CREDIT SUISSE

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Annual General Meeting of CREDIT SUISSE GROUP
Zurich, April 26, 2013

Presentation by Brady W. Dougan
Chief Executive Officer of Credit Suisse Group

Dear Shareholders

Ladies and Gentlemen

I would like to address three topics today. First, I will review our performance for 2012. Second, I will discuss the strategic initiatives we implemented during 2012, which position Credit Suisse to thrive in the new business and regulatory environment. And third, I would like to provide you with some highlights on our strong start to 2013.

We recognize the need for industry evolution, and Credit Suisse has been a leader in raising capital, improving compensation plans, and engaging responsibly with society, regulators and in the communities in which we operate globally.

Credit Suisse entered 2013 as one of the few financial services firms to have completely re-engineered its business to succeed in the new environment. Throughout 2012 we dramatically transformed our businesses, lowered our cost base, increased our capital base, and reduced risk, risk-weighted assets and notional balance sheet all while continuing to drive strong client and market share momentum across our businesses.

I will start by discussing our financial performance. We achieved solid results in 2012, demonstrating consistency as we executed a significant business transformation during the year.

For the full year, underlying pre-tax income reached 5 billion Swiss francs up from 2.4 billion in 2011. We focus on underlying results to show a more accurate picture of the ongoing operations of our businesses, as our reported results are impacted by accounting-driven fair value gains and losses.

For the year we achieved an underlying after-tax return on equity of 10%, which ranks in the top 3 of our peer group. Through-the-cycle, our target is to generate a 15% return on equity, and we believe the decisive actions we have taken will enable us to achieve this goal.

In addition, we delivered on our target pro forma "look through" Swiss Core capital ratio of 9.4% by the end of 2012. We are on track to return significant cash to you, our shareholders, once our "look through" capital ratio exceeds 10%, which we expect during the middle of this year.

Let's now discuss our divisional results. As per the announcement we made last November, we combined the former Private Banking and Asset Management divisions to form the new Private Banking & Wealth Management division. The integration of these businesses and the changed organizational structure will enable us to better serve our clients through enhanced product development, advice, and distribution and will improve our efficiency.

We have one of the leading Private Banking and Wealth Management businesses globally, with Assets under Management of 1.25 trillion Swiss Francs as of the end of 2012. In the last four years, our Wealth Management business generated net new assets of 170 billion Swiss Francs significantly more than any of our competitors.

In 2012, the new division benefited from strategic and cost initiatives, maintained client momentum and improved profitability despite continued market headwinds.

Private Banking & Wealth Management revenues were stable and total underlying operating expenses declined compared to 2011, resulting in an underlying cost to income ratio of 72%. In addition to the cost measures that we defined in the third quarter of 2012, we identified a further 450 million Swiss francs of efficiencies that will come from the merger of the two divisions and from other additional measures that we will take. As a result of this streamlined business model, we seek to achieve a 65% cost to income ratio, and a 6% annual net new asset growth rate.

Moving to the Investment Bank during 2012 we adapted our business model and now have one of the first investment banking businesses that is Basel III compliant and has global reach and critical mass in Fixed Income, Equities and Underwriting & Advisory.

The Investment Bank posted net revenues of 12.6 billion Swiss francs and pre-tax income of 2 billion for the full year 2012. These results demonstrate further improvements in our operating and capital efficiencies as well as the strength of our franchise.

Last year our Investment Bank produced higher revenues and profitability with lower capital usage, less risk and a reduced cost base. This resulted in a substantially higher after-tax underlying return on Basel 3 capital of 9%. Excluding losses from our wind-down portfolio, our underlying after-tax return on equity was 14% for the year. Going forward, we expect to deliver a sustainable return on equity above 15% through the cycle and a 70% cost to income ratio.

In 2012, we continued to build on strong market shares across our businesses, even as we were adapting our business model and organization. Our consistent results and continued market share growth prove that our strategy and our business model work and that clients appreciate the swift and decisive action we took to adapt Credit Suisse to the new environment.

Let's now discuss the strategic actions we took during 2012.

First, we significantly reduced our cost base. By the end of 2012, we achieved 2 billion Swiss Francs of expense savings. We continue to seek further cost savings opportunities throughout our business, and as a result have increased our total cost run-rate reduction target to an annualized 4.4 billion by the end of 2015.

Second, we substantially strengthened our capital position. Capital strength is of paramount importance to the Group. Last July we decided to accelerate the implementation of our capital plans in a manner which fully addressed questions raised by the Swiss National Bank's 2012 Financial Stability report, published last June.

Credit Suisse had benefitted substantially from its strong capitalization and conservative funding position over the past many years. We continued to maintain a best-in-class total capital and funding position, corroborated by our superior ratings and CDS spreads.

However, in early 2012, the market focused more on our common equity position. We had a clear plan to build this common equity, and were on a glide path where we were already double the level of capital required by our regulator, FINMA.

After the SNB published this report which questioned our overall capital position, we felt it was prudent and necessary to respond decisively to this issue and ensure that we were in an unquestioned capital position and viewed as one of the safest banks in the world.

The decisive actions we took included the issuance of a mandatory convertible – a significant portion of which was underwritten by some existing long-term shareholders as well as some high-quality new investors. In addition, we also announced certain strategic divestments.

As a result of these actions, which were largely non-dilutive to our shareholder base, we achieved our target pro forma "look through" Swiss Core capital ratio of 9.4% by the end of 2012, and we are on track to exceed the end-2018 requirement of a 10% look-through Swiss Core Capital ratio during 2013.

We also made further progress in reducing risk-weighted assets. Since the third quarter of 2011, we reduced Group-wide Basel III risk-weighted assets by nearly 90 billion Swiss Francs. Basel III risk-weighted assets stood at 284 billion for the Group at the end of 2012, and we are confident that we will achieve our target of less than 280 billion Swiss Francs by the end of 2013.

Additionally, we reduced our balance sheet by nearly 125 billion Swiss francs to 924 billion which puts us well ahead of our plan to reduce our balance sheet to less than 900 billion Swiss francs by the end of 2013.

In short, in an industry that still faces substantial restructuring to come, we have effectively completed that restructuring, and we now have a business model in place that is stable, high-returning and fit for the new regulatory environment.

With that, let's briefly discuss our performance in the first quarter, as we reported on Wednesday.

We have seen a strong start to 2013. As of January 1 of this year, we are successfully transitioned to the Basel III capital and risk-weighted asset regulations. We are among the first of the global banks to achieve Basel III compliance, well ahead of most industry peers.

Looking at our results on an underlying basis, Credit Suisse Group delivered revenues of 7.2 billion Swiss francs, pre-tax income of 2 billion Swiss francs, and an after-tax return on equity of 16%, which is well within our target range.

On a reported basis, we achieved revenues of 7.1 billion Swiss francs, pre-tax income of 1.8 billion, and a 14% after-tax return.

Briefly looking at our divisions – in Private Banking & Wealth Management, the organizational realignment is well on track and we achieved solid profitability during the first quarter, with underlying pre-tax income of 839 million Swiss francs. We recorded solid net new assets of 12 billion Swiss francs.

In the Investment Bank, we posted pre-tax income of 1.3 billion Swiss francs, reflecting broad-based strength across our fixed income, equities and underwriting businesses. The division achieved a return on Basel III capital of 23% in the quarter.

We also continued to make progress on our capital and expense targets.

Assuming the completion of the remaining measures we announced last July, our pro-forma "look-through" Swiss Core capital ratio reached 9.8% at the end of the quarter, within reach of our 10% target during the middle of this year.

On the expense side, we achieved a cumulative reduction of 2.5 billion Swiss francs to date, and we are on track to deliver our target of 3.2 billion Swiss francs of expense reductions in 2013 and 4.4 billion Swiss francs of reductions by the end of 2015.

Finally, I would note that we continue to have one of the strongest funding and liquidity positions in the industry. At the end of the first quarter, our Basel 3 Net Stable Funding ratio remained above 100%, and we continued to be in excess of the short-term liquidity requirement under Swiss regulation.

I would now like to touch briefly on a topic that we consider very important at Credit Suisse: our corporate responsibility.

The management team is convinced that a responsible approach to business is a decisive factor in determining the bank's long-term success. Following the financial crisis, we recognized the need for our industry to change. We believed it was important for financial institutions to learn from the past and to proactively adapt to the new realities in banking.

Credit Suisse has therefore been responsive to the stricter regulatory requirements that are emerging globally. We have improved our compensation plans based on shareholder input and evolving practices in the area of executive pay – making significant changes to Executive Board compensation for 2012. We are committed to helping build a more responsible industry and a more robust financial system.

As a global bank, we continue to play a vital role in the economy – supplying individuals, companies and institutions with financial advice, managing their assets, steering capital flows and assessing risks. For example, here in Switzerland – we are a trusted partner to one in three businesses, providing companies with the capital they need to expand, innovate and help drive economic growth.

Of course, our responsibilities also go beyond banking. We are committed to engaging with communities across our four regions and to addressing social issues – ranging from youth unemployment in Switzerland to poverty and illiteracy in developing countries. We do so by providing direct financial support and cooperating with partner organizations, as well as through volunteering. I am proud to report that in 2012, over 17,000 Credit Suisse employees worldwide volunteered more than 180,000 hours to help others.

I am convinced that by pursuing a sound and sustainable approach to business, we can not only secure Credit Suisse's long-term success and deliver on our responsibilities to our clients, shareholders and employees but can also make a meaningful contribution toward creating a more stable economic and social environment in which individuals and businesses can thrive.

Just to sum up Credit Suisse enters 2013 as one of the few financial services firms to have already re-engineered its business to create value for clients and shareholders in the new regulatory environment. We have seen a strong start to the year, and we are confident that our cost and capital efficient business model will continue to deliver strong and consistent revenues across our businesses. We believe we are well-positioned to effectively serve our clients, to further drive market share gains and to deliver superior returns to our shareholders.

I want to take this opportunity to thank all of our employees for the dedication and commitment they have shown Credit Suisse.

I also want to thank our shareholders for their trust and support. The opinion of every single one of our shareholders matters greatly to me.

Thank you for your attention Ladies and Gentlemen. We greatly value your continued support.

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