

Credit Suisse Investor Day 2018

Utilizing technology



December 12, 2018

Disclaimer

This material does not purport to contain all of the information that you may wish to consider. This material is not to be relied upon as such or used in substitution for the exercise of independent judgment.

Cautionary statement regarding forward-looking statements

This presentation contains forward-looking statements that involve inherent risks and uncertainties, and we might not be able to achieve the predictions, forecasts, projections and other outcomes we describe or imply in forward-looking statements. A number of important factors could cause results to differ materially from the plans, objectives, expectations, estimates and intentions we express in these forward-looking statements, including those we identify in "Risk factors" in our Annual Report on Form 20-F for the fiscal year ended December 31, 2017 and in the "Cautionary statement regarding forward-looking information" in our media release relating to Investor Day, published on December 12, 2018 and filed with the US Securities and Exchange Commission, and in other public filings and press releases. We do not intend to update these forward-looking statements.

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.

We may not achieve the benefits of our strategic initiatives

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

Estimates and assumptions

In preparing this presentation, management has made estimates and assumptions that affect the numbers presented. Actual results may differ. Annualized numbers do not take account of variations in operating results, seasonality and other factors and may not be indicative of actual, full-year results. Figures throughout this presentation 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.

Statement regarding non-GAAP financial measures

This presentation also contains non-GAAP financial measures, including adjusted results. Information needed to reconcile such non-GAAP financial measures to the most directly comparable measures under US GAAP can be found in the Appendix of the CEO and CFO Investor Day presentations, published on December 12, 2018. All Investor Day presentations are available on our website at www.credit-suisse.com.

Many of our references to estimates, ambitions, objectives and targets for revenues, operating expenses, operating cost base, pre-tax income and return on regulatory capital are on an adjusted basis as well. These adjusted numbers, return on tangible equity and tangible book value per share are non-GAAP financial measures. A reconciliation of the estimates, ambitions, objectives and targets to the nearest GAAP measure is unavailable without unreasonable efforts. Adjusted results exclude goodwill impairment, major litigation charges, real estate gains and other revenue and expense items included in our reported results, which are unavailable on a prospective basis. Tangible equity excludes goodwill and other intangible assets from shareholders' equity, all of which are unavailable on a prospective basis. Tangible book value per share excludes the impact of any dividends paid during the performance period, share buybacks, own credit movements, foreign exchange rate movements and pension-related impacts, all of which are unavailable on a prospective basis.

Statement regarding capital, liquidity and leverage

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 FINMA. Our related disclosures are in accordance with our interpretation of such requirements, including relevant assumptions. Changes in the interpretation of these requirements in Switzerland or in any of our assumptions or estimates could result in different numbers from those shown in this presentation.

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.

Sources

Certain material in this presentation has been prepared by Credit Suisse on the basis of publicly available information, internally developed data and other third-party sources believed to be reliable. Credit Suisse has not sought to independently verify information obtained from public and third-party sources and makes no representations or warranties as to accuracy, completeness or reliability of such information.

Presenters

Hosts



Pierre-Olivier Bouée
Group Chief
Operating Officer



Lara J. Warner
Chief Compliance &
Regulatory Affairs Officer

Speakers



Claude Honegger
Corporate Functions
Group Chief
Information Officer



Laura Barrowman
Corporate Functions
Group Chief
Technology Officer



Francois C. Monnet
Asia Pacific
Head of Private
Banking North Asia



Luis Pereira
Asia Pacific
Head of APAC
Technology & Change



Anke Bridge-Haux
SUB
Head of SUB
Digitalization &
Products



Homa Siddiqui
Corporate Functions
Chief Compliance &
Regulatory Affairs
Officer COO

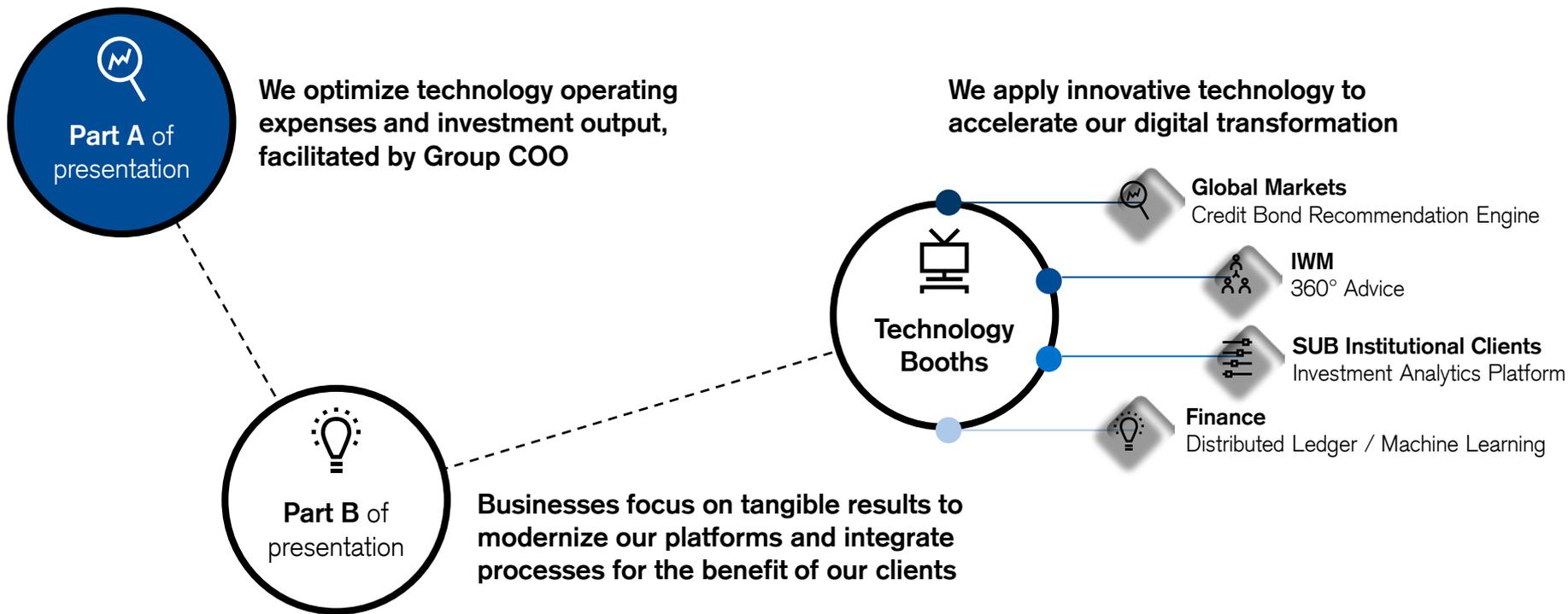
Utilizing technology



Pierre-Olivier Bouée, Group Chief Operating Officer
Claude Honegger, Group Chief Information Officer
Laura Barrowman, Group Chief Technology Officer

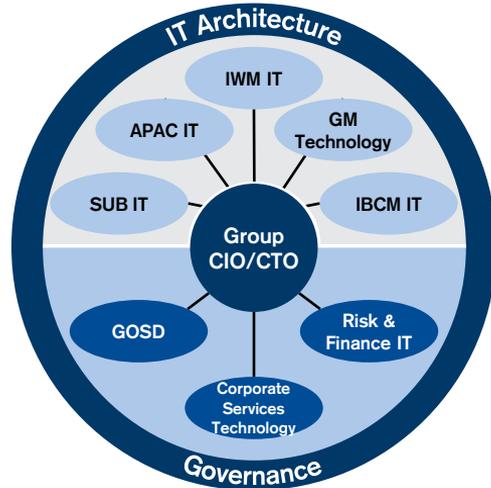
December 12, 2018

Business Divisions and Corporate Functions use technology to deliver value to our clients in a profitable manner

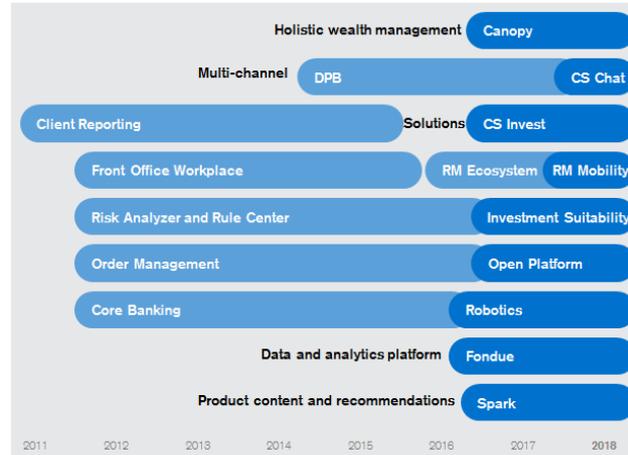


Our approach to technology has been to empower Divisions and Functions whilst ensuring consistency across the Group

Distributed accountability



Strategic platform management



Business driven innovation

Process Automation

561 robots automating 284 processes

Artificial Intelligence

Amelia: global IT service desk chatbot

Big Data

Talos¹: utilizing deep learning for eComm surveillance

Distributed Ledger

HQLAx²: collateral transfers across the global financial ecosystem

Group wide consistent approach encouraging re-use of capabilities and leverage of external components

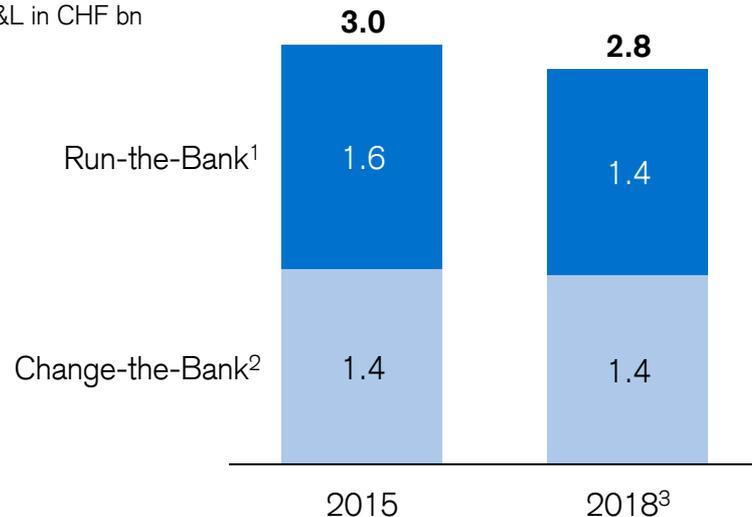
¹ Talos is an intelligent filtering natural language processing engine

² Financial technology innovator HQLAx, together with Credit Suisse and ING, have completed the first live securities lending transaction settled using R3's Corda blockchain platform

Our IT spend reflects our efforts on optimizing Run-the-Bank while maximizing output of Change-the-Bank investments

Total IT spend

P&L in CHF bn



- **Discontinue** – Decommission and consolidate legacy
- **Optimize** – Lower unit prices and manage demand
- **Transform** – Leverage new technologies

- **Focus our investments to support strategic buildout and continuous improvement of platforms**
- **Maximize output through higher productivity of IT functions**

Total IT spend as % of adj. Operating Expenses

14%

17%

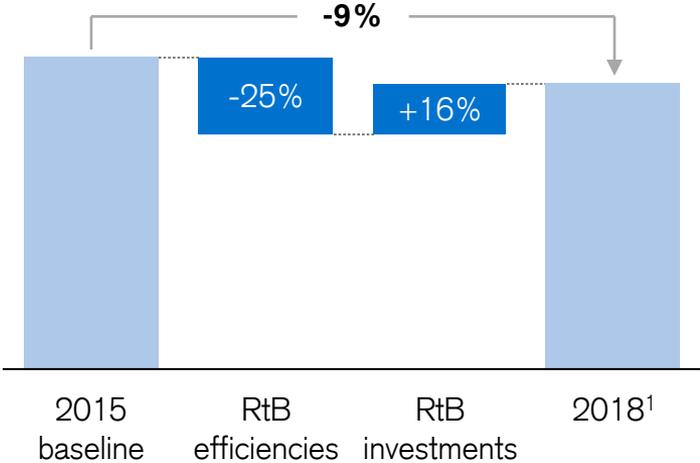
Note: Adjusted results are non-GAAP financial measures. A reconciliation to reported results is included in the Appendix

¹ Run-the-Bank (RtB): The collection of work that allows the business to continue operating within its existing parameters, offering no change in functionality or capability with no loss of current performance or quality ² Change-the-Bank (CtB): The collection of work undertaken to support the strategies of the business and IT, offering change in functionality, capability and/or quality ³ Budget as per October 2018

We sustainably reduce Run-the-Bank spend along our Strategic Cost Transformation principles while improving system stability

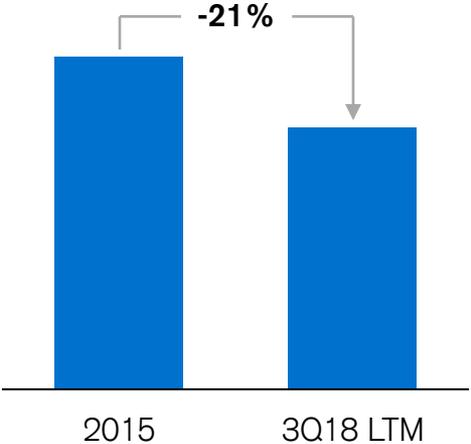
IT Run-the-Bank spend

P&L in CHF



Total number of IT incidents

Incidents per year



¹ Budget as per October 2018

We follow through on discontinuation of non-strategic platforms, remove redundancies and simplify our technology landscape

Discontinue

Decommissioning

1,300
applications
decommissioned (37%)¹

100%
of PB US applications
decommissioned²

Consolidation

10
data halls
eliminated³

4.8 MW
reduction in monthly
carbon footprint⁴

Simplification

100+
firewall systems
replaced⁵

45%
decrease in total cost of
mainframe systems in
Switzerland⁶

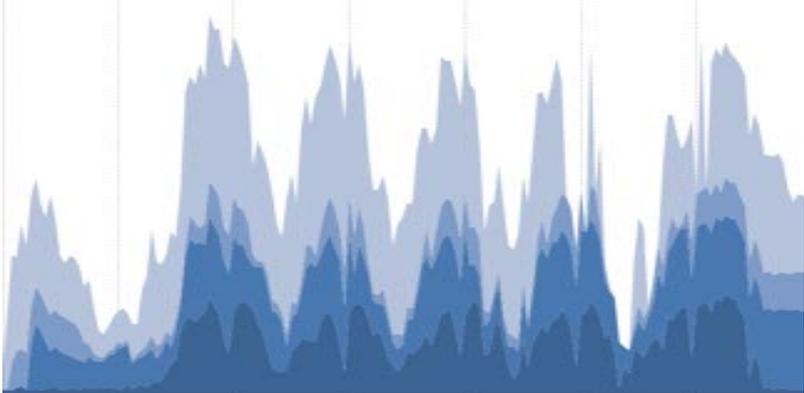
1 Since 2015 2 By early 2019 3 Data center consolidation and elimination across EMEA, Americas, and APAC since 2012 4 compared to monthly carbon footprint 2012 5 Since 2015 over 100 legacy firewall systems have been decommissioned and replaced as part of network operational risks remediation in Switzerland 6 Decrease of annual total cost for mainframe systems in Switzerland since 2010, leveraging software and hardware clustering

We optimize our maintenance spend by increasing variability of costs, leveraging new technologies and strategic partnerships

↓° Optimize

Increase cost variability

Grid computing: grid slot utilization per region in hours, 7 day snapshot



■ Americas ■ APAC ■ Switzerland ■ Europe

Leverage managed service

-50%
reduction in
printing volume¹

-27%
storage-as-a-service
costs³

35%
flexibility of printer
fleet size²

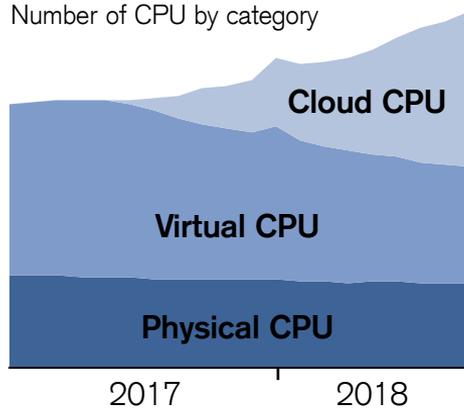
1 Estimated printing volume reduction over the next 5 years 2 As per service contract 3 Estimated storage cost savings over the next 7 years by switching to a managed server model

We enable digital business capabilities by offering state-of-the-art infrastructure services

Transform

Cloud adoption

Number of CPU by category



+50%
computing power¹

-8%
internal cost
for computing¹

Advanced Infrastructure

94%
reduction in data
provisioning time with
Group CTO Cloud
Database Services²

Cognitive Computing

+147%
automated problem tickets³

30%
service desk incidents
resolved by Amelia

¹ Over the last 12 months ² From 90 minutes to 5 minutes (project began in 2017) ³ October 2018 YTD

We are increasing our strategic investment to modernize our estate along a consistent and common architecture

Modernization of estate

1,300
applications
decommissioned (37%)²

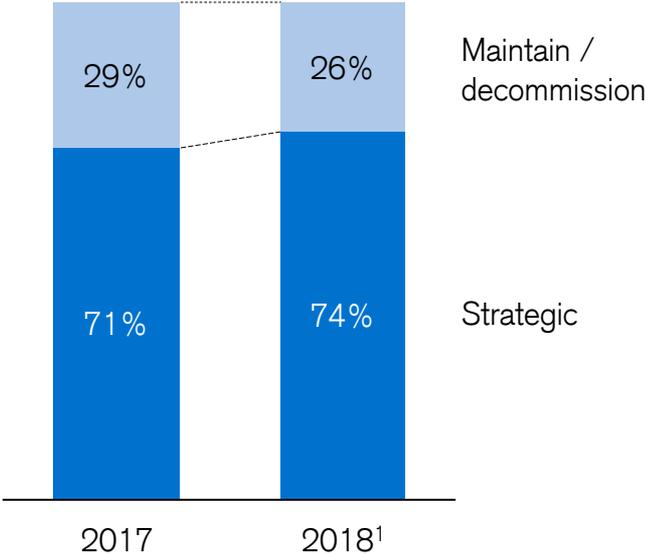
900
new applications
introduced²

25%
of current applications
introduced 2015 and later

Common architecture

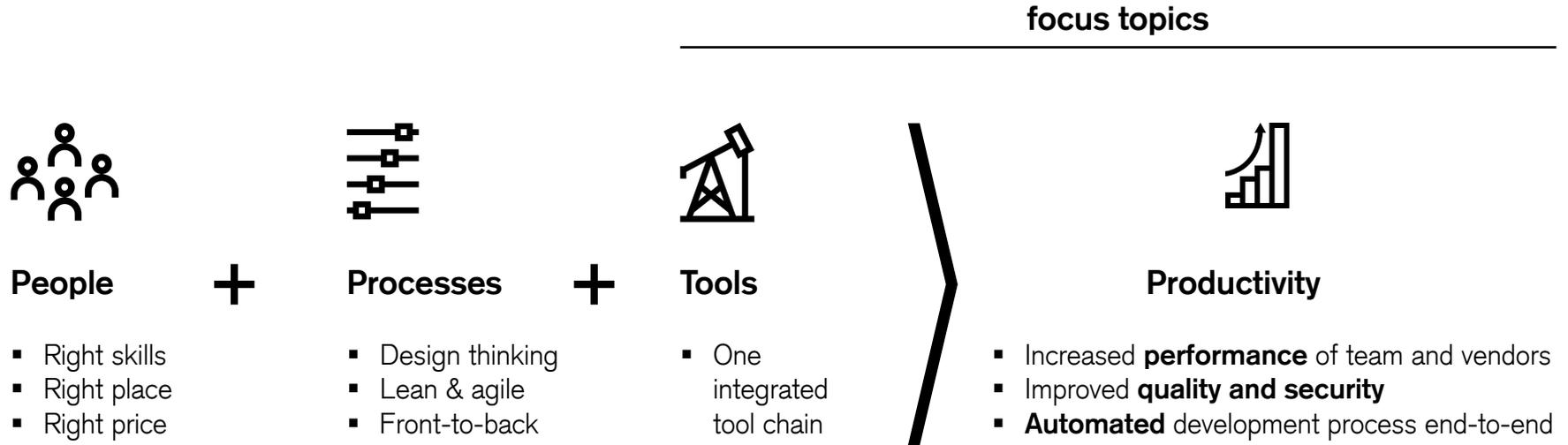


IT CtB investments by capability

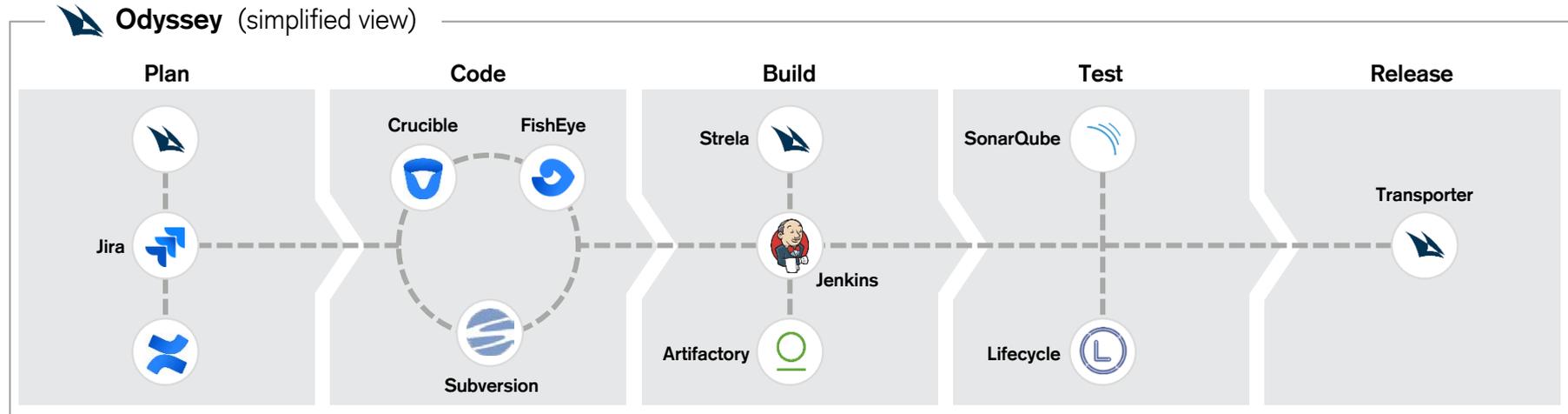


¹ October 31 2018 YTD ² Since 2015

In a cohesive manner we leverage people, processes, and tools to improve our productivity of Change-the-Bank developments



One single integrated developer tool chain, Odyssey, is used across all IT areas and technology estate



- Leverage and integrate state of the art components, recently added Git¹, Bitbucket¹ and flexible quality gates¹
- Continuous integration and automation of development process end-to-end with 98% adoption rate
- Installed telemetry to provide transparency on performance, quality, security, and level of automation

¹ Software development tools integrated into Odyssey tool chain

Our tool chain's telemetry enables us to improve coding output and quality alongside faster time to market

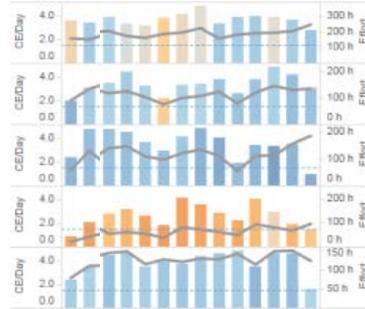
Performance



+5.5%

Average coding hours per day¹

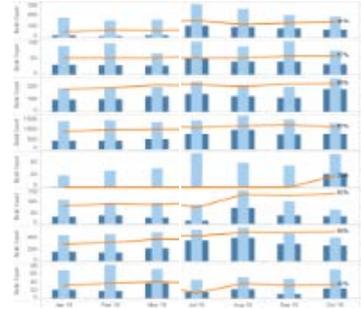
Quality & Security



-33%

Number of change related incidents²

Automation

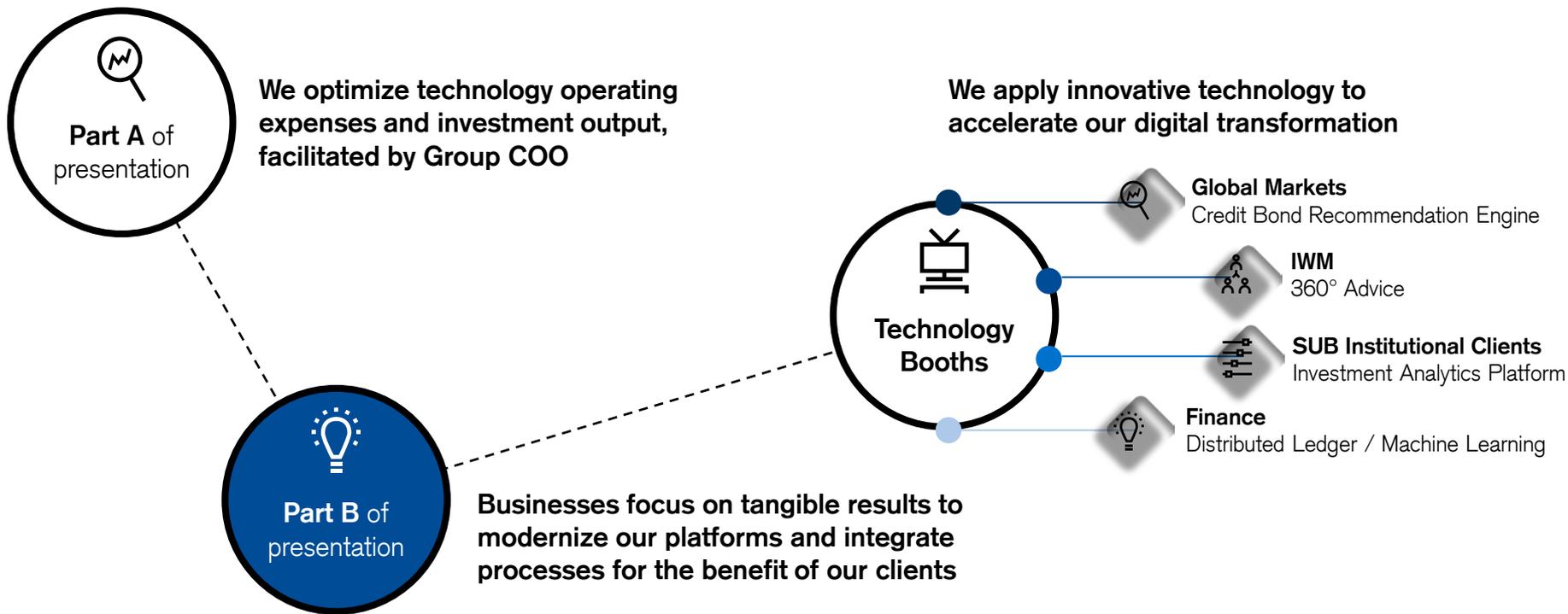


Increasing end-to-end automation of entire development process

+40%
Number of changes per CtB million spend³

1 Average coding hours per day per developer, 3Q18 LTM 2 2016-2018 3 In CHF, 2016-2018

Business Divisions and Corporate Functions use technology to deliver value to our clients in a profitable manner



Utilizing technology

Driving growth through RM productivity and client interaction



Francois Clovis Monnet, Head of Private Banking North Asia
Luis Pereira, Head of APAC Technology & Change

December 12, 2018

Relationship management and advisory process powered by technology



Connect

Multi-Channel solutions allow our clients to reach us anytime, anywhere, and through their channel of choice



Empower

Personalized, timely content and holistic insights empower our clients to make better informed decisions, and make our relationship managers relevant and efficient



Protect

Advanced data analytics and always-on risk management is keeping our clients safe

Our technology connects

A multi-channel engagement

Digital Private Bank (DPB)

62%

Eligible clients using DPB

43%

Eligible clients using DPB in Australia;
Fastest adoption in APAC
in less than one year

48%

Of users access DPB
via mobile

150%

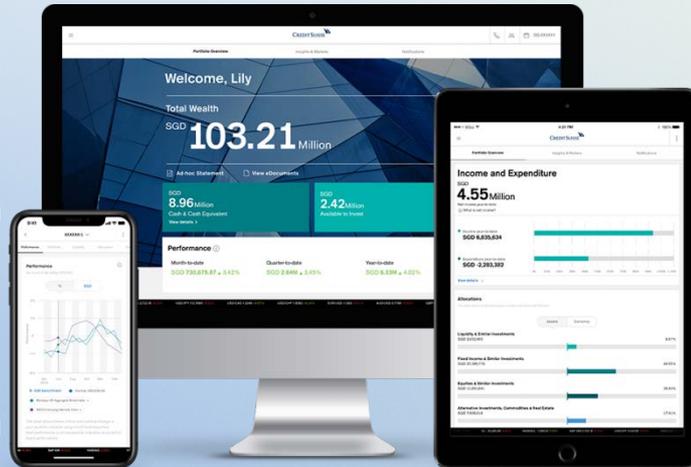
Trading volume
compared to last year¹

34%

Equity trading volume
executed via DPB

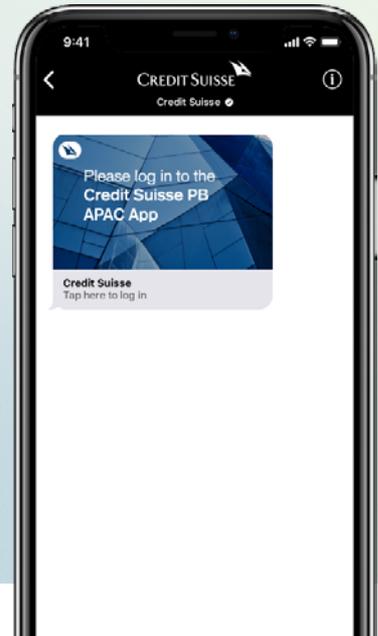
2x

FX trading volume
compared to last year¹



CS Chat

First private banking chat service
to launch on Apple Business Chat



¹ 11M18 vs 11M17

Our technology empowers clients

Delivering personalized and relevant content

CS Invest, Research and Insights

Best-in-class investment ideas that fit client's investment needs and objectives, risk tolerance and investment knowledge

Notifications

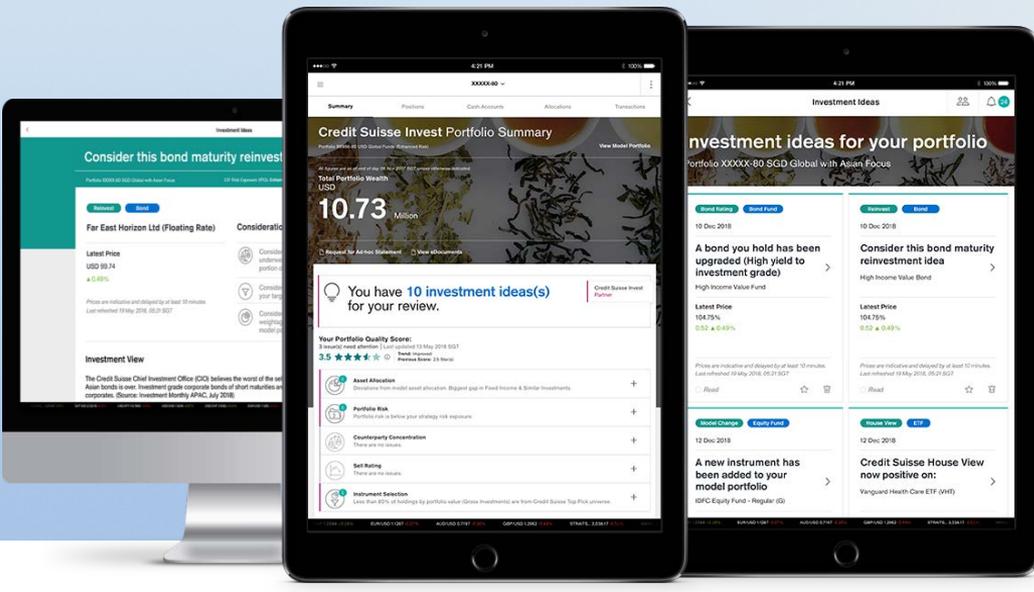
Timely personalized portfolio and market updates help clients take prompt action

>100k

Targeted investment ideas in the last 12 months

300%

Growth of CS Invest AuM in the last 12 months



Our technology empowers relationship managers

Augmented wealth management services

RM Ecosystem

A comprehensive relationship and portfolio management platform, at the office and on the go

High Quality Product Content

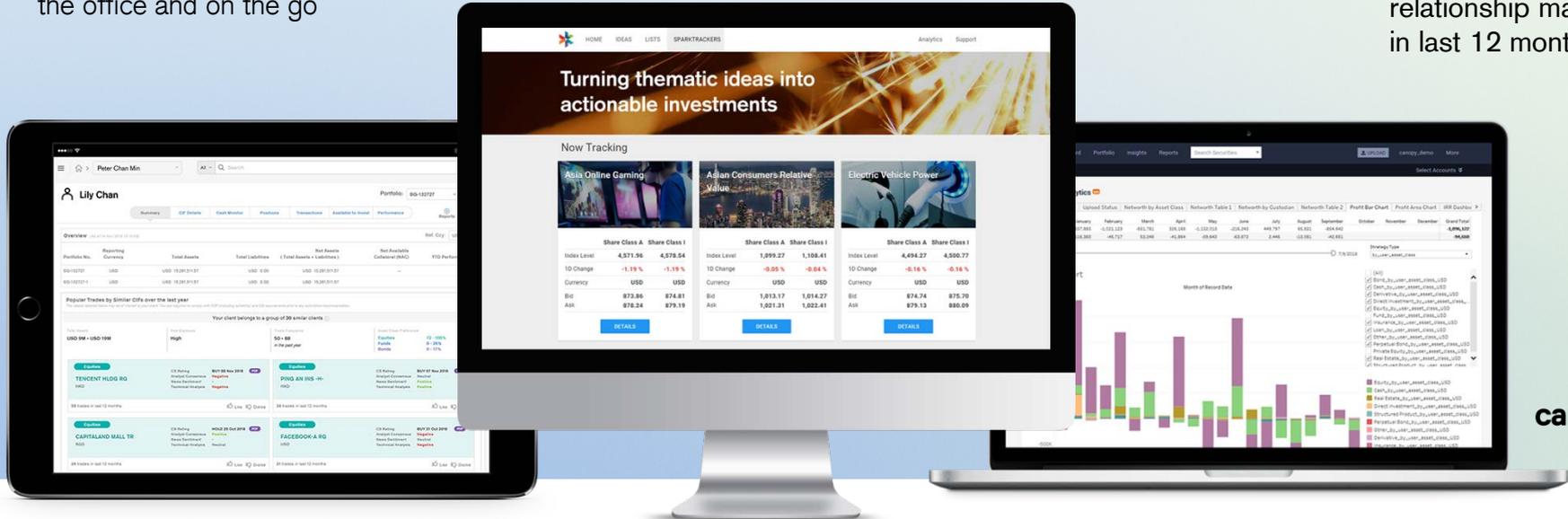
Professionally curated and targeted content ready for distribution

Aggregated Portfolio Risk & Analytics

Credit Suisse relationship managers as asset allocators of choice

>2,700

Cross-asset investment campaigns by individual relationship managers in last 12 months

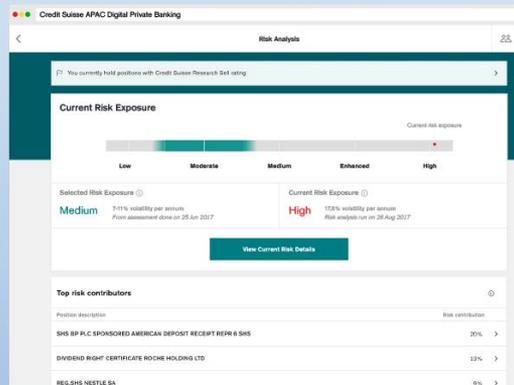


Our technology protects

Advanced risk monitoring

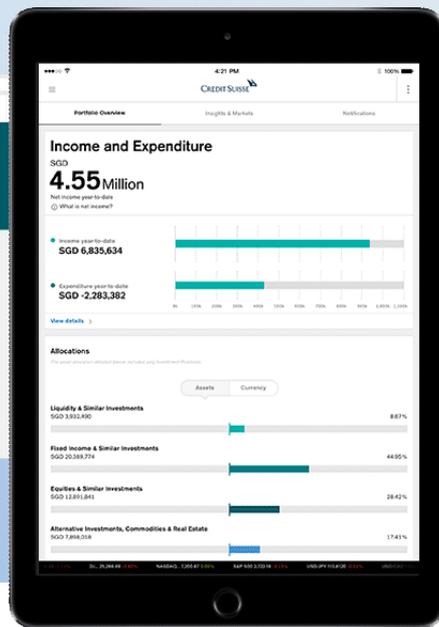
Risk Analyzer

Comprehensive portfolio health-check and risk simulations



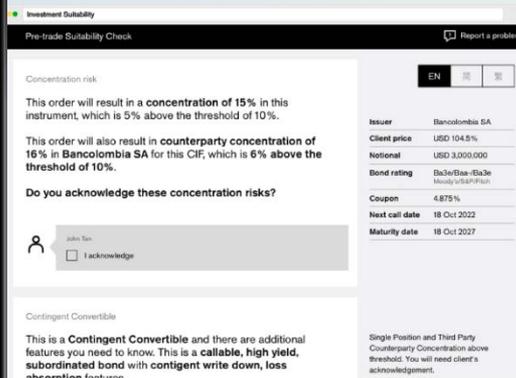
Portfolio Monitoring

Advanced analytics with performance and risk attributions



Investment Suitability

Systematic measures to guide our clients and keep them safe



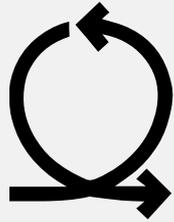
37k
Portfolios

900k
Positions

14mn
Investment suitability
validations a month

How we did it

Our technology delivery model has been transformed



Agile methodology

Strategic talent acquisition, small self-managed teams and strong DevOps practices



Design thinking

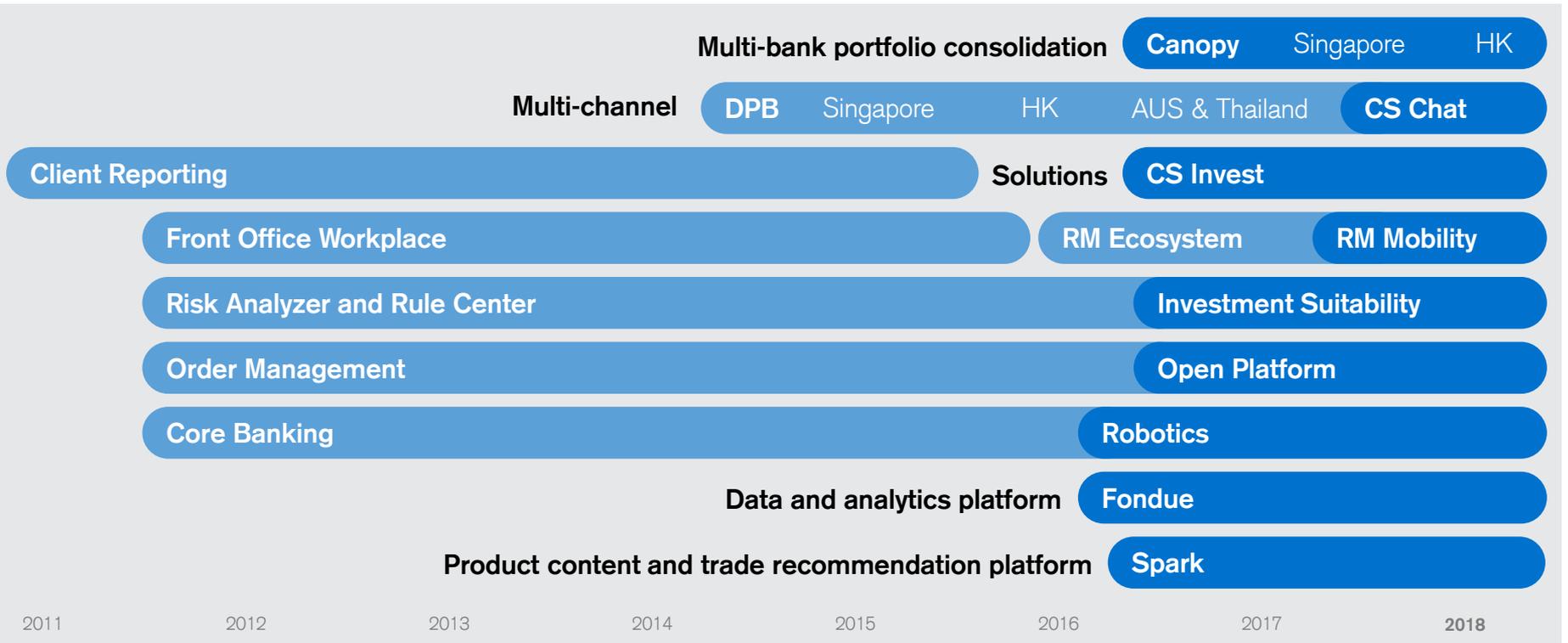
Close collaboration between technology and the business, focusing on delivering superior client experiences



Open WMC platform

A component and API based architecture, leveraging institutional capabilities for content, data and risk management

Our strategic technology roadmap supports our growth



Our technology is differentiating and award winning



Our clients are significantly more engaged and satisfied, with greater loyalty and trust in our brand



Our relationship managers are more relevant, offering a timely value-add service

Superior client experience

built for and with clients

Cutting edge functionalities

such as our collaboration tools

Powerful content management

and online trading of equities, ETFs, FX spot and Forward

Integrated risk scenarios

and portfolio health checks

User-friendly authentication

via secure biometric access

Open ecosystem

accommodating FinTech innovation



PRIVATE BANKER INTERNATIONAL
Greater China Awards 2017
Most Effective Wealth Management Technology Platform in Greater China



PRIVATE BANKER INTERNATIONAL
OUTSTANDING WEALTH MANAGEMENT TECHNOLOGY INITIATIVE - FRONT END 2016



PRIVATE BANKER INTERNATIONAL
OUTSTANDING WEALTH MANAGEMENT TECHNOLOGY INITIATIVE - FRONT END 2015



PRIVATE BANKER INTERNATIONAL
GREATER CHINA AWARDS 2016
Most Effective Wealth Management Platform



PRIVATE BANKER INTERNATIONAL
MOST INNOVATIVE DIGITAL OFFERING 2016

Utilizing technology

Offering seamless and integrated client experience



Anke Bridge-Haux, Head of SUB Digitalization & Products

December 12, 2018

Digitalization at Swiss Universal Bank: Offering seamless and integrated client experience

Digitalization in line with Divisional Strategy

Creating growth

Digitized, omni-channel, accessible, compliant, efficient.

Driving transformation

Engaging clients digitally. Mobile, convenient, personalized.

Showcase: Digital lifecycle journey for an entrepreneur client

Bank for Entrepreneurs:

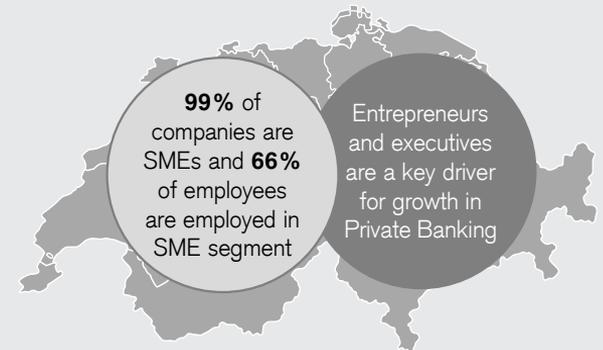
Core element of the Swiss Universal Bank's strategy

Digital savviness of entrepreneurs:

Opportunity to differentiate in the market

Digital integration of corporate and private banking solutions is a key client need

Entrepreneurs represent a significant market for SUB



Digital lifecycle journey for an entrepreneur client



Fully digital onboarding

Without branch visit. Connectivity to commercial registry. Video client identification.



Online leasing and credit

Dashboard with overviews. Online applications and renewals. Automatic decision engine.



Integrated online banking

Integrated corporate and private banking. Self-scanning of payment slips. Full view on net wealth.

Cash management and multi-banking

3rd party bank account aggregation.



Relationship manager workbench

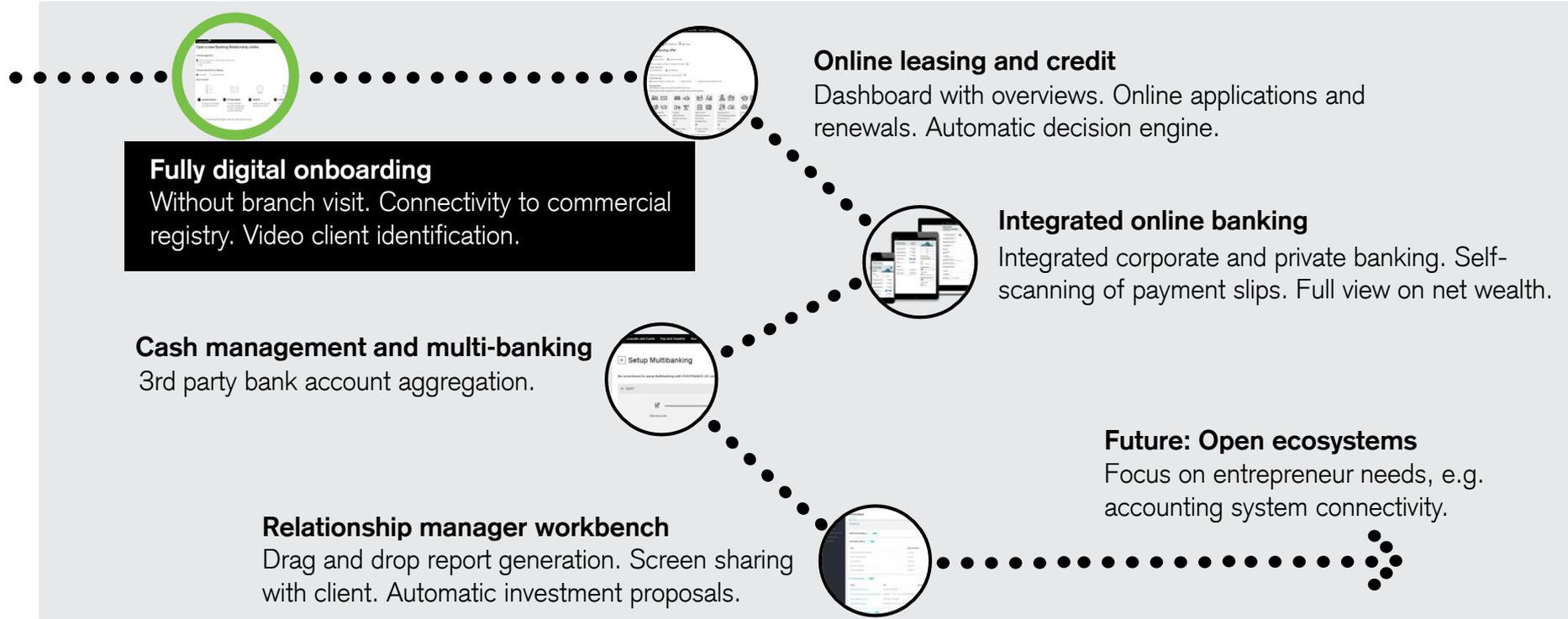
Drag and drop report generation. Screen sharing with client. Automatic investment proposals.



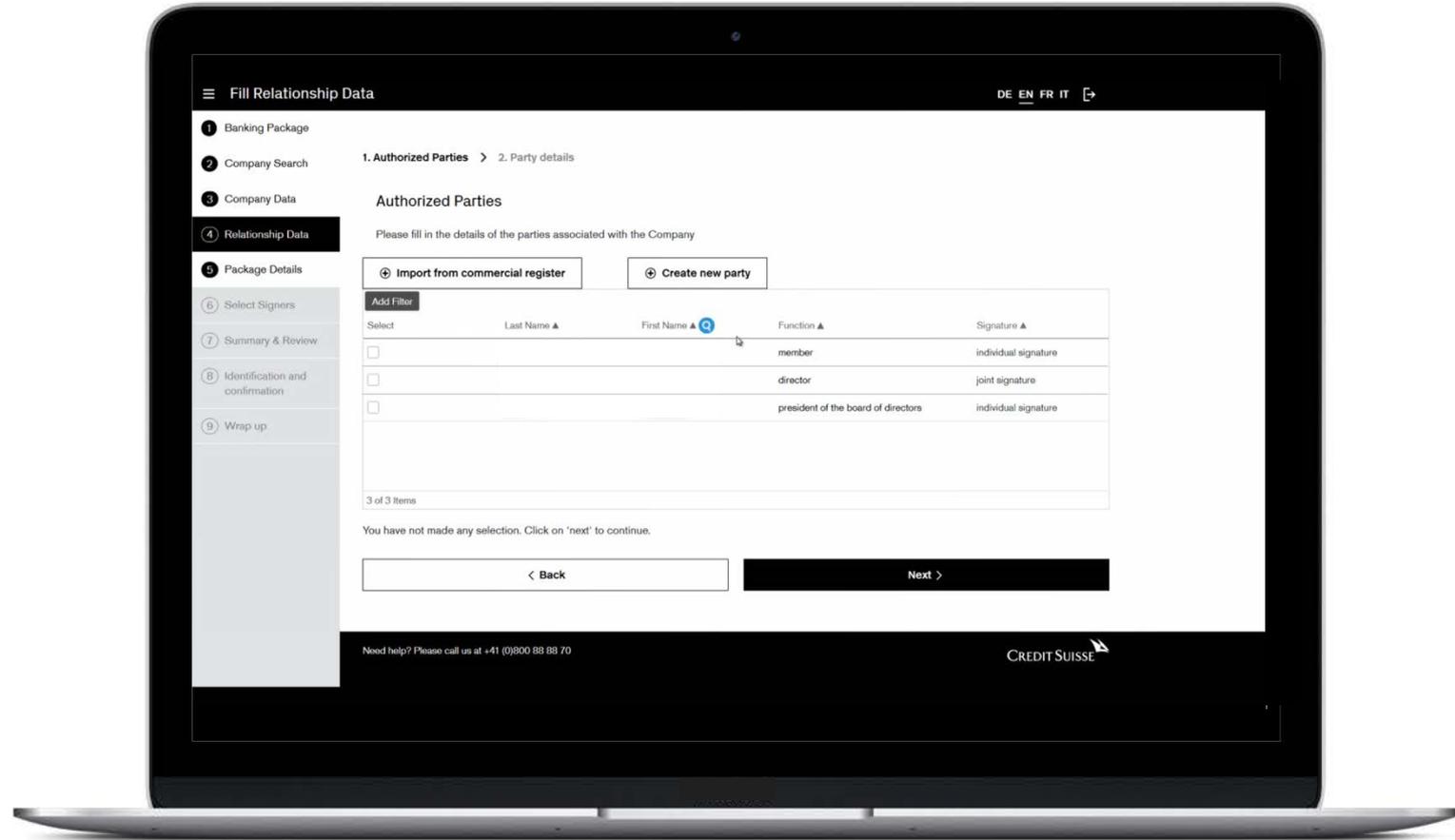
Future: Open ecosystems

Focus on entrepreneur needs, e.g. accounting system connectivity.

Digital lifecycle journey for an entrepreneur client



Fully digital onboarding



Digital lifecycle journey for an entrepreneur client



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Relationship manager workbench

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Future: Open ecosystems

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Online leasing and credit

The screenshot shows a web application interface for selecting financing categories. At the top, there is a navigation bar with links: Home, Accounts and Cards, Pay and Transfer, Save and Invest, Financing, and Products and Services. Below the navigation bar, the page title is "Normal". The main heading is "Please choose the object categories which you would like to finance with this framework".

The interface displays seven columns of categories, each with icons, a category name, a list of items, an information icon, and a checkbox for "Maximum duration":

- Specialized vehicles**: Transport vehicles >3.5t, Machines, Trucks > 3.5t. Maximum duration: 84 Months.
- Container**: Medical facilities, Packaging machines, Robot. Maximum duration: 72 Months.
- Office furniture**: Laboratory equipment, Shop fittings, Storage facilities. Maximum duration: 60 Months.
- Bending machine**: CNC processing machines, Punching machine, Fork-lift truck. Maximum duration: 84 Months.
- Engines**: Air conditioning, Car Washes, Special machines. Maximum duration: 60 Months.
- Vans < 3.5t**: Cars < 3.5t, Small truck > 3.5t, Pickups < 3.5t. Maximum duration: 60 Months (checked).

Below the categories, there is a text input field with the prompt: "Please enter a precise description of the objects you would like to lease(e.g. CNC X-Carve 500 mm)".

At the bottom right, there are two buttons: "Save as draft" and "Next".

Digital lifecycle journey for an entrepreneur client



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Relationship manager workbench

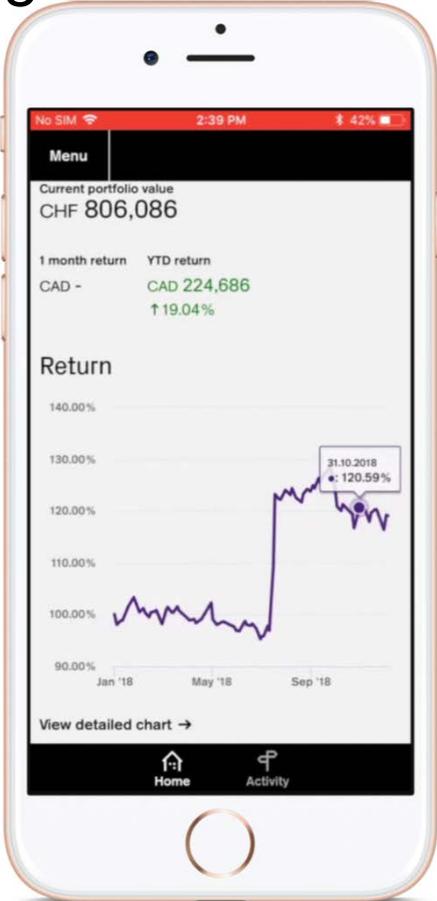
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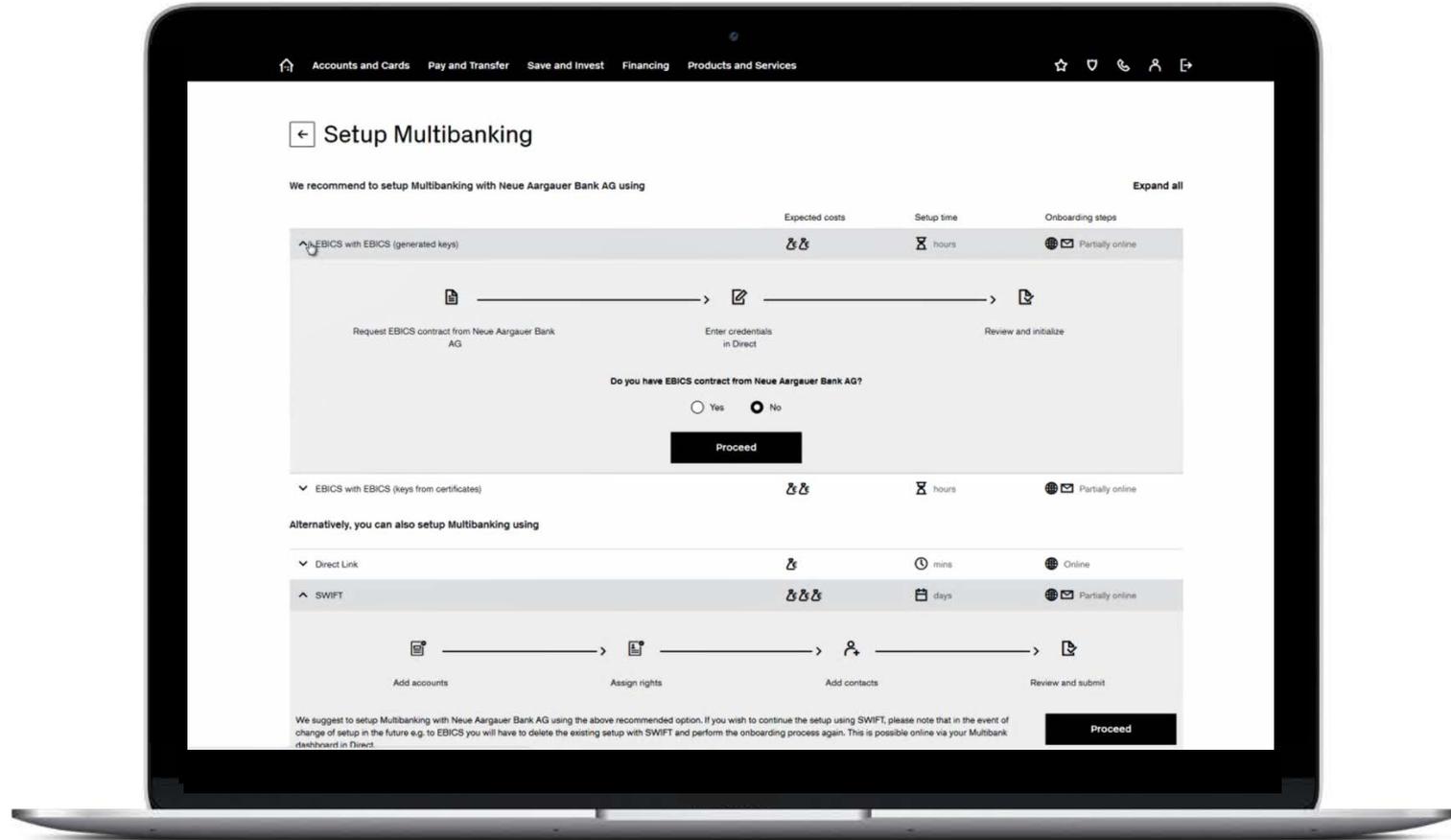
Drag and drop report generation. Screen sharing with client. Automatic investment proposals.



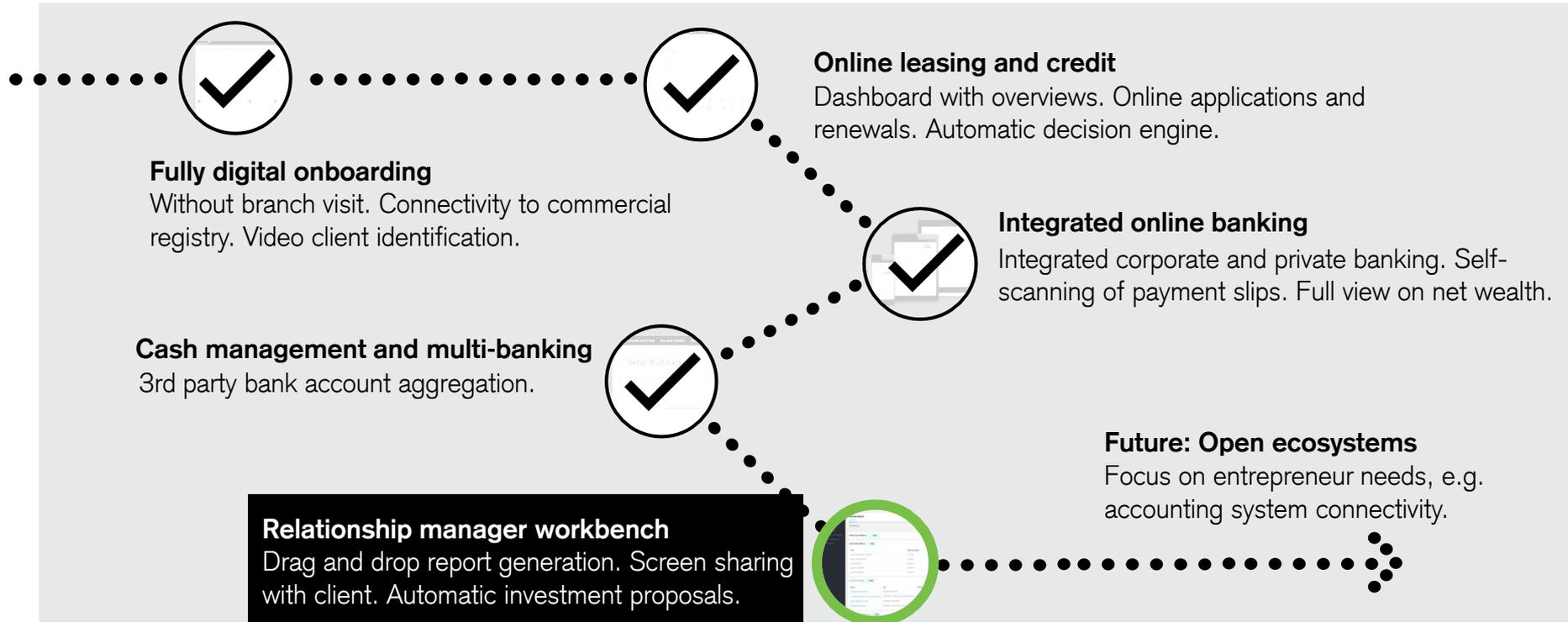
Future: Open ecosystems

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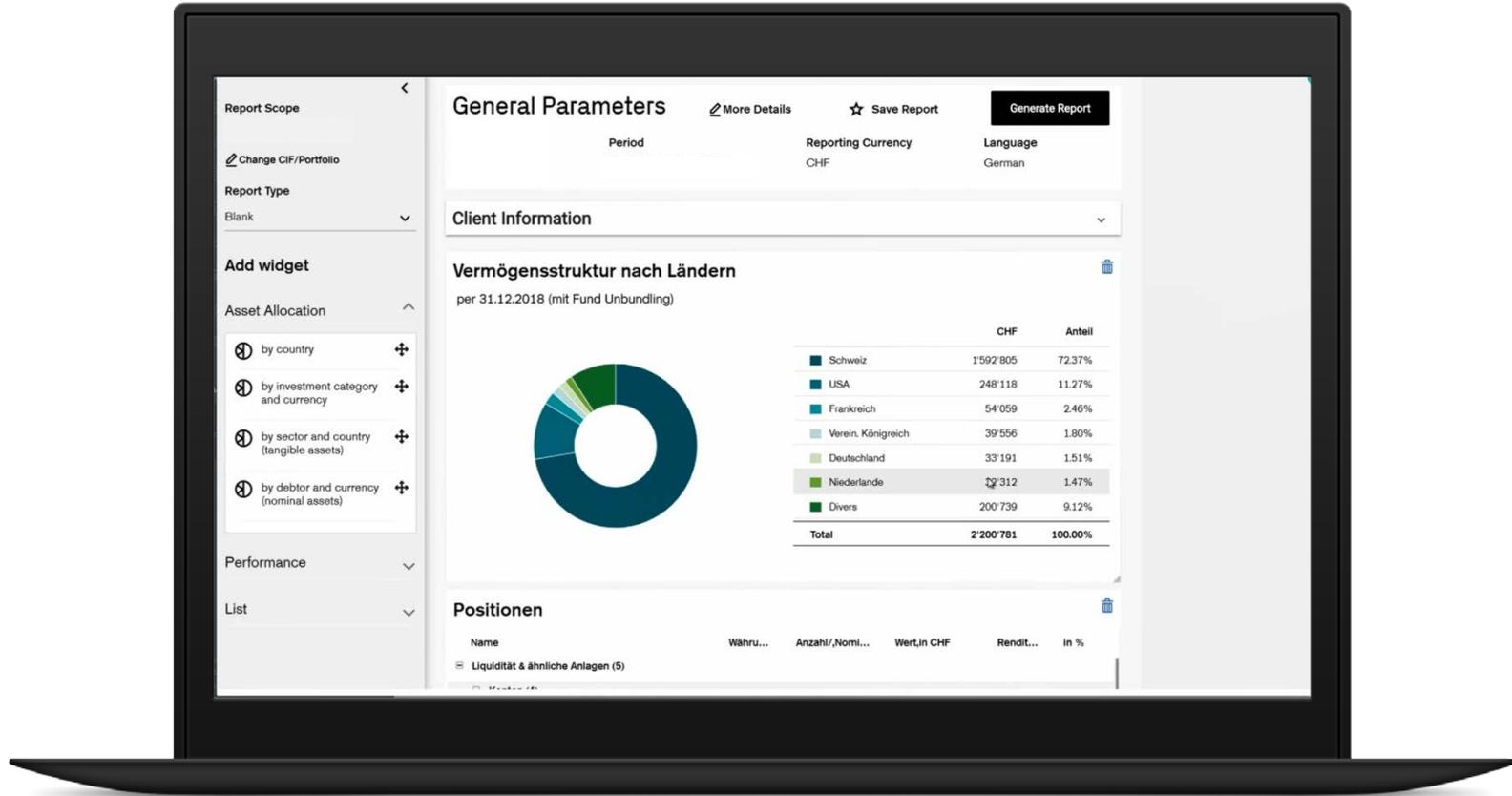
Cash management and multi-banking



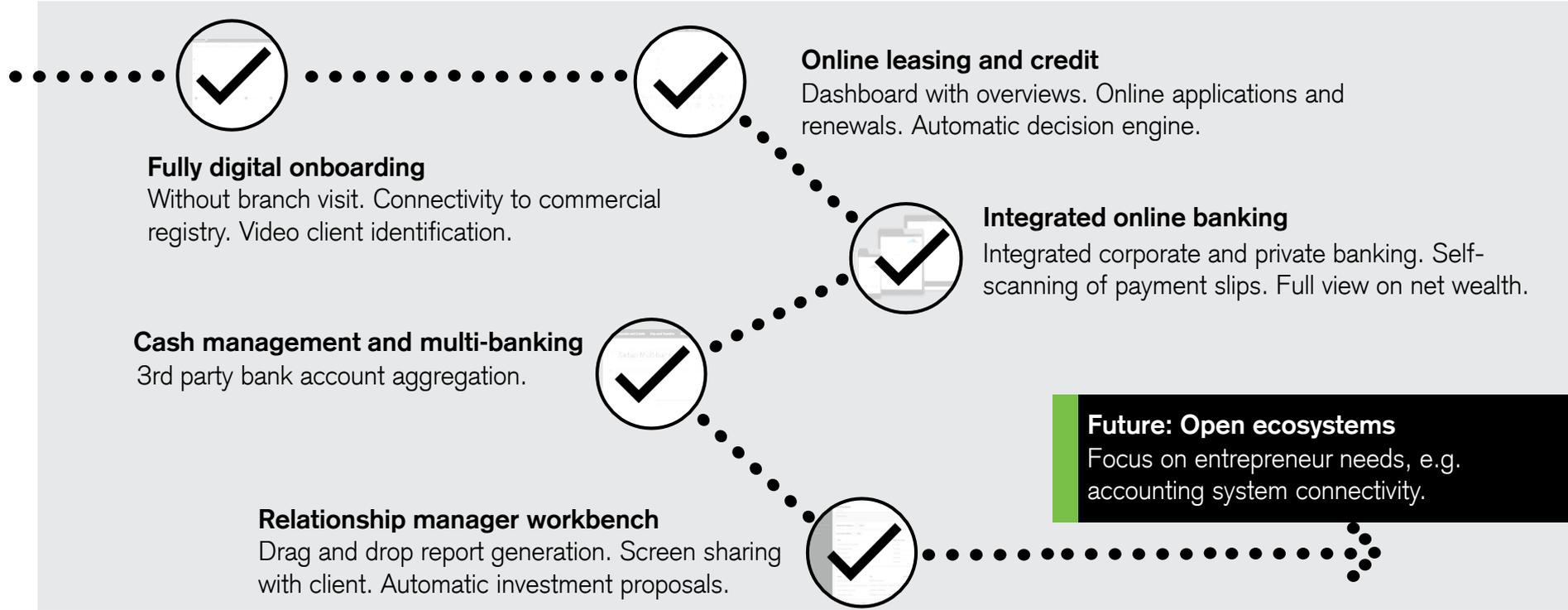
Digital lifecycle journey for an entrepreneur client



Relationship manager workbench



Digital lifecycle journey for an entrepreneur client



More engaged clients in a more effective way for Credit Suisse

 **>80%** of new private clients on-board digitally

 Flaw rates **70+%** lower vs paper process

 **78%** of start-up client openings are digital

 **98%** of relationship managers use the new workbench¹

Note: Figures per October 2018 (except start up accounts: November 2018) 1 SUB HWNI and Affluent RMs

Utilizing technology

Modern Compliance risk management capabilities

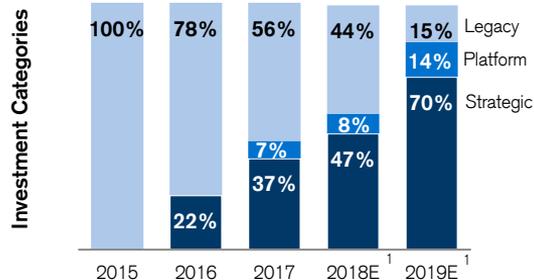


Lara Warner, Chief Compliance & Regulatory Officer
Homa Siddiqui, Chief Compliance & Regulatory Officer COO

December 12, 2018

We are delivering advanced risk management capabilities that help raise the bar for the industry & are recognized by Regulators

CCRO Technology Platform & Approach



CCRO total technology investments < USD 100 mn total p.a.

- 1 Highly effective delivery approach
- 2 Modern flexible data platform
- 3 Multi-year strategic investments

From 2016 delivery²:

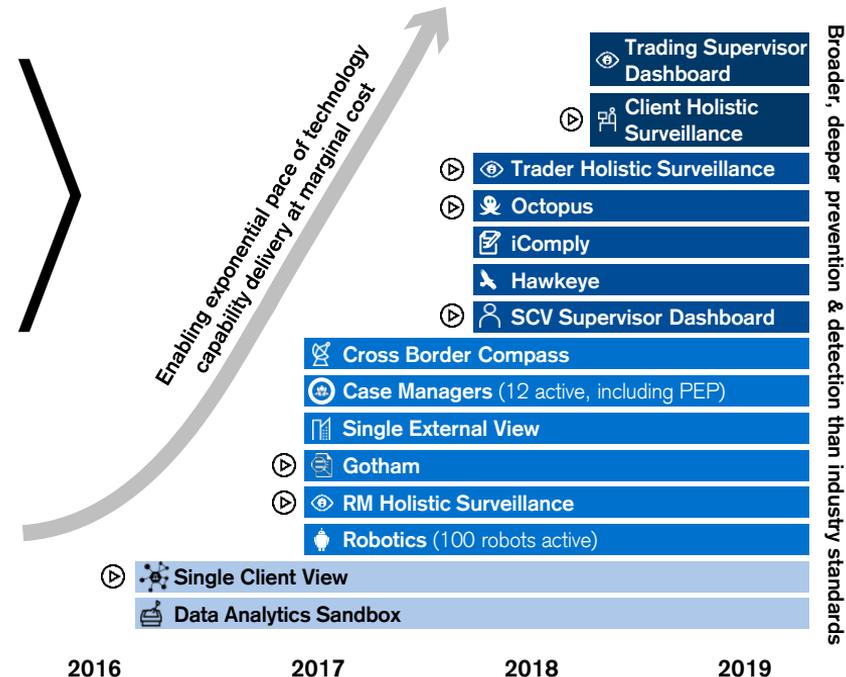
- Avg. cost: CHF 820k
- Avg. duration: 10.5 months

To 2018 delivery²:

- Avg. cost: CHF 240k
- Avg. duration: 4.8 months

Δ
 ↓ 70%
 ↓ 54%

CCRO Risk Management Capabilities

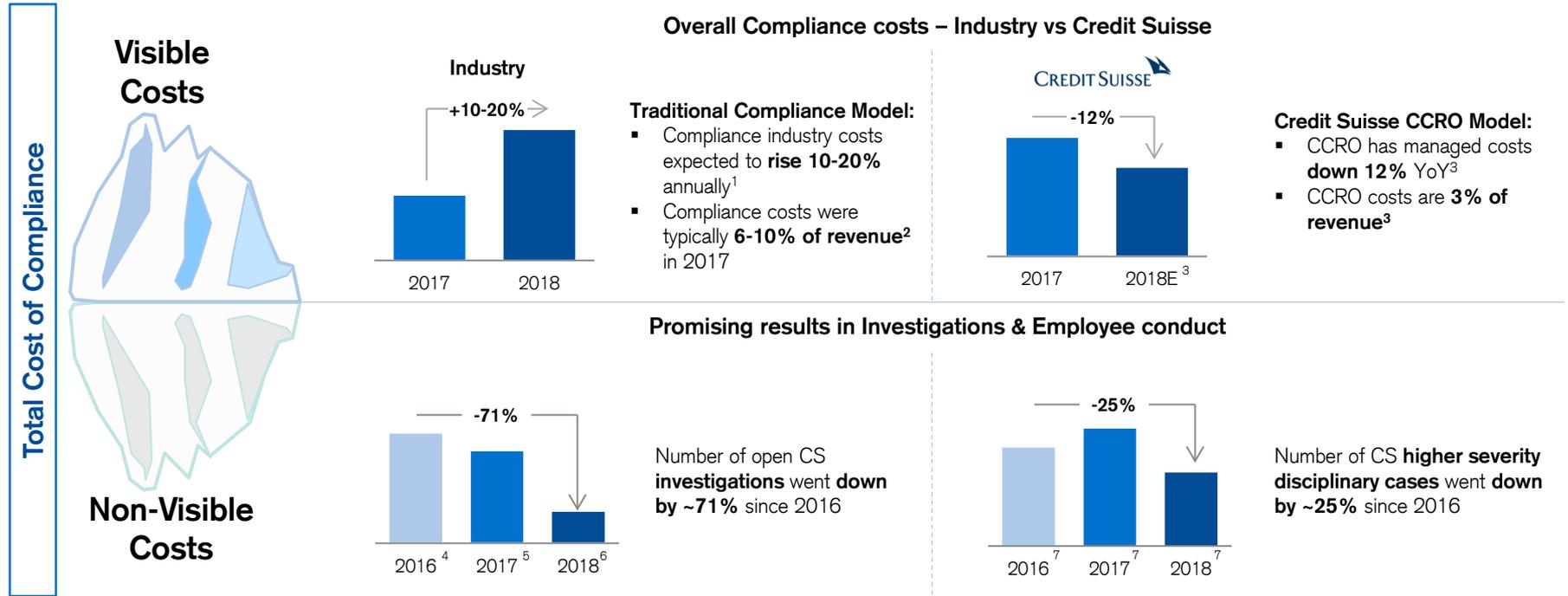


Broader, deeper prevention & detection than industry standards

¹ Estimate based on currently available information and beliefs, expectations and opinions of management as of the date hereof. Actual results may differ from any estimates ² Per project

▶ To be showcased in video

Our advanced technical capabilities enable us to better manage risk and total cost of Compliance



¹ Accenture News Release 2017 Compliance Risk Study, April 2017 ² American Banker, April 2018 ³ 2018 Estimate based on currently available information and beliefs, expectations and opinions of management as of the date hereof. Actual results for 2018 may differ from any estimates ⁴ As of December 2016 ⁵ As of December 2017 ⁶ As of November 2018 ⁷ Figures from January to October

CCRO risk management capabilities in action

Video



Client Risk



Employee Risk



Key issues the industry faces in respect of money laundering on a global scale



- Risk of systematic and undetected money laundering
 - Systemic weaknesses in systems and controls alongside other factors such as employee misconduct
 - Failure to detect and report suspicious transactions
 - Failure to detect rogue employee behaviors
 - Failure to adapt and learn lessons from past incidents, including taking an industry-wide view
-
- > A traditional, industry standard approach towards prevention and detection leads to repeat issues, sanctions, reputational risk and loss of shareholder and public confidence within the industry as a whole
 - > Whilst it is not possible to guarantee that all illicit activity will always be detected, **industry leading capabilities including data analytics, technology and enhanced investigation techniques lead to proactive prevention and detection** alongside continuous Compliance improvement

Traditional methods/capabilities provide limited ability to prevent and detect AML risk

Client relationships can range in terms of complexity



Many parties, accounts and jurisdictions can be involved



Manual approach to onboarding, KYC, account lifecycle management leads to risk of knowledge gaps



Isolated account/sub-account view versus holistic client overview increases complexity of risk management



Traditional anti-money laundering surveillances are usually rules or scenario-based



Across the industry, ability to systematically identify suspicious/complex behavior is limited



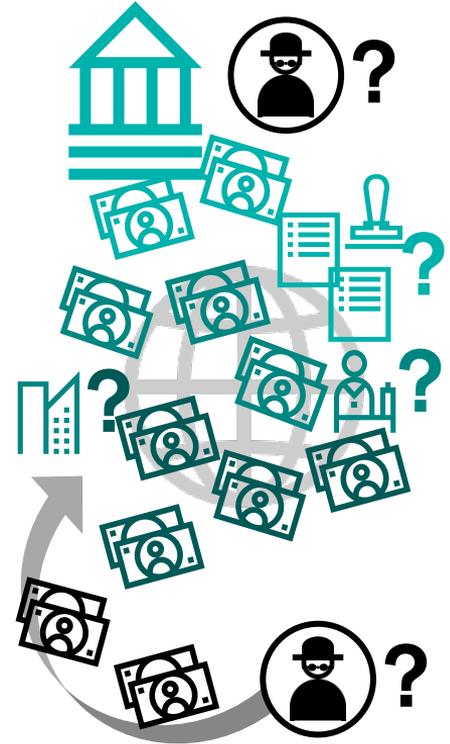
Manual monitoring conducted by human beings is prone to gaps and potential failure



Employee behaviors also need to be effectively monitored to detect and prevent internal threats

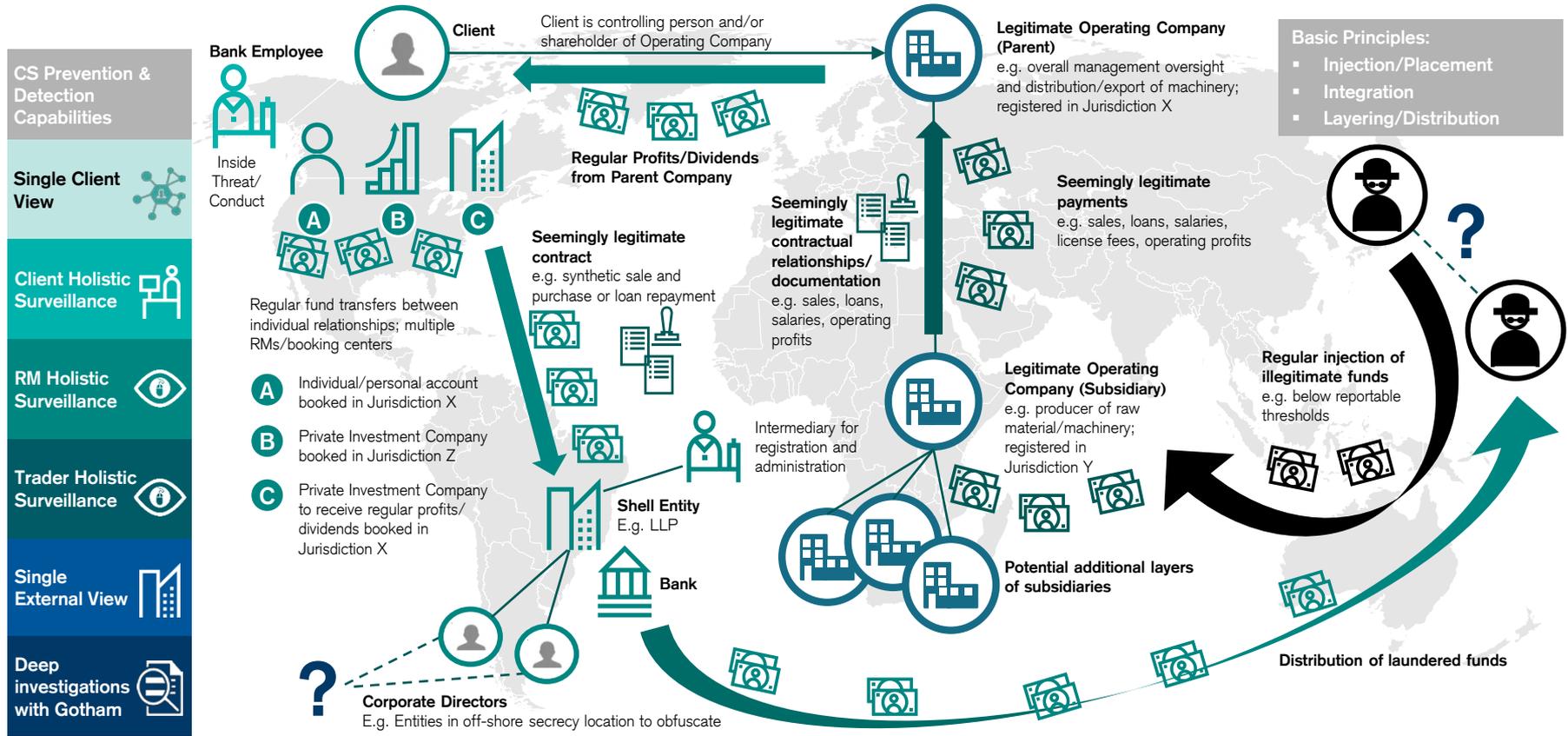


Third parties who may not be visible to us can also create further risk



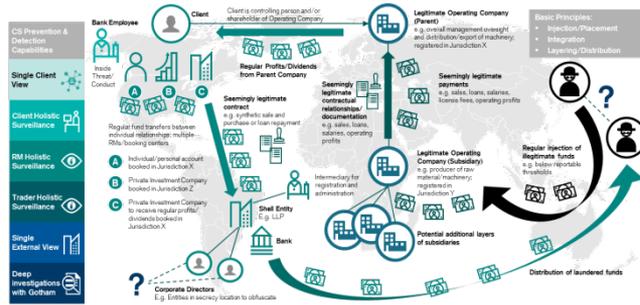
Organized criminals are increasingly sophisticated

Example money laundering scheme



Engaging with Regulators to change the Compliance paradigm

CS Capabilities Demonstration



In 2018 we have spent more than 30 hours in our labs proactively engaging with more than 10 regulators in open and transparent dialogue

Demonstrating our capabilities that help us prevent and detect risk, including:

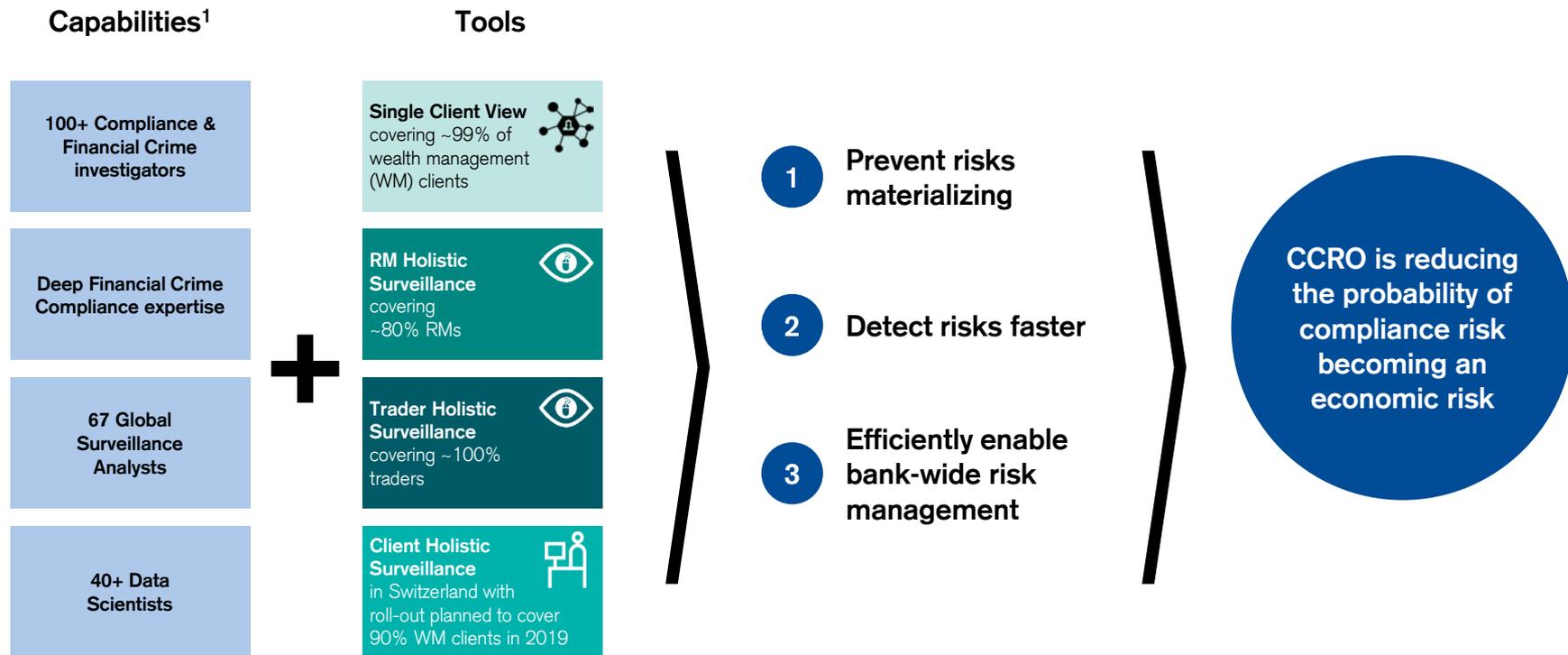
- Data Analytics Center (Data scientists, Investigators, Compliance Officers)
- Full capabilities walk-throughs
- Cross-functional design teams

Positive Feedback Themes

- **Advanced capabilities compared to peers**
- **Capabilities are being used to manage risk effectively**

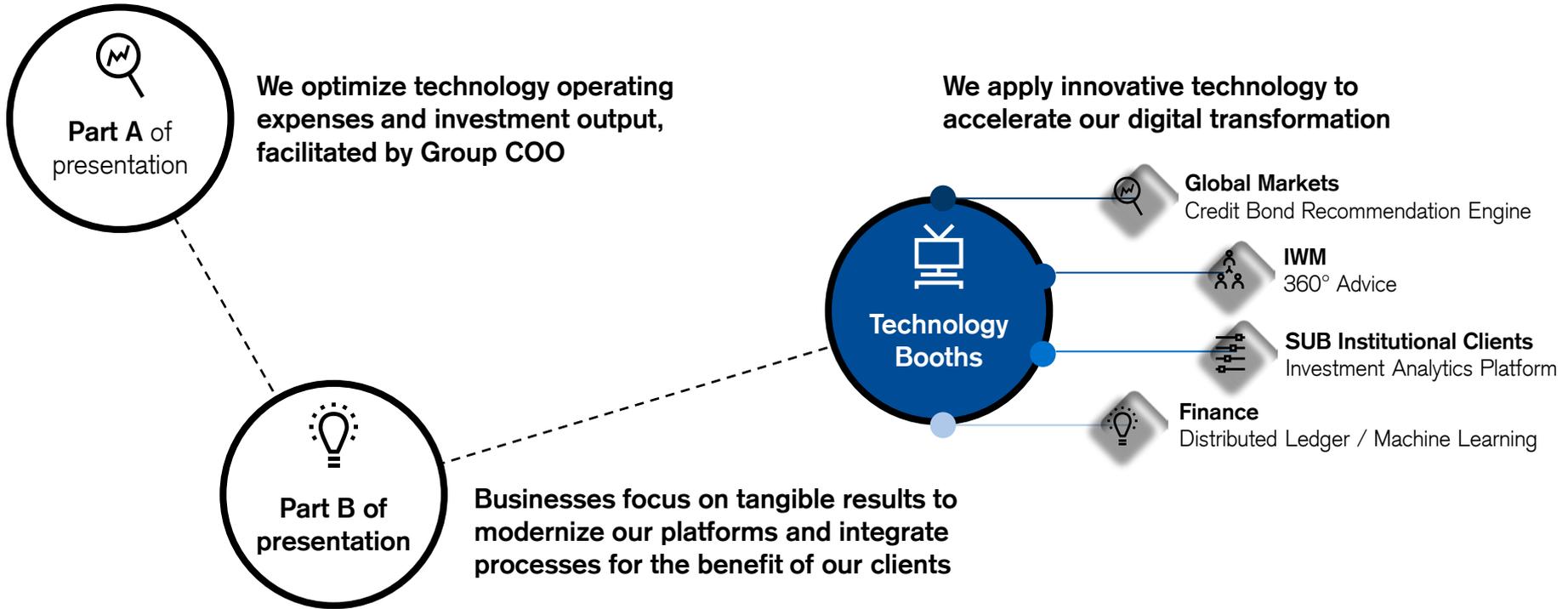
What's next?

Broaden and deepen our advanced risk management capabilities



¹ As of end of November 2018

Business Divisions and Corporate Functions use technology to deliver value to our clients in a profitable manner



Appendix



Notes (1/2)

General notes

- For reconciliation of **adjusted to reported results**, refer to the Appendix of the CEO and CFO Investor Day presentations, published on December 12, 2018
- Throughout the presentation rounding differences may occur
- Unless otherwise noted, all **CET1 ratio**, **Tier 1 leverage ratio**, **risk-weighted assets** and **leverage exposure** figures shown in this presentation are as of the end of the respective period and on a "look-through" basis
- **Gross and net margins** are shown in basis points
Gross margin = (adj.) net revenues annualized / average AuM; net margin = (adj.) pre-tax income annualized / average AuM
- **Mandate penetration** reflects advisory and discretionary mandate volumes as a percentage of AuM, excluding those from the external asset manager business

Specific notes

* Our cost savings program, until the end of 2018, is measured using an adjusted operating cost base at constant 2015 FX rates. "Adjusted operating cost base at constant FX rates" includes adjustments as made in all our disclosures for restructuring expenses, major litigation provisions, expenses related to business sales 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 program). 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, 2Q18 and 3Q18 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. Starting from 1Q19, we intend to express our operating cost base at constant 2018 FX rates and to adjust for significant litigation costs, expenses related to business and real estate sales as well as DVA related volatility, but not for restructuring expenses and certain accounting changes. Adjustments for FX will continue to apply unweighted currency exchange rates.

† 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 is based on tangible equity attributable to shareholders, a non-GAAP financial measure, 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.

° Tangible book value is a non-GAAP financial measure and is equal to tangible equity attributable to shareholders. Tangible book value per share is a non-GAAP financial measure, which is calculated by dividing tangible equity attributable to shareholders, a non-GAAP financial measure, by total number of shares outstanding. Tangible equity attributable to shareholders, a non-GAAP financial measure, is calculated by deducting goodwill and other intangible assets from total equity attributable to shareholders as presented in our balance sheet. Management believes that tangible book value per share is meaningful as it allows consistent measurement of the performance of businesses without regard to whether the businesses were acquired. For end-3Q18, tangible equity excluded goodwill of CHF 4,736 mn and other intangible assets of CHF 214 mn from total shareholders' equity of CHF 42,734 mn as presented in our balance sheet. For end-2017, tangible equity excluded goodwill of CHF 4,742 mn and other intangible assets of CHF 223 mn from total shareholders' equity of CHF 41,902 mn as presented in our balance sheet. For end-2Q15, tangible equity excluded goodwill of CHF 8,238 mn and other intangible assets of CHF 205 mn from total shareholders' equity of CHF 42,642 mn as presented in our balance sheet. Shares outstanding were 2,552.4 mn at end-3Q18, 2,550.3 mn at end-2017 and 1,632.4 mn at end-2Q15.

Notes (2/2)

Abbreviations

Adj. = Adjusted; AI = Artificial Intelligence; AM = Asset Management; AML = Anti-Money Laundering; APAC = Asia Pacific; ARU = Asset Resolution Unit; AT1 = Additional Tier 1; AuM = Assets under Management; BCBS = Basel Committee on Banking Supervision; BEAT = Base Erosion and Anti-Abuse Tax; BIS = Bank for International Settlements; bps = basis points; CAGR = Compound Annual Growth Rate; CBG = Corporate Bank Group; CCAR = Comprehensive Capital Adequacy Review; CCRO = Chief Compliance and Regulatory Affairs Officer; CDX HY = High-yield credit default swap index; CET1 = Common Equity Tier 1; CIC = Corporate & Institutional Clients; CIF = Customer/Client Information File; CIO = Chief Investment Officer; Corp. Ctr. = Corporate Center; CtB = Change the Bank; CVA = Credit Valuation Adjustment; DCM = Debt Capital Markets; DoJ = Department of Justice; DTA = Deferred Tax Assets; DVA = Debit Valuation Adjustments; EAM = External Asset Manager; EBITDA = Earnings Before Interest Taxes Depreciation and Amortization; ECM = Equity Capital Markets; EM = Emerging Markets; EMEA = Europe, Middle East & Africa; EQ = Equities; ERP = Enterprise Resource Planning; Est. = Estimate; EU = European Union; FICC = Fixed Income, Currencies & Commodities; FINMA = Swiss Financial Market Supervisory Authority FINMA; FLP = Fund Linked Products; FRTB = Fundamental Review of the Trading Book; FTE = Full-time employee; FX = Foreign Exchange; GDP = Gross Domestic Product; GM = Global Markets; G10 = Group of Ten; HKEX = Hong Kong Exchange; IBCM = Investment Banking & Capital Markets; IBD = Investment Banking Department; IC = Investment Consultant; ICBC = Industrial and Commercial Bank of China; ICBCS = ICBC Credit Suisse Asset Management Co. Ltd; IG = Investment Grade; IMF = International Monetary Fund; IMM = Internal Model Method; IP = Investor Products; IPO = Initial Public Offering; IPRE = Interest Producing Real Estate; IRB = Internal Ratings Based; IS&P = Investment Solutions and Products; IT = Information Technology; ITS = International Trading Solutions; IWM = International Wealth Management; JV = Joint Venture; LBO = Leveraged Buyout; LE = Leverage Exposure; LSC = Large Swiss Corporates; LTM = Last Twelve Months; M&A = Mergers & Acquisitions; MD(R) = Managing Director; Mgmt. = Management; MI = Management Information; Mifid II = Markets in Financial Instruments Directive II; Mkts = Markets; NNA = Net new assets; OCC = Office of the Comptroller of the Currency; Op Risk = Operational Risk; PB = Private Banking; PB&WM = Private Banking & Wealth Management; PC = Private Clients; PEP = Politically Exposed Person; pp = percentage points; PTI = Pre-tax income; PVMC = Private & Wealth Management Clients; RM = Relationship Manager(s); RMBS = Residential Mortgage Backed Securities; RoRC = Return on Regulatory Capital; RoTE = Return on Tangible Equity; RPA = Robotic Process Automation; RtB = Run the Bank; RWA = Risk-weighted assets; SA-CCR = Standardized Approach to Counterparty Credit Risk; SME = Small and Medium-Sized Enterprises; SMG = Systematic Market-Making Group; SoW = Share of Wallet; SRU = Strategic Resolution Unit; SUB = Swiss Universal Bank; TBTF = Too Big To Fail; TBV(PS) = Tangible Book Value (per Share); (U)HNW(I) = (Ultra) High Net Worth (Individuals); US GAAP = United States Generally Accepted Accounting Principles; U/W = Underwriting; VaR = Value-at-Risk; VIX = Volatility Index; WM = Wealth Management; WM&C = Wealth Management & Connected; YoY = Year over year; YTD = Year to Date

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