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You are warned that the price of the CBBCs may fall in value as rapidly as it may rise and you may sustain a total loss of your investment. You should fully understand their potential risks and rewards and independently determine that they are appropriate for you. You should consult with advisers if necessary.



Callable Bull/Bear Contracts

issued by

CREDIT SUISSE AG

(incorporated under the laws of Switzerland)

Sponsor/Manager

CREDIT SUISSE (HONG KONG) LIMITED

Announcement

We intend to issue the callable bull/bear contracts detailed below (the **CBBCs**).

	Series A	Series B
Stock code	60594	60599
Share	Existing issued ordinary shares of HK\$1.00 each of the Company	Existing issued ordinary shares of HK\$0.0001 each of the Company
Company	Hong Kong Exchanges and Clearing Limited	Tencent Holdings Limited
Style	European	European
Type	Bull	Bear
Category	R	R
Settlement method	Cash Settled	Cash Settled
Issue size	70,000,000 CBBCs	70,000,000 CBBCs
Issue price per CBBC (HK\$)	0.250	0.250

	Series A	Series B
Strike price (HK\$)	132.000	199.000
Call price (HK\$)	138.000	191.000
Launch date	9 February 2012	9 February 2012
Observation commencement date	16 February 2012	16 February 2012
Valuation date	The trading day (being a day on which the stock exchange is scheduled to be open for trading for its regular trading sessions) immediately preceding the expiry date (subject to postponement).	
Expiry date	23 July 2012	23 July 2012
Board lot	10,000 CBBCs	10,000 CBBCs
Entitlement	1 Share	1 Share
Exercise amount	100 CBBC(s)	100 CBBC(s)
Gearing*	5.72x	7.50x
Effective gearing*	5.72x	7.50x
Premium*	9.71%	7.25%
Funding cost as at the launch date	23.1540% p.a. (= HIBOR + 22.2933%)	15.0269% p.a. (= HIBOR + 14.1662%)
Liquidity provider	Credit Suisse Securities (Hong Kong) Limited (Broker ID: 9617) Level 88, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong Tel: 2101 6619	Credit Suisse Securities (Hong Kong) Limited (Broker ID: 9579) Level 88, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong Tel: 2101 6619

* The gearing, effective gearing and premium may not be comparable to similar information provided by other issuers of CBBCs as each issuer may use different pricing models.

What is a mandatory call event? What happens if a mandatory call event occurs?

A mandatory call event occurs when the spot price is:

- (a) in respect of a series of callable bull contracts, at or below; and
- (b) in respect of a series of callable bear contracts, at or above

the call price at any time during the observation period.

Observation period means the period commencing from and including the observation commencement date up to and including the close of trading (Hong Kong time) on the trading day immediately preceding the expiry date.

Spot price means:

- (a) in respect of a continuous trading session of the stock exchange, the price per share concluded by means of automatic order matching on the stock exchange as reported in the official real-time dissemination mechanism for the stock exchange during such continuous trading session in accordance with the rules and regulations of the stock exchange (the **trading rules**), excluding direct business (as defined in the trading rules); and
- (b) in respect of a pre-opening session or a closing auction session (if applicable) of the stock exchange (as the case may be), the final Indicative Equilibrium Price (IEP) (as defined in the trading rules) of the share (if any) calculated at the end of the pre-order matching period of such pre-opening session or closing auction session (if applicable) (as the case may be) in accordance with the trading rules, excluding direct business (as defined in the trading rules),

subject to such modification and amendment prescribed by the stock exchange from time to time.

Subject to the limited circumstances set out in the conditions in which a mandatory call event may be reversed, upon the occurrence of a mandatory call event, we must terminate the CBBCs and you may receive for each board lot a residual value (if any) in Hong Kong dollars calculated by us using the following formula:

In respect of a series of callable bull contracts:

$$\left\{ \frac{\text{entitlement} \times (\text{minimum trade price} - \text{strike price}) \times \text{one board lot}}{\text{exercise amount}} \right\} - \text{exercise expenses}$$

Minimum trade price means the lowest spot price during the MCE valuation period.

In respect of a series of callable bear contracts:

$$\left\{ \frac{\text{entitlement} \times (\text{strike price} - \text{maximum trade price}) \times \text{one board lot}}{\text{exercise amount}} \right\} - \text{exercise expenses}$$

Maximum trade price means the highest spot price during the MCE valuation period.

MCE valuation period means, subject to potential extension, the period commencing from and including the moment upon which the mandatory call event occurs and up to the end of the following trading session on the stock exchange.

If the residual value is less than or equal to zero, you will lose your entire investment in the CBBCs.

How do we calculate the cash settlement amount?

The CBBCs are in registered form and exercisable only in the trading board lots.

If no mandatory call event has occurred during the observation period and on the expiry date the cash settlement amount is greater than zero, the CBBCs will be automatically exercised.

Each board lot will entitle you to receive from us the cash settlement amount in Hong Kong dollars calculated by us as equal to:

In respect of a series of callable bull contracts:

$$\left\{ \frac{\text{entitlement} \times (\text{closing price}^* - \text{strike price}) \times \text{one board lot}}{\text{exercise amount}} \right\} - \text{exercise expenses}$$

In respect of a series of callable bear contracts:

$$\left\{ \frac{\text{entitlement} \times (\text{strike price} - \text{closing price}^*) \times \text{one board lot}}{\text{exercise amount}} \right\} - \text{exercise expenses}$$

* **Closing price** means the closing price of one share (which is obtained from the daily quotation sheet of the stock exchange (subject to any adjustments as provided in the conditions)) on the valuation date.

Where can you obtain further information?

Our base listing document dated 14 April 2011, together with our supplemental listing document to be dated 15 February 2012 and the latest publicly available annual report and interim report (if any) of the Credit Suisse Group AG will be available for inspection, together with their Chinese translations, at the office of Credit Suisse (Hong Kong) Limited, which is presently at Level 88, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong. Information on us can also be found on the website of the group of companies to which we belong, which is www.credit-suisse.com.

How will the liquidity provider provide quotes?

The liquidity provider will provide liquidity by responding to requests for bid and offer quotes. A quote may be obtained by calling the liquidity provider's telephone number.

Additional information

The CBBCs will constitute our general unsecured contractual obligations. They are not obligations of any other person.

An application will be made to the stock exchange for the listing of, and permission to deal in, the CBBCs on the stock exchange. The date of commencement of dealings in the CBBCs is expected to be 16 February 2012.

The obligations of the manager may terminate if certain events occur, including unforeseen events beyond our control on or before the issue date of the CBBCs. The issue date is expected to be 15 February 2012.

We are regulated by the Hong Kong Monetary Authority as a registered institution. We are also, amongst others, regulated by the Swiss Financial Market Supervisory Authority and the Swiss National Bank.

Our senior long term credit ratings are A+ by Standard and Poor's Ratings Services, A by Fitch Ratings and Aa1 by Moody's Investors Service.

Credit Suisse AG
9 February 2012