CREDIT SUISSE

Check against delivery

Extraordinary General Meeting of CREDIT SUISSE GROUP AG
Berne, November 19, 2015

Remarks by Urs Rohner
Chairman of the Board of Directors

Dear Shareholders

On October 21, we announced the business results of Credit Suisse Group for the third quarter of 2015 and the key elements of our new strategy. This strategy announcement marked the opening of a new chapter in the almost 160-year history of our company. As part of the same announcement, we also informed you of the capital increase, which the Board of Directors will present to you at today's Extraordinary General Meeting.

Strategy Definition

Please allow me to briefly explain the background and content of the strategic, structural, and organizational realignment of Credit Suisse that the Board of Directors decided upon on October 20.

With the appointment of Tidjane Thiam as new Chief Executive Officer and the nomination of new members to the Group Executive Board, we set the course for this realignment. Following a comprehensive review of the existing strategy by the Board of Directors – taking into account in particular the changed business and market environment as well as the ever more stringent regulatory requirements – Tidjane Thiam and his team performed a comprehensive, in-depth analysis across all areas of the bank. On this basis, and in close consultation with me and my colleagues on the Board of Directors, Tidjane Thiam and the Executive Board developed the strategic plan for Credit Suisse.

Ladies and Gentlemen,

The main focus of the realignment of Credit Suisse Group is long-term, sustainable, and profitable growth, as well as measurable added value for you, our shareholders. We are thus building upon the strengths of the Group, in particular our leading global position in private banking and wealth management, our comprehensive investment banking skills, as well as our successful presence in the domestic market of Switzerland.

In order to implement this plan, we will strengthen our equity capital and adjust our capital allocation with a focus on growth markets and on the wealth management business. On the other hand, in certain areas of investment banking, which do not directly support the private banking and wealth management business, we will scale back significantly the available capital and resources.

In addition to these structural changes, we aim to promote the growth of our business over the next three years with investments amounting to 1.5 billion Swiss francs. At the same time, we are targeting a total of 3.5 billion Swiss francs in gross cost savings by 2018.

Swiss Universal Bank

In the coming years, in line with our strategic realignment, the new Swiss Universal Bank will receive a much greater emphasis, which reaffirms our clear and long-term commitment to the Swiss domestic market. Switzerland is one of the most competitive and innovative economies in the world.

We currently employ around 40 percent of our workforce in our home market, and we can build here upon our strong market position and a substantial profit contribution in terms of our core results. The Swiss Universal Bank will focus on the needs of our clients in Switzerland and transfer business areas not related to Switzerland to other divisions. Our level of service will be enhanced and our offering for private, institutional, and corporate clients will be expanded. In order to support the success of our project, we have planned investments in the Swiss market of approximately 400 million Swiss francs out of the above-mentioned total global investment volume of around 1.5 billion Swiss francs over the next three years.

In April of this year, we founded Credit Suisse (Switzerland) AG. We will bundle the business of the Swiss Universal Bank within this company, 15 to 30 percent of which we plan to list on the stock exchange. This move also reinforces our commitment to Switzerland and the importance of our Swiss business.

The partial flotation will allow the value of our Swiss business to be reflected more appropriately in the valuation of the Group as a whole. At the same time, with an independently listed Swiss bank we will be even better placed to participate in the consolidation within the Swiss banking sector and to make any acquisitions, should attractive opportunities present themselves. In our private banking and wealth management business, we will focus more intensively on emerging markets. In the Asia Pacific region in particular, where we see great potential, we aim to accelerate our own growth with the Asia Pacific division.

Against the backdrop of a much expanded capital allocation, we will pursue the goal of offering entrepreneurs in this region a comprehensive service, involving an integrated approach and the effective deployment of our expertise. In the other core growth markets, the new International Wealth Management division will emphasize our strengths based on the success of our 'Bank for Entrepreneurs' in the Asia Pacific region.

As digitization in the private banking and wealth management business is advancing rapidly, we will use the advantages of this key future development for our benefit. In the growth area of Asia Pacific especially, we can make comprehensive use of our digital solutions in supporting the region's entrepreneurs. Finally, against the backdrop of regulatory changes and the needs our clients, we will realign our investment bank and focus on our clear strengths in this business.

The aim is that the two new divisions – Global Markets and Investment Banking & Capital Markets – will in the future have an even greater focus on the needs of our sophisticated private banking clients, for whom our expertise in investment banking is crucial. The main focus of all our activities will be on segments with attractive growth potential, a high return on investment, and thereby the generation of clear added value for the bank and for shareholders. By the end of 2015, therefore, we will again substantially reduce the risk-weighted assets of the investment bank and, at the same time, increase the capital allocation for our growth markets and the wealth management business.

With the implementation of the new strategy, by 2018 a total of less than 35 percent of our capital will still be invested in the two investment banking divisions – Global Markets and Investment Banking & Capital Markets. This shows how far-reaching our realignment is toward the Asia Pacific division and the private banking and wealth management business.

The new strategic measures also include changes to the operational management of Credit Suisse that have already been announced and the shift in regional presence within the 12-member Executive Board of the Group. Three-quarters of the Executive Board members have their workplace here in Switzerland. This was especially important for the Board of Directors and our Chief Executive Officer in the appointment of the new executive team.

Under Chief Executive Officer Tidjane Thiam, five experienced serving members – Jim Amine, Romeo Cerutti, David Mathers, Jo Oechslin, and Tim O'Hara – are on the new Executive Board. With Thomas Gottstein, Iqbal Khan, Helman Sitohang, and Lara Warner, we have appointed four new, internationally proven leaders from the ranks of Credit Suisse to the Executive Board. Two further members, Pierre-Olivier Bouée and Peter Goerke, have recently joined Credit Suisse and will ideally complement the Executive Board with their extensive experience in the financial services industry. The Board of Directors is confident that the new team is a guarantee for the successful implementation of the new strategy and looks forward to a good working relationship.

At this point, I would like to take the opportunity to also thank the former members of the Executive Board who have stepped down as a consequence of the organizational changes: Gaël de Boissard, Hans-Ulrich Meister, Robert Shafir, and Pamela Thomas-Graham. Sincere thanks from the Board of Directors go to them all for their substantial contributions during their tenures as members of the Executive Board.

Increase in Capital

A cornerstone of our strategy is the strengthening of the capital base. The target capitalization level should give us full strategic flexibility to grow again in attractive businesses. In Switzerland, the regulatory development toward the further strengthening of Common Equity Tier 1 capital (CET1) has been confirmed by the Federal Council. At the end of October, it defined new capital adequacy standards for systemically important banks and further enhanced the existing requirements.

The Tier 1 Going Concern leverage ratio for global systemically important banks now stands at 5 percent related to total exposure as a measure of all on- and off-balance-sheet positions. In addition – again measured in terms of total exposure – new gone-concern requirements with so-called bail-in capital for use in the event of resolution must be met in the same amount. So the required total loss-absorbing capital is now 10 percent. Our capital procurement measures also take these latest developments into account. They will ensure that Credit Suisse can again fully concentrate on profitable growth in the areas in which it has a unique market position.

The proposals that the Board of Directors is putting to you today for approval relate to the increase of our share capital in two tranches.

First, an ordinary capital increase in the form of a private placement excluding subscription rights to some qualified investors, and second, an ordinary capital increase by way of a rights offering to our existing shareholders.

The private placement and the rights issue should generate approximately 6 billion Swiss francs of capital in favor of the Group. The proceeds will be used to increase capital in Credit Suisse AG. The scope of the private placement excluding subscription rights is only 3.6 percent of all shares outstanding and therefore at a level that is deemed immaterial by the key voting rights consultants, who are thus also supporting our proposals. You, our shareholders, are entitled to use your subscription rights to participate in the majority of the new shares to be issued.

Ordinary Capital Increase with Suspension of Subscription Rights

The Board of Directors today proposes to you an increase in share capital by way of the issue of 58 million fully paid-up registered shares with a nominal value of 0.04 Swiss francs each. The preemptive subscription rights of the existing shareholders will be suspended for the registered shares to be newly issued. The offer price is 22.75 Swiss francs per share and the expected gross proceeds for Credit Suisse Group AG from this private placement amount to approximately 1.32 billion Swiss francs. The private placement with qualified shareholders reduces the total risk associated with the transaction, and so indirectly benefits all shareholders.

In addition, the qualified investors have committed not to sell the shares from the private placement during the rights trading period and to exercise the subscription rights on this position. The discount on the subscription price that these investors have received therefore compensates them for these restrictions and for the risk that they assume during this period, and corresponds to current market practice.

Ordinary Capital Increase with Subscription Rights Granted

The Board of Directors also proposes to you an increase in share capital by way of the issue of approximately 261 million fully paid-up registered shares with a nominal value of 0.04 Swiss francs each. Shareholders of Credit Suisse Group AG will be allotted one preemptive subscription right for each registered share they hold on November 20, 2015, and we expect gross proceeds from this transaction of up to 4.7 billion Swiss francs.

For every 13 subscription rights, it will be possible to buy two new registered shares in Credit Suisse Group AG at the subscription price of 18 Swiss francs. We will announce the results of the capital increase at the earliest on December 3, 2015, after close of trading.

The entire capital increase has been underwritten by a broad-based syndicate of banks, so the full placement of all the shares can be assumed. The first trading day for all newly issued registered shares is December 4, 2015. They are fully fungible with the existing registered shares of Credit Suisse Group AG and bear the same rights. Among other things, this means that they are fully entitled to dividends for the 2015 business year.

Concluding Remarks

Dear Shareholders

Ladies and Gentlemen

We are confident that with the proposed capital increases, Credit Suisse will be in a position not just to implement its strategic plans but also to meet the known future regulatory capital adequacy requirements – including the aforementioned stricter capital requirements for systemically important banks.

Against this background, I would like to thank you very much for your support and for your trust and I will now hand you over to our Chief Executive Officer, Tidjane Thiam.

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