

Announcement on Valuation of Residual Value

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Non-Collateralised Structured Products



Notice of Valuation of Residual Value
of
50,000,000 European Style (Cash Settled)
Category R Callable Bear Contracts
in Global Registered Form due June 30, 2017
relating to existing issued ordinary shares of
HSBC Holdings plc
(the CBBCs)
(Stock Code: 64987)

issued by

CREDIT SUISSE AG
(incorporated under the laws of Switzerland)

Sponsor/Manager
CREDIT SUISSE (HONG KONG) LIMITED

*Terms not defined in this notice have the same meaning as defined in the general conditions and the product conditions of the CBBCs (together, the **conditions**).*

Credit Suisse AG (the **issuer**) announces that under the conditions, following the occurrence of a mandatory call event (**MCE**) in respect of the CBBCs at 14:12:12 on February 20, 2017, the amount of the residual value has been determined to be HKD 51.2000 per board lot of CBBCs (such board lot being 4,000 CBBCs).

In respect of each board lot of CBBCs, the residual value is an amount in Hong Kong dollars calculated by the issuer in accordance with the following formula:

$$\frac{\text{entitlement} \times (\text{strike price} - \text{maximum trade price}) \times \text{one board lot}}{\text{number of CBBC(s) per entitlement}}$$

where:

"entitlement" means one share;

"strike price" means HKD 70.38;

"maximum trade price" means HKD 69.10;

"one board lot" means 4,000; and

"number of CBBC(s) per entitlement" means 100.

Subject to the occurrence of a settlement disruption event, all holders will receive the residual value (net of any exercise expenses) (if any) no later than February 24, 2017, which is three CCASS settlement days following the end of the MCE valuation period.

Credit Suisse AG
February 21, 2017