

1Q14 Letter to shareholders

Dear shareholders

For the first quarter of 2014, we generated Core pre-tax income of CHF 1,940 million in our strategic businesses and achieved a strong return on equity of 14% – well within reach of our 15% through-the-cycle target. This strong performance was driven by significantly improved profitability in Private Banking & Wealth Management, solid returns in Investment Banking and continued effective cost and capital management. Reported Core pre-tax income for the first quarter was CHF 1,400 million and the reported return on equity was 8%. We saw continued momentum with clients across many of our key businesses in the first quarter, including the highest net asset inflows in our strategic businesses since the first quarter of 2011 and a meaningful increase in the share of assets under management from ultra-high-net-worth clients.

Progress in our two divisions

We substantially improved the profitability of our strategic businesses in Private Banking & Wealth Management, delivering pre-tax income of CHF 965 million for the quarter, a 28% increase compared to the prior-year quarter. The Wealth Management Clients business improved its net margin to 29 basis points from 23 basis points in the prior-year quarter. In line with our strategy, we also increased the share of assets under management from ultra-high-net-worth clients in this business to 46%, compared to 43% in the same period of last year. Corporate & Institutional Clients continued to make a strong contribution to the division's overall performance, and Asset Management more than doubled its pre-tax income compared to the first quarter of 2013 as a result of its more focused approach. In Private Banking & Wealth Management, we recorded net new assets of CHF 16.0 billion from strategic businesses in the quarter and total net new assets of CHF 13.7 billion. These inflows reflect our strength in key emerging markets within Asia Pacific, which grew at a 17% annualized rate, Latin America and the Middle East, our strong position in our Swiss home market, and significant inflows in alternative investments and index products within our Asset Management business.

In Investment Banking, we delivered solid returns despite more challenging market conditions during the quarter, demonstrating the strength of our diversified franchise. Investment Banking's strategic businesses reported pre-tax income of CHF 1,124 million and a return on capital of 21%. We delivered a strong performance in securitized products, credit and underwriting and advisory, as well as solid results in equities. At the same time, the first quarter seasonal contribution from our rates business and certain emerging markets businesses was significantly lower compared to prior years, as the industry adapts to structural changes in the rates



Urs Rohner, Chairman of the Board of Directors (left) and Brady W. Dougan, Chief Executive Officer.

business combined with challenging market conditions in certain emerging markets. We further expanded our strong market share position in equities and saw good momentum with clients in our underwriting and advisory franchises.

Progress in executing strategy to support cash returns to shareholders

In terms of our strategic focus, we continued to optimize resource allocation in order to grow our high-returning businesses, particularly in Private Banking & Wealth Management. At the same time, we made progress in winding down positions in our non-strategic units.

In Private Banking & Wealth Management, we plan to continue to build on our growth momentum in emerging markets and expand our lending initiatives targeting ultra-high-net-worth clients. We intend to complete the repositioning of our activities in certain less profitable markets where we have an onshore presence and we will work to further improve the net margin in our Wealth Management Clients business. Additionally, we plan to further enhance our integrated offering, both within the Private Banking & Wealth Management division and in close collaboration with the Investment Banking division.

In Investment Banking, we will continue to focus on our market-leading and high-returning businesses, including our top-three equities franchise, a strong and profitable underwriting and advisory business and a fixed income franchise focused on high-returning yield businesses. As part of this focus, we are transitioning our rates business to become a more client-focused and capital-light franchise, as announced in October 2013.

We maintained our resilient leverage and capital positions and are on track to meet our long-term targets, notwithstanding methodology changes that led to an increase in risk-weighted assets in the quarter. As of quarter-end, we reported a Look-through Basel III CET1 ratio of 10.0% and a Look-through Swiss leverage ratio of 3.7%. We also further increased the efficiency of our operations during the first quarter. Since the second quarter of 2011 when we first announced our cost measures, we have reduced the Group's cost base by CHF 3.4 billion on an annualized, adjusted basis.

In the first quarter of 2014, we continued to work toward resolving legacy litigation matters. In March 2014, we announced an agreement with the Federal Housing Finance Agency (FHFA), effectively resolving the largest mortgage-related legal dispute between Credit Suisse and investors dating back to the financial crisis. Moreover, we are continuing our efforts to resolve legal cases related to our former cross-border private banking business with US clients. In February 2014, we reached a settlement with the US Securities and Exchange Commission (SEC) on the US cross-border matter. The United States Department of Justice's investigation into the US tax matter remains outstanding and, while we are working hard to bring this to a close, the timing and outcome remain uncertain.

Given our progress in executing our strategy, combined with the strong performance of our strategic businesses in the first quarter of 2014, our intention remains to deliver cash returns to our shareholders at or above 2013 levels.

We would like to thank our shareholders and clients for the trust they have placed in Credit Suisse and, in particular, our employees for their contribution to the success of our business.

Sincerely

Urs Rohner

Brady W. Dougan

April 2014

As of January 1, 2013, Basel III was implemented in Switzerland along with the Swiss "Too Big to Fail" legislation and regulations thereunder. The related disclosures are in accordance with the current interpretation of such requirements, including relevant assumptions. Changes in the interpretation of these requirements in Switzerland or in any of Credit Suisse's assumptions or estimates could result in different numbers from those shown herein.

Unless otherwise noted, leverage ratio, leverage exposure and total capital amounts included herein are based on the current FINMA framework. The Swiss leverage ratio is calculated as Swiss total eligible capital, divided by a three-month average leverage exposure, which consists of balance sheet assets, off-balance sheet exposures, which consist of guarantees and commitments, and regulatory adjustments, which include cash collateral netting reversals and derivative add-ons.

All expense reduction metrics against 6M11 annualized total expenses are measured at constant foreign exchange rates and exclude realignment and other significant expense items and variable compensation expenses. For further information regarding these measures, see the 1Q14 Results Presentation Slides.

Refer to "Results overview" in II – Operating and financial review – Core Results in our Annual Report 2013 for further information on Core Results.

Key metrics

	in / end of			% change	
	1Q14	4Q13	1Q13	QoQ	YoY
Credit Suisse (CHF million, except where indicated)					
Net income/(loss) attributable to shareholders	859	(476)	1,303	–	(34)
of which from continuing operations	844	(474)	1,297	–	(35)
Basic earnings/(loss) per share from continuing operations (CHF)	0.47	(0.37)	0.76	–	(38)
Diluted earnings/(loss) per share from continuing operations (CHF)	0.47	(0.37)	0.75	–	(37)
Return on equity attributable to shareholders (%)	8.0	(4.5)	14.2	–	–
Effective tax rate (%)	31.2	18.9	26.6	–	–
Core Results (CHF million, except where indicated)					
Net revenues	6,469	5,920	7,018	9	(8)
Provision for credit losses	34	53	22	(36)	55
Total operating expenses	5,035	6,396	5,191	(21)	(3)
Income/(loss) from continuing operations before taxes	1,400	(529)	1,805	–	(22)
Cost/income ratio (%)	77.8	108.0	74.0	–	–
Pre-tax income margin (%)	21.6	(8.9)	25.7	–	–
Strategic results (CHF million, except where indicated)					
Net revenues	6,553	6,038	7,018	9	(7)
Income from continuing operations before taxes	1,940	1,448	2,207	34	(12)
Cost/income ratio (%)	70.1	75.4	68.3	–	–
Return on equity – strategic results (%)	13.9	10.6	18.6	–	–
Non-strategic results (CHF million)					
Net revenues	(84)	(118)	0	(29)	–
Loss from continuing operations before taxes	(540)	(1,977)	(402)	(73)	34
Assets under management and net new assets (CHF billion)					
Assets under management from continuing operations	1,281.1	1,253.4	1,258.6	2.2	1.8
Net new assets from continuing operations	14.7	4.2	14.4	250.0	2.1
Balance sheet statistics (CHF million)					
Total assets	878,090	872,806	946,618	1	(7)
Net loans	250,659	247,054	248,995	1	1
Total shareholders' equity	43,230	42,164	37,825	3	14
Tangible shareholders' equity	35,046	33,955	28,985	3	21
Basel III regulatory capital and leverage statistics					
Risk-weighted assets (CHF million)	285,996	273,846	–	4	–
CET 1 ratio (%)	14.3	15.7	–	–	–
Look-through CET 1 ratio (%)	10.0	10.0	–	–	–
Swiss leverage ratio (%)	4.8	5.1	–	–	–
Look-through Swiss leverage ratio (%)	3.7	3.7	–	–	–
Share information					
Shares outstanding (million)	1,587.2	1,590.9	1,312.2	0	21
of which common shares issued	1,596.1	1,596.1	1,339.7	0	19
of which treasury shares	(8.9)	(5.2)	(27.5)	71	(68)
Book value per share (CHF)	27.24	26.50	28.83	3	(6)
Tangible book value per share (CHF)	22.08	21.34	22.09	3	0
Market capitalization (CHF million)	45,633	43,526	33,371	5	37
Number of employees (full-time equivalents)					
Number of employees	45,600	46,000	46,900	(1)	(3)

Financial calendar and contacts

Financial calendar

Second quarter 2014 results	Thursday, July 17, 2014
Third quarter 2014 results	Thursday, October 23, 2014

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Cautionary statement regarding forward-looking information

This report contains statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. 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 and interest rate fluctuations and 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 2014 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 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, trade and tax policies, and 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 in one or more of the countries in which we conduct our operations;
- the effects of changes in laws, regulations or accounting policies or practices;
- competition 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 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 2013.