Annual General Meeting of Credit Suisse Group AG, April 29, 2011

Further Background Information Regarding Changes in Share Capital (Agenda Item 4)

1) Increase of Conditional Capital to support Contingent Convertible Bonds

In agenda item 4.1, the Board of Directors of Credit Suisse Group AG (CSG) proposes increasing the conditional capital from currently CHF 4 million (equivalent to 100 million registered shares) by a maximum of CHF 16 million (equivalent to 400 million registered shares) to CHF 20 million (equivalent to 500 million registered shares), for the purpose of contingent convertible bonds (CoCos).

The existing authority for CHF 4 million (equivalent to 100 million shares) has been allocated to support the issuance in February 2011 of USD 2 billion Tier 2 Buffer Capital Notes mentioned below.

If the proposed amendment of the Articles of Association is accepted by the shareholders, the Board of Directors will use CHF 12 million (equivalent to 300 million registered shares) for the support of the Tier 1 Buffer Capital Notes mentioned below. The remaining CHF 4 million (equivalent to 100 million shares) will be available for the support of additional CoCos or other equity-related financial market instruments, thereby maintaining available conditional capital at last year’s level.

The increase of conditional capital to support CoCos is consistent with the efforts of the Swiss Expert Commission, the Federal Market Supervisory Authority (FINMA) and the Swiss National Bank (SNB) to address “too big to fail” (TBTF). The Swiss Federal Council welcomed the recommendations of the Expert Commission and, in December 2010, submitted corresponding legislative proposals for consultation, including an amendment to the Swiss Banking Act. The consultation period ended on March 23, 2011, and the Federal Council’s proposals to the Swiss parliament are expected thereafter. Against the backdrop of having two of the largest international banking groups based in Switzerland, there is a large consensus for measures in terms of capital, organisation, liquidity and risk diversification. Such measures are intended to prevent the state from having to assume financial risks in the future in order to bail out a systemically important bank. At their annual media conference on March 22, FINMA described the implementation with regard to the new capital requirements as "the faster the better".

CoCos are a significant component in the strengthening of the capital of systemically important banks, according to the TBTF recommendations. High trigger CoCos serve as a supplementary capital buffer, because if common equity capital were to fall below 7% of risk-weighted assets (RWAs) it would result in the pre-ordained conversion of the *high trigger* CoCos into ordinary shares of CSG. If common equity capital were to fall below 5% of RWAs, *low trigger* CoCos shall primarily finance the maintenance of systemically important functions of the bank (i.e. credit business, payment transactions, deposit business).

2) Description of the 2011 Contingent Convertible Bonds

On February 13, 2011, Credit Suisse entered into an agreement with Qatar Holding LLC and The Olayan Group to issue USD 3.5 billion and CHF 2.5 billion of Tier 1 buffer capital notes ("Tier 1 BCNs") with a coupon of USD 9.5% and CHF 9.0%, respectively, for cash or in exchange for USD 3.5 billion of 11% and CHF 2.5 billion of 10% Tier 1 capital notes issued in 2008 (the "Tier 1 Capital Notes"). The purchase or exchange of the Tier 1 BCNs will occur no earlier than October 2013, which is the first call date of the Tier 1 Capital Notes, and is, among other things, subject to the implementation of Swiss regulations requiring CSG to maintain buffer capital and receipt of shareholders' approval for additional conditional or conversion capital.

In addition, on February 22, 2011, the Company placed USD 2 billion 7.875% Tier 2 Buffer Capital Notes due 2041 ("Tier 2 BCNs") in the capital markets on a 'Regulation S-only' basis (i.e. to potential investors outside the US and certain other countries). The Tier 2 BCNs, which are listed on the Euro-MTF exchange, have been issued in a minimum denomination of USD 100,000. The Tier 2 BCNs are subordinated notes with a 30-year maturity and may be redeemed by the issuer at any time from August 2016. The initial coupon is reset every five years from August 2016. Interest payments will not be discretionary or deferrable.

The terms of the BCNs have been designed by CSG in very close cooperation with FINMA and the SNB to ensure that the BCNs will qualify under the future Swiss capital rules as contingent convertible capital and fall within the envisaged capital buffer. This includes the classification of the BCNs between Tier 1 and Tier 2 instruments as determined by FINMA. In the unlikely event that the Swiss capital rules would not be implemented as expected, CSG has the right to an early redemption of the Tier 2 BCNs, and the Tier 1 BCNs would not be exchanged.

The BCNs will be converted into ordinary shares of CSG if the Group's reported Basel III common equity Tier 1 ratio is below 7% (so-called "Contingency Event Conversion") on any quarterly reporting date (assuming that the ratio has not been restored above 7% by the time the quarterly financial statements are published). The conversion price will be the higher of a floor price of USD 20 / CHF 20 (respectively to the BCN issue currency), subject to customary adjustments, and the daily weighted average trading price of the Group's ordinary shares over a pre-defined trading period preceding the notice of conversion (the "Conversion Price"). The BCNs will also be converted if FINMA determines that CSG requires public sector support to prevent it from becoming insolvent, bankrupt or unable to pay a material amount of its debts, or other equivalent circumstances (so-called "Viability Event Conversion"). In summary, any conversion of BCNs is subject to pre-defined circumstances and *not* at the discretion of CSG or BCN investors.

Conversion into ordinary shares is therefore limited to four potential occasions per year and based on quarter-end financial statements audited or reviewed by CSG's auditors and the Viability Event. The 7% capital test and the minimum conversion price are set at levels that reflect the remote likelihood of any conversion and the expectation that management would have time and ability to take early corrective action to avoid conversion occurring (e.g. by reducing risk-weighted assets, through a rights issue of ordinary shares or by seeking financial support from certain investors). Furthermore, potential conversion of the BCN conversion does not have real value to BCN investors because they would be acquiring shares, at or above their market price at that time.

Even if conversion did take place due to a Contingency Event, CSG may appoint a placement agent acting on behalf of, and for the accounts of, the holders of the BCNs to conduct an offering of the *ordinary shares* (so-called "Settlement Shares Offer") to *shareholders* of CSG on the record date of the notice of conversion, subject to applicable laws and regulations and to such an offer being practicable.

3) Summary

- The BCNs provide a mechanism to re-capitalize CSG for the benefit of existing shareholders in a remote stress scenario only.
- In the event of a Contingency Event Conversion, CSG has in its sole and absolute discretion the ability to offer shares resulting from the conversion to existing shareholders.
- If BCN investors do receive shares, they will be subscribing for them at or above the floor price, i.e. they should not benefit from a discount against the prevailing market price.
- The BCNs also qualify as regulatory capital under the incoming capital regime of the Basel Committee of Banking Supervision (Basel III) and with the two transactions mentioned above, CSG has fulfilled more than 70% of its expected *high* trigger conversion requirement under the Swiss rules.
- It effectively confirms CSG's ability to raise this new form of regulatory capital on financing terms similar to those of existing capital instruments under the current regulatory regime. It also confirms CSG's ability to meet the new capital regime under the TBTF Proposal at a very early point in time.
- Finally, CSG demonstrated its willingness and ability to act stringently and immediately in respect of the emerging regulatory environment and in a responsible and considered way.

Conditional capital for the purpose of warrants and convertible bonds

Number of shares	Creation	Allocation
100 million	AGM 2007; AGM 2008	Used to support the Tier 2 BCNs issued in February 2011
300 million	AGM 2011 (proposed)	Requested to support the Tier 1 BCNs to be issued at the earliest in October 2013
100 million		Requested to support future compulsory or voluntary transactions (e.g. additional CoCos or other equity-related financial market instruments)
500 million		Total number of shares, subject to AGM approval

Cautionary statement regarding forward-looking information

Our statements contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act 1995. Forward-looking statements involve inherent risks and uncertainties, and we might not be able to achieve the predictions, forecasts, projections and other outcomes we describe or imply in forward looking statements. A number of important factors could cause results to differ materially from the plans, objectives, expectations, estimates and intentions we express in these forward looking statements, including those we identify in “Risk Factors” in our most recent Annual Report on Form 20-F filed with the US Securities and Exchange Commission, and in other public filings and press releases. We do not intend to update these forward looking statements except as may be required by applicable law.