

Credit Suisse AG

Hong Kong Branch

Key Financial Information Disclosure Statement

As at 30 June 2019

Credit Suisse AG
Hong Kong Branch
Key Financial Information Disclosure Statement
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Credit Suisse AG
Hong Kong Branch
Profit & Loss Account

		6 months ended 30 Jun 2019	6 months ended 30 Jun 2018
	Notes	HKD'000	HKD'000
Interest income		2,622,173	2,081,487
Interest expense		(1,894,813)	(1,394,881)
Net interest income		727,360	686,606
Other operating income	1	1,361,244	1,294,055
Total operating income		2,088,604	1,980,661
Total operating expenses	2	(1,328,342)	(1,295,654)
Impairment losses and provisions		(7,212)	(40,482)
Profit before taxation		753,050	644,525
Tax charge		(125,649)	(105,544)
Profit after taxation		627,401	538,981

Credit Suisse AG
Hong Kong Branch
Balance Sheet
As at 30 June 2019

		30 Jun 2019	31 Dec 2018
	Notes	HKD'000	HKD'000
Assets			
Cash and balances with banks		1,528,701	3,603,992
Due from Exchange Fund		204,291	80,573
Amount due from overseas offices		80,684,892	81,227,443
Loans and receivables	4	87,984,543	73,449,156
Amount receivable under reverse repos		3,298,461	-
Investment securities		30,122,737	34,798,722
Securities held for trading purposes		755,773	210,074
Property, plant and equipment		15,887	10,326
Total assets		<u>204,595,285</u>	<u>193,380,286</u>
Liabilities			
Deposits from customers	5	130,447,456	125,964,587
Deposit and balances of banks and other financial institutions		767	6,111
Amount due to overseas offices		66,077,543	59,809,051
Other liabilities		8,069,519	7,600,537
Total liabilities		<u>204,595,285</u>	<u>193,380,286</u>

Credit Suisse AG
Hong Kong Branch
Notes to the Financial Statements

		6 months ended 30 Jun 2019	6 months ended 30 Jun 2018
	Notes	HKD'000	HKD'000
1 Other operating income			
Gains less losses arising from trading in foreign currencies		(4,959)	2,496
Gains less losses arising from trading in other derivatives		(237,788)	(231,619)
Gains less losses on securities held for trading purposes		2,625	(60)
Net fees and commission income	3	1,586,806	1,508,265
Others		14,560	14,973
		<u>1,361,244</u>	<u>1,294,055</u>
2 Total operating expenses			
Staff and rental expenses		(686,875)	(694,829)
Other expenses		(637,676)	(598,431)
Charge for other provisions		(3,791)	(2,394)
		<u>(1,328,342)</u>	<u>(1,295,654)</u>
3 Net fees and commission income			
Fees and commission income		1,609,904	1,536,589
Less: Fees and commission expenses		(23,098)	(28,324)
		<u>1,586,806</u>	<u>1,508,265</u>
		30 Jun 2019	31 Dec 2018
		HKD'000	HKD'000
4 Loans and receivables			
Loans and advances to customers			
- Overdrafts and repayment on demand		1,333,453	1,437,278
- Other loans due within 1 month		65,602,720	56,074,213
- Between 1 and 3 months		9,862,337	6,600,059
- Between 3 months and 1 year		2,577,487	4,799,805
- Later than 1 year		2,777,224	1,942,886
		<u>82,153,221</u>	<u>70,854,241</u>
Total Loans and advances to customers	6	82,153,221	70,854,241
Other accounts		5,344,276	2,313,137
Accrued interest		574,321	541,098
Provisions for impaired loans and receivables (general provisions)		(7,474)	(9,994)
Provisions for impaired loans and receivables (specific provisions)		(79,801)	(249,326)
		<u>87,984,543</u>	<u>73,449,156</u>
5 Deposits from customers			
Demand deposits and current accounts		35,231,979	36,080,390
Savings deposits		-	-
Time, call and notice deposits		95,215,477	89,884,197
		<u>130,447,456</u>	<u>125,964,587</u>

6 Analysis of gross amount of loans and advances to customers

a. Breakdown by industry sectors

The analysis of gross loans and advances to customers and secured loans and advances by industry sectors are based on the categories and definitions used by the Hong Kong Monetary Authority (HKMA).

	30 Jun 2019 HKD'000			31 Dec 2018 HKD'000		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Loans and advances for use in Hong Kong						
Industrial, commercial and financial						
Financial concerns	1,925,314	3,513,985	5,439,299	1,848,699	3,524,288	5,372,987
Recreational activities	150,318	-	150,318	79,392	-	79,392
Others	421,335	-	421,335	815,586	-	815,586
Individuals						
Others	25,947,300	62	25,947,362	21,929,851	108	21,929,959
Loans and advances for use outside Hong Kong	50,190,406	4,501	50,194,907	42,655,934	383	42,656,317
	<u>78,634,673</u>	<u>3,518,548</u>	<u>82,153,221</u>	<u>67,329,462</u>	<u>3,524,779</u>	<u>70,854,241</u>

When collateral value are greater than gross loans and advances, only the amount of collateral up to gross amount is included.

b. Breakdown by geographical areas

Loans and Advances to customers by geographical areas to which not less than 10% of the institution's total amount of loans and advances to customers are classified according to the location of the counterparties after taking into account the transfer of risk. The basis of the country classification is in accordance with the guidance notes from the HKMA.

	30 Jun 2019 HKD'000			31 Dec 2018 HKD'000		
	Total	Overdue/Impaired Loans & Advances	Specific Provision	Total	Overdue/Impaired Loans & Advances	Specific Provision
British Virgin Islands	34,755,683	-	-	27,718,994	26,780	26,780
Hong Kong	31,958,314	94,748	79,801	28,197,924	239,329	222,546
Others	15,439,224	-	-	14,937,323	-	-
	<u>82,153,221</u>	<u>94,748</u>	<u>79,801</u>	<u>70,854,241</u>	<u>266,109</u>	<u>249,326</u>
% of the total loans and advances to customers		0.12%			0.38%	
Fair value of security held against impaired advances to loans and advances		<u>19,894</u>			<u>21,132</u>	

7 Overdue and rescheduled loans and advances

a. Overdue advances

	30 Jun 2019		31 Dec 2018	
	HKD'000	% of total Loans & Advances to customers	HKD'000	% of total Loans & Advances to customers
Gross amount of advances which have been overdue for:				
- Six months or less but over three months	-	-	-	-
- One year or less but over six months	-	-	-	-
- Over one year	94,748	0.12%	266,109	0.38%
	<u>94,748</u>	<u>0.12%</u>	<u>266,109</u>	<u>0.38%</u>
Fair value of the collaterals held in respect of the overdue loans and advances to customers	<u>19,894</u>		<u>21,132</u>	
Specific provision made	<u>79,801</u>		<u>249,326</u>	

All non-performing loans to customers were overdue for more than one year as at 30 Jun 2019 & 31 Dec 2018.

The collaterals held include property and listed shares.

b. Rescheduled advances

Credit Suisse AG Hong Kong Branch (The Branch) does not have any rescheduled loans & advances to customers as at 30 Jun 2019 & 31 Dec 2018.

The Branch does not have any overdue & rescheduled loans & advances to banks as at 30 Jun 2019 & 31 Dec 2018.
The Branch does not have impaired loans and advances to banks as at 30 Jun 2019 & 31 Dec 2018.

8 Other Assets Overdue and Repossessed Assets

The Branch does not have any overdue other assets and repossessed assets as at 30 Jun 2019 & 31 Dec 2018.

9 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. The basis of geographical segments and individual countries is in accordance with the definitions set out in the banking return of "Return of International Banking Statistics" issued by the HKMA. Geographical segments and individual countries constituting 10% or more of the aggregate international claims are summarized as follows:

30 Jun 2019						
	Banks	Official Sector	Non-bank private sector		Others	Total
			Non-bank financial institutions	Non-financial private sector		
Developed Countries	83,390	30,649	764	3,990	-	118,793
of which Switzerland	82,270	-	658	3,602	-	86,530
of which United States	181	30,576	37	1	-	30,795
Offshore Centres	3,186	-	155	57,700	-	61,041
of which British Virgin Islands	-	-	1	36,559	-	36,560

31 Dec 2018						
	Banks	Official Sector	Non-bank private sector		Others	Total
			Non-bank financial institutions	Non-financial private sector		
Developed Countries	85,535	34,779	256	3,946	-	124,516
of which Switzerland	83,970	-	193	3,667	-	87,830
of which United States	413	34,708	5	-	-	35,126
Offshore Centres	-	-	122	44,029	-	44,151
of which British Virgin Islands	-	-	-	28,881	-	28,881

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.

10 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:

	30 Jun 2019			31 Dec 2018		
	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)	210	-	210	210	-	210
Local governments, local government-owned entities and their subsidiaries and JVs	-	-	-	-	-	-
PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	12,869	63	12,932	12,950	88	13,038
PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	982	10	992	1,485	11	1,446
Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	2,108	3	2,106	2,011	3	2,014
Total	16,164	76	16,240	16,606	102	16,708
Total assets after provision	204,595			193,380		
On-balance sheet exposures as percentage of total assets	7.90%			8.59%		

As at 30 Jun 2019 & 31 Dec 2018, no specific provision has been made on the exposures.

11 Foreign currency exposures
(HKD million)

Foreign currency constituting 10% or more of the total net position in all foreign currencies are summarized as follows:

	30 Jun 2019		
	USD	CHF	Total
Spot assets	111,886	2,251	114,137
Spot liabilities	(112,061)	(2,151)	(114,212)
Forward purchases	13,486	1,371	14,857
Forward sales	(13,407)	(1,430)	(14,837)
Net options positions	-	-	-
Net (short) long position	(96)	41	(55)
Net structural position	16	-	16

	31 Dec 2018		
	USD	CHF	Total
Spot assets	117,405	2,707	120,112
Spot liabilities	(117,396)	(2,686)	(120,082)
Forward purchases	11,818	2,633	14,451
Forward sales	(11,838)	(2,632)	(14,470)
Net options positions	-	-	-
Net long position	(11)	22	11
Net structural position	10	-	10

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

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Off Balance Sheet Exposures

	30 Jun 2019	31 Dec 2018
	HKD'000	HKD'000
12 Contingent liabilities and commitments (contractual amounts)		
Direct credit substitutes	16,779	14,928
Other commitments	246,075,796	246,624,400

13 Derivatives instruments
(HKD '000)

	30 Jun 2019			31 Dec 2018		
	Fair Value Positive	Negative	Total Notional Amount	Fair Value Positive	Negative	Total Notional Amount
Exchange rate contracts (exclude forward foreign exchange contracts arising from swap deposit arrangements)	351,218	346,125	68,031,500	329,593	329,333	57,131,665
Equity contracts	616,221	616,221	46,073,449	461,980	461,980	38,214,454
Precious metals other than gold contracts	11,713	11,713	1,562,702	26,721	26,726	1,329,999

Credit Suisse AG
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Liquidity Information

The Liquidity Disclosure Statement complies with the Banking (Disclosure) Rules (BDR) made under section 60A of the Banking Ordinance.

Basis of preparation

The approaches used in calculating the Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) are in accordance with the Banking Liquidity Rules (BLR).

During 2019, the Branch is required to maintain LCR of not less than 100%.

The average LCR for the periods are as follow:

	Quarter ended (%)	
	30 Jun 2019	30 Jun 2018
Average LCR	194.43%	198.44%

Average LCR is the simple average value of all working days in the quarter.

The NSFR, Available Stable Funding (ASF) and Required Stable Funding (RSF) for the periods are as follow:

	Quarter ended (%)	
	30 Jun 2019	30 Jun 2018
NSFR	149.95%	143.81%
	Quarter ended (HKD million)	
	30 Jun 2019	30 Jun 2018
ASF	94,501	92,989
RSF	63,023	64,661

Accompanying narrative

The liquidity position of the Branch remained stable and healthy. The average LCR were 194.43% and 198.44% at end of 2Q2019 and 2Q2018 respectively. The NSFR were 149.95% and 143.81% for the quarters ended 30 June 2019 and 30 June 2018 respectively.

The Branch holds a pool of high quality liquid assets (HQLA) as defined under Schedule 2 of the BLR. The majority of the HQLA held by the Branch are Level 1 assets, predominantly in government debt securities.

Private banking customers' deposit remains as one of the major funding sources for the Branch. In addition, the Branch is able to source additional funding, in the appropriate currency, from affiliates of Credit Suisse Group AG (the Group) to meet its requirement.

The average LCR decreased from 198.44% for the quarter ended 30 Jun 2018 to 194.43% for the quarter ended 30 Jun 2019 driven by an increase in outflows arising from unsecured wholesale funding. NSFR increased from 143.81% for the quarter ended 30 Jun 2018 to 149.95% for the quarter ended 30 Jun 2019 driven by an increase in ASF.

The Branch, being one of the branches of the Group, monitors and manages liquidity risk on a standalone basis. The risk control framework aims to ensure the appropriate amount of liquidity is set aside locally whilst ensuring a sufficient amount of liquidity is held at Group level to support and meet its obligations.

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Liquidity Information

The following table sets out the required disclosure items under Standard Disclosure Templates as specified by the HKMA. The number of data points used in calculating average value of the LCR and its related components for the quarters ending 30 June 2019 and 30 June 2018 are 59 and 60 data points respectively. The number of data points equates to the number of working days in the quarter.

LIQ1 – Liquidity Coverage Ratio for category 1 institution

Amount in HKD\$ '000		Quarter ended 30 Jun 2019 (59 data points)		Quarter ended 30 Jun 2018 (60 data points)	
Basis of disclosure: Hong Kong office basis		Unweighted value (average)	Weighted value (average)	Unweighted value (average)	Weighted value (average)
A. HIGH QUALITY LIQUID ASSETS					
1	Total high quality liquid assets (HQLA)		33,837,899		32,024,208
B. CASH OUTFLOWS					
2	Retail deposits and small business funding, of which:	58,470,332	5,847,033	52,345,687	5,232,354
3	Stable retail deposits and stable small business funding	-	-	-	-
4	Less stable retail deposits and less stable small business funding	58,470,332	5,847,033	52,301,393	5,230,139
4a	Retail term deposits and small business term funding	-	-	44,294	2,215
5	Unsecured wholesale funding (other than small business funding) and debt securities and prescribed instruments issued by the FI, of which:	81,915,564	52,044,809	73,095,988	46,626,508
6	Operational deposits	-	-	-	-
7	Unsecured wholesale funding (other than small business funding) not covered in Row 6	81,915,564	52,044,809	73,095,988	46,626,508
8	Debt securities and prescribed instruments issued by the FI and redeemable within the LCR period	-	-	-	-
9	Secured funding transactions (including securities swap transactions)		-		-
10	Additional requirements, of which:	7,208,351	6,990,206	8,488,149	8,301,777
11	Cash outflows arising from derivative contracts and other transactions, and additional liquidity needs arising from related collateral requirements	1,696,609	1,696,609	2,596,125	2,596,125
12	Cash outflows arising from obligations under structured financing transactions and repayment of funding obtained from such transactions	-	-	-	-
13	Potential drawdown of undrawn committed facilities (including committed credit facilities and committed liquidity facilities)	5,511,742	5,293,597	5,892,024	5,705,652
14	Contractual lending obligations (not otherwise covered in Section B) and other contractual cash outflows	5,173,624	5,173,624	4,558,845	4,558,845
15	Other contingent funding obligations (whether contractual or non-contractual)	244,110,085	1,695	193,153,150	1,858
16	TOTAL CASH OUTFLOWS		70,057,367		64,721,342
C. CASH INFLOWS					
17	Secured lending transactions (including securities swap transactions)	224,389	-	-	-
18	Secured and unsecured loans (other than secured lending transactions covered in Row 17) and operational deposits placed at other financial institutions	100,162,414	65,093,814	100,988,807	61,059,795
19	Other cash inflows	6,699,866	4,935,040	6,348,905	5,014,788
20	TOTAL CASH INFLOWS	107,086,669	70,028,854	107,337,712	66,074,583
D. LIQUIDITY COVERAGE RATIO			Adjusted value		Adjusted value
21	TOTAL HQLA		33,837,899		32,024,208
22	TOTAL NET CASH OUTFLOWS		17,514,342		16,180,336
23	LCR (%)		194.43%		198.44%

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Liquidity Information

The following table sets out the required disclosure items under NSFR Standard Disclosure Template as specified by the HKMA.

L1Q2 - Net stable funding ratio for category 1 institution

Amount in HKD\$ '000		Quarter ended 30 Jun 2019				
		Unweighted value by residual maturity				Weighted amount
Basis of disclosure: Hong Kong office		No specified term to maturity	< 6 months or repayable on demand	6 months to < 12 months	12 months or more	
A. Available stable funding ("ASF") item						
1	Capital:	-	-	-	-	-
2	Regulatory capital	-	-	-	-	-
2a	Minority interests not covered by row 2	-	-	-	-	-
3	Other capital instruments	-	-	-	-	-
4	Retail deposits and small business funding:	-	59,479,019	-	-	53,531,117
5	Stable deposits		-	-	-	-
6	Less stable deposits		59,479,019	-	-	53,531,117
7	Wholesale funding:	-	136,299,185	5,889,063	2,249,972	40,962,090
8	Operational deposits		-	-	-	-
9	Other wholesale funding	-	136,299,185	5,889,063	2,249,972	40,962,090
10	Liabilities with matching interdependent assets	-	-	-	-	-
11	Other liabilities:	3,049,258	3,442,002	-	7,474	7,474
12	Net derivative liabilities	45,219				
13	All other funding and liabilities not included in the above categories	3,004,039	3,442,002	-	7,474	7,474
14	Total ASF					94,500,681
B. Required stable funding ("RSF") item						
15	Total HQLA for NSFR purposes				31,093,435	1,551,671
16	Deposits held at other financial institutions for operational purposes	-	-	-	-	-
17	Performing loans and securities:	1,238,704	161,991,411	9,417,345	2,885,899	60,877,228
18	Performing loans to financial institutions secured by Level 1 HQLA	-	3,304,622	-	-	330,462
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	23,217	77,218,320	9,035,073	78,100	16,201,602
20	Performing loans, other than performing residential mortgage, to non-financial corporate clients, retail and small business customers, sovereigns, the Monetary Authority for the account of the Exchange Fund, central banks and PSEs, of which:	1,215,487	81,271,096	382,272	2,807,799	44,246,477
21	With a risk-weight of less than or equal to 35% under the STC approach	-	-	-	-	-
22	Performing residential mortgages, of which:	-	197,373	-	-	98,687
23	With a risk-weight of less than or equal to 35% under the STC approach	-	-	-	-	-
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	-	-
25	Assets with matching interdependent liabilities	-	-	-	-	-
26	Other assets:	1,230,389	4,189,877	-	-	455,305
27	Physical traded commodities, including gold	-				-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-				-
29	Net derivative assets	-				-
30	Total derivative liabilities before deduction of variation margin posted	1,024,370				NA
31	All other assets not included in the above categories	206,019	4,189,877	-	-	455,305
32	Off-balance sheet items				248,584,934	138,918
33	Total RSF					63,023,122
34	Net Stable Funding Ratio (%)					149.95%

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Liquidity Information

LIQ2 - Net stable funding ratio for category 1 institution - continued

HK\$'000		Quarter ended 31 Mar 2019				
Basis of disclosure: Hong Kong office		Unweighted value by residual maturity				Weighted amount
		No specified term to maturity	< 6 months or repayable on demand	6 months to < 12 months	12 months or more	
A. Available stable funding ("ASF") item						
1	Capital:	-	-	-	-	-
2	Regulatory capital	-	-	-	-	-
2a	Minority interests not covered by row 2	-	-	-	-	-
3	Other capital instruments	-	-	-	-	-
4	Retail deposits and small business funding:	-	61,702,673	-	-	55,532,406
5	Stable deposits	-	-	-	-	-
6	Less stable deposits	-	61,702,673	-	-	55,532,406
7	Wholesale funding:	-	134,108,970	6,657,252	2,158,878	37,753,317
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	-	134,108,970	6,657,252	2,158,878	37,753,317
10	Liabilities with matching interdependent assets	-	-	-	-	-
11	Other liabilities:	2,543,151	4,364,338	-	8,130	8,130
12	Net derivative liabilities	49,368	-	-	-	-
13	All other funding and liabilities not included in the above categories	2,493,783	4,364,338	-	8,130	8,130
14	Total ASF	-	-	-	-	93,293,853
B. Required stable funding ("RSF") item						
15	Total HQLA for NSFR purposes	-	-	-	32,567,231	1,633,584
16	Deposits held at other financial institutions for operational purposes	-	-	-	-	-
17	Performing loans and securities:	1,098,347	155,568,162	11,565,971	2,992,371	58,162,258
18	Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	9	82,556,113	11,301,368	84,796	18,118,906
20	Performing loans, other than performing residential mortgage, to non-financial corporate clients, retail and small business customers, sovereigns, the Monetary Authority for the account of the Exchange Fund, central banks and PSEs, of which:	1,098,338	72,834,845	254,657	2,907,575	39,949,777
21	With a risk-weight of less than or equal to 35% under the STC approach	-	-	-	-	-
22	Performing residential mortgages, of which:	-	177,204	9,946	-	93,575
23	With a risk-weight of less than or equal to 35% under the STC approach	-	-	-	-	-
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	-	-
25	Assets with matching interdependent liabilities	-	-	-	-	-
26	Other assets:	1,031,641	4,968,804	-	-	347,820
27	Physical traded commodities, including gold	-	-	-	-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	-	-	-	-
29	Net derivative assets	-	-	-	-	-
30	Total derivative liabilities before deduction of variation margin posted	885,896	-	-	-	NA
31	All other assets not included in the above categories	145,745	4,968,804	-	-	347,820
32	Off-balance sheet items	-	-	-	248,361,907	131,302
33	Total RSF	-	-	-	-	60,274,964
34	Net Stable Funding Ratio (%)	-	-	-	-	154.78%

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Liquidity Information

L1Q2 - Net stable funding ratio for category 1 institution - continued

HK\$'000		Quarter ended 30 Jun 2018				
Basis of disclosure: Hong Kong office		Unweighted value by residual maturity				Weighted amount
		No specified term to maturity	< 6 months or repayable on demand	6 months to < 12 months	12 months or more	
A. Available stable funding ("ASF") item						
1	Capital:	-	-	-	-	-
2	Regulatory capital	-	-	-	-	-
2a	Minority interests not covered by row 2	-	-	-	-	-
3	Other capital instruments	-	-	-	-	-
4	Retail deposits and small business funding:	-	54,198,444	-	-	48,778,600
5	Stable deposits	-	-	-	-	-
6	Less stable deposits	-	54,198,444	-	-	48,778,600
7	Wholesale funding:	-	117,463,616	24,425,472	912,663	44,196,703
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	-	117,463,616	24,425,472	912,663	44,196,703
10	Liabilities with matching interdependent assets	-	-	-	-	-
11	Other liabilities:	3,145,755	3,657,501	-	13,674	13,674
12	Net derivative liabilities	43,554	-	-	-	-
13	All other funding and liabilities not included in the above categories	3,102,201	3,657,501	-	13,674	13,674
14	Total ASF	-	-	-	-	92,988,977
B. Required stable funding ("RSF") item						
15	Total HQLA for NSFR purposes	-	-	-	31,007,052	1,562,578
16	Deposits held at other financial institutions for operational purposes	-	-	-	-	-
17	Performing loans and securities:	901,594	152,372,294	13,367,279	3,441,416	62,417,105
18	Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	21,008	69,000,247	12,056,978	17,971	16,417,505
20	Performing loans, other than performing residential mortgage, to non-financial corporate clients, retail and small business customers, sovereigns, the Monetary Authority for the account of the Exchange Fund, central banks and PSEs, of which:	880,586	82,978,113	1,301,063	3,423,445	45,798,014
21	With a risk-weight of less than or equal to 35% under the STC approach	-	-	-	-	-
22	Performing residential mortgages, of which:	-	393,934	9,238	-	201,586
23	With a risk-weight of less than or equal to 35% under the STC approach	-	-	-	-	-
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	-	-
25	Assets with matching interdependent liabilities	-	-	-	-	-
26	Other assets:	984,895	2,854,157	84,791	-	388,837
27	Physical traded commodities, including gold	-	-	-	-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	-	-	-	-
29	Net derivative assets	-	-	-	-	-
30	Total derivative liabilities before deduction of variation margin posted	876,193	-	-	-	NA
31	All other assets not included in the above categories	108,702	2,854,157	84,791	-	388,837
32	Off-balance sheet items	-	-	-	215,956,965	292,088
33	Total RSF	-	-	-	-	64,660,608
34	Net Stable Funding Ratio (%)	-	-	-	-	143.81%

Credit Suisse AG
Hong Kong Branch
Liquidity Information

L1Q2 - Net stable funding ratio for category 1 institution - continued

HK\$'000		Quarter ended 31 Mar 2018				
Basis of disclosure: Hong Kong office		Unweighted value by residual maturity				Weighted amount
		No specified term to maturity	< 6 months or repayable on demand	6 months to < 12 months	12 months or more	
A. Available stable funding ("ASF") item						
1	Capital:	-	-	-	-	-
2	Regulatory capital	-	-	-	-	-
2a	Minority interests not covered by row 2	-	-	-	-	-
3	Other capital instruments	-	-	-	-	-
4	Retail deposits and small business funding:	-	55,021,276	8,881	-	49,527,142
5	Stable deposits	-	-	-	-	-
6	Less stable deposits	-	55,021,276	8,881	-	49,527,142
7	Wholesale funding:	-	142,360,069	9,254,670	23,112,629	59,351,001
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	-	142,360,069	9,254,670	23,112,629	59,351,001
10	Liabilities with matching interdependent assets	-	-	-	-	-
11	Other liabilities:	5,082,986	2,838,387	-	35,798	35,798
12	Net derivative liabilities	-	-	-	-	-
13	All other funding and liabilities not included in the above categories	5,082,986	2,838,387	-	35,798	35,798
14	Total ASF	-	-	-	-	108,913,941
B. Required stable funding ("RSF") item						
15	Total HQLA for NSFR purposes	-	-	-	32,765,319	1,639,524
16	Deposits held at other financial institutions for operational purposes	-	-	-	-	-
17	Performing loans and securities:	-	189,360,555	10,707,338	2,542,471	69,182,631
18	Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	94,328,841	10,189,354	17,857	19,261,860
20	Performing loans, other than performing residential mortgage, to non-financial corporate clients, retail and small business customers, sovereigns, the Monetary Authority for the account of the Exchange Fund, central banks and PSEs, of which:	-	94,634,521	503,427	2,524,614	49,714,895
21	With a risk-weight of less than or equal to 35% under the STC approach	-	-	-	-	-
22	Performing residential mortgages, of which:	-	397,193	14,557	-	205,876
23	With a risk-weight of less than or equal to 35% under the STC approach	-	-	-	-	-
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	-	-
25	Assets with matching interdependent liabilities	-	-	-	-	-
26	Other assets:	3,897,175	2,846,817	-	-	3,402,394
27	Physical traded commodities, including gold	-	-	-	-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	-	-	-	-
29	Net derivative assets	210,578	-	-	-	210,578
30	Total derivative liabilities before deduction of variation margin posted	494,781	-	-	-	NA
31	All other assets not included in the above categories	3,191,816	2,846,817	-	-	3,191,816
32	Off-balance sheet items	-	-	-	189,093,067	245,557
33	Total RSF	-	-	-	-	74,470,106
34	Net Stable Funding Ratio (%)	-	-	-	-	146.25%

Credit Suisse Group AG
Consolidated Financial Information

	30 Jun 2019	31 Dec 2018
Capital adequacy ratio (Note 1)		
Common Equity Tier 1 ratio	12.5%	12.6%
Tier 1 ratio	16.3%	16.2%
Total ratio	17.6%	17.7%
	CHF million	CHF million
Total shareholders' equity	43,673	43,922
Other financial information		
Balance sheet :		
Total assets	784,216	768,916
Total liabilities	740,288	724,897
Loans net of allowance for loan losses	293,797	287,581
Total customer deposits	364,302	363,925
	30 Jun 2019	30 Jun 2018
	CHF million	CHF million
Profit and Loss :		
Pre-tax profit from continuing operations for the financial period	1,302	1,052

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 2019 Interim Report at www.credit-suisse.com.

Credit Suisse AG
Hong Kong Branch

Chief Executive's Declaration of Compliance

It is certified by the Chief Executive of Credit Suisse AG Hong Kong Branch that the information disclosed above is in compliance with the Banking (Disclosure) rules and the disclosure standards of the Supervisory Policy Manual – "Guideline on the Application of the Banking (Disclosure) Rules" issued by the Hong Kong Monetary Authority.

A handwritten signature in black ink, appearing to read 'FM', is written over a horizontal line.

Francois Monnet
Chief Executive, Hong Kong Branch

Date: 20 September 2019