CREDIT SUISSE

4Q11 Letter to shareholders

Dear shareholders

Credit Suisse reported net income attributable to shareholders of CHF 1,953 million, underlying* net income of CHF 2,406 million, return on equity of 6.0% and an underlying* return on equity of 7.3% for the full year 2011. The challenging environment in 2011 was characterized by continuing concerns regarding the European debt crisis, a general slowdown in the global economy, historically low interest rates and very volatile financial markets. Net new assets totaled CHF 40.9 billion for the year.

Our performance in the fourth quarter of 2011 was disappointing. We reported a net loss attributable to shareholders of CHF 637 million, a core results pre-tax loss of CHF 998 million and core net revenues of CHF 4,473 million. These results reflect both the adverse market conditions during the period and the impact of the measures we have taken to swiftly adapt our business to evolving market and regulatory requirements. Attaching highest priority to an industry-leading capitalization, we further improved our Basel II.5 tier 1 ratio by 0.9 percentage points to 15.2% and our Basel II.5 core tier 1 ratio by 0.7 percentage points to 10.7%.

In mid-2011, we decided to aggressively reduce risks and costs. This decision was rooted in our belief that the market and regulatory landscape is undergoing fundamental change and that by adjusting our business model ahead of the competition, we can position Credit Suisse to succeed in the new environment. The regulatory developments and subdued market conditions we saw in the second half of 2011 have confirmed our views.

The accelerated implementation of our risk reduction plan and our measures to exit businesses that are no longer expected to deliver attractive returns in the evolving regulatory environment, as well as the higher charges incurred due to the rapid execution of our cost reduction programs, led to a negative impact of approximately CHF 1.0 billion in the fourth quarter of 2011. We are taking these steps because we are convinced that they will benefit our clients and shareholders in the long term and will position us to achieve superior returns.

The Board of Directors will propose a distribution of CHF 0.75 per share for the financial year 2011, which shareholders can elect to receive either as a cash payment or in the form of Credit Suisse Group shares.

Performance of our businesses in 4Q11

In Private Banking, we remain committed to our long-term growth strategy and to further developing our global footprint that combines onshore and offshore offerings. Our industry-leading advisory process, coupled with the close collaboration between Private Banking, Investment Banking and Asset Management, enables us to provide comprehensive service and advice to our clients around the globe. To further develop our franchise in light of the current environment, we launched an initiative in the second half of 2011 to optimize our business portfolio and enhance profitability. While continuing to invest in faster growing and large markets, we also aim to improve the productivity and efficiency of our onshore activities. Due to the capabilities of our integrated business model, the ultra-high-net-worth client segment represents a key growth area for Credit Suisse, and we have continued to recruit relationship managers to serve these clients. We continue to build on our strong position in the Swiss market, while taking measures to further increase the efficiency of our operations. In an environment characterized by low interest rates and subdued client activity, cost management remains a high priority.

In the challenging fourth-quarter environment, Private Banking generated net new assets of CHF 7.6 billion, with strong inflows from emerging markets and the ultra-high-net-worth client segment, as well as from Corporate & Institutional Clients in Switzerland. In our Wealth Management Clients business, net revenues totaled CHF 2,119 million in the fourth quarter of 2011, down 14% from the same period of the prior year, mainly reflecting lower transaction-based income due to subdued client activity. Wealth Management Clients reported pre-tax income of CHF 284 million in the fourth quarter of 2011, a decrease of 53% compared to the fourth quarter of 2010, driven by lower revenues reflecting the market environment with significantly lower client activity and higher provisions for credit losses. In Corporate & Institutional Clients, net revenues of CHF 455 million were stable versus the fourth quarter of 2010, and pre-tax income declined by 16% to CHF 183 million versus the fourth quarter of 2010, reflecting higher provisions for credit losses.

As reported previously, the US investigations of Swiss banks' legacy cross border businesses remain ongoing. This continues to be a matter that we together with governmental authorities are working to resolve. Credit Suisse is strongly supportive of a resolution acceptable to both the US and Switzerland. We continue to cooperate with the authorities both in the US and Switzerland to resolve this matter in a responsible manner that complies with our legal obligations.

In Investment Banking, we have also taken steps to evolve our business model: We are investing in and growing businesses where we have clear competitive advantages and can exploit synergies with our Private Banking and Asset Management

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businesses. We also significantly reduced our Basel III risk-weighted assets, in particular in our fixed income business, and our cost base. During the fourth quarter of 2011, Basel III risk-weighted assets were reduced by CHF 35 billion in Investment Banking compared to the previous quarter. This is an acceleration of the plan we announced in the fall of 2011. This transformation of our balance sheet will allow us to deploy capital quickly to client-focused businesses offering sustainable, attractive returns. The transition to the evolved business model in the fourth quarter of 2011 resulted in lower revenues in Investment Banking, as we incurred losses while exiting businesses and reducing risk-weighted assets. We are convinced that despite their short-term negative impact on our results, the steps we are taking were necessary and will position us well for the future, as clients recognize the conservative risk profile and capital strength of our bank.

In the fourth quarter of 2011, Investment Banking recorded a pre-tax loss of CHF 1,305 million, driven by lower net revenues, partially offset by lower total operating expenses. At CHF 1,251 million, net revenues were down 64% compared to the fourth quarter of 2010 due primarily to lower sales and trading revenues. Fixed income sales and trading revenues were significantly lower in the fourth quarter of 2011, reflecting continued challenging trading conditions, sustained weakness in client activity and unfavorable market movements on related hedges. In equity sales and trading, where we have a leading position, subdued client trading levels resulted in a decline in revenues. We delivered a solid performance in prime services, with increased client balances and resilient revenues in cash equities despite lower client inflows. Our derivatives results were challenged by reduced client flow in Europe and Asia, as well as by losses on hedges as we maintained our conservative risk position. Underwriting and advisory results declined compared to the fourth quarter of 2010, reflecting continued low industry-wide issuance levels and a decline in completed M&A activity.

The ongoing implementation of our strategy in Asset Management, which focuses on achieving growth in fee-based revenues and on investing in multi-asset class solutions, alternative investments and our Swiss business, is proving to be successful. In 2011, Asset Management achieved increased fee-based revenues and lower costs.

Asset Management generated net revenues of CHF 455 million in the fourth quarter of 2011, a decline of 26% from the same period of the previous year, driven by lower performance fees and carried interest from realized private equity gains and lower investment-related gains. Pre-tax income totaled CHF 87 million, down 52% compared to the fourth quarter of 2010, reflecting lower net revenues, which were partially offset by lower operating expenses.

2011 Compensation

Credit Suisse is committed to pursuing a responsible approach to compensation based on long-term performance and alignment with shareholders' interests. Reflecting the lower absolute performance of the Group compared to 2010, the economic value of Group-wide total discretionary variable incentive awards for 2011 was down 41% compared to 2010.

The economic value of aggregate variable compensation awarded to current members of the Executive Board for 2011 was down 57% versus 2010. In line with our practice over the last four years, 100% of the variable awards assigned to the members of the Executive Board were deferred.

Performance update

While we are mindful that the market and economic environment remain uncertain, we are encouraged that our business is off to a good start with year-to-date underlying* return on equity consistent with our target level of 15% including the benefit from our risk and cost reduction plans. We have accelerated the reduction of risk-weighted assets and expect to achieve the level of Basel III risk-weighted assets originally targeted for the end of 2012 nine months ahead of schedule. Furthermore, we are on track with our previously announced CHF 2.0 billion cost reduction program to be completed by year end 2013 and expect the results and costs, excluding the impact from the expense for the PAF2 compensation plan to reflect the reduction of CHF 1.2 billion in our annual cost base beginning in the first quarter 2012.

Sincerely

Urs Rohner Brady W. Dougan

February 2012

* Underlying results are non-GAAP financial measures. Underlying return on equity and underlying net income for 2011 exclude fair value gains on own debt and stand-alone derivatives of CHF 919 million (CHF 616 million after tax), litigation provisions of CHF 478 million for the US and the German tax matters (CHF 428 million after tax) and expenses in connection with cost-efficiency initiatives of CHF 847 million (CHF 641 million after tax). Underlying year-to-date 2012 return on equity excludes fair value losses on own debt and stand-alone derivatives and expenses related to PAF2.

Financial highlights

	in / end of			% change		in / end of		% change
	4Q11	3Q11	4Q10	QoQ	YoY	**2011**	2010	YoY
Net income (CHF million)								
Net income/(loss) attributable to shareholders	(637)	683	841	–	–	1,953	5,098	(62)
of which from continuing operations	(637)	683	841	–	–	1,953	5,117	(62)
Earnings per share (CHF)								
Basic earnings/(loss) per share	(0.62)	0.54	0.59	–	–	1.37	3.91	(65)
Diluted earnings/(loss) per share	(0.62)	0.53	0.59	–	–	1.36	3.89	(65)
Return on equity (%, annualized)								
Return on equity attributable to shareholders	(7.7)	8.7	9.8	–	–	6.0	14.4	–
Core Results (CHF million) [1]								
Net revenues	4,473	6,817	6,960	(34)	(36)	25,429	30,625	(17)
Provision for credit losses	97	84	(23)	15	–	187	(79)	–
Total operating expenses	5,374	5,697	5,676	(6)	(5)	22,493	23,904	(6)
Income/(loss) from continuing operations before taxes	(998)	1,036	1,307	–	–	2,749	6,800	(60)
Core Results statement of operations metrics (%) [1]								
Cost/income ratio	120.1	83.6	81.6	–	–	88.5	78.1	–
Pre-tax income margin	(22.3)	15.2	18.8	–	–	10.8	22.2	–
Effective tax rate	39.8	32.0	31.0	–	–	24.4	22.8	–
Net income margin [2]	(14.2)	10.0	12.1	–	–	7.7	16.6	–
Assets under management and net new assets (CHF billion)								
Assets under management	1,229.5	1,196.8	1,253.0	2.7	(1.9)	1,229.5	1,253.0	(1.9)
Net new assets	0.4	7.1	13.9	(94.4)	(97.1)	40.9	69.0	(40.7)
Balance sheet statistics (CHF million)								
Total assets	1,049,165	1,061,521	1,032,005	(1)	2	1,049,165	1,032,005	2
Net loans	233,413	226,447	218,842	3	7	233,413	218,842	7
Total shareholders' equity	33,674	33,519	33,282	0	1	33,674	33,282	1
Tangible shareholders' equity [3]	24,795	24,889	24,385	–	2	24,795	24,385	2
Book value per share outstanding (CHF)								
Total book value per share	27.59	27.86	28.35	(1)	(3)	27.59	28.35	(3)
Shares outstanding (million)								
Common shares issued	1,224.3	1,203.0	1,186.1	2	3	1,224.3	1,186.1	3
Treasury shares	(4.0)	0.0	(12.2)	–	(67)	(4.0)	(12.2)	(67)
Shares outstanding	1,220.3	1,203.0	1,173.9	1	4	1,220.3	1,173.9	4
Market capitalization								
Market capitalization (CHF million)	27,021	28,872	44,683	(6)	(40)	27,021	44,683	(40)
Market capitalization (USD million)	28,747	31,567	47,933	(9)	(40)	28,747	47,933	(40)
BIS statistics (Basel II.5) [4]								
Risk-weighted assets (CHF million)	241,753	243,758	247,702	–	–	241,753	247,702	–
Tier 1 ratio (%)	15.2	14.3	14.2	–	–	15.2	14.2	–
Core tier 1 ratio (%)	10.7	10.0	9.7	–	–	10.7	9.7	–
Dividend per share (CHF)								
Dividend per share	–	–	–	–	–	0.75 [5]	1.30 [6]	–
Number of employees (full-time equivalents)								
Number of employees	49,700	50,700	50,100	(2)	(1)	49,700	50,100	(1)

[1] For further information on Core Results, refer to I – Credit Suisse results – Credit Suisse – Credit Suisse reporting structure and Core Results. [2] Based on amounts attributable to shareholders. [3] Tangible shareholders' equity, a non-GAAP financial measure, is calculated by deducting goodwill and other intangible assets from total shareholders' equity. [4] Under Basel II.5 since December 31, 2011. Previously reported under Basel II. For further information, refer to IV – Treasury, Risk, Balance sheet and Off-balance sheet – Treasury management. [5] Proposal of the Board of Directors to the Annual General Meeting on April 27, 2012, to be paid out of reserves from capital contributions. [6] Paid out of reserves from capital contributions.

Financial calendar and information sources

Financial calendar	
First quarter 2012 results	Wednesday, April 25, 2012
Annual General Meeting	Friday, April 27, 2012
Second quarter 2012 results	Thursday, July 26, 2012
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