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Media Release

Credit Suisse announces 1Q16 results

Significant cost savings across the bank, and profitable growth and net asset inflows in APAC, IWM and Swiss UB. Stable capital position at 11.4%

Highlights

1Q16 financial performance

- Group reported pre-tax loss of CHF 484 million (adjusted*: CHF 173 million), compared to reported pre-tax income of CHF 1,511 million (adjusted*: CHF 1,357 million) in 1Q15.
- Core reported pre-tax income of CHF 240 million (adjusted*: CHF 470 million), compared to CHF 1,894 million (adjusted*: CHF 1,740 million) in 1Q15.
- Group reported total operating expenses of CHF 4,972 million (adjusted*: CHF 4,717 million), down 3% from 1Q15 and down 53% from 4Q15.
- Look-through CET1 ratio of 11.4%.
- Look-through CET1 leverage ratio of 3.3%.
- Board of Directors has set the discount for the scrip dividend for the financial year 2015 at 10%.

Disciplined execution in challenging market conditions

- Accelerated cost savings program to mitigate impact of adverse market conditions.
- In 1Q16, we achieved – on an annualized basis – more than half of the CHF 1.4 billion of net cost savings we are targeting for 2016; confident to meet or exceed CHF 1.7 billion gross cost savings target by year-end 2016.
- Global Markets Accelerated Restructuring ('GMAR') moving at pace; actioned more than 1,000[1] of targeted headcount reduction of 3,500 by end-2016 and reduced business complexity through business exits and new organizational structure.
- Significantly de-risked Global Markets ('GM') activities; distressed debt exposure down 79%[2] from 4Q15 following the sale of credit assets, including a part of the distressed debt portfolio of USD 1.27 billion to TSSP on May 3, 2016, coupled with substantial reductions in collateralized loan obligations (CLO) positions, down 81% from 4Q15, enabling GM to achieve target of reducing maximum quarterly loss in an adverse scenario by about 50%.
- Material progress in SRU wind-down, with CHF 7 billion reduction of risk-weighted assets (RWA) in 1Q16.

Profitable growth

- **Asia Pacific (APAC)**
  - Adjusted* return on regulatory capital of 20%.
  - CHF 4.3 billion of net new assets with gross margin of 81 basis points.
  - Continued success in recruiting quality Relationship Managers (RMs): after 40 new hires in 4Q15, 40 new hires were made in 1Q16, taking the total number of RMs to 630 from 530 at end-1Q15.
- **International Wealth Management (IWM)**
  - CHF 6.9 billion of net new assets[3] for the division with a gross margin of 109 basis points for Private Banking.
  - Initiated hiring of 90 RMs, including committed new joiners, with two-thirds focused on covering emerging markets.
  - Adjusted*[4] return on regulatory capital of 24%.
  - Mandates penetration and loan penetration both increased in Private Banking year on year.

- <u>**Swiss Universal Bank**</u>
  - Adjusted* pre-tax income of CHF 466 million, up 12% compared to 1Q15, with adjusted*[4] return on regulatory capital of 16%.
  - Stable gross margin of 139 basis points in Private Banking.
  - Mandates penetration increased to 27% from 15% in 1Q15.

Investment Banking & Capital Markets (IBCM) pivoting successfully towards M&A and ECM
- M&A revenues doubled year on year in USD and top 4 ranking[5] in completed M&A deals in the Americas.

Reduced look-through RWA from approximately USD 290 billion to approximately USD 280 billion, despite USD 7 billion of regulatory-driven RWA increases.

Capital position stable in difficult markets with look-through CET1 ratio at 11.4% through disciplined capital management and cost control.

Tidjane Thiam, Chief Executive Officer of Credit Suisse, stated: "In the first three months of the year, we have remained focused on executing our strategy with three clear priorities: accelerating our cost and headcount reduction efforts, delivering profitable growth in wealth management focused divisions and maintaining our strong capital position. We have been able to make good progress in all of these areas against an extremely challenging market backdrop.

- Our Group-wide delivery of cost reductions is moving at pace: As of May 10, we have actioned 3,500[1], or 58%, of our full-year 2016 headcount reduction target of 6,000. In 1Q16, we achieved – on an annualized basis – more than half of the CHF 1.4 billion of net cost savings we are targeting for 2016.
- In GM, where we announced an accelerated restructuring (GMAR) on March 23, 2016, we made progress in reducing fixed costs and have actioned more than 1,000[1] of our headcount reduction as of May 10, 2016.
- Through GMAR, we will achieve material RWA and leverage reductions in GM, positioning the business well for future regulatory developments.
- We have substantially de-risked our GM portfolio of activities. Our USD 1.24 billion sale of distressed debt to TSSP, coupled with substantial reductions in CLO positions, down 81% from 4Q15, enabling GM to achieve its target of reducing its maximum quarterly loss in an adverse scenario by about 50%.
- Successful delivery by the Strategic Resolution Unit (SRU) is crucial to the achievement of our strategic and financial objectives. We are making good progress with a CHF 7 billion reduction of RWA in the SRU in 1Q16.

In the challenging 1Q16 environment, all of our wealth management focused divisions performed strongly, generating profitable growth. Together, these divisions generated approximately CHF 1 billion of adjusted* pre-tax income. APAC, IWM and Swiss UB attracted CHF 4.3 billion, CHF 6.9 billion[3] and CHF 3.0 billion of net new assets, respectively.

We remain focused on profitable growth: margins were stable year on year in APAC, where net new assets grew by 11% and margins in IWM increased to their highest level since 2011. This illustrates the quality of our customer base and the strength of our relationships as well as the increased availability of capital to lend.

We maintained our momentum in hiring RMs across our wealth management focused divisions. In APAC, we have added 100 RMs year on year, bringing the total number of RMs to 630 by end-1Q16 compared to 530 a year ago.

Facing a sharp fall in client activity levels and lower market volumes, we have used a number of key levers – cost control and RWA and leverage reduction – to deliver a stable look-through common equity tier 1 capital ratio of 11.4%. We aim to operate within a range of 11% to 12% in 2016[6].

In the first quarter of 2016 and particularly in January and February, we operated in some of the most difficult markets on record with volumes and client activity drastically reduced. While we saw tentative signs of a pick-up in activity in March and then in April, subdued market conditions and low levels of client activity are likely to persist in the second quarter of 2016 and possibly beyond.

We remain convinced that we face attractive long-term opportunities in our wealth management focused divisions, supported by distinct investment banking capabilities, and that our strategy will, over time, create value for our clients and shareholders.

We remain focused on executing our plan – cutting costs, investing selectively in profitable growth and managing capital – with discipline."

Credit Suisse Group and Core results

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

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

Adjusted results are non-GAAP financial measures that exclude goodwill impairment and certain other items included in our reported results. Management believes that adjusted* results provide a useful presentation of our operating results for the purposes of assessing our Group and divisional performance over time, on a basis that excludes items that management does not consider representative of our underlying performance. We will report quarterly on the same adjusted* basis for the Group, Core and divisional results until end-2018 to allow investors to monitor our progress in implementing our new strategy, given the material restructuring charges and other items which are not reflective of our underlying performance but are to be borne in the interim period. Tables in the appendix of this Media Release (pages A-1 to A-6) provide the detailed reconciliation between reported and adjusted results for the Group, Core businesses and the individual divisions.

Key metrics

		in / end of		% change	
	1Q16	4Q15	1Q15	QoQ	YoY
Credit Suisse Group results (CHF million)					
Net revenues	4,638	4,210	6,647	10	(30)
Adjusted net revenues	4,694	4,801	6,503	(2)	(28)
Provision for credit losses	150	133	30	13	400
Total operating expenses	4,972	10,518	5,106	(53)	(3)
Adjusted total operating expenses	4,717	5,802	5,116	(19)	(8)
Income/(loss) before taxes	**(484)**	**(6,441)**	**1,511**	(92)	–
Adjusted income/(loss) before taxes	**(173)**	**(1,134)**	**1,357**	(85)	–
Net income/(loss) attributable to shareholders	**(302)**	**(5,828)**	**1,054**	(95)	–
Core Results (CHF million)					
Net revenues	4,750	4,189	6,471	13	(27)
Adjusted net revenues	4,802	4,780	6,327	0	(24)
Provision for credit losses	104	40	25	160	316
Total operating expenses	4,406	9,468	4,552	(53)	(3)
Adjusted total operating expenses	4,228	5,160	4,562	(18)	(7)
Income/(loss) before taxes	**240**	**(5,319)**	**1,894**	–	(87)
Adjusted income/(loss) before taxes	**470**	**(420)**	**1,740**	–	(73)
Net new assets reported	12.1	4.4	16.7	175.0	(27.5)
Basel III regulatory capital and leverage statistics					
Look-through risk-weighted assets (CHF million)	280,382	289,946	–	(3)	–
CET1 ratio (%)	13.6	14.3	–	–	–
Look-through CET1 ratio (%)	11.4	11.4	–	–	–
Look-through CET1 leverage ratio (%)	3.3	3.3	–	–	–
Look-through tier 1 leverage ratio (%)	4.4	4.5	–	–	–

- **Core pre-tax income** was CHF 240 million (adjusted*: CHF 470 million) for 1Q16 compared to a Core pre-tax loss of CHF 5,319 million (adjusted*: CHF 420 million) in 4Q15 and pre-tax income of CHF 1,894 million (adjusted*: CHF 1,740 million) in 1Q15.
- The 1Q16 results reflect **strong adjusted* operating performance** by the wealth management focused divisions with adjusted* pre-tax income up 39% to CHF 466 million (reported: CHF 426 million) in Swiss UB, up 70% to CHF 252 million (reported: CHF 251 million) in APAC and up 21% to CHF 279 million (reported: CHF 270 million) in IWM from 4Q15. This was more than offset by the performance of GM and IBCM. GM was impacted by challenging market-making conditions and continued mark-to-market losses as well as low levels of client activity during 1Q16. We continued to reduce risk in the portfolio by cutting inventory positions in our distressed portfolio. Likewise, the performance of IBCM continued to be affected by challenging market conditions characterized by volatility, macroeconomic uncertainty and low energy prices.
- **Core adjusted* total operating expenses** were CHF 4,228 million (reported: CHF 4,406 million), down 18% from 4Q15 and down 7% from 1Q15, primarily reflecting lower deferred compensation expenses from prior-year awards. We made progress in reducing expenses relating to professional services and contractors, and we expect this development to continue going forward as we conclude the reorganization of the Group and its legal entity programs. We incurred CHF 178 million of restructuring expenses in 1Q16 in connection with the implementation of our new strategy.
- We made substantial progress on the accelerated Group-wide **cost reduction program** we announced on March 23, 2016, including the reduction of headcount across all divisions except Swiss UB. We are on track to deliver the targeted gross cost savings by end-2016 and we are confident that we will reduce our operating cost base to CHF 19.8 billion by the end of this year, and to below CHF 18.0 billion by end-2018. In 1Q16, we achieved – on an annualized basis – more than half of the CHF 1.4 billion of net cost savings we are targeting for 2016. Against our plan to reduce headcount by 6,000 by end-2016, 3,500[1] has been actioned as of May 10, 2016, adding 700 to the 2,800 that have already been actioned at the time of our last update on March 23, 2016.
- We captured **net asset inflows** of CHF 4.3 billion in APAC, CHF 6.9[3] billion in IWM, and CHF 3.0 billion in Swiss UB. Compared to 1Q15, the gross margin in APAC was stable at 81 basis points. In IWM the adjusted* net margin of 30 basis points and gross margin of 109 basis points both improved to their highest levels since 2011 – evidence of the **quality nature of our asset inflows**.
- At end-1Q16, Credit Suisse reported look-through RWA of CHF 280.4 billion, down from CHF 289.9 billion at end-4Q15 and from CHF 283.1 billion at end-1Q15. Look-through leverage exposure for the Group was CHF 969.5 billion at end-1Q16, down from CHF 987.6 billion at end-4Q15 and from CHF 1,102.7 billion at end-1Q15.
- At end-1Q16, we maintained our capital strength and reported a look-through **CET1 capital ratio** of 11.4%. For the remainder of 2016, as announced on March 23, 2016, we aim to maintain a look-through CET1 capital ratio of between 11-12%[6] to allow us to continue our restructuring at pace while investing in our Core businesses.
- At end-1Q16, Credit Suisse reported a look-through Swiss **leverage ratio** of 5.1% and a look-through BIS Tier 1 **leverage ratio** of 4.4%, with a CET1 component of 3.3%, stable compared to 4Q15.

Asia Pacific (APAC)

			in / end of		% change
	1Q16	4Q15	1Q15	QoQ	YoY
Asia Pacific results (CHF million)					
Net revenues	894	826	1,088	8	(18)
Provision for credit losses	(21)	3	(3)	–	–
Total operating expenses	664	1,440	626	(54)	6
Adjusted total operating expenses	663	675	626	(2)	6
Income/(loss) before taxes	**251**	**(617)**	**465**	–	(46)
Adjusted income before taxes	**252**	**148**	**465**	70	(46)
Private Banking					
Assets under management (CHF billion)	149.6	150.4	154.6	(0.5)	(3.2)
Net new assets (CHF billion)	4.3	3.0	4.5	–	–
Gross margin (annualized) (bp)	81	72	81	–	–
Net margin (annualized) (bp)	28	13	29	–	–

- Our APAC division **delivered a strong performance in 1Q16** with an **adjusted* return on regulatory capital** of 20% despite the challenging environment.
- **Adjusted* pre-tax income** of CHF 252 million (reported: CHF 251 million) increased 70% from 4Q15. **Net revenues** of CHF 894 million increased 8% from 4Q15. Revenue performance in 1Q16 was resilient to challenging market conditions with strong client activity, notably with (ultra-)-high-net-worth-individuals, entrepreneurs and corporates. We saw higher transaction-based revenues and recurring commissions and fees in the Private Banking business, and stronger fixed income sales and trading revenues. These increases were partially offset by a decline in equity sales and trading revenues compared to 1Q15, which had benefited from a strong trading environment.
- We successfully **attracted quality assets and RMs** to our platform, reflecting continued momentum in executing our strategy. We added 40 RMs since 4Q15 and 100 since 1Q15, ending 1Q16 with 630 RMs. Net new assets from ultra-high and high-net-worth individuals totaled CHF 4.3 billion in 1Q16 and increased at an annualized growth rate of 11% from 4Q15 driven by broad-based inflows across market areas, productivity of new RM hires, and collaboration across departments. Total assets under management were CHF 150 billion at end-1Q16.
- APAC reported a **gross margin** of 81 basis points, up 9 basis points from 4Q15 and consistent with 1Q15. Similarly, **adjusted* net margin** improved compared to 4Q15 and was in line with 1Q15.
- **Our adjusted* total operating expenses** of CHF 663 million (reported: CHF 664 million) were down 2% compared to 4Q15 and up 6% compared to 1Q15. As we stated on March 23, 2016, we are mindful of persisting challenging market conditions when implementing our investment program. In that context, we continue to seek efficiencies while executing on key initiatives in the areas of client coverage, platform development, risk management, compliance and infrastructure. We are adding RMs and are extending Credit Suisse's capabilities in markets such as China and Australia. We are consolidating division-wide financing capabilities to provide tailored solutions to our clients as there is strong, quality demand for financing solutions. We are making strategic investments across our core and digital private banking platforms as well as investing to further strengthen our compliance and risk functions to support our business ambition and meet our regulatory requirements. We continue to take a disciplined approach to managing our cost base and want to generate quality, profitable and compliant growth in APAC, combined with well controlled risks.
- Going forward, we will **maintain our focus on our top client franchises** and enhance our capabilities to capture opportunities from increasing wealth creation, growing financing needs, and the deepening of equity markets across Asia Pacific.

International Wealth Management (IWM)

		in / end of		% change	
	1Q16	4Q15	1Q15	QoQ	YoY
International Wealth Management results (CHF million)					
Net revenues	1,108	1,146	1,069	(3)	4
Adjusted net revenues	1,108	1,135	1,069	(2)	4
of which Private Banking	786	771	748	2	5
of which Asset Management	322	364	321	(12)	0
Provision for credit losses	(2)	(8)	1	(75)	–
Total operating expenses	840	1,174	805	(28)	4
Adjusted total operating expenses	831	913	815	(9)	2
Income/(loss) before taxes	**270**	**(20)**	**263**	–	3
Adjusted income before taxes	**279**	**230**	**253**	21	10
of which Private Banking	212	191	207	11	2
of which Asset Management	67	39	46	72	46
Private Banking					
Assets under management (CHF billion)	287.0	289.6	310.4	(0.9)	(7.5)
Net new assets (CHF billion)	5.4	(4.2)	(0.7)	–	–
Gross margin (annualized) (bp)	109	106	97	–	–
Net margin (annualized) (bp)	28	(8)	28	–	–
Asset Management					
Assets under management (CHF billion)	301.3	321.3	309.9	(6.2)	(2.8)
Net new assets (CHF billion)	1.5	3.6	9.2	–	–

- IWM reported a **strong performance in 1Q16** with adjusted* pre-tax income of CHF 279 million (reported: CHF 270 million), up 21% and 10% compared to 4Q15 and 1Q15, respectively.
- **Net revenues increased** 4% from 1Q15 to CHF 1,108 million, predominantly in Private Banking, and were down 3% compared to 4Q15, which included seasonally higher performance revenues in Asset Management.
- **Adjusted* total operating expenses** increased 2% from 1Q15 to CHF 831 million (reported: CHF 840 million), mainly due to increased expenses related to compliance and risk management infrastructure in Private Banking, partially offset by lower expenses in Asset Management. **Adjusted* total operating expenses** decreased 9% compared to 4Q15.
- **IWM Private Banking**
  - Delivered **profitable growth** in 1Q16. Adjusted* pre-tax income of CHF 212 million (reported: CHF 202 million) increased 11% compared to 4Q15 and increased 2% compared to 1Q15.
  - **Broad-based inflows of net new assets** of CHF 5.4 billion across emerging markets and Europe, primarily related to lending and inflows into mandates and diversified portfolios.
  - The adjusted* net margin of 30 basis points, and gross margin of 109 basis points both improved significantly, reaching their highest levels since 2011.
  - **Mandates penetration** increased to 30% from 27% in 1Q15, with cumulative net mandate sales of CHF 7.8 billion since 1Q15. Loan penetration rose to 14% compared to 12% in 1Q15.
  - We initiated the hiring of 90 RMs in 1Q16, of which 40 joined and 50 committed to join in 2016, with two-thirds focused on clients in emerging markets. Approximately 80% of new RMs are senior hires with established client portfolios.
- **IWM Asset Management**
  - **Higher profitability** with adjusted* pre-tax income of CHF 67 million (reported: CHF 68 million) in 1Q16, up 72% compared to 4Q15 and up 46% compared to 1Q15.

- **Growth in management fees** of 9% compared to 1Q15, with a 2 basis points increase in the management fee margin to 32 basis points.
- Improved efficiency with **lower total operating expenses** and an improved cost/income ratio compared to both 4Q15 and 1Q15.
- **Net new assets** of CHF 1.5 billion, with inflows primarily from traditional products, including index solutions and real estate.

• At end-1Q16, IWM reported **RWA** of CHF 32.0 billion. **Leverage exposure** for the division was CHF 84.9 billion, reflecting a decrease of 14% compared to end-4Q15.

Swiss Universal Bank (Swiss UB)

	in / end of			% change	
	1Q16	4Q15	1Q15	QoQ	YoY
Swiss Universal Bank results (CHF million)					
Net revenues	1,316	1,470	1,347	(10)	(2)
Adjusted net revenues	1,316	1,375	1,347	(4)	(2)
Provision for credit losses	6	43	23	(86)	(74)
Total operating expenses	884	1,060	897	(17)	(1)
Adjusted total operating expenses	844	996	897	(15)	(6)
Income before taxes	**426**	**367**	**427**	16	0
Adjusted income before taxes	**466**	**336**	**427**	39	9
Private Banking					
Assets under management (CHF billion)	236.1	241.0	256.5	(2.0)	(8.0)
Net new assets (CHF billion)	0.7	(2.9)	1.5	–	–
Gross margin (annualized) (bp)	139	157	142	–	–
Net margin (annualized) (bp)	34	27	38	–	–
Corporate & Institutional Banking					
Assets under management (CHF billion)	273.6	275.8	286.7	(0.8)	(5)
Net new assets (CHF billion)	2.3	4.2	6.1	–	–

- Swiss UB made progress and **delivered another quarter of profitable growth**. **Adjusted* pre-tax income** of CHF 466 million (reported: CHF 426 million) increased 39% and 9% compared to 4Q15 and 1Q15, respectively. Swiss UB accounted for the largest share of the Group's earnings.
- **Adjusted* total operating expenses** of CHF 844 million (reported: CHF 884 million) decreased 15% compared to 4Q15 and decreased 6% compared to 1Q15, reflecting lower general and administrative expenses as a result of the Swisscard deconsolidation.
- The **adjusted* cost/income ratio** for Swiss UB improved to 64% for 1Q16 (reported: 67%), down 8 percentage points from 4Q15 and down 3 percentage points from 1Q15.
- Solid **net new asset generation** of CHF 3.0 billion was achieved in 1Q16, compared to CHF 1.3 billion in 4Q15 and CHF 7.6 billion in 1Q15. Swiss UB reported a gross margin of 139 basis points and an adjusted* net margin of 39 basis points.
- **Mandates penetration** increased to 27% from 26% in 4Q15 and from 15% in 1Q15 as a result of our successful introduction of *Credit Suisse Invest*. Importantly, mandates penetration among ultra-high-net-worth clients and high-net-worth clients increased in Private Banking during 1Q16.
- At end-1Q16, we had 2,040 RMs to serve the needs of our Swiss domiciled clients.
- At end-1Q16, **RWA** for the division were CHF 63.5 billion, an increase of CHF 3.6 billion compared to end-4Q15. The increase was mainly due to regulatory impacts, including the phase-in of the Swiss mortgage multipliers and business growth. **Leverage exposure** was CHF 233.3 billion, reflecting a decrease of CHF 2.4 billion compared to end-4Q15.
- As of end-1Q16, **assets under management** of CHF 510 billion were CHF 7 billion lower compared to end-4Q15, driven by unfavorable market and foreign exchange-related movements, partially offset by solid net new asset generation.
- Credit Suisse remains **on track with the preparation of the partial (20-30%) IPO** of Credit Suisse (Schweiz) AG by end-2017, market conditions permitting[7]. Credit Suisse (Schweiz) AG is expected to become operational in the second half of 2016.

Global Markets (GM)

	in / end of			% change	
	1Q16	4Q15	1Q15	QoQ	YoY
Global Markets results (CHF million)					
Net revenues	973	1,127	2,416	(14)	(60)
Provision for credit losses	68	(1)	4	–	–
Total operating expenses	1,540	4,602	1,570	(67)	(2)
Adjusted total operating expenses	1,439	1,786	1,570	(19)	(8)
Income/(loss) before taxes	**(635)**	**(3,474)**	**842**	(82)	–
Adjusted income/(loss) before taxes	**(534)**	**(658)**	**842**	(19)	–

- As announced on March 23, 2016, we have **accelerated the restructuring of GM** with the goal of building a platform that will deliver consistent, less volatile earnings. We aim to achieve this by reducing the fixed cost base and the risk profile of our portfolio of activities through the cycle. GM will continue to provide a differentiated product offering and crucial support to our wealth management clients and IBCM division. At the same time, GM will focus on its top institutional clients, targeting its capital to increase its share of wallet in its chosen product areas.
- For 1Q16, GM reported an **adjusted* pre-tax loss** of CHF 534 million (reported: CHF 635 million) and net revenues of CHF 973 million. During the quarter, net revenues were adversely impacted by challenging market-making conditions across all businesses, subdued client activity and mark-to-market losses, as we reduced risk exposure by decreasing inventory positions. In addition, structural changes as we transition the GM business model – such as significantly lower levels of leverage exposure compared to 1Q15 as well as risk reduction – adversely impacted revenues. At the same time, our performance was adversely impacted by several structural changes to our business model, which are non-recurring and are the result of restructuring our business to a less volatile, lower-risk model.
- We continued to make progress in **reducing costs**, which declined 8% on an adjusted* basis compared to 1Q15, primarily due to lower compensation and benefits expense. As outlined on March 23, 2016, we have accelerated the reduction of costs in the division and remain on track to achieve approximately USD 1.2 billion in cost savings from end-2015 to end-2018. We have already made headway with several initiatives including: actioning more than 1,000[1] of our target headcount reduction and significantly reducing the complexity of the business by adopting the new organizational structure and exiting certain lines of business.
- In the **fixed income** business, we made significant progress in reducing risk, particularly in US CLO and distressed credit, which led to reduced mark-to-market losses compared to 4Q15. Specifically, we announced the sale of credit assets of USD 1.27 billion to TSSP on May 3, 2016, including a part of the distressed debt portfolio. This transaction reduces our overall distressed credit exposure by USD 1.24 billion. In addition to the USD 99 million of write-downs disclosed in respect of the overall distressed portfolio on March 23, 2016, this transaction has resulted in a further charge of approximately USD 100 million, almost all of which is reflected in our 1Q16 results. We have significantly lowered our risk profile, which means we are well positioned to achieve our target of reducing our maximum quarterly loss in an adverse stress scenario by about 50%.
- Our **equities** business was negatively impacted by challenging market conditions and reduced leverage exposure levels compared to 1Q15. Net revenues declined due to lower levels of client activity and the reduced asset base. The equities franchise is a core focus of our GM strategy and we will continue to invest in it in order to grow revenues and market share.
- With **RWA** of USD 73.1 billion and **leverage exposure** of USD 342.1 billion, we are on track to meet both our year-end 2016 targets of approximately USD 60 billion and USD 290 billion, respectively.

Investment Banking & Capital Markets (IBCM)

	in / end of			% change	
	1Q16	4Q15	1Q15	QoQ	YoY
Investment Banking & Capital Markets results (CHF million)					
Net revenues	369	403	400	(8)	(8)
Provision for credit losses	53	3	0	–	–
Total operating expenses	419	897	447	(53)	(6)
Adjusted total operating expenses	392	495	447	(21)	(12)
Loss before taxes	**(103)**	**(497)**	**(47)**	(79)	119
Adjusted loss before taxes	**(76)**	**(95)**	**(47)**	(20)	62

- For 1Q16, IBCM recorded an **adjusted* pre-tax loss** of CHF 76 million (reported: CHF 103 million) compared to an adjusted* pre-tax loss of CHF 95 million (reported: CHF 497 million) in 4Q15 and CHF 47 million (reported: CHF 47 million) in 1Q15. IBCM saw muted client activity in the debt and equity underwriting businesses, particularly in January and February, with the market experiencing some of the lowest quarterly issuance volumes since 2009.
- We announced in October 2015 that our strategy was to shift the focus of IBCM towards M&A and equity capital markets (ECM) while maintaining our position in leveraged finance. While the market environment offered very few ECM opportunities, the IBCM team has worked hard to move increasingly towards M&A and made good progress.
- Despite an industry-wide decline in fees, Credit Suisse's **M&A revenues** doubled year on year in USD and Credit Suisse received a top 4 ranking[5] in completed M&A deals in the Americas. The percentage of revenues attributable to M&A and ECM continues to improve, reflecting a business mix that is more in line with the strategy announced in October 2015.
- IBCM made **significant progress in reducing its debt underwriting portfolio** while, at the same time, limiting mark-to-market losses on the underwriting portfolio to USD 22 million[8]. With much of the backlog cleared, we focused on new issue underwriting activity for clients while remaining selective on credit quality. Leveraged finance continues to be a key franchise for IBCM and one where we have seen improved activity since the markets began to stabilize at the end of March 2016. However, mark-to-market losses in the corporate lending portfolio and a provision for credit losses of USD 55 million impacted results for the quarter.
- We continue to make **targeted investments in IBCM**, including strategic new hires, which are aimed at expanding our client coverage footprint. Nevertheless, IBCM was able to achieve an overall decrease in adjusted* total operating expense of 12% year on year, primarily driven by a reduction in compensation expenses.
- **IBCM will remain a strong, capital-efficient franchise** with businesses that will deliver a high return on regulatory capital under normalized market conditions, a key capability for our ultra-high-net-worth clientele of entrepreneurs in Switzerland, IWM and APAC in particular. IBCM is one of the areas where the synergies between wealth management and investment banking are the most important. The current appetite for outbound transactions from Chinese investors is a major opportunity that we have been capitalizing on effectively as evidenced by our role in transactions like ChemChina/Syngenta and HNA/Gategroup Holding.

Strategic Resolution Unit (SRU)

		in / end of		% change	
	1Q16	4Q15	1Q15	QoQ	YoY
Strategic Resolution Unit results (CHF million)					
Net revenues	(112)	21	176	–	–
Adjusted net revenues	(108)	21	176	–	–
Provision for credit losses	46	93	5	(51)	–
Total operating expenses	566	1,050	554	(46)	2
Adjusted total operating expenses	489	642	554	(24)	(12)
Loss before taxes	**(724)**	**(1,122)**	**(383)**	(35)	89
Adjusted loss before taxes	**(643)**	**(714)**	**(383)**	(10)	68
Balance sheet statistics (CHF billion)					
Risk-weighted assets	54,562	61,638	62,847	(11)	(13)
Leverage exposure	122,213	138,219	182,337	(12)	(33)

- The SRU portfolio includes activities previously included in the former Non-Strategic Unit (NSU), investment banking businesses that we are exiting, investment banking businesses where we are resizing our exposure and private banking businesses that we are exiting.
- The SRU continues to prove to be extremely efficient in winding down RWA, leverage exposure, costs and businesses that no longer fit our strategic direction, and has delivered strong progress against all of these measures when compared to 4Q15 despite challenging market conditions. Capital reductions were achieved across a broad range of mitigation solutions, and were achieved at relatively low costs.
- For 1Q16, the SRU recorded an **adjusted* pre-tax loss** of CHF 643 million (reported: CHF 724 million), compared to an adjusted* pre-tax loss of CHF 714 million (reported: CHF 1,122 million) in 4Q15 and CHF 383 million (reported: CHF 383 million) in 1Q15.
- At end-1Q16, the SRU recorded **RWA** of CHF 54.6 billion, down 11% from 4Q15. **Leverage exposure** was CHF 122.2 billion at end-1Q16, down 12% from end-4Q15. We remain on track to reduce RWA by approximately 70% and leverage by approximately 67% by end-2018.
- Following the announcement on March 23, 2016, additional transfers from GM into the SRU are planned. The impact of these transfers, together with historical restatements, will be disclosed in the 2Q16 earnings release.

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* Adjusted results are non-GAAP financial measures. For a reconciliation of the adjusted results to the most directly comparable US GAAP measures, see the Appendix of this media release for reconciliations of adjustment items.

[1] Includes headcount that have left and headcount that have been notified.

[2] Includes the sale of distressed portfolio on May 3, 2016 at a minimal discount of USD 99 million to result in ~USD 1.24 billion reduction in inventory.

[3] IWM net new assets represent net new assets for Private Banking and Asset Management together and not adjusted for assets managed across businesses.

[4] Based on (adjusted) returns after tax assuming a tax rate of 30% for all periods and capital allocated based on the worst of 10% of average RWA and 3.5% of average leverage exposure.

[5] Dealogic.

[6] Making no provision for significant litigation expenses.

[7] Any such IPO would involve the sale of a minority stake and would be subject to, among other things, all necessary approvals and would be intended to generate / raise additional capital for Credit Suisse AG or Credit Suisse (Schweiz) AG.

[8] Reflects overall underwriting portfolio pre-JV between GM and IBCM.

Important information

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

Cost reduction program based on 2015 cost base and measured on constant FX rates and based on expense run rate excluding major litigation expenses, restructuring costs, goodwill impairment charges and certain non-recurring items for annualization, but including other costs to achieve savings.

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.

Mandates penetration means advisory and discretionary mandates in private banking businesses as a percentage of the related assets under management, excluding those from the external asset manager business.

Loan penetration means loans as a percentage of assets under management.

When we refer to wealth management focused divisions throughout this Media Release, we mean APAC, IWM and Swiss UB.

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

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

Quarterly results documentation

This Media Release contains select information from the full 1Q16 Financial Report and 1Q16 Results Presentation Slides that Credit Suisse believes is of particular interest to media professionals. The complete 1Q16 Financial Report and 1Q16 Results Presentation Slides, which have been distributed simultaneously, contain more comprehensive information about our results and operations for the reporting quarter, as well as important information about our reporting methodology and some of the terms used in these documents. The complete 1Q16 Financial Report and Results Presentation Slides are not incorporated by reference into this Media Release.

The complete 1Q16 Financial Report and Results Presentation Slides are available for download today at: https://www.credit-suisse.com/results.

Presentation of 1Q16 results – Tuesday, May 10, 2016

Event	Analyst Call	Media conference
Time	08:15 Zurich 07:15 London 02:15 New York	10:15 Zurich 09:15 London 04:15 New York
Language	The presentation will be held in English.	The presentation will be held in English. Simultaneous interpreting (English/German and German/English) will be available.
Access via Internet	Audio webcast: https://www.credit-suisse.com/results Audio playback available	Live webcast: www.credit-suisse.com/results Video playback available
Access via Telephone	+41 44 580 40 01 (Switzerland) +44 1452 565 510 (Europe) +1 866 389 9771 (US) Reference: Credit Suisse Group quarterly results Please dial in 10 minutes before the start of the presentation.	+41 44 580 40 01 (Switzerland) +44 1452 565 510 (Europe) +1 866 389 9771 (US) Reference: Credit Suisse Group quarterly results Please dial in 10 minutes before the start of the presentation.
Playback	Replay available approximately one day after the event: +41 44 580 34 56 (Switzerland) +44 1452 550 000 (Europe) +1 866 247 4222 (US) Conference ID: 99521193#	Replay available approximately one hour after the event: +41 44 580 34 56 (Switzerland) +44 1452 550 000 (Europe) +1 866 247 4222 (US) Conference ID English: 99530574# Conference ID German: 99599421#

Cautionary statement regarding forward-looking information

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

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

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

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

- the ability to maintain sufficient liquidity and access capital markets;
- market volatility and interest rate fluctuations and developments affecting interest rate levels;
- the strength of the global economy in general and the strength of the economies of the countries in which we conduct our operations, in particular the risk of continued slow economic recovery or downturn in the US or other developed countries in 2016 and beyond;
- the direct and indirect impacts of deterioration or slow recovery in residential and commercial real estate markets;
- adverse rating actions by credit rating agencies in respect of us, sovereign issuers, structured credit products or other credit-related exposures;
- the ability to achieve our strategic objectives, including improved performance, reduced risks, lower costs and more efficient use of capital;
- the ability of counterparties to meet their obligations to us;
- the effects of, and changes in, fiscal, monetary, exchange rate, trade and tax policies, as well as currency fluctuations;
- political and social developments, including war, civil unrest or terrorist activity;
- the possibility of foreign exchange controls, expropriation, nationalization or confiscation of assets in countries in which we conduct our operations;
- operational factors such as systems failure, human error, or the failure to implement procedures properly;
- actions taken by regulators with respect to our business and practices and possible resulting changes to our business organization, practices and policies in countries in which we conduct our operations;
- the effects of changes in laws, regulations or accounting policies or practices in countries in which we conduct our operations;
- competition or changes in our competitive position in geographic and business areas in which we conduct our operations;
- the ability to retain and recruit qualified personnel;
- the ability to maintain our reputation and promote our brand;
- the ability to increase market share and control expenses;
- technological changes;
- the timely development and acceptance of our new products and services and the perceived overall value of these products and services by users;
- acquisitions, including the ability to integrate acquired businesses successfully, and divestitures, including the ability to sell non-core assets;
- the adverse resolution of litigation, regulatory proceedings and other contingencies;
- the ability to achieve our cost efficiency goals and cost targets; and
- our success at managing the risks involved in the foregoing.

We caution you that the foregoing list of important factors is not exclusive. When evaluating forward-looking statements, you should carefully consider the foregoing factors and other uncertainties and events, including the information set forth in "Risk factors" in I – Information on the company in our Annual Report 2015.

Appendix

Adjusted results are non-GAAP financial measures that exclude goodwill impairment and certain other items included in our reported results. Management believes that adjusted results provide a useful presentation of our operating results for purposes of assessing our Group and divisional performance over time, on a basis that excludes items that management does not consider representative of our underlying performance. Provided below is a reconciliation of our adjusted results to the most directly comparable US GAAP measures.

Credit Suisse and Core Results

	Core Results			Strategic Resolution Unit			Credit Suisse		
in / end of	**1Q16**	4Q15	1Q15	**1Q16**	4Q15	1Q15	**1Q16**	4Q15	1Q15
Statements of operations (CHF million)									
Net revenues	**4,750**	**4,189**	**6,471**	**(112)**	**21**	**176**	**4,638**	**4,210**	**6,647**
Provision for credit losses	**104**	**40**	**25**	**46**	**93**	**5**	**150**	**133**	**30**
Compensation and benefits	2,294	2,912	2,720	188	237	256	2,482	3,149	2,976
General and administrative expenses	1,565	2,189	1,483	283	619	255	1,848	2,808	1,738
Commission expenses	369	368	349	18	41	43	387	409	392
Goodwill impairment	0	3,797	0	0	0	0	0	3,797	0
Restructuring expenses	178	202	–	77	153	–	255	355	–
Total other operating expenses	2,112	6,556	1,832	378	813	298	2,490	7,369	2,130
Total operating expenses	**4,406**	**9,468**	**4,552**	**566**	**1,050**	**554**	**4,972**	**10,518**	**5,106**
Income/(loss) before taxes	**240**	**(5,319)**	**1,894**	**(724)**	**(1,122)**	**(383)**	**(484)**	**(6,441)**	**1,511**
Statement of operations metrics (%)									
Return on regulatory capital	2.3	–	16.4	–	–	–	–	–	10.7
Balance sheet statistics (CHF million)									
Total assets	739,837	743,141	806,643	74,061	77,664	97,747	813,898	820,805	904,390
Risk-weighted assets [1]	225,820	228,308	220,248	54,562	61,638	62,847	280,382	289,946	283,095
Leverage exposure [1]	847,328	849,409	920,391	122,213	138,219	182,337	969,541	987,628	1,102,728

[1] Disclosed on a look-through basis.

Reconciliation of adjusted results

	Core Results			Strategic Resolution Unit			Credit Suisse		
in	**1Q16**	4Q15	1Q15	**1Q16**	4Q15	1Q15	**1Q16**	4Q15	1Q15
Reconciliation of adjusted results (CHF million)									
Net revenues	**4,750**	**4,189**	**6,471**	**(112)**	**21**	**176**	**4,638**	**4,210**	**6,647**
Fair value on own debt	–	697	(144)	–	–	–	–	697	(144)
Real estate gains	0	(72)	0	0	0	0	0	(72)	0
(Gains)/losses on business sales [1]	52	(34)	0	4	0	0	56	(34)	0
Adjusted net revenues	**4,802**	**4,780**	**6,327**	**(108)**	**21**	**176**	**4,694**	**4,801**	**6,503**
Provision for credit losses	**104**	**40**	**25**	**46**	**93**	**5**	**150**	**133**	**30**
Total operating expenses	**4,406**	**9,468**	**4,552**	**566**	**1,050**	**554**	**4,972**	**10,518**	**5,106**
Goodwill impairment	0	(3,797)	0	0	0	0	0	(3,797)	0
Restructuring expenses	(178)	(202)	–	(77)	(153)	–	(255)	(355)	–
Major litigation provisions	0	(309)	10	0	(255)	0	0	(564)	10
Adjusted total operating expenses	**4,228**	**5,160**	**4,562**	**489**	**642**	**554**	**4,717**	**5,802**	**5,116**
Income/(loss) before taxes	**240**	**(5,319)**	**1,894**	**(724)**	**(1,122)**	**(383)**	**(484)**	**(6,441)**	**1,511**
Total adjustments	230	4,899	(154)	81	408	0	311	5,307	(154)
Adjusted income/(loss) before taxes	**470**	**(420)**	**1,740**	**(643)**	**(714)**	**(383)**	**(173)**	**(1,134)**	**1,357**

[1] Gains on business sales reflect sales of stakes in Euroclear of CHF 34 million in 4Q15 and include cumulative losses on sales of businesses of CHF 4 million in the Strategic Resolution Unit and a reclassification of CHF 52 million from cumulative translation adjustments to other revenues in the Corporate Center in connection with the sale of Credit Suisse (Gibraltar) Limited in 1Q16.

Swiss Universal Bank

	in / end of			% change	
	1Q16	4Q15	1Q15	QoQ	YoY
Results (CHF million)					
Net revenues	**1,316**	**1,470**	**1,347**	(10)	(2)
of which Private Banking	828	953	899	(13)	(8)
of which Corporate & Institutional Banking	488	517	448	(6)	9
Provision for credit losses	**6**	**43**	**23**	(86)	(74)
Total operating expenses	**884**	**1,060**	**897**	(17)	(1)
Income before taxes	**426**	**367**	**427**	16	0
of which Private Banking	201	166	243	21	(17)
of which Corporate & Institutional Banking	225	201	184	12	22
Metrics (%)					
Return on regulatory capital	14.5	12.5	13.8	–	–
Cost/income ratio	67.2	72.1	66.6	–	–
Private Banking					
Assets under management (CHF billion)	236.1	241.0	256.5	(2.0)	(8.0)
Net new assets (CHF billion)	0.7	(2.9)	1.5	–	–
Gross margin (annualized) (bp)	139	157	142	–	–
Net margin (annualized) (bp)	34	27	38	–	–
Corporate & Institutional Banking					
Assets under management (CHF billion)	273.6	275.8	286.7	(0.8)	(5)
Net new assets (CHF billion)	2.3	4.2	6.1	–	–

Reconciliation of adjusted results

	Private Banking			Corporate & Institutional Banking			**Swiss Universal Bank**		
in	**1Q16**	4Q15	1Q15	**1Q16**	4Q15	1Q15	**1Q16**	4Q15	1Q15
Adjusted results (CHF million)									
Net revenues	**828**	**953**	**899**	**488**	**517**	**448**	**1,316**	**1,470**	**1,347**
Real estate gains	0	(72)	0	0	0	0	0	(72)	0
Gains on business sales	0	(10)	0	0	(13)	0	0	(23)	0
Adjusted net revenues	**828**	**871**	**899**	**488**	**504**	**448**	**1,316**	**1,375**	**1,347**
Provision for credit losses	**9**	**14**	**12**	**(3)**	**29**	**11**	**6**	**43**	**23**
Total operating expenses	**618**	**773**	**644**	**266**	**287**	**253**	**884**	**1,060**	**897**
Restructuring expenses	(34)	(32)	–	(6)	(7)	–	(40)	(39)	–
Major litigation provisions	0	(25)	0	0	0	0	0	(25)	0
Adjusted total operating expenses	**584**	**716**	**644**	**260**	**280**	**253**	**844**	**996**	**897**
Income before taxes	**201**	**166**	**243**	**225**	**201**	**184**	**426**	**367**	**427**
Total adjustments	34	(25)	0	6	(6)	0	40	(31)	0
Adjusted income before taxes	**235**	**141**	**243**	**231**	**195**	**184**	**466**	**336**	**427**

International Wealth Management

	in / end of			% change	
	1Q16	4Q15	1Q15	QoQ	YoY
Results (CHF million)					
Net revenues	**1,108**	**1,146**	**1,069**	(3)	4
of which Private Banking	786	782	748	1	5
of which Asset Management	322	364	321	(12)	0
Provision for credit losses	**(2)**	**(8)**	**1**	(75)	–
Total operating expenses	**840**	**1,174**	**805**	(28)	4
Income/(loss) before taxes	**270**	**(20)**	**263**	–	3
of which Private Banking	202	(56)	217	–	(7)
of which Asset Management	68	36	46	89	48
Metrics (%)					
Return on regulatory capital	23.4	–	23.7	–	–
Cost/income ratio	75.8	102.4	75.3	–	–
Private Banking					
Assets under management (CHF billion)	287.0	289.6	310.4	(0.9)	(7.5)
Net new assets (CHF billion)	5.4	(4.2)	(0.7)	–	–
Gross margin (annualized) (bp)	109	106	97	–	–
Net margin (annualized) (bp)	28	(8)	28	–	–
Asset Management					
Assets under management (CHF billion)	301.3	321.3	309.9	(6.2)	(2.8)
Net new assets (CHF billion)	1.5	3.6	9.2	–	–

Reconciliation of adjusted results

	Private Banking			Asset Management			**International Wealth Management**		
in	**1Q16**	4Q15	1Q15	**1Q16**	4Q15	1Q15	**1Q16**	4Q15	1Q15
Adjusted results (CHF million)									
Net revenues	**786**	**782**	**748**	**322**	**364**	**321**	**1,108**	**1,146**	**1,069**
Gains on business sales	0	(11)	0	0	0	0	0	(11)	0
Adjusted net revenues	**786**	**771**	**748**	**322**	**364**	**321**	**1,108**	**1,135**	**1,069**
Provision for credit losses	**(2)**	**(8)**	**1**	**–**	**–**	**–**	**(2)**	**(8)**	**1**
Total operating expenses	**586**	**846**	**530**	**254**	**328**	**275**	**840**	**1,174**	**805**
Restructuring expenses	(10)	(30)	–	1	(3)	–	(9)	(33)	–
Major litigation provisions	0	(228)	10	0	0	0	0	(228)	10
Adjusted total operating expenses	**576**	**588**	**540**	**255**	**325**	**275**	**831**	**913**	**815**
Income/(loss) before taxes	**202**	**(56)**	**217**	**68**	**36**	**46**	**270**	**(20)**	**263**
Total adjustments	10	247	(10)	(1)	3	0	9	250	(10)
Adjusted income before taxes	**212**	**191**	**207**	**67**	**39**	**46**	**279**	**230**	**253**

Asia Pacific

	in / end of			% change	
	1Q16	4Q15	1Q15	QoQ	YoY
Results (CHF million)					
Net revenues	**894**	**826**	**1,088**	8	(18)
of which Private Banking	300	271	297	11	1
of which Investment Banking	594	555	791	7	(25)
Provision for credit losses	**(21)**	**3**	**(3)**	–	–
Total operating expenses	**664**	**1,440**	**626**	(54)	6
Income/(loss) before taxes	**251**	**(617)**	**465**	–	(46)
of which Private Banking	102	48	108	113	(6)
of which Investment Banking	149	(665)	357	–	(58)
Metrics (%)					
Return on regulatory capital	20.4	–	29.4	–	–
Cost/income ratio	74.3	174.3	57.5	–	–
Private Banking					
Assets under management (CHF billion)	149.6	150.4	154.6	(0.5)	(3.2)
Net new assets (CHF billion)	4.3	3.0	4.5	–	–
Gross margin (annualized) (bp)	81	72	81	–	–
Net margin (annualized) (bp)	28	13	29	–	–

Reconciliation of adjusted results

	Private Banking			Investment Banking			**Asia Pacific**		
in	**1Q16**	4Q15	1Q15	**1Q16**	4Q15	1Q15	**1Q16**	4Q15	1Q15
Adjusted results (CHF million)									
Net revenues	**300**	**271**	**297**	**594**	**555**	**791**	**894**	**826**	**1,088**
Provision for credit losses	**(17)**	**(5)**	**(1)**	**(4)**	**8**	**(2)**	**(21)**	**3**	**(3)**
Total operating expenses	**215**	**228**	**190**	**449**	**1,212**	**436**	**664**	**1,440**	**626**
Goodwill impairment	0	0	0	0	(756)	0	0	(756)	0
Restructuring expenses	0	(1)	–	(1)	(2)	–	(1)	(3)	–
Major litigation provisions	0	(6)	0	0	0	0	0	(6)	0
Adjusted total operating expenses	**215**	**221**	**190**	**448**	**454**	**436**	**663**	**675**	**626**
Income/(loss) before taxes	**102**	**48**	**108**	**149**	**(665)**	**357**	**251**	**(617)**	**465**
Total adjustments	0	7	0	1	758	0	1	765	0
Adjusted income before taxes	**102**	**55**	**108**	**150**	**93**	**357**	**252**	**148**	**465**

Global Markets

	in / end of			% change	
	1Q16	4Q15	1Q15	QoQ	YoY
Results (CHF million)					
Net revenues	973	1,127	2,416	(14)	(60)
Provision for credit losses	68	(1)	4	–	–
Total operating expenses	1,540	4,602	1,570	(67)	(2)
Income/(loss) before taxes	**(635)**	**(3,474)**	**842**	(82)	–
Metrics (%)					
Return on regulatory capital	–	–	17.3	–	–
Cost/income ratio	158.3	408.3	65.0	–	–

Reconciliation of adjusted results

	Global Markets		
in	**1Q16**	4Q15	1Q15
Adjusted results (CHF million)			
Net revenues	**973**	**1,127**	**2,416**
Provision for credit losses	**68**	**(1)**	**4**
Total operating expenses	**1,540**	**4,602**	**1,570**
Goodwill impairment	0	(2,661)	0
Restructuring expenses	(101)	(105)	–
Major litigation provisions	0	(50)	0
Adjusted total operating expenses	**1,439**	**1,786**	**1,570**
Income/(loss) before taxes	**(635)**	**(3,474)**	**842**
Total adjustments	101	2,816	0
Adjusted income/(loss) before taxes	**(534)**	**(658)**	**842**

Investment Banking & Capital Markets

	in / end of			% change	
	1Q16	4Q15	1Q15	QoQ	YoY
Results (CHF million)					
Net revenues	369	403	400	(8)	(8)
Provision for credit losses	53	3	0	–	–
Total operating expenses	419	897	447	(53)	(6)
Loss before taxes	**(103)**	**(497)**	**(47)**	(79)	119
Metrics (%)					
Return on regulatory capital	–	–	–	–	–
Cost/income ratio	113.6	222.6	111.8	–	–

Reconciliation of adjusted results

	Investment Banking & Capital Markets		
in	**1Q16**	4Q15	1Q15
Adjusted results (CHF million)			
Net revenues	**369**	**403**	**400**
Provision for credit losses	**53**	**3**	**0**
Total operating expenses	**419**	**897**	**447**
Goodwill impairment	0	(380)	0
Restructuring expenses	(27)	(22)	–
Adjusted total operating expenses	**392**	**495**	**447**
Loss before taxes	**(103)**	**(497)**	**(47)**
Total adjustments	27	402	0
Adjusted loss before taxes	**(76)**	**(95)**	**(47)**