented:
"When we started our restructuring at the end of 2015, we had three main objectives: we needed to (i) address some clear and urgent problems – our capital position, our absolute level of risk and our high fixed cost base; (ii) define and implement a strategy that would lead us to sustainable, compliant and profitable growth; and (iii) invest in order to significantly upgrade our risk and compliance controls and improve our culture.

"Our ambition was to move towards an operating model that would allow us to do well when markets are supportive and to be resilient when markets are more challenging by focusing on the levers we can control. So far, 2018 has allowed us to illustrate the progress we have made. The first and second quarters were characterised by generally favourable markets and strong client activity levels and you were able to see that we delivered a strong performance. The third quarter, with much more challenging conditions and lower levels of client activity, allowed us to demonstrate the resilience of our new operating model as we delivered our best third quarter of adjusted* profit since 2014.

"The environment was challenging this summer. In addition to the usual seasonal slowdown, we saw increased volatility in emerging markets and in some emerging market currencies, as market participants worried about the impact of US Dollar interest rate normalisation, and about trade tensions, as well as about significant political uncertainties. This led to a drop in client activity that compounded the usual, expected summer slowdown.

"In that context, our third quarter performance was notable with our eighth consecutive quarter of year-on-year profit increase and adjusted* pre-tax income of CHF 3.3 billion for the first nine months of 2018, up by 53% compared to the same nine month period a year ago, supported by continued positive operating leverage.

"Growing our Wealth Management franchise is a core component of our strategy. Wealth Management NNA for the first nine months of the year were CHF 33.8 billion, up 67% on the same period in 2015 and our highest nine month NNA since 2013. Our Asset Management segment within IWM delivered strong NNA of CHF 4.5 billion in the quarter, with assets under management of CHF 404 billion, up 7% year-on-year. Overall, the third quarter saw us reach record Wealth Management AuM of CHF 785 billion and total AuM of CHF 1.4 trillion at increased net margins in the first nine months of the year.

"Our capital position has strengthened, with our look-through CET1 ratio increasing from 12.8% at the end of the second quarter to 12.9% at the end of the third quarter. Our leverage position remains strong, with our look-through Tier 1 leverage ratio at 5.1%, in excess of the Swiss 2020 leverage ratio requirement of 5.0%, reflecting the full impact of the irrevocable call of CHF 5.9 billion of High-Trigger CoCo instruments.

"Looking ahead to 2019, we anticipate further profit improvement from measures that are directly within our control, including the run-off of the Strategic Resolution Unit and lower funding and restructuring charges, which is expected to lift our Return on Tangible Equity to 10-11% for 2019."

Outlook

The outlook for global economic growth in the final quarter of 2018 remains positive, despite continued geopolitical tensions surrounding global trade and the potential impact of monetary policy changes by central banks. Sentiment turned more negative during the third quarter and we expect this to continue in the fourth quarter. Our level of dialogue with clients remains strong, however, with a healthy pipeline of transactions expected to be completed in the final quarter, dependent on end markets remaining constructive.

We expect our Wealth Management-related businesses – across Swiss Universal Bank, International Wealth Management and Asia Pacific WM&C – to continue to benefit from broad-based, client-led growth in the final quarter of the year. In these more challenging markets, we believe our integrated approach, providing a full range of wealth management and investment banking solutions for clients, and our focus on more stable, annuity-like revenue streams leaves us well positioned to support our clients and help them not only navigate the current climate but also capitalise on opportunities that arise.

As a result of the progress made to date through our restructuring programme, we believe we are on track to achieve our 2018 target of cumulative net cost savings of more than CHF 4.2 billion and benefit from the operating leverage we have created in 2019 and beyond.

Key metrics

	9M18	YoY % change	3Q18	YoY % change
Key metrics (CHF billion)				
Reported net revenues	16.1	3	4.9	(2)
Adjusted net revenues [1]	16.0	2	4.9	(2)
Reported total operating expenses	13.2	(5)	4.2	(9)
Adjusted total operating expenses [1]	12.5	(6)	4.0	(8)
Reported pre-tax income	2.8	68	0.7	68
Adjusted pre-tax income [1]	3.3	53	0.9	38

1 Refers to adjusted results, which are non-GAAP financial measures. For a reconciliation of the adjusted results to the most directly comparable US GAAP measures, see the Appendix of this Media Release

Third quarter overview

In our wealth management businesses, containing the Swiss Universal Bank, International Wealth Management and Asia Pacific Private Banking within Wealth Management & Connected, we maintained our explicit focus on growing our more stable sources of revenue – net interest income (NII) and fee income – in the quarter. The continued success of our lending activities and continued growth in our fee-carrying assets under management allowed those two sources of revenues to grow in these businesses[4] by CHF 1.2 billion[5] in the first nine months of 2018 compared to the same period in 2015, i.e. by 20% or 6% CAGR. The third source of income within these businesses – transaction-based revenues – which is also the smallest income component, was more volatile, and was down 3%[6] for the first nine months of 2018 compared to the same period of 2015.

This strategy meant that NII and recurring revenues continued to grow in these businesses[4] in the challenging third quarter environment, driving net revenues across those businesses to CHF 9.5 billion year-to-date, approximately CHF 1.1 billion[7] higher than the same period in 2015. More adjusted* profit was produced in our Wealth Management-related businesses in the first three quarters of the year than for the entire year in 2015 and those businesses have transformed the economics of the bank as a consequence.

Investment Banking & Capital Markets had a particularly strong third quarter, reflecting the power of the franchise. Revenues of USD 543 million in the third quarter rose 15% year-on-year, with adjusted* pre-tax income up 67% to USD 90 million. These results reflect the continued successful execution of our IBCM strategy, with continued momentum in the M&A business with share gains in the Americas and EMEA[2].

Global Markets had a more challenging revenue quarter in Fixed Income, partly reflecting a strong year-on-year comparable and the impact of our decision to rationalise our macro and emerging markets businesses. The benefits of these measures were, however, visible in the cost line, placing us well on track to achieve adjusted* operating expenses of USD 4.8 billion by year-end 2018. GM can be expected to generate higher returns in 2019 through the operating leverage created; a lower breakeven point, a refreshed equities franchise and approximately USD 250 million of lower funding costs are expected to constitute a material tailwind.

In the third quarter, we have continued to execute with discipline and deliver on what we can control, particularly on cost and capital. We have completed 11 quarters out of our 12-quarter programme and have delivered CHF 4 billion[1] of net cost savings, in other words 96% of our target. We have transformed our adjusted* operating cost base from CHF 21.2 billion at the end of 2015 to an annualised CHF 16.8 billion[1], putting us firmly on track to meet our year-end target of less than CHF 17 billion. The success of our cost reduction programme was key to increasing the resilience of our bank by reducing our breakeven point. The fact that we were able to generate a profit in a challenging quarter shows that this strategy has been successful.

Detailed divisional summaries

All comparisons are provided on a year-on-year basis unless specified otherwise.

Swiss Universal Bank (SUB) reported its eleventh consecutive quarter of year-on-year adjusted* pre-tax income growth in 3Q18. Adjusted* pre-tax income totalled CHF 523 million for the quarter, up 17%. Adjusted* net revenues were stable with momentum in Corporate & Institutional Clients offset by lower transaction-based revenues. Adjusted* total operating expenses decreased by 10% from continued rigorous cost discipline, resulting in an adjusted* cost/income ratio of 58%.

In **Private Clients**, adjusted* pre-tax income for 3Q18 rose 16%. This increase was primarily driven by continued efficiency gains from higher Relationship Manager productivity, reduced contractor costs and our ongoing strategic efforts to digitalise our services; for example, in 3Q18, we launched our revamped online banking with improved capabilities. Adjusted* net revenues benefited from the stability of NII and recurring revenues and were negatively impacted by reduced client activity due to a seasonal slowdown and market volatility. NNA reached CHF 0.9 billion for 3Q18 and CHF 4.1 billion for 9M18, reflecting continued momentum in our UHNW client franchise.

Corporate & Institutional Clients reported adjusted* pre-tax income of CHF 272 million in 3Q18, up 18%, driven by strong operating leverage. Adjusted* net revenues were up 3%, reflecting a solid performance with strong recurring commissions and fees, supported by a 4% increase in AuM and significant cost savings, mainly driven by lower compensation and benefits. We are continuously developing our digital services for Corporate and Institutional Clients. Our newly launched digital onboarding process for small and medium-sized enterprises and our online leasing tool are just some examples of our compelling offering.

International Wealth Management (IWM) delivered a strong performance in 3Q18 as adjusted* pre-tax income rose 8% to CHF 411 million, which is on par with the best quarter during 2017. NNA totalled CHF 7.5 billion during the quarter. In 9M18, adjusted* pre-tax income rose 24% to CHF 1.3 billion and NNA amounted to CHF 35.2 billion.

Adjusted* pre-tax income in **Private Banking** rose 13% following increases across all major revenue categories, including 13% growth in transaction- and performance-based revenues, reflecting higher client activity, supported by our proactive engagement with clients. Adjusted* pre-tax income in 9M18 increased 26% to CHF 1.1 billion. Total operating expenses in the third quarter remained stable as the division invested for growth but continued to achieve savings through efficiency measures. NNA amounted to CHF 3.0 billion in 3Q18 and CHF 13.7 billion in 9M18, with the year-to-date amount corresponding to an annualised growth rate of 5%, reflecting solid inflows across emerging markets and Europe.

Asset Management continued to deliver growth in asset management fees, up 11%, at a stable recurring margin of 31 basis points. Adjusted* pre-tax income was down 6% compared to 3Q17, which included an equity participation gain, while 3Q18 had lower investment-related gains. Adjusted* pre-tax income in 9M18 increased 15%. NNA amounted to CHF 4.5 billion in 3Q18 and CHF 21.5 billion in 9M18, primarily driven by inflows into alternative and traditional investments.

Asia Pacific (APAC) adjusted* pre-tax income was down 18% to CHF 186 million, driven by lower revenues performance in our Markets business. These results were impacted by persistent challenging market conditions that resulted in lower client activity and risk appetite. Adjusted* pre-tax income in 9M18 rose 25%, reflecting the long-term resilience of our wealth management strategy and client focus, with both Wealth Management & Connected and Markets up.

Our **APAC Wealth Management & Connected (WM&C)** business reported adjusted* pre-tax income of CHF 184 million in 3Q18, up 3%, and adjusted* return on regulatory capital was 23%. Adjusted* pre-tax income was up 12% in 9M18.

Private Banking saw growth in net interest income and recurring commissions and fees, while transaction-based revenues were down significantly in the third quarter due to a shift in client sentiment in the current market environment.

NNA totalled CHF 6.4 billion in 3Q18, reflecting inflows across most of our markets and including certain major client inflows, benefitting from our integrated delivery to UHNW entrepreneur clients. NNA totalled CHF 16.0 billion in 9M18, leading to AuM of CHF 207.5 billion.

Advisory, underwriting, and financing revenues were higher, mainly due to higher financing revenues and strong equity underwriting activity. APAC advisory and underwriting maintained its top 2 ranking in terms of share of wallet[8].

Our **APAC Markets** business reported adjusted* pre-tax income of USD 1 million in 3Q18, down from USD 52 million in 3Q17, due to challenging market conditions, especially in fixed income sales and trading. Adjusted* pre-tax income for 9M18 was USD 95 million, up from USD 14 million in 9M17, mainly supported by adjusted* operating expenses that were down 8% for 9M18, reflecting our continued discipline in cost management.

Investment Banking & Capital Markets (IBCM) continued the successful execution of our strategy in 3Q18, delivering an increase of 67% in adjusted* pre-tax income to USD 90 million. Adjusted* pre-tax income in 9M18 was also up 9% at USD 325 million. Net revenues rose 15% to USD 543 million in 3Q18, driven by higher advisory and equity underwriting fees, significantly outperforming the Street[2]. In 9M18, net revenues were up 9% at USD 1.8 billion. Global advisory and underwriting revenues were up 7% at USD 1.0 billion[9], also outperforming the Street[10].

Continued momentum in our M&A franchise, with share gains in the Americas and EMEA over 3Q18[2], and increased announced volumes, contributed to a top 5 rank in global M&A[10]. We also retained our top 5 rank in Leveraged Finance[10].

Equity underwriting revenues were up 37% at USD 93 million for the quarter, reflecting higher IPO issuances. For 9M18, equity underwriting revenues were up 10%, despite reduced ECM Street activity[2]. Debt underwriting revenues were down 5% at USD 230 million in the third quarter, outperforming the Street[2]. For 9M18, debt underwriting revenues were down 3% at USD 777 million, in line with the Street[2].

Adjusted* operating expenses in 3Q18 were up 10% at USD 450 million due to higher variable compensation expenses, in line with the improvement in business performance, as well as the impact of the adoption of the new revenue recognition accounting standard. The adjusted* cost/income ratio fell to 83% for the quarter from 86% in 3Q17.

In **Global Markets (GM)**, since 2016 we have taken a differentiated approach to many of our peers by placing a hard ceiling on the RWA and leverage usage of the division, rightsizing the cost base as well as its risk budget by exiting businesses which did not cover their cost of capital or were not in line with our strategy.

Alongside these actions, we also made a number of important investments, most notably in our Equities franchise, in derivatives and in Advanced Execution Services (AES) to regain market share, grow absolute revenues and rebalance the division between Equities and Fixed Income. Our 3Q18 results reflect the tail end of our restructuring measures and include the impact of the rationalisation of Rates and Emerging Markets Macro which we have executed over the past two quarters.

As we look ahead to 2019, representing the first year post restructuring, we believe the benefits of our actions will drive returns higher for the division while maintaining our discipline around cost, risk and capital. We expect revenues in GM to benefit from the investments we have made in Equities, about USD 250 million of lower funding costs and closer collaboration with Wealth Management.

In 3Q18, GM demonstrated strict cost and capital discipline in a challenging operating environment characterised by tighter credit spreads and reduced credit client activity. The lower revenues we experienced reflected in part the continued rationalisation of our emerging markets and macro businesses. Overall revenues were 13% lower, normalised for the impact of business exits, or 19% lower as reported. GM recorded an adjusted* pre-tax loss of USD 21 million in 3Q18.

In addition, GM maintained its conservative approach to capital management as leverage exposure decreased by 12%.

Equities revenues[11] of USD 426 million were up 6% (normalised for business exits, or 1% without such normalisation), reflecting continued momentum in equity derivatives, up 70%, and increased equity underwriting activity.

Fixed Income[11] revenues of USD 755 million were down 15% (normalised for business exits, or 20% without such normalisation), reflecting a more challenging quarter in Securitized Products and a strong comparable period in 2017. We maintained our leading market share[12] in our asset finance and leveraged finance underwriting franchises.

Adjusted* total operating expenses decreased by 10%, driven by continued progress on efficiency initiatives. GM is on track to achieve our 2018 goal of less than USD 4.8 billion in adjusted* total operating expenses.

Credit Suisse and sustainable finance

As part of our commitment to sustainability, Credit Suisse offers clients responsible investment products and services spanning a range of asset classes and risk/return profiles. We have been active in the field of sustainability investing and impact investing for 16 years and have played a pioneering role in the development of this rapidly growing sector.

Our Impact Advisory and Finance Department (IAF) aims to facilitate investable projects and initiatives that have a positive economic and social impact, while generating a financial return. It enables and advances impact investing and sustainable business activities across the Group, benefiting wealth management, institutional and corporate clients.

Third quarter highlights in the area of sustainability include the launch of a new Green Bond Index and Credit Suisse's renewed inclusion in the Dow Jones Sustainability World Index, with our economic, environmental and social ratings improving year on year. We also received a top score of A+ in the Strategy and Governance module of the UN's Principles for Responsible Investing (PRI) 2018 Assessment Report. In September, we announced a partnership with the Bill & Melinda Gates Foundation and the charity Room to Read to help foster positive change in primary education in India.

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The 3Q18 Financial Report, Results Presentation slides and Time Series spreadsheets are available to download from 07:00 CET today at: https://www.credit-suisse.com/results

Presentation of 3Q18 results – Thursday, 1 November 2018

Event	Analyst Call	Media Call
Time	08:15 Zurich 07:15 London 03:15 New York	10:15 Zurich 09:15 London 05:15 New York
Speakers	Tidjane Thiam, Chief Executive Officer David Mathers, Chief Financial Officer Adam Gishen, Group Head of Investor Relations and Corporate Communications	David Mathers, Chief Financial Officer Adam Gishen, Group Head of Investor Relations and Corporate Communications
Language	English	English with simultaneous German translation
Access	Switzerland +41 44 580 48 73 Europe +44 207 192 8007 US +1 866 597 37 99 Reference: Credit Suisse Group Quarterly Results Please dial in 15 minutes before the start of the call	Switzerland +41 44 580 48 73 Europe +44 207 192 8007 US +1 866 597 37 99 Reference: Credit Suisse Group Quarterly Results Please dial in 10 minutes before the start of the call
Q&A Session	Opportunity to ask questions via the telephone conference.	Following the presentation, you will have the opportunity to ask the speakers questions.
Playback	Replay available approximately one hour after the event Switzerland: +41 44 580 40 26 Europe: +44 333 300 9785 US: +1 917 677 75 32 Conference ID: 9285538	Replay available approximately one hour after the event Switzerland: +41 44 580 40 26 Europe: +44 333 300 9785 US: +1 917 677 75 32 Conference ID English: 9374999 Conference ID German: 6836687

The results of Credit Suisse Group comprise the results of our six reporting segments, including the Strategic Resolution Unit, and the Corporate Center. Core results exclude revenues and expenses from our Strategic Resolution Unit.

As we move ahead with the implementation of our strategy, it is important to measure the progress achieved by our underlying business performance in a consistent manner. To achieve this, we will focus our analyses on adjusted results.

Adjusted results referred to in this Media Release 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 the 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. We will report quarterly on the same adjusted* basis for the Group, Core and divisional results until end-2018 to allow investors to monitor our progress in implementing our strategy, given the material restructuring charges we are likely to incur and other items which are not reflective of our underlying performance but are to be borne in the interim period. Tables in the Appendix of this Media Release provide the detailed reconciliation between reported and adjusted results for the Group, Core businesses and the individual divisions.

Footnotes

* Refers to adjusted results, which are non-GAAP financial measures. For a reconciliation of the adjusted results to the most directly comparable US GAAP measures, see the Appendix to this Media Release

[1] At constant 2015 FX rates

[2] Source: Dealogic (Americas and EMEA) for the period ending 30 September 2018

[3] Excludes Swisscard pre-tax income of CHF 25 million in 1H15

[4] Refers to SUB, IWM and APAC PB within WM&C

[5] Excludes Swisscard NII and recurring commissions and fee revenues of CHF 133 million in 1H15

[6] Excludes Swisscard transaction and performance-based revenues of CHF 15 million in 1H15

[7] Excludes Swisscard net revenues of CHF 148 million in 1H15

[8] Source: Dealogic (Asia Pacific ex-Japan and ex-China onshore) for the period ending 30 September 2018

[9] Covers advisory and underwriting revenues in GM, IBCM, SUB and APAC

[10] Source: Dealogic (Global) for the period ending 30 September 2018

[11] Includes sales and trading and underwriting

[12] Source: Dealogic (Americas and EMEA) for the period ending 30 September 2018 and Thomson Reuters for the period ending 30 September 2018

Abbreviations

APAC – Asia Pacific; AuM – assets under management; CAGR – compound annual growth rate; CHF – Swiss francs; CET1 – common equity tier 1; ECM – equity capital markets; EM – emerging markets; EMEA – Europe, Middle East and Africa; ESG – environmental, social and governance; FX – foreign exchange; GM – Global Markets; HNW – high-net-worth; IAF – Impact Advisory and Finance department; IBCM – Investment Banking & Capital Markets; IPO – initial public offering; IWM – International Wealth Management; M&A – mergers and acquisitions; NII – net interest income; NNA – net new assets; PB – Private Banking; PC – Private Clients; RWA – risk-weighted assets; SEC – Securities and Exchange Commission; SUB – Swiss Universal Bank; UHNW – ultra-high-net-worth; USD – US dollar; US GAAP – US generally accepted accounting principles; WM&C – Wealth Management & Connected

Important information

This Media Release contains select information from the full 3Q18 Financial Report and 3Q18 Results Presentation slides that Credit Suisse believes is of particular interest to media professionals. The complete 3Q18 Financial Report and 3Q18 Results Presentation slides, which have been distributed simultaneously, contain more comprehensive information about our results and operations for the reporting quarter, as well as important information about our reporting methodology and some of the terms used in these documents. The complete 3Q18 Financial Report and 3Q18 Results Presentation slides are not incorporated by reference into this Media Release.

Information referenced in this Media Release, whether via website links or otherwise, is not incorporated into this Media Release.

Our cost savings programme is measured using adjusted operating cost base at constant FX rates. "Adjusted operating cost base at constant FX rates" includes 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 debit valuation adjustments (DVA) related volatility, FX and for certain accounting changes (which had not been in place at the launch of the cost savings programme). Adjustments for certain accounting changes have been restated to reflect grossed up expenses in the Corporate Center and, starting in 1Q18, also include adjustments for changes from ASU 2014-09 "Revenue from Contracts with Customers", which is described further in our 1Q18 and 2Q18 Financial Reports. Adjustments for FX apply unweighted currency exchange rates, i.e., a straight line average of monthly rates, consistently for the periods under review.

Regulatory capital is calculated as the worst of 10% of RWA and 3.5% of leverage exposure. Return on regulatory capital is calculated using (adjusted) income/(loss) after tax and assumes a tax rate of 30% and capital allocated based on the worst of 10% of average RWA and 3.5% of average leverage exposure. For the Markets business within the APAC division and for the Global Markets and Investment Banking & Capital Markets divisions, return on regulatory capital is based on US dollar denominated numbers. Adjusted return on regulatory capital is calculated using adjusted results, applying the same methodology to calculate return on regulatory capital.

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

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.

In particular, the terms "Estimate", "Illustrative", "Ambition", "Objective", "Outlook" and "Goal" are not intended to be viewed as targets or projections, nor are they considered to be Key Performance Indicators. All such estimates, illustrations, ambitions, objectives, outlooks and goals are subject to a large number of inherent risks, assumptions and uncertainties, many of which are completely outside of our control. These risks, assumptions and uncertainties include, but are not limited to, general market conditions, market volatility, interest rate volatility and levels, global and regional economic conditions, political uncertainty, changes in tax policies, regulatory changes, changes in levels of client activity as a result of any of the foregoing and other factors. Accordingly, this information should not be relied on for any purpose. We do not intend to update these estimates, illustrations, ambitions, objectives, outlooks or goals.

In preparing this media release, management has made estimates and assumptions that affect the numbers presented. Actual results may differ. Annualized numbers do not take into account variations in operating results, seasonality and other factors and may not be indicative of actual, full-year results. Figures throughout this media release may also be subject to rounding adjustments. All opinions and views constitute judgments as of the date of writing without regard to the date on which the reader may receive or access the information. This information is subject to change at any time without notice and we do not intend to update this information.

As of January 1, 2013, Basel III was implemented in Switzerland along with the Swiss "Too Big to Fail" legislation and regulations thereunder (in each case, subject to certain phase-in periods). 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 the Swiss Financial Market Supervisory Authority FINMA (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 media release.

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. The look-through tier 1 leverage ratio and CET1 leverage ratio are calculated as look-through BIS tier 1 capital and CET1 capital, respectively, divided by period end leverage exposure. Swiss leverage ratios are measured on the same period-end basis as the leverage exposure for the BIS leverage ratio.

Margin calculations for APAC are aligned with the performance metrics of the Private Banking business and its related assets under management within the WM&C business in APAC. Assets under management and net new assets for APAC relate to the Private Banking business within the Wealth Management & Connected business.

Gross margin is calculated by dividing net revenues by average assets under management. Net margin is calculated by dividing income before taxes by average assets under management. Adjusted margins are calculated using adjusted results, applying the same methodology to calculate gross and net margin.

Mandate penetration reflects advisory and discretionary mandates volumes as a percentage of assets under management, excluding those from the external asset manager business.

References to Wealth Management mean SUB PC, IWM PB and APAC PB within WM&C or their combined results. References to Wealth Management-related mean SUB, IWM and APAC WM&C or their combined results. References to global advisory and underwriting include global revenues from advisory, debt and equity underwriting generated across all divisions before cross-divisional revenue sharing agreements.

Generic references to profit and costs in this media release refer to pre-tax income and operating expenses, respectively.

Investors and others should note that we announce material information (including quarterly earnings releases and financial reports) to the investing public using press releases, SEC and Swiss ad hoc filings, our website and public conference calls and webcasts. We intend to also use our Twitter account @creditsuisse (https://twitter.com/creditsuisse) to excerpt key messages from our public disclosures, including earnings releases. We may retweet such messages through certain of our regional Twitter accounts, including @csschweiz (https://twitter.com/csschweiz) and @csapac (https://twitter.com/csapac). Investors and others should take care to consider such abbreviated messages in the context of the disclosures from which they are excerpted. The information we post on these Twitter accounts is not a part of this Media Release.

In various tables, use of "–" indicates not meaningful or not applicable.

Appendix

Key metrics

			in / end of		% change		in / end of	% change
	3Q18	2Q18	3Q17	QoQ	YoY	**9M18**	9M17	YoY
Credit Suisse Group results (CHF million)								
Net revenues	4,888	5,595	4,972	(13)	(2)	16,119	15,711	3
Provision for credit losses	65	73	32	(11)	103	186	167	11
Total operating expenses	4,152	4,470	4,540	(7)	(9)	13,156	13,892	(5)
Income before taxes	**671**	**1,052**	**400**	(36)	68	**2,777**	**1,652**	68
Net income attributable to shareholders	**424**	**647**	**244**	(34)	74	**1,765**	**1,143**	54
Assets under management and net new assets (CHF million)								
Assets under management	1,405.3	1,398.4	1,344.8	0.5	4.5	1,405.3	1,344.8	4.5
Net new assets	16.6	15.4	(1.8)	7.8	–	57.1	34.7	64.6
Basel III regulatory capital and leverage statistics								
CET1 ratio (%)	12.9	12.8	14.0	–	–	12.9	14.0	–
Look-through CET1 ratio (%)	12.9	12.8	13.2	–	–	12.9	13.2	–
Look-through CET1 leverage ratio (%)	4.0	3.9	3.8	–	–	4.0	3.8	–
Look-through tier 1 leverage ratio (%)	5.1	5.2	5.2	–	–	5.1	5.2	–

Credit Suisse and Core Results

in / end of	Core Results 3Q18	Core Results 2Q18	Core Results 3Q17	Strategic Resolution Unit 3Q18	Strategic Resolution Unit 2Q18	Strategic Resolution Unit 3Q17	Credit Suisse 3Q18	Credit Suisse 2Q18	Credit Suisse 3Q17
Statements of operations (CHF million)									
Net revenues	**5,042**	**5,771**	**5,227**	**(154)**	**(176)**	**(255)**	**4,888**	**5,595**	**4,972**
Provision for credit losses	**62**	**74**	**40**	**3**	**(1)**	**(8)**	**65**	**73**	**32**
Compensation and benefits	2,333	2,476	2,414	61	71	85	2,394	2,547	2,499
General and administrative expenses	1,243	1,313	1,366	58	107	216	1,301	1,420	1,582
Commission expenses	283	326	338	3	2	9	286	328	347
Restructuring expenses	143	162	91	28	13	21	171	175	112
Total other operating expenses	1,669	1,801	1,795	89	122	246	1,758	1,923	2,041
Total operating expenses	**4,002**	**4,277**	**4,209**	**150**	**193**	**331**	**4,152**	**4,470**	**4,540**
Income/(loss) before taxes	**978**	**1,420**	**978**	**(307)**	**(368)**	**(578)**	**671**	**1,052**	**400**
Statement of operations metrics (%)									
Return on regulatory capital	9.0	12.8	9.3	–	–	–	6.0	9.1	3.5
Balance sheet statistics (CHF million)									
Total assets	745,486	770,719	739,281	23,058	27,439	49,409	768,544	798,158	788,690
Risk-weighted assets [1]	257,310	256,677	229,170	19,297	20,448	35,842	276,607	277,125	265,012
Leverage exposure [1]	852,092	881,310	843,582	32,860	38,692	65,385	884,952	920,002	908,967

Credit Suisse and Core Results

in / end of	Core Results 9M18	Core Results 9M17	Strategic Resolution Unit 9M18	Strategic Resolution Unit 9M17	Credit Suisse 9M18	Credit Suisse 9M17
Statements of operations (CHF million)						
Net revenues	**16,652**	**16,446**	**(533)**	**(735)**	**16,119**	**15,711**
Provision for credit losses	**184**	**138**	**2**	**29**	**186**	**167**
Compensation and benefits	7,282	7,532	197	267	7,479	7,799
General and administrative expenses	3,938	4,123	291	587	4,229	4,710
Commission expenses	949	1,042	9	23	958	1,065
Restructuring expenses	438	279	52	39	490	318
Total other operating expenses	5,325	5,444	352	649	5,677	6,093
Total operating expenses	**12,607**	**12,976**	**549**	**916**	**13,156**	**13,892**
Income/(loss) before taxes	**3,861**	**3,332**	**(1,084)**	**(1,680)**	**2,777**	**1,652**
Statement of operations metrics (%)						
Return on regulatory capital	11.8	10.5	–	–	8.1	4.8

[1] Disclosed on a look-through basis.

Adjusted results referred to in this media release 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 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 adjusted results

	Core Results			Strategic Resolution Unit			Credit Suisse		
in	**3Q18**	2Q18	3Q17	**3Q18**	2Q18	3Q17	**3Q18**	2Q18	3Q17
Reconciliation of adjusted results (CHF million, except where indicated)									
Net revenues	**5,042**	**5,771**	**5,227**	**(154)**	**(176)**	**(255)**	**4,888**	**5,595**	**4,972**
Real estate gains	(15)	0	0	0	0	0	(15)	0	0
(Gains)/losses on business sales	5	0	0	0	0	0	5	0	0
Adjusted net revenues	**5,032**	**5,771**	**5,227**	**(154)**	**(176)**	**(255)**	**4,878**	**5,595**	**4,972**
Provision for credit losses	**62**	**74**	**40**	**3**	**(1)**	**(8)**	**65**	**73**	**32**
Total operating expenses	**4,002**	**4,277**	**4,209**	**150**	**193**	**331**	**4,152**	**4,470**	**4,540**
Restructuring expenses	(143)	(162)	(91)	(28)	(13)	(21)	(171)	(175)	(112)
Major litigation provisions	(13)	(29)	(20)	(9)	(26)	(88)	(22)	(55)	(108)
Expenses related to business sales	0	0	0	(2)	(1)	0	(2)	(1)	0
Adjusted total operating expenses	**3,846**	**4,086**	**4,098**	**111**	**153**	**222**	**3,957**	**4,239**	**4,320**
Income/(loss) before taxes	**978**	**1,420**	**978**	**(307)**	**(368)**	**(578)**	**671**	**1,052**	**400**
Total adjustments	146	191	111	39	40	109	185	231	220
Adjusted income/(loss) before taxes	**1,124**	**1,611**	**1,089**	**(268)**	**(328)**	**(469)**	**856**	**1,283**	**620**
Adjusted return on regulatory capital (%)	10.4	14.6	10.4	–	–	–	7.6	11.1	5.5

	Core Results		Strategic Resolution Unit		Credit Suisse	
in	**9M18**	9M17	**9M18**	9M17	**9M18**	9M17
Reconciliation of adjusted results (CHF million, except where indicated)						
Net revenues	**16,652**	**16,446**	**(533)**	**(735)**	**16,119**	**15,711**
Real estate gains	(15)	0	(1)	0	(16)	0
(Gains)/losses on business sales	(68)	23	0	(38)	(68)	(15)
Adjusted net revenues	**16,569**	**16,469**	**(534)**	**(773)**	**16,035**	**15,696**
Provision for credit losses	**184**	**138**	**2**	**29**	**186**	**167**
Total operating expenses	**12,607**	**12,976**	**549**	**916**	**13,156**	**13,892**
Restructuring expenses	(438)	(279)	(52)	(39)	(490)	(318)
Major litigation provisions	(90)	(59)	(72)	(179)	(162)	(238)
Expenses related to business sales	0	0	(3)	0	(3)	0
Adjusted total operating expenses	**12,079**	**12,638**	**422**	**698**	**12,501**	**13,336**
Income/(loss) before taxes	**3,861**	**3,332**	**(1,084)**	**(1,680)**	**2,777**	**1,652**
Total adjustments	445	361	126	180	571	541
Adjusted income/(loss) before taxes	**4,306**	**3,693**	**(958)**	**(1,500)**	**3,348**	**2,193**
Adjusted return on regulatory capital (%)	13.2	11.7	–	–	9.8	6.3

Adjusted return on regulatory capital is calculated using adjusted results, applying the same methodology used to calculate return on regulatory capital.

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Reconciliation of adjusted results

in	1Q18	4Q17	3Q17	2Q17	1Q17	4Q16	3Q16	2Q16	1Q16
									Credit Suisse
Reconciliation of adjusted results (CHF million, except where indicated)									
Net revenues	**5,636**	**5,189**	**4,972**	**5,205**	**5,534**	**5,181**	**5,396**	**5,108**	**4,638**
Real estate gains	(1)	0	0	0	0	(78)	(346)	0	0
(Gains)/losses on business sales	(73)	28	0	0	(15)	2	0	0	56
Adjusted net revenues	**5,562**	**5,217**	**4,972**	**5,205**	**5,519**	**5,105**	**5,050**	**5,108**	**4,694**
Provision for credit losses	**48**	**43**	**32**	**82**	**53**	**75**	**55**	**(28)**	**150**
Total operating expenses	**4,534**	**5,005**	**4,540**	**4,541**	**4,811**	**7,309**	**5,119**	**4,937**	**4,972**
Restructuring expenses	(144)	(137)	(112)	(69)	(137)	(49)	(145)	(91)	(255)
Major litigation provisions	(85)	(255)	(108)	(33)	(97)	(2,401)	(306)	0	0
Expenses related to business sales	0	(8)	0	0	0	0	0	0	0
Adjusted total operating expenses	**4,305**	**4,605**	**4,320**	**4,439**	**4,577**	**4,859**	**4,668**	**4,846**	**4,717**
Income/(loss) before taxes	**1,054**	**141**	**400**	**582**	**670**	**(2,203)**	**222**	**199**	**(484)**
Total adjustments	155	428	220	102	219	2,374	105	91	311
Adjusted income/(loss) before taxes	**1,209**	**569**	**620**	**684**	**889**	**171**	**327**	**290**	**(173)**

Reconciliation of adjusted results (continued)

in	4Q15	3Q15	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
								Credit Suisse
Reconciliation of adjusted results (CHF million, except where indicated)								
Net revenues	**4,210**	**5,985**	**6,955**	**6,647**	**6,372**	**6,578**	**6,463**	**6,829**
Fair value on own debt	697	(623)	(228)	(144)	(297)	(318)	(17)	89
Real estate gains	(72)	0	(23)	0	(375)	0	(5)	(34)
(Gains)/losses on business sales	(34)	0	0	0	(101)	0	0	0
Adjusted net revenues	**4,801**	**5,362**	**6,704**	**6,503**	**5,599**	**6,260**	**6,441**	**6,884**
Provision for credit losses	**133**	**110**	**51**	**30**	**75**	**59**	**18**	**34**
Total operating expenses	**10,518**	**5,023**	**5,248**	**5,106**	**5,405**	**5,181**	**6,791**	**5,052**
Goodwill impairment	(3,797)	0	0	0	0	0	0	0
Restructuring expenses	(355)	–	–	–	–	–	–	–
Major litigation provisions	(563)	(204)	(63)	10	(393)	(290)	(1,711)	(42)
Adjusted total operating expenses	**5,803**	**4,819**	**5,185**	**5,116**	**5,012**	**4,891**	**5,080**	**5,010**
Income/(loss) before taxes	**(6,441)**	**852**	**1,656**	**1,511**	**892**	**1,338**	**(346)**	**1,743**
Total adjustments	5,306	(419)	(188)	(154)	(380)	(28)	1,689	97
Adjusted income/(loss) before taxes	**(1,135)**	**433**	**1,468**	**1,357**	**512**	**1,310**	**1,343**	**1,840**

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Reconciliation of adjusted results

	SUB, IWM and APAC WM&C				
in	**9M18**	9M17	9M16	9M15 [1]	2015 [1]
Adjusted results (CHF million)					
Net revenues	**9,987**	**9,521**	**9,103**	**8,596**	**11,631**
Real estate gains	(15)	0	(346)	(23)	(95)
(Gains)/losses on business sales	(68)	0	0	0	(34)
Adjusted net revenues	**9,904**	**9,521**	**8,757**	**8,573**	**11,502**
Provision for credit losses	**135**	**81**	**77**	**139**	**174**
Total operating expenses	**6,377**	**6,527**	**6,266**	**6,193**	**9,252**
Goodwill impairment	0	0	0	0	(446)
Restructuring expenses	(179)	(131)	(110)	–	(79)
Major litigation provisions	(80)	(59)	19	(40)	(299)
Adjusted total operating expenses	**6,118**	**6,337**	**6,175**	**6,153**	**8,428**
Income before taxes	**3,475**	**2,913**	**2,760**	**2,264**	**2,205**
Total adjustments	176	190	(255)	17	695
Adjusted income before taxes	**3,651**	**3,103**	**2,505**	**2,281**	**2,900**

[1] Excludes net revenues and total operating expenses for Swisscard of CHF 148 million and CHF 123 million, respectively.

Reconciliation of adjustment items

	Group				
in	**9M18**	9M17	**2017**	2016	2015
Adjusted results (CHF million)					
Total operating expenses	**13,156**	**13,892**	**18,897**	**22,337**	**25,895**
Goodwill impairment	0	0	0	0	(3,797)
Restructuring expenses	(490)	(318)	(455)	(540)	(355)
Major litigation provisions	(162)	(238)	(493)	(2,707)	(820)
Expenses related to business sales	(3)	0	(8)	0	0
Debit valuation adjustments (DVA)	14	(63)	(83)	0	0
Certain accounting changes	(183)	(169)	(234)	(70)	(58)
Adjusted operating cost base	**12,332**	**13,104**	**17,624**	**19,020**	**20,865**
FX adjustment	256	277	326	291	310
Adjusted FX-neutral operating cost base	**12,588**	**13,381**	**17,950**	**19,311**	**21,175**

Swiss Universal Bank

	3Q18	2Q18	3Q17	QoQ	YoY	9M18	9M17	YoY
			in / end of		% change		in / end of	% change
Results (CHF million)								
Net revenues	**1,341**	**1,419**	**1,319**	(5)	2	**4,191**	**4,078**	3
of which Private Clients	730	757	727	(4)	0	2,249	2,171	4
of which Corporate & Institutional Clients	611	662	592	(8)	3	1,942	1,907	2
Provision for credit losses	**31**	**35**	**14**	(11)	121	**100**	**60**	67
Total operating expenses	**799**	**831**	**879**	(4)	(9)	**2,464**	**2,686**	(8)
Income before taxes	**511**	**553**	**426**	(8)	20	**1,627**	**1,332**	22
of which Private Clients	249	268	206	(7)	21	782	589	33
of which Corporate & Institutional Clients	262	285	220	(8)	19	845	743	14
Metrics (%)								
Return on regulatory capital	16.2	17.7	13.2	–	–	17.2	13.8	–
Cost/income ratio	59.6	58.6	66.6	–	–	58.8	65.9	–
Private Clients								
Assets under management (CHF billion)	209.3	207.9	206.1	0.7	1.6	209.3	206.1	1.6
Net new assets (CHF billion)	0.9	0.5	1.0	–	–	4.1	4.7	–
Gross margin (annualized) (bp)	139	145	142	–	–	144	145	–
Net margin (annualized) (bp)	48	51	40	–	–	50	39	–
Corporate & Institutional Clients								
Assets under management (CHF billion)	360.2	355.8	346.7	1.2	3.9	360.2	346.7	3.9
Net new assets (CHF billion)	1.8	0.9	(13.7)	–	–	6.5	(13.7)	–

Reconciliation of adjusted results

	Private Clients			Corporate & Institutional Clients			Swiss Universal Bank		
in	**3Q18**	2Q18	3Q17	**3Q18**	2Q18	3Q17	**3Q18**	2Q18	3Q17
Adjusted results (CHF million, except where indicated)									
Net revenues	**730**	**757**	**727**	**611**	**662**	**592**	**1,341**	**1,419**	**1,319**
Real estate gains	(15)	0	0	0	0	0	(15)	0	0
Adjusted net revenues	**715**	**757**	**727**	**611**	**662**	**592**	**1,326**	**1,419**	**1,319**
Provision for credit losses	**13**	**11**	**9**	**18**	**24**	**5**	**31**	**35**	**14**
Total operating expenses	**468**	**478**	**512**	**331**	**353**	**367**	**799**	**831**	**879**
Restructuring expenses	(17)	(17)	(9)	(8)	(10)	(4)	(25)	(27)	(13)
Major litigation provisions	0	0	(2)	(2)	0	(7)	(2)	0	(9)
Adjusted total operating expenses	**451**	**461**	**501**	**321**	**343**	**356**	**772**	**804**	**857**
Income before taxes	**249**	**268**	**206**	**262**	**285**	**220**	**511**	**553**	**426**
Total adjustments	2	17	11	10	10	11	12	27	22
Adjusted income before taxes	**251**	**285**	**217**	**272**	**295**	**231**	**523**	**580**	**448**
Adjusted return on regulatory capital (%)	–	–	–	–	–	–	16.6	18.6	13.9

	Private Clients		Corporate & Institutional Clients		Swiss Universal Bank	
in	**9M18**	9M17	**9M18**	9M17	**9M18**	9M17
Adjusted results (CHF million, except where indicated)						
Net revenues	**2,249**	**2,171**	**1,942**	**1,907**	**4,191**	**4,078**
Real estate gains	(15)	0	0	0	(15)	0
Gains on business sales	(19)	0	(18)	0	(37)	0
Adjusted net revenues	**2,215**	**2,171**	**1,924**	**1,907**	**4,139**	**4,078**
Provision for credit losses	**34**	**32**	**66**	**28**	**100**	**60**
Total operating expenses	**1,433**	**1,550**	**1,031**	**1,136**	**2,464**	**2,686**
Restructuring expenses	(56)	(54)	(24)	(7)	(80)	(61)
Major litigation provisions	0	(4)	(2)	(38)	(2)	(42)
Adjusted total operating expenses	**1,377**	**1,492**	**1,005**	**1,091**	**2,382**	**2,583**
Income before taxes	**782**	**589**	**845**	**743**	**1,627**	**1,332**
Total adjustments	22	58	8	45	30	103
Adjusted income before taxes	**804**	**647**	**853**	**788**	**1,657**	**1,435**
Adjusted return on regulatory capital (%)	–	–	–	–	17.5	14.9

International Wealth Management

	in / end of			% change		in / end of		% change
	3Q18	2Q18	3Q17	QoQ	YoY	**9M18**	9M17	YoY
Results (CHF million)								
Net revenues	**1,265**	**1,344**	**1,262**	(6)	0	**4,012**	**3,747**	7
of which Private Banking	913	992	870	(8)	5	2,948	2,680	10
of which Asset Management	352	352	392	0	(10)	1,064	1,067	0
Provision for credit losses	**15**	**5**	**3**	200	400	**19**	**13**	46
Total operating expenses	**872**	**906**	**904**	(4)	(4)	**2,698**	**2,723**	(1)
Income before taxes	**378**	**433**	**355**	(13)	6	**1,295**	**1,011**	28
of which Private Banking	287	347	252	(17)	14	1,035	788	31
of which Asset Management	91	86	103	6	(12)	260	223	17
Metrics (%)								
Return on regulatory capital	27.1	31.8	26.9	–	–	31.4	26.1	–
Cost/income ratio	68.9	67.4	71.6	–	–	67.2	72.7	–
Private Banking								
Assets under management (CHF billion)	368.4	370.7	355.3	(0.6)	3.7	368.4	355.3	3.7
Net new assets (CHF billion)	3.0	5.2	3.6	–	–	13.7	12.9	–
Gross margin (annualized) (bp)	99	107	101	–	–	107	106	–
Net margin (annualized) (bp)	31	37	29	–	–	37	31	–
Asset Management								
Assets under management (CHF billion)	403.7	401.4	376.3	0.6	7.3	403.7	376.3	7.3
Net new assets (CHF billion)	4.5	8.0	1.1	–	–	21.5	18.9	–

Reconciliation of adjusted results

in	Private Banking 3Q18	Private Banking 2Q18	Private Banking 3Q17	Asset Management 3Q18	Asset Management 2Q18	Asset Management 3Q17	International Wealth Management 3Q18	International Wealth Management 2Q18	International Wealth Management 3Q17
Adjusted results (CHF million, except where indicated)									
Net revenues	**913**	**992**	**870**	**352**	**352**	**392**	**1,265**	**1,344**	**1,262**
(Gains)/losses on business sales	0	0	0	5	0	0	5	0	0
Adjusted net revenues	**913**	**992**	**870**	**357**	**352**	**392**	**1,270**	**1,344**	**1,262**
Provision for credit losses	**15**	**5**	**3**	**0**	**0**	**0**	**15**	**5**	**3**
Total operating expenses	**611**	**640**	**615**	**261**	**266**	**289**	**872**	**906**	**904**
Restructuring expenses	(21)	(25)	(9)	(7)	(3)	(7)	(28)	(28)	(16)
Major litigation provisions	0	0	(11)	0	0	0	0	0	(11)
Adjusted total operating expenses	**590**	**615**	**595**	**254**	**263**	**282**	**844**	**878**	**877**
Income before taxes	**287**	**347**	**252**	**91**	**86**	**103**	**378**	**433**	**355**
Total adjustments	21	25	20	12	3	7	33	28	27
Adjusted income before taxes	**308**	**372**	**272**	**103**	**89**	**110**	**411**	**461**	**382**
Adjusted return on regulatory capital (%)	–	–	–	–	–	–	29.4	33.9	28.9

in	Private Banking 9M18	Private Banking 9M17	Asset Management 9M18	Asset Management 9M17	International Wealth Management 9M18	International Wealth Management 9M17
Adjusted results (CHF million, except where indicated)						
Net revenues	**2,948**	**2,680**	**1,064**	**1,067**	**4,012**	**3,747**
(Gains)/losses on business sales	(37)	0	6	0	(31)	0
Adjusted net revenues	**2,911**	**2,680**	**1,070**	**1,067**	**3,981**	**3,747**
Provision for credit losses	**19**	**13**	**0**	**0**	**19**	**13**
Total operating expenses	**1,894**	**1,879**	**804**	**844**	**2,698**	**2,723**
Restructuring expenses	(64)	(36)	(18)	(23)	(82)	(59)
Major litigation provisions	0	(17)	0	0	0	(17)
Adjusted total operating expenses	**1,830**	**1,826**	**786**	**821**	**2,616**	**2,647**
Income before taxes	**1,035**	**788**	**260**	**223**	**1,295**	**1,011**
Total adjustments	27	53	24	23	51	76
Adjusted income before taxes	**1,062**	**841**	**284**	**246**	**1,346**	**1,087**
Adjusted return on regulatory capital (%)	–	–	–	–	32.6	28.0

CREDIT SUISSE

Asia Pacific

	in / end of			% change		in / end of		% change
	3Q18	2Q18	3Q17	QoQ	YoY	**9M18**	9M17	YoY
Results (CHF million)								
Net revenues	**811**	**914**	**890**	(11)	(9)	**2,716**	**2,619**	4
of which Wealth Management & Connected	557	564	548	(1)	2	1,784	1,696	5
of which Markets	254	350	342	(27)	(26)	932	923	1
Provision for credit losses	**10**	**7**	**5**	43	100	**27**	**8**	238
Total operating expenses	**625**	**690**	**667**	(9)	(6)	**2,062**	**2,058**	0
Income before taxes	**176**	**217**	**218**	(19)	(19)	**627**	**553**	13
of which Wealth Management & Connected	180	168	173	7	4	553	570	(3)
of which Markets	(4)	49	45	–	–	74	(17)	–
Metrics (%)								
Return on regulatory capital	12.5	14.8	16.8	–	–	15.0	13.9	–
Cost/income ratio	77.1	75.5	74.9	–	–	75.9	78.6	–
Wealth Management & Connected – Private Banking								
Assets under management (CHF billion)	207.5	205.6	190.0	0.9	9.2	207.5	190.0	9.2
Net new assets (CHF billion)	6.4	3.4	5.8	–	–	16.0	15.6	–
Gross margin (annualized) (bp)	76	80	87	–	–	83	91	–
Net margin (annualized) (bp)	26	29	30	–	–	30	32	–

Reconciliation of adjusted results

	Wealth Management & Connected			Markets			Asia Pacific		
in	**3Q18**	2Q18	3Q17	**3Q18**	2Q18	3Q17	**3Q18**	2Q18	3Q17
Adjusted results (CHF million, except where indicated)									
Net revenues	**557**	**564**	**548**	**254**	**350**	**342**	**811**	**914**	**890**
Provision for credit losses	**1**	**6**	**5**	**9**	**1**	**0**	**10**	**7**	**5**
Total operating expenses	**376**	**390**	**370**	**249**	**300**	**297**	**625**	**690**	**667**
Restructuring expenses	(3)	(11)	(5)	(6)	(9)	(5)	(9)	(20)	(10)
Major litigation provisions	(1)	(29)	0	0	0	0	(1)	(29)	0
Adjusted total operating expenses	**372**	**350**	**365**	**243**	**291**	**292**	**615**	**641**	**657**
Income/(loss) before taxes	**180**	**168**	**173**	**(4)**	**49**	**45**	**176**	**217**	**218**
Total adjustments	4	40	5	6	9	5	10	49	10
Adjusted income before taxes	**184**	**208**	**178**	**2**	**58**	**50**	**186**	**266**	**228**
Adjusted return on regulatory capital (%)	–	–	–	–	–	–	13.2	18.3	17.6

	Wealth Management & Connected		Markets		Asia Pacific	
in	**9M18**	9M17	**9M18**	9M17	**9M18**	9M17
Adjusted results (CHF million, except where indicated)						
Net revenues	**1,784**	**1,696**	**932**	**923**	**2,716**	**2,619**
Provision for credit losses	**16**	**8**	**11**	**0**	**27**	**8**
Total operating expenses	**1,215**	**1,118**	**847**	**940**	**2,062**	**2,058**
Restructuring expenses	(17)	(11)	(18)	(29)	(35)	(40)
Major litigation provisions	(78)	0	0	0	(78)	0
Adjusted total operating expenses	**1,120**	**1,107**	**829**	**911**	**1,949**	**2,018**
Income/(loss) before taxes	**553**	**570**	**74**	**(17)**	**627**	**553**
Total adjustments	95	11	18	29	113	40
Adjusted income before taxes	**648**	**581**	**92**	**12**	**740**	**593**
Adjusted return on regulatory capital (%)	–	–	–	–	17.7	15.0

	APAC Markets			
in	**3Q18**	3Q17	**9M18**	9M17
Adjusted results (USD million)				
Net revenues	**259**	**354**	**961**	**945**
Total operating expenses	**253**	**308**	**872**	**960**
Restructuring expenses	(5)	(6)	(18)	(29)
Adjusted total operating expenses	**248**	**302**	**854**	**931**
Income before taxes	**(4)**	**46**	**77**	**(15)**
Total adjustments	5	6	18	29
Adjusted income before taxes	**1**	**52**	**95**	**14**

Global Markets

	in / end of			% change		in / end of		% change
	3Q18	2Q18	3Q17	QoQ	YoY	**9M18**	9M17	YoY
Results (CHF million)								
Net revenues	**1,043**	**1,426**	**1,262**	(27)	(17)	**4,015**	**4,388**	(9)
Provision for credit losses	**3**	**12**	**6**	(75)	(50)	**19**	**23**	(17)
Total operating expenses	**1,136**	**1,266**	**1,185**	(10)	(4)	**3,649**	**3,720**	(2)
Income/(loss) before taxes	**(96)**	**148**	**71**	–	–	**347**	**645**	(46)
Metrics (%)								
Return on regulatory capital	(3.0)	4.2	2.0	–	–	3.5	6.1	–
Cost/income ratio	108.9	88.8	93.9	–	–	90.9	84.8	–

Reconciliation of adjusted results

	Global Markets				
in	**3Q18**	2Q18	3Q17	**9M18**	9M17
Adjusted results (CHF million, except where indicated)					
Net revenues	**1,043**	**1,426**	**1,262**	**4,015**	**4,388**
Provision for credit losses	**3**	**12**	**6**	**19**	**23**
Total operating expenses	**1,136**	**1,266**	**1,185**	**3,649**	**3,720**
Restructuring expenses	(64)	(56)	(27)	(162)	(79)
Major litigation provisions	(10)	0	0	(10)	0
Adjusted total operating expenses	**1,062**	**1,210**	**1,158**	**3,477**	**3,641**
Income/(loss) before taxes	**(96)**	**148**	**71**	**347**	**645**
Total adjustments	74	56	27	172	79
Adjusted income/(loss) before taxes	**(22)**	**204**	**98**	**519**	**724**
Adjusted return on regulatory capital (%)	(0.7)	5.8	2.8	5.2	6.9

	Global Markets			
in	**3Q18**	3Q17	**9M18**	9M17
Adjusted results (USD million)				
Net revenues	**1,066**	**1,308**	**4,149**	**4,483**
Provision for credit losses	**3**	**7**	**20**	**24**
Total operating expenses	**1,160**	**1,228**	**3,764**	**3,801**
Restructuring expenses	(66)	(28)	(167)	(81)
Major litigation provisions	(10)	0	(10)	0
Adjusted total operating expenses	**1,084**	**1,200**	**3,587**	**3,720**
Income before taxes	**(97)**	**73**	**365**	**658**
Total adjustments	76	28	177	81
Adjusted income before taxes	**(21)**	**101**	**542**	**739**

Investment Banking & Capital Markets

			in / end of		% change		in / end of	% change
	3Q18	2Q18	3Q17	QoQ	YoY	**9M18**	9M17	YoY
Results (CHF million)								
Net revenues	**530**	**644**	**457**	(18)	16	**1,702**	**1,574**	8
Provision for credit losses	**3**	**15**	**12**	(80)	(75)	**19**	**31**	(39)
Total operating expenses	**457**	**519**	**410**	(12)	11	**1,444**	**1,281**	13
Income before taxes	**70**	**110**	**35**	(36)	100	**239**	**262**	(9)
Metrics (%)								
Return on regulatory capital	8.9	13.9	5.2	–	–	10.4	13.2	–
Cost/income ratio	86.2	80.6	89.7	–	–	84.8	81.4	–

Reconciliation of adjusted results

			Investment Banking & Capital Markets		
in	**3Q18**	2Q18	3Q17	**9M18**	9M17
Adjusted results (CHF million, except where indicated)					
Net revenues	**530**	**644**	**457**	**1,702**	**1,574**
Provision for credit losses	**3**	**15**	**12**	**19**	**31**
Total operating expenses	**457**	**519**	**410**	**1,444**	**1,281**
Restructuring expenses	(17)	(31)	(16)	(78)	(28)
Adjusted total operating expenses	**440**	**488**	**394**	**1,366**	**1,253**
Income before taxes	**70**	**110**	**35**	**239**	**262**
Total adjustments	17	31	16	78	28
Adjusted income before taxes	**87**	**141**	**51**	**317**	**290**
Adjusted return on regulatory capital (%)	11.0	17.8	7.6	13.8	14.6

		Investment Banking & Capital Markets		
in	**3Q18**	3Q17	**9M18**	9M17
Adjusted results (USD million)				
Net revenues	**543**	**474**	**1,752**	**1,609**
Provision for credit losses	**3**	**12**	**19**	**32**
Total operating expenses	**468**	**425**	**1,489**	**1,309**
Restructuring expenses	(18)	(17)	(81)	(29)
Adjusted total operating expenses	**450**	**408**	**1,408**	**1,280**
Income before taxes	**72**	**37**	**244**	**268**
Total adjustments	18	17	81	29
Adjusted income before taxes	**90**	**54**	**325**	**297**

Global advisory and underwriting revenues

			in		% change		in	% change
	3Q18	2Q18	3Q17	QoQ	YoY	**9M18**	9M17	YoY
Global advisory and underwriting revenues (USD million)								
Global advisory and underwriting revenues	1,020	1,156	950	(12)	7	3,282	3,099	6
of which advisory and other fees	291	313	237	(7)	23	855	707	21
of which debt underwriting	498	568	544	(12)	(8)	1,682	1,773	(5)
of which equity underwriting	231	275	169	(16)	37	745	619	20

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Cautionary statement regarding forward-looking information

This document contains statements that constitute forward-looking statements. In addition, in the future we, and others on our behalf, may make statements that constitute forward-looking statements. Such forward-looking statements may include, without limitation, statements relating to the following:

- our plans, objectives, ambitions, targets or goals;
- our future economic performance or prospects;
- the potential effect on our future performance of certain contingencies; and
- assumptions underlying any such statements.

Words such as "believes," "anticipates," "expects," "intends" and "plans" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. We do not intend to update these forward-looking statements.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other outcomes described or implied in forward-looking statements will not be achieved. We caution you that a number of important factors could cause results to differ materially from the plans, objectives, ambitions, targets, expectations, estimates and intentions expressed in such forward-looking statements. These factors include:

- the ability to maintain sufficient liquidity and access capital markets;
- market volatility and interest rate fluctuations and developments affecting interest rate levels;
- the strength of the global economy in general and the strength of the economies of the countries in which we conduct our operations, in particular the risk of continued slow economic recovery or downturn in the US or other developed countries or in emerging markets in 2018 and beyond;
- the direct and indirect impacts of deterioration or slow recovery in residential and commercial real estate markets;
- adverse rating actions by credit rating agencies in respect of us, sovereign issuers, structured credit products or other credit-related exposures;
- the ability to achieve our strategic goals, including those related to cost efficiency, income/(loss) before taxes, capital ratios and return on regulatory capital, leverage exposure threshold, risk-weighted assets threshold, return on tangible equity and other targets, objectives and ambitions;
- the ability of counterparties to meet their obligations to us;
- the effects of, and changes in, fiscal, monetary, exchange rate, trade and tax policies, as well as currency fluctuations;
- political and social developments, including war, civil unrest or terrorist activity;
- the possibility of foreign exchange controls, expropriation, nationalization or confiscation of assets in countries in which we conduct our operations;
- operational factors such as systems failure, human error, or the failure to implement procedures properly;
- the risk of cyber attacks on our business or operations;
- actions taken by regulators with respect to our business and practices and possible resulting changes to our business organization, practices and policies in countries in which we conduct our operations;
- the effects of changes in laws, regulations or accounting or tax standards, policies or practices in countries in which we conduct our operations;
- the potential effects of proposed changes in our legal entity structure;
- competition or changes in our competitive position in geographic and business areas in which we conduct our operations;
- the ability to retain and recruit qualified personnel;
- the ability to maintain our reputation and promote our brand;
- the ability to increase market share and control expenses;
- technological changes;
- the timely development and acceptance of our new products and services and the perceived overall value of these products and services by users;
- acquisitions, including the ability to integrate acquired businesses successfully, and divestitures, including the ability to sell non-core assets;
- the adverse resolution of litigation, regulatory proceedings and other contingencies; and
- other unforeseen or unexpected events and our success at managing these and the risks involved in the foregoing.

We caution you that the foregoing list of important factors is not exclusive. When evaluating forward-looking statements, you should carefully consider the foregoing factors and other uncertainties and events, including the information set forth in "Risk factors" in I – Information on the company in our Annual Report 2017.