

Media Release

Credit Suisse launches HOLT® in China to help investors capitalize on investment opportunities in China and globally

Shenzhen, November 6, 2018 – **Credit Suisse today announced the launch in China of HOLT®, the bank’s proprietary analytical platform, to help sophisticated asset managers and financial professionals make better and smarter investment decisions.**

HOLT is a leading equity analysis and valuation tool owned by Credit Suisse. It is used by more than 600 leading institutional investors across 38 key markets globally. Via the platform, Credit Suisse provides investors with unique insights into a company's performance, valuation, future expectations, and risk considerations using a database of over 20,000 companies across 70 countries that has been refined for four decades.

In particular, HOLT has maintained a China A-share company database for over a decade and now has the most advanced coverage of the China A-share market, with over 1,800 companies providing near 100% coverage of the CSI 300, SSE 180, SSE 380, and SICOM stock indices. The HOLT platform provides investors with a robust perspective to add to their investment processes. Domestic investors in China can now take advantage of HOLT’s broad coverage to identify high quality and attractively valued companies locally, regionally or globally.

Credit Suisse celebrates the rollout of the HOLT business in China at its 9th Annual China Investment Conference, which takes place in Shenzhen, China. The three-day conference features presentations by 50 speakers, over 150 corporates with total market capitalisation of USD 2,116 billion, and over 600 investors from around the world.

Commenting on the launch, **Neil Hosie**, Head of Equities for Asia Pacific at Credit Suisse, said: “Our launch of HOLT services in China is an important milestone for us in providing China-based investors with a best-in-class investment analysis tool to assist in generating investment ideas and gaining market insights. Furthermore, HOLT’s extensive global coverage will help domestic asset managers to diversify and construct global investment portfolios as they grow in markets outside of China.”

“Equally, HOLT is a useful tool for international investors interested in China, a market with a capitalization of about USD 6 trillion dollars,” Mr. Hosie added. “The launch of HOLT in China comes at a time when the Stock Connect mutual access program is providing investors with access to mainland China, and A-share inclusion is leading to greater representation of China’s domestic stock market within the global investment universe.”

Jonathan Tischler, Head of HOLT’s business in Asia Pacific at Credit Suisse, said: “HOLT is a unique asset of Credit Suisse. Our methodology focuses on the fundamentals of wealth creation and not just

earnings per share (EPS) growth. The platform helps investors gain greater clarity and develop a consistent investment perspective by going beyond traditional accounting to emphasize companies' cash generation capability. By using this globally consistent framework for comparing and valuing companies across all sectors and geographies, our clients can be equipped to identify high-quality companies with strong fundamentals and attractive valuations.”

Using the HOLT platform investors can analyze individual stocks and conduct objective reviews against relevant benchmarks to balance risks within their portfolios. Credit Suisse will provide HOLT to traditional asset managers, hedge funds and family offices in China.

Mr. Tischler further commented: “China-based investors using HOLT will be able to review A-share companies on our leading corporate performance and valuation metrics. They will also be able to leverage this same analysis on HOLT's global universe as they increase their focus on international equities in future. Meanwhile, HOLT's current client base has the advantage of being able to efficiently analyze more than 1,800 China A-share companies in a framework that they have been familiar with for many years with high confidence and efficiency as they increase their investments in the dynamic A-share market.”

With the initial MSCI A-share inclusion having been completed in August, Credit Suisse estimates that the domestic A-share market will attract close to USD 300 billion of potential international fund flows upon full A-share inclusion, which is anticipated to occur within a decade.

Credit Suisse is one of the first global banks to operate an onshore brokerage business, offering international investors direct access to the A-share market. The launch of HOLT underscores Credit Suisse's continued commitment to China and will help investors to improve their investment processes as the market further matures.

Credit Suisse in China

Credit Suisse is the leading foreign broker to institutional investors in Greater China. It is one of the leading equities houses in Asia and has been consistently ranked among the top three brokerage houses in Asia Pacific. The bank has a long-term commitment to Greater China, which currently represents one of its most important growth markets globally. Credit Suisse has maintained banking ties with China for over 60 years and has had a presence in the country for more than 30 years.

In November 2016, Credit Suisse achieved a key milestone in expanding its onshore platform through the launch of its China A-share brokerage business via its joint venture, Credit Suisse Founder Securities (CSFS). It is now among the first global banks to operate an onshore brokerage business in China. CSFS has since made significant progress in strengthening its brokerage business. Credit Suisse also has a successful asset management joint venture with Industrial & Commercial Bank of China – ICBC Credit Suisse Asset Management – which has assets under management exceeding RMB 1 trillion, and is currently the second largest asset manager in China.

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Enquiries

Yukmin Hui, Corporate Communications, tel: +852 2101 6041, email: yukmin.hui@credit-suisse.com
Edith Chen, Corporate Communications, tel: +852 2101 7056, email: yisi.chen@credit-suisse.com

Uni Park, Corporate Communications, tel: +82 2 3707 8890, email: uni.park@credit-suisse.com

Credit Suisse AG

Credit Suisse AG is one of the world's leading financial services providers and is part of the Credit Suisse group of companies (referred to here as 'Credit Suisse'). Our strategy builds on Credit Suisse's core strengths: its position as a leading wealth manager, its specialist investment banking capabilities and its strong presence in our home market of Switzerland. We seek to follow a balanced approach to wealth management, aiming to capitalize on both the large pool of wealth within mature markets as well as the significant growth in wealth in Asia Pacific and other emerging markets, while also serving key developed markets with an emphasis on Switzerland. Credit Suisse employs approximately 45'560 people. The registered shares (CSGN) of Credit Suisse AG's parent company, Credit Suisse Group AG, are listed in Switzerland and, in the form of American Depositary Shares (CS), in New York. Further information about Credit Suisse can be found at www.credit-suisse.com.

Credit Suisse HOLT

The HOLT methodology does not assign ratings or a target price to a security. It is an analytical tool that involves use of a set of proprietary quantitative algorithms and warranted value calculations, collectively called the HOLT valuation model, that are consistently applied to all the companies included in its database. Third-party data (including consensus earnings estimates) are systematically translated into a number of default variables and incorporated into the algorithms available in the HOLT valuation model. The source financial statement, pricing, and earnings data provided by outside data vendors are subject to quality control and may also be adjusted to more closely measure the underlying economics of firm performance. These adjustments provide consistency when analyzing a single company across time, or analyzing multiple companies across industries or national borders. The default scenario that is produced by the HOLT valuation model establishes a warranted price for a security, and as the third-party data are updated, the warranted price may also change. The default variables may also be adjusted to produce alternative warranted prices, any of which could occur. The warranted price is an algorithmic output applied systematically across all companies based on historical levels and volatility of returns. Additional information about the HOLT methodology is available on request.

HOLT is a corporate performance and valuation advisory service of Credit Suisse.