Credit Suisse Investor Day 2019

Key Financials

David Mathers, Chief Financial Officer

December 11, 2019
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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.

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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, targets, goals, 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, 2018 and in the “Cautionary statement regarding forward-looking information” in our media release relating to Investor Day, published on December 11, 2019 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, 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 into account 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.

Cautionary statements relating to interim financial information

This presentation contains certain unaudited interim financial information for the fourth quarter of 2019. This information has been derived from management accounts, is preliminary in nature, does not reflect the complete results of the fourth quarter of 2019 or the full year 2019 and is subject to change, including as a result of any normal quarterly adjustments in relation to the financial statements for the full year 2019. This information has not been subject to any review by our independent registered public accounting firm. There can be no assurance that the final results for these periods will not differ from these preliminary results, and any such differences could be material. Quarterly financial results for the fourth quarter of 2019 and full year results will be included in our 4Q19 Earnings Release and our 2019 Annual Report.

Statement regarding non-GAAP financial measures

This presentation also contains non-GAAP financial measures, including adjusted results as well as return on regulatory capital, return on tangible equity and tangible book value per share (which are based on tangible shareholders’ equity). Information needed to reconcile such non-GAAP financial measures to the most directly comparable measures under US GAAP can be found in this presentation in the Appendix, which is available on our website at www.credit-suisse.com.

Our estimates, ambitions, objectives and targets often include metrics that are non-GAAP financial measures and are unaudited. A reconciliation of the estimates, ambitions, objectives and targets to the nearest GAAP measures is unavailable without unreasonable efforts. Adjusted results exclude goodwill impairment, major litigation provisions, real estate gains and other revenue and expense items included in our reported results, all of which are unavailable on a prospective basis. Return on Tangible Equity is based on tangible shareholders’ equity (also known as tangible book value), a non-GAAP financial measure, which is calculated by deducting goodwill and other intangible assets from total shareholders’ equity as presented in our balance sheet, both 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. Such estimates, ambitions, objectives and targets are calculated in a manner that is consistent with the accounting policies applied by us in preparing our financial statements.

Statement regarding capital, liquidity and leverage

Credit Suisse is subject to the Basel III framework, as implemented in Switzerland, as well as Swiss legislation and regulations for systemically important banks (Swiss Requirements), which include capital, liquidity, leverage and large exposure requirements and rules for emergency plans designed to maintain systemically relevant functions in the event of threatened insolvency. Credit Suisse has adopted the Bank for International Settlements (BIS) leverage ratio framework, as issued by the Basel Committee on Banking Supervision (BCBS) and implemented in Switzerland by the Swiss Financial Market Supervisory Authority FINMA.

References to phase-in and look-through included herein refer to Basel III capital requirements and Swiss Requirements. Phase-in reflects that, for the years 2014-2018, there was a five-year (20% per annum) phase-in of goodwill, other intangible assets and other capital deductions (e.g., certain deferred tax assets) and a phase-out of an adjustment for the accounting treatment of pension obligations. For the years 2013-2022, there is a phase-out of certain capital instruments. Look-through assumes the full phase-in of goodwill and other intangible assets and other regulatory adjustments and the phase-out of certain capital instruments.

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

This presentation contains certain material 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. Certain information has been derived from internal management accounts.
Update on Financials

1. Review of progress during 2019

2. Financial ambitions in 2020 and beyond

3. Capital ratios & distribution
Strong improvement of RoTE in a challenging revenue environment

Return on tangible equity‡

based on CHF

1Q18 1Q19 2Q18 2Q19 3Q18 3Q19
7.6% 7.8% 6.9% 9.7% 4.5% 9.0%

‡ RoTE is a non-GAAP financial measure, see Appendix
1 Estimates and assumptions are based on currently available information and beliefs, expectations and opinions of management and include all known facts and decisions as of December 11, 2019. Actual results may differ.
Continued disciplined use of resources

Adjusted operating cost base at constant FX rates\textsuperscript{+} in CHF bn

<table>
<thead>
<tr>
<th></th>
<th>9M16</th>
<th>9M17</th>
<th>9M18</th>
<th>9M19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted operating cost base</td>
<td>14.2</td>
<td>13.3</td>
<td>12.5</td>
<td>12.4</td>
</tr>
<tr>
<td>Adjustments incl. FX\textsuperscript{*}</td>
<td>0.8</td>
<td>0.6</td>
<td>0.6</td>
<td>0.2</td>
</tr>
<tr>
<td>Reported</td>
<td>15.0</td>
<td>13.9</td>
<td>13.2</td>
<td>12.6</td>
</tr>
</tbody>
</table>

Note: Adjusted results are non-GAAP financial measures. A reconciliation to reported results is included in the Appendix. * Adjusted operating cost base at constant 2018 FX rates; see Appendix.
Net income generation driving growth in TBVPS; returning capital to shareholders in line with guidance

### Tangible book value per share (TBVPS)‡

<table>
<thead>
<tr>
<th></th>
<th>3Q18</th>
<th>3Q19</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHF</td>
<td>14.80</td>
<td>16.24</td>
</tr>
</tbody>
</table>

- Year-to-date returned CHF 1.6 bn of capital to shareholders
  - CHF 695 mn of ordinary dividend paid in 2019, in line with expectation to grow dividend by at least 5% p.a.
  - Year-to-date repurchased CHF 895 mn of shares; on track to meet CHF 1 bn of targeted share buybacks for 2019

‡ Tangible book value per share is a non-GAAP financial measure, see Appendix

1 As of November 29, 2019
Fourth quarter outlook

- At our third quarter results on October 30, 2019, we said we expected to see the usual seasonal slowdown as a result of the holiday season in many parts of the world, as well as headwinds from the ongoing challenging geopolitical environment. So far in 4Q19, our business performance has improved against 4Q18.

- Examining the reported pre-tax income trends of our businesses in more detail for the fourth quarter to date:
  - In SUB, we are seeing ongoing pressures from the negative interest rate environment, which we expect to substantially mitigate in 2020. In the meantime, we have identified opportunities to offset these pressures through real estate sales, at least one of which we expect to close in the fourth quarter.
  - We are seeing a stable performance in IWM.
  - APAC and GM are showing significantly better performances compared to 4Q18, which was particularly challenging.
  - While we expect IBCM to be loss-making for 2019, our pipeline of announced deals has been building strongly in the fourth quarter, a marked improvement year over year.

- We expect to achieve a reported RoTE‡ of greater than 8% for the full year 2019.

‡ RoTE is a non-GAAP financial measure, see Appendix.

Note: Estimates and assumptions are based on currently available information and beliefs, expectations and opinions of management and include all known facts and decisions as of December 11, 2019. Actual results may differ.
Update on Financials

1 Review of progress during 2019

2 Financial ambitions in 2020 and beyond

3 Capital ratios & distribution
We expect to increase our RoTE by ~175 bps in 2020; additional upside in a supportive environment

Note: Illustrative path. ‡ RoTE is a non-GAAP financial measure, see Appendix
1 Based on Consensus Summary published by Credit Suisse Group on October 18, 2019 and available on the Credit Suisse website. Consensus data is used solely for illustrative purposes. Actual results may differ significantly
2 Estimates and assumptions are based on currently available information and beliefs, expectations and opinions of management and include all known facts and decisions as of December 11, 2019. Actual results may differ
3 Includes impact from higher average tangible shareholders’ equity

Key financials

December 11, 2019
Corporate Center expected to benefit from substantial reduction in losses due to structured notes volatility

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**Pre-tax loss from Corporate Center excluding structured notes volatility**

<table>
<thead>
<tr>
<th>9M19 quarterly average</th>
<th>270</th>
<th>97</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated pre-tax loss per quarter in FY 2020</td>
<td>~225-250</td>
<td>173</td>
</tr>
</tbody>
</table>

**Pre-tax loss/gain from structured notes volatility**

<table>
<thead>
<tr>
<th>9M19</th>
<th>-474</th>
</tr>
</thead>
</table>

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- **Continue to expect the Corporate Center loss at ~CHF 250 mn per quarter in 2020, including the drag from the ARU, but excluding any structured notes volatility.**
- **Structured notes volatility expected to be substantially lower in 2020 as compared to 2019; hedge in place at an expected ~70-80% effectiveness level.**

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1 Estimates and assumptions are based on currently available information and beliefs, expectations and opinions of management and include all known facts and decisions as of December 11, 2019. Actual results may differ.
2 Includes impact from higher average tangible shareholders’ equity.
Expect ~CHF 250 mn of incremental net interest income and funding savings in 2020 vs. 2019

**Illustrative benefit from net interest income and lower funding costs in 2020**
in CHF mn

<table>
<thead>
<tr>
<th>Change in Op Risk RWA calibration &amp; forward curve benefit</th>
<th>SNB exemption threshold</th>
<th>2020 incremental upside vs. 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>~200</td>
<td>~50</td>
<td>~250</td>
</tr>
</tbody>
</table>

- In October 2019 we started calculating Operational Risk RWA in US dollars rather than Swiss francs¹
  - Alignment of capital hedging strategy leading to a larger amount of shareholders’ equity held in US dollars, with an initial credit in 4Q19
  - Expect additional net interest income of ~CHF 200 mn in 2020, including benefits from the forward curve
- Due to the increased exemption threshold for negative interest rates by the SNB as of November 1, 2019, we foresee a benefit of ~CHF 50 mn
- Expect costs for additional TLAC and AT1 capital instruments issuances to be largely offset by anticipated funding cost savings

Note: Estimates and assumptions are based on currently available information and beliefs, expectations and opinions of management and include all known facts and decisions as of December 11, 2019. Actual results may differ.

¹ As communicated on October 2, 2019
² Includes impact from higher average tangible shareholders’ equity
Operating cost base will depend on market conditions with higher investments in a constructive environment.

Illustrative development of 2020 adjusted operating cost base* in CHF bn

2020E Adj. operating cost base at 2019 FX rates¹ (normal environment)

- Constructive market environment: ~16.4
- Challenging market environment: ~16.9
- Revenue growth: ~16.1
- Additional cost measures of up to 40 bps of RoTE²

Equivalent to ~30 bps of RoTE improvement²

Note: Adjusted results are non-GAAP financial measures. A reconciliation to reported results is included in the Appendix. * Adjusted operating cost base at constant 2019 FX rates; see Appendix. ¹ Estimates and assumptions are based on currently available information and beliefs, expectations and opinions of management and include all known facts and decisions as of December 11, 2019. Actual results may differ. ² Includes impact from higher average tangible shareholders’ equity.
Historic momentum in asset gathering expected to continue, driving recurring revenue growth in 2020

**Historic**

- **AuM** in CHF trn
  - 3Q15: 1.1
  - 3Q19: 1.5
  - CAGR: ~6.5%

**Recurring margin** in bps

- 3Q19 LTM: 29

**Illustrative assumptions for 2020**

**Avg. AuM base increase:**

+ ~CHF 75 bn
  (Assumes ~4% AuM growth p.a.)

**Recurring margin:**

~29 bps

**Illustrative development in 2020:**

- Expected recurring revenue increase of ~CHF 215 mn
- Expected incremental pre-tax income: ~CHF 180 mn
- Expected incremental RoTE increase: ~30 bps

**Notes:**

- ‡RoTE is a non-GAAP financial measure, see Appendix
- 1 Total Group AuM (excluding SRU for 3Q15)
- 2 Reflects recurring commissions and fees in SUB, IWM and APAC PB within WM&C over average Group AuM (excluding SRU for 4Q18)
- 3 Estimates and assumptions are based on currently available information and beliefs, expectations and opinions of management and include all known facts and decisions as of December 11, 2019. Actual results may differ
- 4 Assumes no growth from market movements or FX
- 5 Assumes 15% marginal costs
- 6 Includes impact from higher average tangible shareholders’ equity
Update on Financials

1. Review of progress during 2019

2. Financial ambitions in 2020 and beyond

3. Capital ratios & distribution
Our capital ratio reflects accelerated RWA inflation under Swiss regulations

Cumulative methodology related RWA increase since end-2014

<table>
<thead>
<tr>
<th>Year</th>
<th>CHF bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>17</td>
</tr>
<tr>
<td>2016</td>
<td>28</td>
</tr>
<tr>
<td>2017</td>
<td>45</td>
</tr>
<tr>
<td>2018</td>
<td>56</td>
</tr>
<tr>
<td>9M19</td>
<td>64</td>
</tr>
</tbody>
</table>

1 Includes RWA increase from both internal and external model and parameter updates as well as methodology and policy changes
As a Swiss bank we are operating under an early adoption capital regime vs. our non-Swiss peers

<table>
<thead>
<tr>
<th>Selected regulatory initiatives impacting RWA and/or leverage</th>
<th>Switzerland</th>
<th>Europe</th>
<th>US</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basel III reforms</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SA-CCR</td>
<td>2020</td>
<td>Mid-2021(^1) (with delayed potential impact pursuant to capital floor phase-in for IMM approach)</td>
<td>2022 (extended from 2020)</td>
</tr>
<tr>
<td>FRTB</td>
<td>Expected to be delayed</td>
<td>2023/24(^{1,2}) (likely delay from 2022)</td>
<td>2023/24(^{1,3}) (likely to be aligned to EU)</td>
</tr>
<tr>
<td>Mortgage multipliers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>“Model moratorium” on RWA reduction</td>
<td>✓</td>
<td>✓ (national discretion)</td>
<td>✓</td>
</tr>
<tr>
<td>OpRisk RWA as % of RWA(^5)</td>
<td>27%</td>
<td>16%</td>
<td>29%</td>
</tr>
<tr>
<td>Gone concern capital ratio requirements for RWA</td>
<td>14.3%(^6)</td>
<td>4.5-17.5%(^7)</td>
<td>7.5-9.5%(^7)</td>
</tr>
</tbody>
</table>

1 Credit Suisse estimate  2 Assumes multi-year linear phase-in of the revised Credit, FRTB and Operational risk impacts similar to capital floors  3 Assumes alignment with EU implementation date  4 Based on Collins Amendment to the Dodd-Frank Act  5 Source: Company public disclosures. Includes Bank of America, BNP Paribas, Citigroup, Credit Suisse, Deutsche Bank, Goldman Sachs, JPMorgan Chase, Morgan Stanley, Société Générale and UBS. Relating to average converted to USD  6 Does not include any rebates for resolvability and for certain tier 2 low-trigger instruments recognized in gone concern capital  7 Credit Suisse analysis: EU estimate based on 8% TLOF MREL requirement. US estimate based on final FED (LTD/BHC) rules published on December 15, 2016; median of the US range for GSIBs
Timing and impact of FRTB to be agreed and finalized

Credit Suisse risk density\(^1\)

<table>
<thead>
<tr>
<th></th>
<th>4Q15</th>
<th>4Q18</th>
<th>3Q19</th>
<th>Illustrative 3Q19 incl. methodology changes(^4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>35% Swiss TBTF framework(^2)</td>
<td>29%</td>
<td>32%</td>
<td>33%</td>
<td>34%</td>
</tr>
</tbody>
</table>

Capital impact of FRTB expected to be delayed and potentially offset by other RWA changes, subject to agreements with the Swiss authorities.

Peers risk density\(^1,3\)

- Switzerland: 29%
- Europe: 28%
- UK: 29%

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1 Ratio of RWA to leverage exposure
2 Reflects the 35% risk density basis used to calibrate the Swiss TBTF2 framework currently in place
3 Risk density as per 3Q19 based on company public disclosures of RWA and leverage exposure, which may be defined differently by jurisdiction; peers include UBS, Barclays, HSBC, Deutsche Bank, BNP Paribas, Société Générale
4 Includes expected RWA inflation of ~CHF 12-13 bn for SA-CCR/IMM, Equity Investments in Funds, Central Counterparties and other non-Basel III methodology changes
After SA-CCR and other methodology changes in 2020, no significant regulatory RWA inflation expected in 2021 or 2022

**Expected RWA increase from Basel III reforms & other methodology changes**

in CHF bn

<table>
<thead>
<tr>
<th></th>
<th>2020E</th>
<th>2021E</th>
<th>2022E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity Investments</td>
<td>~8-9</td>
<td>~3</td>
<td>~1</td>
</tr>
<tr>
<td>in Funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Central Counterparties</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Basel III</td>
<td>~12-13</td>
<td></td>
<td></td>
</tr>
<tr>
<td>methodology changes</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1 Includes external and internal model and parameter updates
2 Estimates and assumptions are based on currently available information and beliefs, expectations and opinions of management and include all known facts and decisions as of December 11, 2019. Actual results may differ
Anticipated development of CET1 capital ratio during 2020

CET1 capital ratio

in %

- ~12.5%
- ~ -0.5%
- >12.0%
- ~1.3%
- ~ -0.65%
- ~ -0.4 to 0.6%
- >12.0%

4Q19E ¹ (pre Basel III reforms) | Basel III reforms | January 2020E ¹ (post Basel III reforms) | Net income generation | Capital distribution | Business growth & other² | 4Q20E ¹ (post Basel III reforms)

- Expect total RWA increase from Basel III reforms and other methodology changes of ~CHF 12-13 bn in 2020
  - ~CHF 8-9 bn from SA-CCR/IMM
  - ~CHF 3 bn from Equity Investments in Funds and Central Counterparties
  - ~CHF 1 bn from non-Basel III methodology changes

- Expect to distribute at least 50% of net income to shareholders via ordinary dividend and share buyback
  - Approved share buyback of up to CHF 1.5 bn; expect to buy back at least CHF 1.0 bn in 2020, subject to market and economic conditions
  - Ordinary dividend expected to increase by at least 5% p.a.

‡ Return on tangible equity and tangible book value per share are non-GAAP financial measures, see Appendix

¹ Estimates and assumptions are based on currently available information and beliefs, expectations and opinions of management and include all known facts and decisions as of December 11, 2019. Actual results may differ

² Includes RWA increase from non-Basel III related methodology changes and other effects such as impacts from hedging costs related to FX immunization of the CET1 capital ratio and changes in regulatory CET1 capital adjustments
Growing TBVPS remains a key priority

Tangible book value per share‡
in CHF

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>3Q19</th>
<th>2020 Ambition¹,²</th>
</tr>
</thead>
<tbody>
<tr>
<td>TBVPS</td>
<td>14.5</td>
<td>15.3</td>
<td>16.2</td>
<td>~18</td>
</tr>
</tbody>
</table>

‡ Return on tangible equity and tangible book value per share are non-GAAP financial measures, see Appendix
1 For the purpose of this analysis, tangible book value per share includes net income generated during the performance period and excludes the impact of any dividends paid, share buybacks and other items such as own credit movements, foreign exchange rate movements and pension-related impacts
2 Estimates and assumptions are based on currently available information and beliefs, expectations and opinions of management and include all known facts and decisions as of December 11, 2019. Actual results may differ
We expect to continue operating profitably and return capital to shareholders in 2020

10% RoTE‡

Expect to **distribute at least 50% of net income** to shareholders

Share buyback program

up to **CHF 1.5 bn** approved with

at least **CHF 1.0 bn** expected in 2020¹

Sustainable ordinary dividend

expected to increase by **at least 5% p.a.**

‡ RoTE is a non-GAAP financial measure, see Appendix

¹ Subject to market and economic conditions
Appendix
Share buyback program

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ For 2020, the Board of Directors of Credit Suisse Group AG has approved a buyback of Credit Suisse Group AG ordinary shares of up to CHF 1.5 bn. We expect to buy back at least CHF 1.0 bn in 2020 (subject to market and economic conditions)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Timing</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ We will publish a formal announcement and commence the share buyback program following approval by the Swiss Takeover Board</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Execution</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ The shares will be repurchased for the purpose of capital reduction. Any such capital reduction via cancellation of repurchased shares will need to be resolved at a future annual general meeting of shareholders</td>
</tr>
<tr>
<td>▪ The buyback will be conducted on a second trading line on the SIX Swiss Exchange. This is driven by the need to identify the selling shareholders for Swiss withholding tax considerations. 35% withholding tax can be reclaimed by eligible Swiss investors in full and by non-Swiss investors within the framework of double taxation agreements (if applicable)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Regular disclosure</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Credit Suisse Group AG will disclose any share buybacks conducted during the share buyback program on a daily basis</td>
</tr>
</tbody>
</table>
Adjusted results are non-GAAP financial measures that exclude certain items included in our reported results. During the implementation of our strategy, it was important to measure the progress achieved by our underlying business performance. Management believes that adjusted results provide a useful presentation of our operating results for purposes of assessing our Group and divisional performance consistently over time, on a basis that excludes items that management does not consider representative of our underlying performance. Provided below is a reconciliation of our adjusted results to the most directly comparable US GAAP measures.

Reconciliation of adjustment items (1/2)

<table>
<thead>
<tr>
<th>Group in CHF mn</th>
<th>9M19</th>
<th>9M18</th>
<th>9M17</th>
<th>9M16</th>
<th>2018</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total operating expenses reported</td>
<td>12,610</td>
<td>13,156</td>
<td>13,892</td>
<td>15,028</td>
<td>17,303</td>
<td>25,895</td>
</tr>
<tr>
<td>Goodwill impairment</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-3,797</td>
<td></td>
</tr>
<tr>
<td>Restructuring expenses</td>
<td>-</td>
<td>-490</td>
<td>-318</td>
<td>-491</td>
<td>-626</td>
<td>-355</td>
</tr>
<tr>
<td>Major litigation provisions</td>
<td>-63</td>
<td>-162</td>
<td>-238</td>
<td>-306</td>
<td>-244</td>
<td>-820</td>
</tr>
<tr>
<td>Expenses related to real estate disposals</td>
<td>-51</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-51</td>
<td></td>
</tr>
<tr>
<td>Expenses related to business sales</td>
<td>-3</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Debit valuation adjustments (DVA)</td>
<td>-21</td>
<td>14</td>
<td>-63</td>
<td>46</td>
<td>45</td>
<td>-33</td>
</tr>
<tr>
<td>Total operating cost base adjusted</td>
<td>12,475</td>
<td>12,515</td>
<td>13,273</td>
<td>14,277</td>
<td>16,427</td>
<td>20,890</td>
</tr>
<tr>
<td>FX adjustment</td>
<td>-42</td>
<td>-</td>
<td>27</td>
<td>-68</td>
<td>-</td>
<td>-135</td>
</tr>
<tr>
<td>Total operating cost base adjusted at constant 2018 FX</td>
<td>12,433</td>
<td>12,515</td>
<td>13,300</td>
<td>14,209</td>
<td>16,427</td>
<td>20,755</td>
</tr>
</tbody>
</table>
Adjusted results are non-GAAP financial measures that exclude certain items included in our reported results. During the implementation of our strategy, it was important to measure the progress achieved by our underlying business performance. Management believes that adjusted results provide a useful presentation of our operating results for purposes of assessing our Group and divisional performance consistently over time, on a basis that excludes items that management does not consider representative of our underlying performance. Provided below is a reconciliation of our adjusted results to the most directly comparable US GAAP measures.

### Reconciliation of adjustment items (2/2)

<table>
<thead>
<tr>
<th>SUB in CHF mn</th>
<th>GM in USD mn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net revenues reported</td>
<td>4,272</td>
</tr>
<tr>
<td>Real estate gains</td>
<td>-117</td>
</tr>
<tr>
<td>Gains (-)/losses on business sales</td>
<td>-</td>
</tr>
<tr>
<td>Net revenues adjusted</td>
<td>4,155</td>
</tr>
<tr>
<td>Provision for credit losses</td>
<td>67</td>
</tr>
<tr>
<td>Total operating expenses reported</td>
<td>2,394</td>
</tr>
<tr>
<td>Goodwill impairment</td>
<td>-</td>
</tr>
<tr>
<td>Restructuring expenses</td>
<td>-</td>
</tr>
<tr>
<td>Major litigation provisions</td>
<td>-3</td>
</tr>
<tr>
<td>Expenses related to real estate disposals</td>
<td>-10</td>
</tr>
<tr>
<td>Total operating expenses adjusted</td>
<td>2,381</td>
</tr>
<tr>
<td>Pre-tax income/loss (-) reported</td>
<td>1,811</td>
</tr>
<tr>
<td>Total adjustments</td>
<td>-104</td>
</tr>
<tr>
<td>Pre-tax income/loss (-) adjusted</td>
<td>1,707</td>
</tr>
</tbody>
</table>

1 Excludes net revenues and total operating expenses for Swisscard of CHF 148 mn and CHF 123 mn, respectively.
Notes (1/2)

General notes
- For reconciliation of adjusted to reported results, refer to the Appendix of this Investor Day 2019 presentation
- Throughout the presentation rounding differences may occur
- Unless otherwise noted, all CET1 capital, CET1 ratio, Tier 1 leverage ratio, risk-weighted assets and leverage exposure figures shown in this presentation for periods prior to 2019 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 = net revenues annualized / average AuM; net margin = 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
* Following the successful completion of our restructuring program in 2018, we updated our calculation approach for adjusted operating cost base at constant FX rates. Beginning in 1Q19, adjusted operating cost base at constant FX rates includes adjustments for major litigation provisions, expenses related to real estate disposals and business sales as well as for debit valuation adjustments (DVA) related volatility and FX, but not for restructuring expenses and certain accounting changes. Adjustments for FX apply unweighted 2018 currency exchange rates, i.e., a straight line average of monthly rates, consistently for the periods under review. Under the current presentation, adjusted operating cost base at constant FX rates for periods prior to 1Q19 still include adjustments for restructuring expenses and a goodwill impairment taken in 4Q15, but no longer include an adjustment for certain accounting changes. Beginning in 1Q20, adjustments for FX will apply unweighted 2019 currency exchange rates.
† Regulatory capital is calculated as the worst of 10% of RWA and 3.5% of leverage exposure. Return on regulatory capital (a non-GAAP financial measure) is calculated using 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 shareholders’ equity, a non-GAAP financial measure, which is calculated by deducting goodwill and other intangible assets from total shareholders’ equity as presented in our balance sheet. Tangible book value, a non-GAAP financial measure, is equal to tangible shareholders’ equity. Tangible book value per share is a non-GAAP financial measure, which is calculated by dividing tangible shareholders’ equity by total number of shares outstanding. Management believes that tangible shareholders’ equity/tangible book value per share are meaningful as they are measures used and relied upon by industry analysts and investors to assess valuations and capital adequacy. For end-4Q17, tangible shareholders’ 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-1Q18, tangible shareholders’ equity excluded goodwill of CHF 4,667 mn and other intangible assets of CHF 212 mn from total shareholders’ equity of CHF 42,540 mn as presented in our balance sheet. For end-2Q18, tangible shareholders’ equity excluded goodwill of CHF 4,797 mn and other intangible assets of CHF 212 mn from total shareholders’ equity of CHF 43,470 mn as presented in our balance sheet. For end-3Q18, tangible shareholders’ 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-4Q18, tangible shareholders’ equity excluded goodwill of CHF 4,766 mn and other intangible assets of CHF 219 mn from total shareholders’ equity of CHF 43,922 mn as presented in our balance sheet. For end-1Q19, tangible shareholders’ equity excluded goodwill of CHF 4,807 mn and other intangible assets of CHF 224 mn from total shareholders’ equity of CHF 43,825 mn as presented in our balance sheet. For end-2Q19, tangible shareholders’ equity excluded goodwill of CHF 4,731 mn and other intangible assets of CHF 216 mn from total shareholders’ equity of CHF 43,673 mn as presented in our balance sheet. For end-3Q19, tangible shareholders’ equity excluded goodwill of CHF 4,760 mn and other intangible assets of CHF 219 mn from total shareholders’ equity of CHF 45,150 mn as presented in our balance sheet. Shares outstanding were 2,550.3 mn at end-4Q17, 2,552.4 mn at end-3Q18, 2,550.6 mn at end-4Q18 and 2,473.8 mn at end-3Q19.

Key financials

December 11, 2019
Abbreviations

ABL = Asset Based Lending; Abs. = Absolute; Adj. = Adjusted; AFG = Asia Pacific Financing Group; AM = Asset Management; Ann. = Annualized; APAC = Asia Pacific; Approx. = Approximately; ARC = Asset Risk Consultants; ARU = Asset Resolution Unit; ATS = APAC Trading Solutions; AuM = Assets under Management; Avg. = Average; BCBS = Basel Committee on Banking Supervision; BEAT = Base Erosion and Anti-Abuse Tax; BFE = Bank for Entrepreneurs; BHC = Bank Holding Company; BIS = Bank for International Settlements; bps = basis points; CAGR = Compound Annual Growth Rate; CBG = Corporate Bank Group; CC = Corporate Center; CCO = Chief Compliance Officer; CCRO = Chief Compliance and Regulatory Affairs Officer; CET1 = Common Equity Tier 1; CH = Switzerland; C/I = Cost/Income; C&IC = Corporate and Institutional Clients; CIC = Corporate & Institutional Clients; CLO = Collateralized Loan Obligation; CRO = Chief Risk Officer; CSAM = Credit Suisse Asset Management; DCM = Debt Capital Markets; DevOps = Development-to-Operations; DPS = Dividend Per Share; E = Estimate; EAM = External Asset Manager; ECA = Export Credit Agency; ECM = Equity Capital Markets; E&E = Entrepreneurs & Executives; EMEA = Europe, Middle East & Africa; ESG = Environmental Social and Governance; Est. = Estimate; EU = European Union; Excl. = Exclude; FID = Fixed Income Department; Fl&WM = Fixed Income Wealth Management; FRTB = Fundamental Review of the Trading Book; FX = Foreign Exchange; FY = Full Year; GC = General Counsel; GCP = Global Credit Products; GM = Global Markets; GMV = Gross Market Value; GYB = Global Yield Balanced; HLG = High Level Group; HR = Human Resources; HY = High Yield; IAF = Impact Advisory & Finance; IB = Investment Banking; IBCM = Investment Banking & Capital Markets; IBOR = Interbank Offer Rate; IF = International Finance; IG = Investment Grade; ILS = Insurance-Linked Strategies; IMM = Internal Model Method; incl. = including; IPO = Initial Public Offering; IRB = Internal Ratings-Based Approach; IT = Information Technology; ITS = International Trading Solutions; IWM = International Wealth Management; LDI = Liability-driven investments; Lev Fin = Leveraged Finance; LTD = Long-term debt; LTM = Last Twelve Months; LTV = Loan to Value; M&A = Mergers & Acquisitions; MREL = Minimum Requirement for own funds and Eligible Liabilities; MIG = Non investment grade; MNA = Net new assets; NRI = Non-resident Indians; Op Risk = Operational Risk; OTC = Over the Counter; p.a. = per annum; PB = Private Banking; PB&WM = Private Banking & Wealth Management; PC = Private Clients; PD = probability of default; p.p. = percentage points; PTC = Pre-tax income; QIS = Quantitative Investment Strategies; QoQ = Quarter over Quarter; QT = Quantitative Trading; RBL = Reserve Based Lending; RM = Relationship Manager(s); RoRC = Return on Regulatory Capital; RoTE = Return on Tangible Equity; RSA = Revenue Sharing Agreement; RWA = Risk-weighted assets; SA-CCR = Standardized Approach to Counterparty Credit Risk; SBL = Share Backed Lending; SCP = Strategic Client Partner; SEA = South East Asia; SME = Small and Medium-Sized Enterprises; SNB = Swiss National Bank; SoW = Share of Wallet; SP = Securitized Products; STBs = Sustainable Transition Bonds; SUB = Swiss Universal Bank; TBVPS = Tangible book value per share; TLAC = Total Loss-Absorbing Capacity; TLOF = Total Liabilities and Own Funds; TMT = Technology, Media and Telecommunications; (U)HNW(I) = (Ultra) High Net Worth (Individuals); U/W = Underwriting; US GAAP = United States Generally Accepted Accounting Principles; WM&C = Wealth Management & Connected; YoY = Year over year; YTD = Year to Date