

Credit Suisse AG

Hong Kong Branch

Key Financial Information Disclosure Statement

As at 31 December 2015

Credit Suisse AG  
Hong Kong Branch  
Key Financial Information Disclosure Statement  
As at 31 December 2015

Contents	Pages
Profit and loss account	1
Balance sheet	2
Notes to the financial statements	3-4
Off balance sheet and liquidity information	5
Notes to the financial statements	6-7
Group consolidated financial information	8

Credit Suisse AG  
Hong Kong Branch  
Profit & Loss Account  
For The Year Ended 31 December 2015

		31 Dec 2015	31 Dec 2014
	Notes	HKD'000	HKD'000
Interest income		1,268,256	776,064
Interest expense		(479,121)	(299,283)
Net interest income		789,135	476,781
Other operating income	1	1,408,905	1,210,242
Total operating income		2,198,040	1,687,023
Total operating expenses	2	(1,553,047)	(1,264,830)
(Impairment losses and provisions)/Write-back for impaired loans and receivables		(65,829)	911
Profit before taxation		579,164	423,104
Tax charge		(92,950)	(74,603)
Profit after taxation		486,214	348,501

Credit Suisse AG  
Hong Kong Branch  
Balance Sheet  
As at 31 December 2015

		31 Dec 2015	30 Jun 2015
	Notes	HKD'000	HKD'000
<b>Assets</b>			
Cash and balances with banks		1,684,356	1,278,124
Due from Exchange Fund		2,359	20,649
Amount due from overseas offices		28,342,534	34,182,718
Loans and receivables	4	63,123,548	65,441,058
Investment securities		14,947,918	15,495,809
Total assets		<u>108,100,715</u>	<u>116,418,358</u>
<b>Liabilities</b>			
Deposits from customers	5	60,463,109	57,753,351
Amount due to overseas offices		44,151,783	52,779,673
Other liabilities		3,485,823	5,885,334
Total liabilities		<u>108,100,715</u>	<u>116,418,358</u>

Credit Suisse AG  
Hong Kong Branch  
Notes to the Financial Statements

		31 Dec 2015	31 Dec 2014
	Notes	HKD'000	HKD'000
<b>1 Other operating income</b>			
Gains less losses arising from activities in foreign currencies		4,348	(9,797)
Gains less losses arising from trading in other derivatives		(228,918)	(131,751)
Gains less losses on securities held for trading purposes		(1)	12
Net fees and commission income	3	1,619,765	1,336,261
Others		13,711	15,517
		<u>1,408,905</u>	<u>1,210,242</u>
<b>2 Total operating expenses</b>			
Staff and rental expenses		(1,035,389)	(950,315)
Other expenses		(497,217)	(300,848)
Charge for other provisions		(20,441)	(13,667)
		<u>(1,553,047)</u>	<u>(1,264,830)</u>
<b>3 Net fees and commission income</b>			
Fees and commission income		1,963,904	1,534,033
Less: Fees and commission expenses		(344,139)	(197,772)
		<u>1,619,765</u>	<u>1,336,261</u>
		31 Dec 2015	30 Jun 2015
		HKD'000	HKD'000
<b>4 Loans and receivables</b>			
Loans and advances to customers			
- Overdrafts		731,610	1,710,918
- Other loans due within 1 month		41,519,835	37,013,889
- Between 1 and 3 months		12,965,399	13,920,443
- Between 3 months and 1 year		3,254,896	2,249,226
- Later than 1 year		2,416,586	6,311,943
Total Loans and advances to customers	6	<u>60,888,326</u>	<u>61,206,419</u>
Other accounts		2,224,260	4,161,356
Accrued interest		77,648	74,261
		(539)	(978)
Provisions for impaired loans and receivables (collective provisions)		(66,147)	-
Provisions for impaired loans and receivables (specific provisions)			
		<u>63,123,548</u>	<u>65,441,058</u>
<b>5 Deposits from customers</b>			
Demand deposits and current accounts		35,298,636	32,799,556
Savings deposits		-	-
Time, call and notice deposits		25,164,473	24,953,795
		<u>60,463,109</u>	<u>57,753,351</u>

Credit Suisse AG  
Hong Kong Branch  
Notes to the Financial Statements

6 Analysis of gross amount of loans and advances to customers

a. Breakdown by industry sectors

	31 Dec 2015 HKD'000			30 Jun 2015 HKD'000		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Loans and advances for use in Hong Kong						
Industrial, commercial and financial						
Property development	7,340	-	7,340	7,227	-	7,227
Financial concerns	2,049,139	3,487,680	5,536,819	1,920,208	3,488,534	5,408,742
Printing & Publishing	-	-	-	193,143	-	193,143
Others	54,669	-	54,669	56,475	-	56,475
Individuals						
Others	12,976,009	100	12,976,109	13,062,072	92	13,062,164
Loans and advances for use outside Hong Kong	42,312,173	1,216	42,313,389	42,473,005	5,663	42,478,668
	<u>57,399,330</u>	<u>3,488,996</u>	<u>60,888,326</u>	<u>57,712,130</u>	<u>3,494,289</u>	<u>61,206,419</u>

b. Breakdown by geographical areas

Loans and Advances to customers by geographical areas that are classified according to the location of the counterparties after taking into account the transfer of risk.

	31 Dec 2015 HKD'000			30 Jun 2015 HKD'000		
	Total	Impaired Loans & Advances	Specific Provision	Total	Impaired Loans & Advances	Specific Provision
British Virgin Islands	28,149,883	220,200	54,341	28,236,670	-	-
Hong Kong	12,481,789	-	-	13,074,848	-	-
Others	20,256,654	82,497	11,806	19,894,901	-	-
	<u>60,888,326</u>	<u>302,697</u>	<u>66,147</u>	<u>61,206,419</u>	<u>-</u>	<u>-</u>
% of the total loans and advances to customers		<u>0.50%</u>			<u>0.00%</u>	
Market value of security held against impaired advances to loans and advances		<u>297,045</u>			<u>-</u>	

7 Loans and advances to customers and banks which have been overdue

The gross amount of loans and advances to customers which have been overdue for

	31 Dec 2015 HKD'000			30 Jun 2015 HKD'000		
	Overdue Loans & Advances	% of total Loans & Advances to customers	Specific Provision	Overdue Loans & Advances	% of total Loans & Advances to customers	Specific Provision
Six months or less but over three months	220,200	0.36%	54,341	-	-	-
One year or less but over six months	82,497	0.14%	11,806	-	-	-
Over one year	-	-	-	-	-	-
	<u>302,697</u>	<u>0.50%</u>	<u>66,147</u>	<u>-</u>	<u>-</u>	<u>-</u>

The branch does not have any overdue & rescheduled loans & advances to banks as at 30 Jun 2015 and 31 Dec 2015.

The branch does not have impaired loans and advances to banks as at 30 Jun 2015 and 31 Dec 2015.

8 Other Assets Overdue

The branch does not have any overdue other assets as at 30 Jun 2015 and 31 Dec 2015.

9 Repossessed Assets

The branch does not have any repossessed assets as at 30 Jun 2015 and 31 Dec 2015.



Credit Suisse AG  
Hong Kong Branch  
Notes to the Financial Statements

13 International claims  
(HKD million)

International claims are on-balance sheet exposures to counterparties based on the location of the counterparties after taking into account the transfer of risk and by types of counterparties. Geographical segments and individual countries constituting 10% or more of the aggregate international claims are summarized as follows:

31 Dec 2015					
	Banks	Official Sector	Non-bank private sector	Others	Total
<b>Developed Countries</b>	<b>2,459</b>	<b>14,916</b>	<b>309</b>	-	<b>17,684</b>
of which Switzerland	1,625	-	1	-	1,626
of which United States	321	14,916	30	-	15,267
<b>Offshore Centres</b>	<b>27,841</b>	<b>1</b>	<b>48,488</b>	-	<b>76,330</b>
of which Bahamas	-	-	1,312	-	1,312
of which British Virgin Islands	-	-	28,375	-	28,375
of which Cayman Islands	-	-	1,296	-	1,296
of which Hong Kong	950	1	12,072	-	13,023
of which Singapore	26,891	-	4,625	-	31,516

30 Jun 2015					
	Banks	Official Sector	Non-bank private sector	Others	Total
<b>Developed Countries</b>	<b>2,444</b>	<b>15,463</b>	<b>247</b>	-	<b>18,154</b>
of which Switzerland	1,867	-	5	-	1,872
of which United States	402	15,463	5	-	15,870
<b>Offshore Centres</b>	<b>33,799</b>	<b>1</b>	<b>49,486</b>	-	<b>83,286</b>
of which Bahamas	-	-	2,065	-	2,065
of which British Virgin Islands	-	-	29,045	-	29,045
of which Cayman Islands	-	-	2,724	-	2,724
of which Hong Kong	1,008	1	12,384	-	13,393
of which Singapore	32,791	-	2,621	-	35,412

The above country/geographical segment classification is based on the head office location of the counterparties and is derived according to the location of the counterparties after taking into account of any risk transfer.



14 Mainland Activities Disclosures  
(HKD million)

Non-bank counterparties are identified in accordance with the definitions set out in the banking return of "Return of Mainland Activities" issued by the HKMA. Exposures in Mainland China arising from non-bank counterparties are summarized as follows:

	31 Dec 2015			30 Jun 2015		
	On-balance sheet exposure	Off-balance sheet exposure	Total	On-balance sheet exposure	Off-balance sheet exposure	Total
Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	12	-	12	13	-	13
PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	3,662	67	3,729	4,183	76	4,259
PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	579	3	582	517	3	520
Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	5,516	58	5,574	6,455	249	6,704
<b>Total</b>	<b>9,769</b>	<b>128</b>	<b>9,897</b>	<b>11,168</b>	<b>328</b>	<b>11,496</b>
Total assets after provision	108,101			116,418		
On-balance sheet exposures as percentage of total	9.04%			9.59%		

As at 30 Jun 2015 & 31 Dec 2015, no specific provision has been made on the exposures.

15 Foreign currency exposures  
(HKD million)

	31 Dec 2015		
	USD	JPY	Total
Spot assets	53,056	5,751	58,807
Spot liabilities	(53,030)	(5,750)	(58,780)
Forward purchases	15,802	3,586	19,388
Forward sales	(15,842)	(3,510)	(19,352)
Net options positions	-	-	-
<b>Net long (short) position</b>	<b>(14)</b>	<b>77</b>	<b>63</b>
Net structural position	-	-	-

  

	30 Jun 2015		
	USD	JPY	Total
Spot assets	64,329	1,680	66,009
Spot liabilities	(64,430)	(1,672)	(66,102)
Forward purchases	14,780	3,701	18,481
Forward sales	(14,719)	(3,708)	(18,427)
Net options positions	-	-	-
<b>Net long (short) position</b>	<b>(40)</b>	<b>1</b>	<b>(39)</b>
Net structural position	-	-	-

Internal reporting method is adopted as basis of calculating the net options positions.

Credit Suisse Group AG  
Consolidated Financial Information

	31 Dec 2015	30 Jun 2015
<b>Capital adequacy ratio (Note 1)</b>		
Common Equity Tier 1 ratio	14.3%	13.9%
Tier 1 ratio	18.0%	16.7%
Total ratio	21.3%	20.1%
	CHF million	CHF million
<b>Total shareholders' equity</b>	44,382	42,642
<b>Other financial information</b>		
Balance sheet :		
Total assets	820,805	879,322
Total liabilities	776,423	836,680
Loans net of allowance for loan losses	272,995	270,171
Total customer deposits	342,705	356,453
	31 Dec 2015	31 Dec 2014
	CHF million	CHF million
<b>Profit and Loss :</b>		
Pre-tax (loss)/profit from continuing operations for the financial period	(2,421)	3,178

Note :

- (1) The capital adequacy ratio is computed in accordance with the Basel Capital Accord.
- (2) For further details on Credit Suisse Group AG financial information, please refer to the Credit Suisse Group AG 2015 Annual Report at [www.credit-suisse.com](http://www.credit-suisse.com)