CREDIT SUISSE

20 March 2012

CHAIRMAN'S LETTER TO THE SHAREHOLDERS

Dear shareholders,

I would like to take the opportunity of the upcoming Annual General Meeting of Credit Suisse Group to provide you with an outline of our key efforts throughout 2011, update you on our plans for 2012, and address some of the agenda points for this year's AGM. While 2011 was a tough year with many short-term challenges in the markets, we were also making sure that Credit Suisse is well prepared for the long-term changes that are happening in our industry. Shortly after my appointment in April 2011, the Board of Directors, together with the Group CEO, initiated a business strategy review which – against the backdrop of new regulation – focused on operational efficiency and the profitability of the Group. The first measures resulting from this review were implemented in the second half of the year, and these will continue into 2012 and some even into 2013.

For the financial year 2011, we reported net income attributable to shareholders of CHF 2.0 billion and produced a return on equity of 6.0%. And despite lower net income we further strengthened our capital base. Our Basel 2.5 tier 1 capital ratio is 15.2% and our core tier 1 ratio is 10.7%. 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 in the form of Credit Suisse Group shares or as a cash payment.

Since the financial crisis in 2008, the regulatory environment in the financial services industry has been evolving at a rapid pace and has had a significant impact, touching upon our products, services, organization and capitalization. The implementation costs and the effects resulting from this development are high, challenging our industry's ability to achieve our desired returns. As a global bank, Credit Suisse is exposed to a number of different regulatory environments, and we continue our focus on early regulatory awareness and full compliance across all our markets. We have been at the forefront of implementing national and supranational requirements addressing the "too-big-to-fail" issue and have accelerated a reduction of risk-weighted assets in Investment Banking significantly ahead of the Basel III schedule.

It is not always easy to see the benefit of acknowledging that our industry needs to change and of acting and shaping the industry. There is of course discussion, debate and doubt. In view of the early regulatory changes proposed by the Swiss authorities, we have taken steps ahead of the rest of the industry. We strongly believe that these changes will affect the financial industry globally, and that banks will have to change their business models to accommodate them. Given our portfolio of businesses in Private Banking, Investment Banking and Asset Management combined with our global presence and a very strong Swiss home market, we are convinced that Credit Suisse will benefit from taking these steps ahead of the competition. We believe that this approach best positions us to provide consistent service to our clients and attractive returns to our shareholders over time.

In terms of operations and profitability, we have acted swiftly to re-position the Group by optimizing, instead of merely maximizing returns. In Private Banking, we have introduced steps to strengthen our business portfolio and to enhance the productivity and efficiency of our operations. The aim of these measures is to improve pre-tax income in the Private Bank by CHF 800 million by 2014. In Investment Banking, we have exited or repositioned segments that no longer deliver desirable returns and are particularly capital intensive. We have started to reduce Basel III risk-weighted assets in the third quarter of 2011 and plan to achieve a reduction of CHF 80 billion by the end of the first quarter 2012, thereby accelerating our original plan. In prioritized areas of Investment Banking, we are investing in growth and focusing on capturing synergies within the Group. Continuing our successful approach in Asset Management, we remain committed to fee-based revenues, multi-asset class solutions and alternative investments.

Ultimately, in order to enhance the profitability of the whole group, we have redeployed resources to fast-growing markets, and we have taken the difficult decision of a 7% headcount reduction across the Group. Our response to the substantial changes taking place and our efforts to swiftly adapt our business model have a cost. In 2011, the measures we took had a negative impact of approximately CHF 1.8 billion on our results. Through 2012 and 2013, these measures will continue to be implemented, and I am confident that this will create stable and high-quality earnings, benefiting our shareholders, clients and other stakeholders in the long term.

An issue that burdens the Swiss financial center is the growing pressure to deliver client information to foreign tax authorities. In view of this I believe that a more fundamental change of mindset is necessary for the financial center as a whole to maintain its good reputation and generate sustainable revenues going forward. We therefore support the initiatives for the Swiss financial center taken by the Swiss government of requesting tax compliance for international clients.

As you are aware, we are one of the best capitalized banks globally. Nonetheless, additional efforts will be necessary to meet both Swiss and international regulatory capital requirements going forward. In this context, the Board of Directors proposes a number of resolutions aimed at further strengthening the Group's capital base for approval by the shareholders.

With regard to your consultative vote on the 2011 remuneration report, I would like to point out the following: First, in line with the performance of the Group, we have substantially reduced the compensation levels across all our businesses. Total variable compensation for the bank is down 41% and average variable compensation for the Executive Board is down 57%. Second, we have introduced a number of changes to our 2011 compensation plan that exceed regulatory requirements, are fully consistent with our long-term capital strategy, and are leading in the industry. Third, we have further enhanced our compensation disclosures for 2011, taking into account both regulatory provisions and valuable feedback obtained from shareholders and their proxy advisors.

In terms of the future composition of the Board of Directors, we propose that Walter B. Kielholz, Andreas Koopmann, Richard Thornburgh, John Tiner and myself be re-elected to the Board of Directors. Further, the Board of Directors proposes the election of Iris Bohnet, Academic Dean and Professor of Public Policy at Harvard Kennedy School, and Jean-Daniel Gerber, former State Secretary and Director of the Swiss Secretariat for Economic Affairs (SECO), to the Board of Directors as new Members. I am very pleased that they have agreed to be proposed for election. Both of them have extremely valuable experience for the Board and an outstanding track record.

Looking ahead, I am convinced that due to the actions taken in 2011 and thanks to the efforts of our employees and our management, our Bank is on the right path for future success and is well equipped to deliver solid and sustainable value to our shareholders in the future. The decisions you take at our Annual General Meeting are important for the execution of our plans. I would therefore like to encourage you to make active use of your voting rights and look forward to seeing you at our Annual General Meeting on April 27 at the Hallenstadion in Zurich.

Thank you for your trust and continued support.

With best regards,

Urs Rohner
Chairman of the Board of Directors