CREDIT SUISSE GROUP AG
Form 20-F
March 24, 2016
As filed with the Securities and Exchange Commission on March 24, 2016
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 20-F

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2015.

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number: 001-15244
Credit Suisse Group AG
(Exact name of Registrant as specified in its charter)
Canton of Zurich, Switzerland
(Jurisdiction of incorporation or organization)
Paradeplatz 8, CH 8001 Zurich, Switzerland
(Address of principal executive offices)
David R. Mathers
Chief Financial Officer
Paradeplatz 8, CH 8001 Zurich, Switzerland
david.mathers@credit-suisse.com
Telephone: +41 44 333 6607
Fax: +41 44 333 1790
(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Commission file number: 001-33434
Credit Suisse AG
(Exact name of Registrant as specified in its charter)
Canton of Zurich, Switzerland
(Jurisdiction of incorporation or organization)
Paradeplatz 8, CH 8001 Zurich, Switzerland
(Address of principal executive offices)
David R. Mathers
Chief Financial Officer
Paradeplatz 8, CH 8001 Zurich, Switzerland
david.mathers@credit-suisse.com
Telephone: +41 44 333 6607
Fax: +41 44 333 1790
(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

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Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class of securities	Name of each exchange on which registered
Credit Suisse Group AG	
American Depositary Shares each representing one Share	New York Stock Exchange
Shares par value CHF 0.04*	New York Stock Exchange*
Credit Suisse AG	
Fixed to Floating Rate Tier 1 Capital Notes	New York Stock Exchange
Floating Rate Tier 1 Capital Notes	New York Stock Exchange
Credit Suisse X-Links Long/Short Equity ETNs due February 19, 2020	NYSE Arca
Credit Suisse X-Links Cushing® MLP Infrastructure ETNs due April 20, 2020	NYSE Arca
Credit Suisse X-Links Merger Arbitrage ETNs due October 6, 2020	NYSE Arca
VelocityShares™ Daily Inverse VIX Short Term ETN Linked to the S&P 500 VIX Short-Term Futures™ Index due December 4, 2030	The Nasdaq Stock Market
VelocityShares™ Daily Inverse VIX Medium Term ETN Linked to the S&P 500 VIX Mid-Term Futures™ Index due December 4, 2030	The Nasdaq Stock Market
VelocityShares™ VIX Short Term ETN Linked to the S&P 500 VIX Short-Term Futures™ Index due December 4, 2030	The Nasdaq Stock Market
VelocityShares™ VIX Medium Term ETN Linked to the S&P 500 VIX Mid-Term Futures™ Index due December 4, 2030	The Nasdaq Stock Market
VelocityShares™ Daily 2x VIX Short Term ETN Linked to the S&P 500 VIX Short-Term Futures™ Index due December 4, 2030	The Nasdaq Stock Market
VelocityShares™ Daily 2x VIX Medium Term ETN Linked to the S&P 500 VIX Mid-Term Futures™ Index due December 4, 2030	The Nasdaq Stock Market
VelocityShares™ 3x Long Gold ETN Linked to the S&P GSCI® Gold Index ER due October 14, 2031	The Nasdaq Stock Market
VelocityShares™ 3x Long Silver ETN Linked to the S&P GSCI® Silver Index ER due October 14, 2031	The Nasdaq Stock Market
VelocityShares™ 3x Inverse Gold ETN Linked to the S&P GSCI® Gold Index ER due October 14, 2031	The Nasdaq Stock Market
VelocityShares™ 3x Inverse Silver ETN Linked to the S&P GSCI® Silver Index ER due October 14, 2031	The Nasdaq Stock Market
VelocityShares™ 3x Long Crude Oil ETN Linked to the S&P GSCI® Crude Oil Index ER due February 9, 2032	NYSE Arca
VelocityShares™ 3x Long Natural Gas ETN Linked to the S&P GSCI® Natural Gas Index ER due February 9, 2032	NYSE Arca
VelocityShares™ 3x Inverse Crude Oil ETN Linked to the S&P GSCI® Crude Oil Index ER due February 9, 2032	NYSE Arca
VelocityShares™ 3x Inverse Natural Gas ETN Linked to the S&P GSCI® Natural Gas Index ER due February 9, 2032	NYSE Arca
Credit Suisse X-Links Gold Shares Covered Call ETNs due February 2, 2033	The Nasdaq Stock Market
Credit Suisse X-Links Silver Shares Covered Call ETNs due April 21, 2033	The Nasdaq Stock Market
Credit Suisse X-Links Commodity Rotation ETNs due June 15, 2033	NYSE Arca
Credit Suisse FI Enhanced Europe 50 Exchange Traded Notes (ETNs) due September 10, 2018 Linked to the STOXX Europe 50® USD (Gross Return) Index	NYSE Arca
Credit Suisse FI Enhanced Big Cap Growth Exchange Traded Notes (ETNs) due October 22, 2018	NYSE Arca

Linked to the Russell 1000® Growth Index Total Return	
Credit Suisse FI Large Cap Growth Enhanced Exchange Traded Notes (ETNs) due June 13, 2019	
Linked to the Russell 1000® Growth Index Total Return	NYSE Arca
Credit Suisse S&P MLP Index Exchange Traded Notes (ETNs) due December 4, 2034	
Linked to the S&P MLP Index	NYSE Arca
Credit Suisse X-Links Multi-Asset High Income Exchange Traded Notes (ETNs) due September 28, 2035	NYSE Arca
Credit Suisse X-Links WTI Crude Oil Index ETNs due February 8, 2036	NYSE Arca

* Not for trading, but only in connection with the registration of the American Depositary Shares

Securities registered or to be registered pursuant to Section 12(g) of the Act:
None
Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: **None**
Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of December 31, 2015: 1,951,469,020 shares of Credit Suisse Group AG
Indicate by check mark if the Registrants are well-known seasoned issuers, as defined in Rule 405 of the Securities Act.
Yes No
If this report is an annual or transition report, indicate by check mark if the Registrants are not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.
Yes No
Indicate by check mark whether the Registrants (1) have filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrants were required to file such reports) and (2) have been subject to such filing requirements for the past 90 days.
Yes No
Indicate by check mark whether Registrants have submitted electronically and posted on their corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (paragraph 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
Yes No
Indicate by check mark whether the Registrants are large accelerated filers, accelerated filers, or non-accelerated filers. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check One):
Large accelerated filers Accelerated filers Non-accelerated filers
Indicate by check mark which basis of accounting the Registrants have used to prepare the financial statements included in this filing:
U.S. GAAP International Financial Reporting Standards as issued by the International Accounting Standards Board Other
If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.
Item 17 Item 18
If this is an annual report, indicate by check mark whether the Registrants are shell companies
(as defined in Rule 12b-2 of the Exchange Act)
Yes No

Definitions

For the purposes of this Form 20-F and the attached Annual Report 2015, unless the context otherwise requires, the terms "Credit Suisse Group," "Credit Suisse," "the Group," "we," "us" and "our" mean Credit Suisse Group AG and its consolidated subsidiaries. The business of Credit Suisse AG, the Swiss bank subsidiary of the Group, is substantially similar to the Group and, we use these terms to refer to both when the subject is the same or substantially similar. We use the term "the Bank" when we are referring only to Credit Suisse AG, the Swiss bank subsidiary of the Group, and its consolidated subsidiaries.

Abbreviations and selected terms are explained in the List of abbreviations and the Glossary in the back of the Annual Report 2015.

Sources

Throughout this Form 20-F and the attached Annual Report 2015, we describe the position and ranking of our various businesses in certain industry and geographic markets. The sources for such descriptions come from a variety of conventional publications generally accepted as relevant business indicators by members of the financial services industry. These sources include: Standard & Poor's, Dealogic, Institutional Investor, Lipper, Moody's Investors Service and Fitch Ratings.

Cautionary statement regarding forward-looking information

For Credit Suisse and the Bank, please see Cautionary statement regarding forward-looking information on the inside page of the back cover of the attached Annual Report 2015.

Explanatory note

For the avoidance of doubt, the information appearing on pages 4 to 10 and A-4 to A-12 of the attached Annual Report 2015 is not included in Credit Suisse and the Bank's Form 20-F for the fiscal year ended December 31, 2015.

Part I

Item 1. Identity of directors, senior management and advisers.

Not required because this Form 20-F is filed as an annual report.

Item 2. Offer statistics and expected timetable.

Not required because this Form 20-F is filed as an annual report.

Item 3. Key information.

A – Selected financial data.

For Credit Suisse and the Bank, please see Appendix – Selected five-year information – Group on pages A-2 to A-3 and – Bank on page A-3 of the attached Annual Report 2015. In addition, please see IX – Additional information – Other information – Foreign currency translation rates on page 570 of the attached Annual Report 2015.

B – Capitalization and indebtedness.

Not required because this Form 20-F is filed as an annual report.

C – Reasons for the offer and use of proceeds.

Not required because this Form 20-F is filed as an annual report.

D – Risk factors.

For Credit Suisse and the Bank, please see I – Information on the company – Risk factors on pages 40 to 48 of the attached Annual Report 2015.

Item 4. Information on the company.

A – History and development of the company.

For Credit Suisse and the Bank, please see I – Information on the company – Credit Suisse at a glance on page 12 and –Strategy on pages 13 to 17, IV – Corporate Governance and Compensation – Corporate Governance – Overview – Company details on page 186 and Appendix – Financial calendar and contacts on page A-12 of the attached Annual Report 2015. In addition, for Credit Suisse, please see Note 3 – Business developments, significant shareholders and subsequent events, Note 4 – Discontinued operations and Note 5 – Segment information in V – Consolidated financial statements – Credit Suisse Group on pages 270 to 275 of the attached Annual Report 2015 and, for the Bank, please see Note 3 – Business developments and subsequent events, Note 4 – Discontinued operations and Note 5 – Segment information in VII – Consolidated financial statements – Credit Suisse (Bank) on pages 429 to 432 of the attached Annual Report 2015.

B – Business overview.

For Credit Suisse and the Bank, please see I – Information on the company – Divisions on pages 18 to 24 of the attached Annual Report 2015. In addition, for Credit Suisse, please see Note 5 – Segment information in V – Consolidated financial statements – Credit Suisse Group on pages 273 to 275 of the attached Annual Report 2015 and, for the Bank, please see Note 5 – Segment information in VII – Consolidated financial statements – Credit Suisse (Bank) on pages 431 to 432 of the attached Annual Report 2015.

C – Organizational structure.

For Credit Suisse and the Bank, please see I – Information on the company – Credit Suisse at a glance on page 12, – Strategy on pages 13 to 17 and II – Operating and financial review – Credit Suisse – Differences between Group and Bank on pages 62 to 63 of the attached Annual Report 2015. For a list of Credit Suisse's significant subsidiaries, please see Note 40 – Significant subsidiaries and equity method investments in V – Consolidated financial statements – Credit Suisse Group on pages 383 to 385 of the attached Annual Report 2015 and, for a list of the Bank's significant subsidiaries, please see Note 39 – Significant subsidiaries and equity method investments in VII – Consolidated financial statements – Credit Suisse (Bank) on pages 502 to 504 of the attached Annual Report 2015.

D – Property, plant and equipment.
For Credit Suisse and the Bank, please see IX – Additional information – Other information – Property and equipment on page 570 of the attached Annual Report 2015.
Information Required by Industry Guide 3.
For Credit Suisse and the Bank, please see IX – Additional information – Statistical information on pages 548 to 564 of the attached Annual Report 2015. In addition, for both Credit Suisse and the Bank, please see III – Treasury, Risk, Balance sheet and Off-balance sheet – Risk management – Risk review and results – Credit risk review – Loans and irrevocable loan commitments on page 169 of the attached Annual Report 2015. For Credit Suisse, please see Appendix – Selected five-year information – Group on page A-2 of the attached Annual Report 2015.
Disclosure pursuant to Section 13(r) of the Securities Exchange Act of 1934
As stated in our Form 20-F for the year ended December 31, 2014, in 2005 and earlier, Credit Suisse AG, through a business line operating in Switzerland, entered into export finance credit facilities involving Iranian parties, through bilateral contracts and as a member of lending syndicates. Credit Suisse AG loaned funds under these credit facilities for project finance activities in Iran that did not support or facilitate Iran's nuclear weapons proliferation efforts, its acquisition of other military items, or its support of terrorism. Our participation in these credit facilities was legal under applicable law. The Iranian parties involved in certain of these credit facilities entered into between 2001 and 2005 subsequently were designated Specially Designated Nationals or Blocked Persons pursuant to an Executive Order of the President of the United States, or fall within the US government's definition of the government of Iran (which includes government-controlled entities). These credit facilities are supported by a guarantee of the Iranian Ministry of Economic Affairs and Finance and export financing insurance provided by European export credit agencies.
Credit Suisse AG does not generally calculate gross revenues or net profits from individual export finance credit facilities of this type; however, Credit Suisse AG estimates that it recognized approximately CHF 1.1 million in interest income in 2015 on these credit facilities and believes that it has not earned any related net profit over the life of these credit facilities. While Credit Suisse AG ceased providing funds to any Iranian parties pursuant to any of these credit facilities several years ago, it has continued, where possible, to receive repayment of funds owed to it. In 2015, Credit Suisse AG received insurance payments totaling CHF 2.4 million from the Swiss governmental export credit agency and payments totaling CHF 5.4 million from financial institutions acting as agents of lending syndicates, both in partial payment under certain of these credit facilities. As of December 31, 2015, approximately CHF 2.1 million was owed to Credit Suisse AG under these credit facilities which is not covered by the European export credit agency guarantees, out of a total amount of approximately CHF 36.4 million outstanding. Credit Suisse AG will continue to seek repayment of funds it is owed under these credit facilities pursuant to its contractual rights and applicable law, and will continue to cooperate with the European export credit agencies.
During 2015, Credit Suisse AG processed a small number of de minimis payments related to the operation of Iranian diplomatic missions in Switzerland and to fees for ministerial government functions such as issuing passports and visas. Processing these payments is permitted under Swiss law and is performed with the consent of Swiss authorities, and Credit Suisse AG intends to continue processing such payments. Revenues and profits from these activities are not calculated but would be negligible.
Credit Suisse AG also continues to hold funds from two wire transfers to non-Iranian customers which were blocked pursuant to Swiss sanctions because Iranian government-owned entities have an interest in such transfers. Such funds are maintained in blocked accounts opened in accordance with Swiss sanctions requirements. Credit Suisse AG derives no revenues or profits from maintenance of these blocked accounts.
Item 4A. Unresolved staff comments.
None.
Item 5. Operating and financial review and prospects.
A – Operating results.
For Credit Suisse and the Bank, please see II – Operating and financial review on pages 49 to 104 of the attached Annual Report 2015. In addition, for both Credit Suisse and the Bank, please see I – Information on the company – Regulation and supervision on pages 25 to 39 of the attached Annual Report 2015 and III – Treasury, Risk, Balance sheet and Off-balance sheet – Capital management – Shareholders' equity and share metrics – Foreign exchange exposure and interest rate management on page 135 of the attached Annual Report 2015.

B – Liquidity and capital resources.

For Credit Suisse and the Bank, please see III – Treasury, Risk, Balance sheet and Off-balance sheet – Liquidity and funding management and – Capital management on pages 106 to 135 of the attached Annual Report 2015. In addition, for Credit Suisse, please see Note 25 – Long-term debt in V – Consolidated financial statements – Credit Suisse Group on pages 296 to 297 and Note 37 – Capital adequacy in V – Consolidated financial statements – Credit Suisse Group on page 372 of the attached Annual Report 2015 and, for the Bank, please see Note 24 – Long-term debt in VII – Consolidated financial statements – Credit Suisse (Bank) on pages 449 to 450 and Note 36 – Capital adequacy in VII – Consolidated financial statements – Credit Suisse (Bank) on page 500 of the attached Annual Report 2015.

C – Research and development, patents and licenses, etc.

Not applicable.

D – Trend information.

For Credit Suisse and the Bank, please see Item 5.A of this Form 20-F. In addition, for Credit Suisse and the Bank, please see I – Information on the company – Divisions on pages 18 to 24 of the attached Annual Report 2015.

E – Off-balance sheet arrangements.

For Credit Suisse and the Bank, please see III – Treasury, Risk, Balance sheet and Off-balance sheet – Balance sheet, off-balance sheet and other contractual obligations on pages 179 to 182 of the attached Annual Report 2015. In addition, for Credit Suisse, please see Note 32 – Derivatives and hedging activities, Note 33 – Guarantees and commitments and Note 34 – Transfers of financial assets and variable interest entities in V – Consolidated financial statements – Credit Suisse Group on pages 325 to 344 of the attached Annual Report 2015 and, for the Bank, please see Note 31 – Derivatives and hedging activities, Note 32 – Guarantees and commitments, Note 33 – Transfers of financial assets and variable interest entities in VII – Consolidated financial statements – Credit Suisse (Bank) on pages 469 to 481, and Note 13 – Derivative financial instruments in VIII – Parent company financial statements – Credit Suisse (Bank) on pages 533 to 535 of the attached Annual Report 2015.

F – Tabular disclosure of contractual obligations.

For Credit Suisse and the Bank, please see III – Treasury, Risk, Balance sheet and Off-balance sheet – Balance sheet, off-balance sheet and other contractual obligations – Contractual obligations and other commercial commitments on page 182 of the attached Annual Report 2015.

Item 6. Directors, senior management and employees.

A – Directors and senior management.

For Credit Suisse and the Bank, please see IV – Corporate Governance and Compensation – Corporate Governance – Board of Directors, – Board Committees, – Biographies of the Board Members, – Executive Board and – Biographies of the Executive Board Members on pages 192 to 212 of the attached Annual Report 2015.

B – Compensation.

For Credit Suisse and the Bank, please see IV – Corporate Governance and Compensation – Compensation on pages 217 to 248 of the attached Annual Report 2015. In addition, for Credit Suisse, please see Note 11 – Compensation and benefits in V – Consolidated financial statements – Credit Suisse Group on page 278, Note 29 – Employee deferred compensation in V – Consolidated financial statements – Credit Suisse Group on pages 308 to 313, Note 31 – Pension and other post-retirement benefits in V – Consolidated financial statements – Credit Suisse Group on pages 316 to 324, Note 6 – Personnel expenses in VI – Parent company financial statements – Credit Suisse Group on page 406 and Note 23 – Shareholdings of the Board of Directors, Executive Board and employees in VI – Parent company financial statements – Credit Suisse Group on pages 413 to 414 of the attached Annual Report 2015. For the Bank, please see Note 11 – Compensation and benefits in VII – Consolidated financial statements – Credit Suisse (Bank) on page 434, Note 28 – Employee deferred compensation in VII – Consolidated financial statements – Credit Suisse (Bank) on pages 458 to 460, Note 30 – Pension and other post-retirement benefits in VII – Consolidated financial statements – Credit Suisse (Bank) on pages 462 to 468, Note 6 – Personnel expenses in VIII – Parent company financial statements – Credit Suisse (Bank) on page 527, Note 17 – Pension plans in VIII – Parent company financial statements – Credit Suisse (Bank) on page 537 and Note 23 – Shareholdings of the Board of Directors, Executive Board and employees and information on compensation plans in VIII – Parent company financial statements – Credit Suisse (Bank) on pages 541 to 542 of the attached Annual Report 2015.

C – Board practices.
For Credit Suisse and the Bank, please see IV – Corporate Governance and Compensation – Corporate Governance on pages 184 to 216 of the attached Annual Report 2015.
D – Employees.
For Credit Suisse and the Bank, please see IV – Corporate Governance and Compensation – Corporate Governance – Additional Information – Employee relations on page 216 of the attached Annual Report 2015. In addition, for both Credit Suisse and the Bank, please see II – Operating and financial review – Credit Suisse – Employees on page 55 of the attached Annual Report 2015.
E – Share ownership.
For Credit Suisse and the Bank, please see IV – Corporate Governance and Compensation – Compensation on pages 217 to 248 of the attached Annual Report 2015. In addition, for Credit Suisse, please see Note 29 – Employee deferred compensation in V – Consolidated financial statements – Credit Suisse Group on pages 308 to 313, and Note 23 –Shareholdings of the Board of Directors, Executive Board and employees in VI – Parent company financial statements – Credit Suisse Group on pages 413 to 414 of the attached Annual Report 2015. For the Bank, please see Note 28 – Employee deferred compensation in VII – Consolidated financial statements – Credit Suisse (Bank) on pages 458 to 460, and Note 23 – Shareholdings of the Board of Directors, Executive Board and employees and information on compensation plans in VIII – Parent company financial statements – Credit Suisse (Bank) on pages 541 to 542 of the attached Annual Report 2015.
Item 7. Major shareholders and related party transactions.
A – Major shareholders.
For Credit Suisse, please see IV – Corporate Governance and Compensation – Corporate Governance – Shareholders on pages 187 to 191 of the attached Annual Report 2015. In addition, for Credit Suisse, please see Note 3 – Business developments, significant shareholders and subsequent events in V – Consolidated financial statements – Credit Suisse Group on pages 270 to 271, Note 17 – Credit Suisse Group shares held by subsidiaries in VI – Parent company financial statements – Credit Suisse Group on page 410, Note 18 – Purchases and sale of treasury shares held by Credit Suisse Group in VI – Parent company financial statements – Credit Suisse Group on page 411 and Note 19 – Significant shareholders in VI – Parent company financial statements – Credit Suisse Group on page 411 of the attached Annual Report 2015. Credit Suisse's major shareholders do not have different voting rights. The Bank has 4,399,680,200 shares outstanding and is a wholly-owned subsidiary of Credit Suisse. See Note 22 – Significant shareholders and groups of shareholders in VIII – Parent company financial statements – Credit Suisse (Bank) on page 540 of the attached Annual Report 2015.
B – Related party transactions.
For Credit Suisse and the Bank, please see IV – Corporate Governance and Compensation – Compensation on pages 217 to 248 and – Corporate Governance – Banking relationships with Board and Executive Board Members and related party transactions on page 213 of the attached Annual Report 2015. In addition, for Credit Suisse, please see Note 30 – Related parties in V – Consolidated financial statements – Credit Suisse Group on pages 314 to 315 and Note 21 – Related parties in VI – Parent company financial statements – Credit Suisse Group on page 412 of the attached Annual Report 2015. For the Bank, please see Note 29 – Related parties in VII – Consolidated financial statements – Credit Suisse (Bank) on page 461 and Note 24 – Amounts receivable from and amounts payable to related parties in VIII – Parent company financial statements – Credit Suisse (Bank) on page 543 of the attached Annual Report 2015.
C – Interests of experts and counsel.
Not applicable because this Form 20-F is filed as an annual report.
Item 8. Financial information.
A – Consolidated statements and other financial information.
Please see Item 18 of this Form 20-F.
For a description of Credit Suisse's legal and arbitration proceedings, please see Note 39 – Litigation in V – Consolidated financial statements – Credit Suisse Group on pages 375 to 382 of the attached Annual Report 2015. For a description of the Bank's legal and arbitration proceedings, please see Note 38 – Litigation in VII – Consolidated financial statements – Credit Suisse (Bank) on page 501 of the attached Annual Report 2015.

For a description of Credit Suisse's policy on dividend distributions, please see III – Treasury, Risk, Balance sheet and Off-balance sheet – Capital management – Shareholders' Equity and Share Metrics – Dividends and dividend policy on page 135 of the attached Annual Report 2015.

B – Significant changes.

None.

Item 9. The offer and listing.

A – Offer and listing details, C – Markets.

For information regarding the price history of Credit Suisse Group shares and the stock exchanges and other regulated markets on which they are listed or traded, please see IX – Additional information – Other information – Listing details on page 569 of the attached Annual Report 2015. Shares of the Bank are not listed.

B – Plan of distribution, D – Selling shareholders, E – Dilution, F – Expenses of the issue.

Not required because this Form 20-F is filed as an annual report.

Item 10. Additional information.

A – Share capital.

Not required because this Form 20-F is filed as an annual report.

B – Memorandum and Articles of Association.

For Credit Suisse, please see IV – Corporate Governance and Compensation – Corporate Governance – Overview, – Shareholders and – Board of Directors on pages 184 to 196 of the attached Annual Report 2015. In addition, for Credit Suisse, please see IX – Additional information – Other information – Exchange controls and – American Depositary Shares on page 565 of the attached Annual Report 2015. Shares of the Bank are not listed.

C – Material contracts.

Neither Credit Suisse nor the Bank has any contract that would constitute a material contract for the two years immediately preceding this Form 20-F.

D – Exchange controls.

For Credit Suisse and the Bank, please see IX – Additional information – Other information – Exchange controls on page 565 of the attached Annual Report 2015.

E – Taxation.

For Credit Suisse, please see IX – Additional information – Other information – Taxation on pages 565 to 568 of the attached Annual Report 2015. The Bank does not have any public shareholders.

F – Dividends and paying agents.

Not required because this Form 20-F is filed as an annual report.

G – Statement by experts.

Not required because this Form 20-F is filed as an annual report.

H – Documents on display.

Credit Suisse and the Bank file annual reports on Form 20-F and furnish or file quarterly and other reports on Form 6-K and other information with the SEC pursuant to the requirements of the Securities Exchange Act of 1934, as amended. These materials are available to the public over the Internet at the SEC's website at www.sec.gov and from the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549 (telephone 1-800-SEC-0330). SEC reports are also available for review at the offices of the New York Stock Exchange, 20 Broad Street, New York, NY 10005. Further, our reports on Form 20-F, Form 6-K and certain other materials are available on the Credit Suisse website at www.credit-suisse.com. Information contained on our website and apps are not incorporated by reference into this Form 20-F.

In addition, Credit Suisse's parent company financial statements, together with the notes thereto, are set forth on pages 399 to 416 of the attached Annual Report 2015 and incorporated by reference herein. The Bank's parent company financial statements, together with the notes thereto, are set forth on pages 507 to 546 of the attached Annual Report 2015 and incorporated by reference herein.

I – Subsidiary information.

Not applicable.

Item 11. Quantitative and qualitative disclosures about market risk.

For Credit Suisse and the Bank, please see I – Information on the company – Risk factors on pages 40 to 48 and III – Treasury, Risk, Balance sheet and Off-balance sheet – Risk management on pages 136 to 178 of the attached Annual Report 2015.

Item 12. Description of securities other than equity securities.

A – Debt Securities, B – Warrants and Rights, C – Other Securities.

Not required because this Form 20-F is filed as an annual report.

D – American Depositary Shares.

For Credit Suisse, please see IV – Corporate Governance and Compensation – Corporate Governance – Additional information – Fees and charges for holders of ADS on page 216 of the attached Annual Report 2015. Shares of the Bank are not listed.

Part II

Item 13. Defaults, dividend arrearages and delinquencies.

None.

Item 14. Material modifications to the rights of security holders and use of proceeds.

None.

Item 15. Controls and procedures.

For Credit Suisse's management report and the related report from the Group's independent auditors, please see Controls and procedures and Report of the Independent Registered Public Accounting Firm in V – Consolidated financial statements – Credit Suisse Group on pages 397 to 398 of the attached Annual Report 2015. For the Bank's management report and the related report from the Bank's independent auditors, please see Controls and procedures and Report of the Independent Registered Public Accounting Firm in VII – Consolidated financial statements – Credit Suisse (Bank) on pages 505 to 506 of the attached Annual Report 2015.

Item 16A. Audit committee financial expert.

For Credit Suisse and the Bank, please see IV – Corporate Governance and Compensation – Corporate Governance – Board of Directors – Board committees – Audit Committee on pages 197 to 198 of the attached Annual Report 2015.

Item 16B. Code of ethics.

For Credit Suisse and the Bank, please see IV – Corporate Governance and Compensation – Corporate Governance – Overview – Corporate governance framework on pages 184 to 186 of the attached Annual Report 2015.

Item 16C. Principal accountant fees and services.

For Credit Suisse and the Bank, please see IV – Corporate Governance and Compensation – Corporate Governance – Audit on page 214 of the attached Annual Report 2015.

Item 16D. Exemptions from the listing standards for audit committee.

None.

Item 16E. Purchases of equity securities by the issuer and affiliated purchasers.

For Credit Suisse, please see III – Treasury, Risk, Balance sheet and Off-balance sheet – Capital management – Shareholders' Equity and Share Metrics – Share repurchases on page 134 of the attached Annual Report 2015. The Bank does not have any class of equity securities registered pursuant to Section 12 of the Exchange Act.

Item 16F. Change in registrants' certifying accountant.

None.

Item 16G. Corporate governance.

For Credit Suisse, please see IV – Corporate Governance and Compensation – Corporate Governance – Additional Information – Complying with rules and regulations on page 215 of the attached Annual Report 2015. Shares of the Bank are not listed.

Item 16H. Mine Safety Disclosure.

None.

Part III

Item 17. Financial statements.

Not applicable.

Item 18. Financial statements.

Credit Suisse's consolidated financial statements, together with the notes thereto and the Report of the Independent Registered Public Accounting Firm thereon, are set forth on pages 249 to 398 of the attached Annual Report 2015 and incorporated by reference herein. The Bank's consolidated financial statements, together with the notes thereto (and any notes or portions thereof in the consolidated financial statements of Credit Suisse Group referred to therein) and the Report of the Independent Registered Public Accounting Firm thereon, are set forth on pages 417 to 506 of the attached Annual Report 2015 and incorporated by reference herein.

Item 19. Exhibits.

1.1 Articles of association (Statuten) of Credit Suisse Group AG as of December 2, 2015.

1.2 Articles of association (Statuten) of Credit Suisse AG as of September 4, 2014 (incorporated by reference to Exhibit 1.2 of Credit Suisse Group AG's and Credit Suisse AG's annual report on Form 20-F for the year ended December 31, 2014 filed on March 20, 2015).

1.3 Organizational Guidelines and Regulations of Credit Suisse Group AG and Credit Suisse AG as of June 19, 2014 (incorporated by reference to Exhibit 1.3 of Credit Suisse Group AG's and Credit Suisse AG's annual report on Form 20-F for the year ended December 31, 2014 filed on March 20, 2015).

2.1 Pursuant to the requirement of this item, we agree to furnish to the SEC upon request a copy of any instrument defining the rights of holders of long-term debt of us or of our subsidiaries for which consolidated or unconsolidated financial statements are required to be filed.

4.1 Agreement, dated February 13, 2011, among Competrol Establishment, Credit Suisse Group (Guernsey) II Limited and Credit Suisse Group AG (incorporated by reference to Exhibit 99.1 of Credit Suisse Group AG's and Credit Suisse AG's current report on Form 6-K filed March 12, 2013).

4.2 Agreement, dated February 13, 2011, among Qatar Holding LLC, Credit Suisse Group (Guernsey) II Limited and Credit Suisse Group AG (incorporated by reference to Exhibit 99.2 of Credit Suisse Group AG's and Credit Suisse AG's current report on Form 6-K filed March 12, 2013).

4.3 Amendment Agreement, dated July 18, 2012, among Competrol Establishment, Credit Suisse Group (Guernsey) II Limited, Credit Suisse Group AG and Credit Suisse AG, acting through its Guernsey Branch (incorporated by reference to Exhibit 99.3 of Credit Suisse Group AG's and Credit Suisse AG's current report on Form 6-K filed March 12, 2013).

4.4 Purchase and Underwriting Agreement, dated as of July 17, 2012, between Credit Suisse AG and Competrol Establishment (incorporated by reference to Exhibit 4.4 of Credit Suisse Group AG's and Credit Suisse AG's annual report on Form 20-F for the year ended December 31, 2012 filed on March 22, 2013).

4.5 Purchase and Underwriting Agreement, dated as of July 18, 2012, between Credit Suisse AG and Qatar Holding LLC (incorporated by reference to Exhibit 4.5 of Credit Suisse Group AG's and Credit Suisse AG's annual report on Form 20-F for the year ended December 31, 2012 filed on March 22, 2013).

4.6 Agreement, dated October 10, 2013, among Qatar Holding LLC, Credit Suisse Group (Guernsey) II Limited, Credit Suisse Group AG and Credit Suisse AG, acting through its Guernsey Branch (incorporated by reference to Exhibit 4.6 of Credit Suisse Group AG's and Credit Suisse AG's annual report on Form 20-F for the year ended December 31, 2013 filed on April 3, 2014).

7.1 Computations of ratios of earnings to fixed charges of Credit Suisse and of the Bank are set forth under IX – Additional Information – Statistical information – Ratio of earnings to fixed charges – Group and – Ratio of earnings to fixed charges – Bank on page 564 of the attached Annual Report 2015 and incorporated by reference herein.

8.1 Significant subsidiaries of Credit Suisse are set forth in Note 40 – Significant subsidiaries and equity method investments in V – Consolidated financial statements – Credit Suisse Group on pages 383 to 385, and significant subsidiaries of the Bank are set forth in Note 39 – Significant subsidiaries and equity method investments in VII – Consolidated financial statements – Credit Suisse (Bank) on pages 502 to 504 in the attached Annual Report 2015 and incorporated by reference herein.

9.1 Consent of KPMG AG, Zurich with respect to Credit Suisse Group AG consolidated financial statements.

9.2 Consent of KPMG AG, Zurich with respect to the Credit Suisse AG consolidated financial statements.

12.1 Rule 13a-14(a) certification of the Chief Executive Officer of Credit Suisse Group AG and Credit Suisse AG, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

12.2 Rule 13a-14(a) certification of the Chief Financial Officer of Credit Suisse Group AG and Credit Suisse AG, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

13.1 Certifications pursuant to 18 U.S.C. Section 1350, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 for Credit Suisse Group AG and Credit Suisse AG.

101.1 Interactive Data Files (XBRL-Related Documents).

SIGNATURES

Each of the registrants hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

CREDIT SUISSE GROUP AG
(Registrant)
Date: March 24, 2016

/s/ Tidjane Thiam	/s/ David R. Mathers
Name: Tidjane Thiam	Name: David R. Mathers
Title: Chief Executive Officer	Title: Chief Financial Officer

CREDIT SUISSE AG
(Registrant)
Date: March 24, 2016

/s/ Tidjane Thiam	/s/ David R. Mathers
Name: Tidjane Thiam	Name: David R. Mathers
Title: Chief Executive Officer	Title: Chief Financial Officer

20-F/15

Key metrics

			in / end of		% change
	2015	2014	2013	15 / 14	14 / 13
Credit Suisse (CHF million, except where indicated)					
Net income/(loss) attributable to shareholders	(2,944)	1,875	2,326	–	(19)
of which from continuing operations	(2,944)	1,773	2,181	–	(19)
Basic earnings/(loss) per share from continuing operations (CHF)	(1.73)	0.99	1.10	–	(10)
Diluted earnings/(loss) per share from continuing operations (CHF)	(1.73)	0.98	1.10	–	(11)
Return on equity attributable to shareholders (%)	(6.8)	4.4	5.7	–	–
Effective tax rate (%)	(21.6)	38.7	31.2	–	–
Core Results (CHF million, except where indicated)					
Net revenues	23,384	25,074	24,226	(7)	4
Provision for credit losses	192	153	90	25	70
Total operating expenses	23,104	17,721	17,482	30	1
Income before taxes	88	7,200	6,654	(99)	8
Cost/income ratio (%)	98.8	70.7	72.2	–	–
Assets under management and net new assets (CHF billion)					
Assets under management from continuing operations	1,214.1	1,368.7	1,248.6	(11.3)	9.6
Net new assets from continuing operations	46.9	29.9	35.0	56.9	(14.6)
Balance sheet statistics (CHF million)					
Total assets	820,805	921,462	872,806	(11)	6
Net loans	272,995	272,551	247,054	0	10
Total shareholders' equity	44,382	43,959	42,164	1	4
Tangible shareholders' equity	39,378	35,066	33,955	12	3
Basel III regulatory capital and leverage statistics					
Risk-weighted assets (CHF million)	294,950	291,410	273,846	1	6
CET1 ratio (%)	14.3	14.9	15.7	–	–
Look-through CET1 ratio (%)	11.4	10.1	10.0	–	–
Look-through CET1 leverage ratio (%)	3.3	2.5	–	–	–
Look-through Tier 1 leverage ratio (%)	4.5	3.5	–	–	–
Share information					
Shares outstanding (million)	1,951.5	1,599.5	1,590.9	22	1
of which common shares issued	1,957.4	1,607.2	1,596.1	22	1
of which treasury shares	(5.9)	(7.7)	(5.2)	(23)	48
Book value per share (CHF)	22.74	27.48	26.50	(17)	4
Tangible book value per share (CHF)	20.18	21.92	21.34	(8)	3
Market capitalization (CHF million)	42,456	40,308	43,526	5	(7)
Dividend per share	0.70	0.70	0.70	–	–
Number of employees (full-time equivalents)					
Number of employees	48,200	45,800	46,000	5	0

See relevant tables for additional information on these metrics.

Annual Report 2015
Credit Suisse Group AG & Credit Suisse AG

For the purposes of this report, unless the context otherwise requires, the terms “Credit Suisse Group”, “Credit Suisse”, “the Group”, “we”, “us” and “our” mean Credit Suisse Group AG and its consolidated subsidiaries. The business of Credit Suisse AG, the Swiss bank subsidiary of the Group, is substantially similar to the Group, and we use these terms to refer to both when the subject is the same or substantially similar. We use the term “the Bank” when we are referring only to Credit Suisse AG, the Swiss bank subsidiary of the Group, and its consolidated subsidiaries. Abbreviations and selected >>>terms are explained in the List of abbreviations and the Glossary in the back of this report. Publications referenced in this report, whether via website links or otherwise, are not incorporated into this report. The English language version of this report is the controlling version. In various tables, use of “–” indicates not meaningful or not applicable.

Interview with the Chairman and the Chief Executive Officer

In relation to the 2015 results, there have been several unfavorable reactions from the markets and analysts. What is your view of the current sentiment towards Credit Suisse and its annual results?

Tidjane Thiam: I believe one should not get sidetracked by immediate market reactions. There is no point denying it: the fourth quarter was a significant disappointment. Some of the losses incurred in our investment bank surprised investors as they came from activities that were not consistent with our new strategy. The losses and the impact on the capital position as well as the goodwill write-down in the fourth quarter made market participants nervous, especially in the context of a decline in the price of oil, worries about growth in China and the asynchronous nature of central bank policies. We have been explained on the difficulties encountered and what we are doing to address them and this is increasingly better understood by the market. Beyond these issues, it is important to measure the progress made by looking at our underlying business performance. Between now and 2018, the bank's restructuring will make the analysis of our performance more complex. We have therefore introduced a definition of adjusted results, which by correcting for the most visible impacts of the restructuring, will make it easier to monitor our progress on the implementation of our new strategy. Our adjusted results in the last quarter of 2015 contained some encouraging trends despite volatile market conditions. The performance of the Asia Pacific division in particular highlighted the growth potential in the region and our strong market position. In addition, net new asset generation was strong for both Asia Pacific and the Swiss Universal Bank, and we continued to increase our mandates penetration in all three geographical divisions. One of the direct outcomes of the changes we have made is the fact that Credit Suisse as of the end of 2015 has a stronger look-through CET1 capital position than before.

You mention the Group's capital level, which is deemed insufficient by some observers and thus remains a target for criticism. How strong is Credit Suisse's capital base?

Thiam: In fact, with 11.4% at the end of 2015, we now have the strongest look-through CET1 ratio that Credit Suisse has ever had. I feel that needs to be said again. We are also strong in terms of liquidity. While internationally we may not be on the absolute top of the rankings, we are without any doubt well capitalized. With a strengthened balance sheet, I am confident that we can deliver on our commitments. Our capital allocation process going forward will ensure that we focus on businesses that offer the best risk-adjusted returns, particularly in our three geographically focused divisions.

Urs Rohner: Moreover, we continue to further strengthen our capital base. We aim to operate the bank at a look-through CET1 capital ratio between 11-12% during 2016, while managing through the changes to our strategy. We are targeting a look-through CET1 capital ratio of approximately 13% and a Tier 1 leverage ratio between 5% and 6% with a look-through CET1 component of 3.5% to 4% by the end of 2018. Building up a strong capital base is the right choice from the business perspective. I also believe that capital will remain a key regulatory topic. Therefore, we will remain very much focused on growing in the right businesses, which are capital accretive and which generate the necessary returns under the ever stricter regulatory capital requirements.

The goodwill impairment of CHF 3.8 billion in the investment banking businesses was subject to significant attention. Notably, the decision was considered long overdue – would you agree?

Rohner: The goodwill impairment charge, mostly related to the acquisition of Donaldson, Lufkin & Jenrette (DLJ) in 2000, needed to be taken in the fourth quarter of 2015 as a direct consequence of the implementation of our new strategy and organizational structure. This resulted in changes to the former Investment Banking division, leading to a reassessment of certain assets and consequential goodwill impairment charge. Since the DLJ acquisition, the goodwill impairment test was conducted annually and verified by external experts. The rules are clear: as long as the goodwill is covered under the applicable methodology, no impairment charge is to be booked. Once this is no longer applicable, however, such charge must be booked, as was the case in 2015.

In October of last year, you have introduced the new strategy for the Group. Is the execution on schedule and can the ambitious timeline be met?

Thiam: We have made a good start in implementing the strategy we presented in October 2015. Before year-end, the important milestone of the capital raise was completed. Our capital ratios have been strengthened, allowing us to start implementing important restructuring measures, which consume capital. The new structure, which impacted all of our almost 50,000 staff, was fully in place by end-2015. In parallel, we have been strengthening the Group's control functions and making substantial investments in our risk management and control capabilities. The process of right-sizing our investment banking activities is well under way and have further been accelerated in Global Markets, reflecting the persistently challenging market environment. We have already exited many activities. Our look-through CET1 capital position as of end-2015 is the strongest it has ever been and we are implementing the announced changes with determination. Once completed, this comprehensive change program will position us well to deliver profitable growth and returns for our shareholders in 2018 and beyond.

In this new strategy, is Credit Suisse predominantly implementing actions that other banks have taken already? How can Credit Suisse differentiate itself from its peers?

Rohner: The strategy is tailored to Credit Suisse and reflects three important elements: the Group's cultural and historical heritage, its strengths as an integrated bank and current external demands, such as key regulatory and market developments. In terms of regulation and markets, we face similar conditions as our peers but in other regards, our strategy is unique. Accordingly, our Swiss roots as a "Bank for Entrepreneurs" remain at the core of our strategy. That combines with our global presence and ultimately, our unique capability to provide both private banking and investment banking services to our clients. This offering is absolutely crucial for our differentiation in the highly competitive ultra-high-net-worth individual client segment.

In the course of this year, which are the most important steps in the execution of your new strategy?

Thiam: We will continue to restructure the bank to ensure that we can react to the changing market environment. In light of the challenging environment in the first few months of 2016, we have accelerated the right-sizing of our investment banking activities, particularly in the Global Markets

Urs Rohner, Chairman of the Board of Directors (left) and Tidjane Thiam, Chief Executive Officer.

division. These efforts aim at improving our ability to serve our clients and generate over time compliant, well controlled, profitable growth. We will continue to focus on growing our wealth management business and on the reduction of our investment banking activities so that they consume less capital, generate more stable earnings and better support the development of our wealth management offering. Our strategy is focused on deploying all of our capabilities and expertise to best service our clients. We will continue to implement it with determination.

You often mention innovation. Which areas does Credit Suisse prioritize in terms of innovation and how will your clients benefit from the innovative process?

Rohner: Credit Suisse was one of the first banks to introduce an innovation-focused think-tank as early as in 2012. We have launched Digital Private Banking in 2013 and now continue to roll out its various offerings to our clients across different markets. As in any innovation process, clients are the ultimate beneficiaries, as service quality improves and prices tend to decline. Particularly in banking, clients today receive a much broader online and mobile offering and a more powerful advisory support which uses intelligent computing and big data. Ultimately, digitization allows banks to deliver more tailored, better accessible and user-friendly service than ever before. In terms of next focus areas, innovation in compliance and risk management areas will be crucial – here as well, we are already actively engaged.

Thiam: Technology-driven innovation has disrupted several areas of banking, although the innovators have so far focused on the retail segment. With the fintech trend slowing down gradually, I think we will see more fintech exits – often as acquisitions by established banks – and we will also see business collaborations. I also believe the back office space offers a much greater disruption potential than has been captured so far. Ultimately, I am convinced that innovation will remain one of the key drivers of competitiveness in banking and our strategy will continue to consider that.

What role does compliance and risk culture play in the new strategy?

Rohner: To ensure the future success of our business, it is important that we place our clients at the center of all that we do. We have to encourage an entrepreneurial mindset and constantly ask ourselves whether we are doing the right thing. Openness, integrity and principled behavior are key in this context. We are committed to promoting a strong risk culture and to providing our businesses with sophisticated and independent risk management, compliance and control processes. The Board of Directors and the Executive Board expect all employees at all levels of our organization to adhere to the very highest compliance standards. We clearly communicate these expectations and have implemented appropriate internal regulations and training courses to support employees in this area. We do not tolerate any breaches of these rules, regulations or laws. To further strengthen our efforts to protect our reputation, we have created the new Compliance & Regulatory Affairs function, which oversees the bank's activities at all levels. The high level of professionalism and dedication demonstrated by our employees when implementing our strategy inspires me with confidence that we will also be able to meet our ambitious goals in this area.

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Message from the Chairman and the Chief Executive Officer

Dear shareholders, clients and colleagues

2015 was a year of transition for Credit Suisse. Following the change in Chief Executive Officer in July 2015, we conducted an in-depth review of our businesses and long-term objectives and subsequently announced a new strategic direction for our Group on October 21, 2015. Our ambition is to be a leading private bank and wealth manager with distinctive investment banking capabilities that is able to grow profitably and generate capital through the economic cycle.

In line with our new strategy, we announced a simplified organizational structure with three geographically focused divisions – the Swiss Universal Bank (Swiss UB), Asia Pacific (APAC) and International Wealth Management (IWM). They are supported by two divisions focusing on our investment banking capabilities – Global Markets (GM) and Investment Banking & Capital Markets (IBCM). With this new structure, we can respond more flexibly to our clients' needs through enabling our geographical divisions to leverage our combined expertise and resources in wealth management and investment banking. This new organization also gives our business heads clearer accountability both in terms of managing client relationships and the resources they require to maximize value creation. In parallel, we have strengthened the Group's control and compliance functions with significant investments in our risk management, control and information capabilities. The refocusing of the Group necessitated changes to the leadership structure resulting in a new composition of the executive team to drive the new business units and the central functions forward.

To ensure that Credit Suisse has a strong capital position to deliver on its strategy and capture attractive opportunities for growth, we announced a capital increase by way of a private placement and a rights offering in October 2015. The capital increase was approved by shareholders at our Extraordinary General Meeting in November and was concluded in December 2015. With this capital raise completed, our look-through CET1 capital ratio as of the end of 2015 has never been stronger, allowing us to implement important restructuring measures aimed at delivering profitable growth for our shareholders through the economic cycle. With the strengthened balance sheet, we are confident that we can deliver on our commitments and our capital allocation strategy is focused on businesses that offer returns in excess of their cost of capital. We believe that this will lead to increased investment in our three geographically focused divisions, notably our home market of Switzerland, where we have a strong franchise and capabilities, and to our growth markets in the emerging economies, particularly in the Asia Pacific region, where we also have a strong franchise. Our IWM division unifies the teams serving clients in other parts of the world.

In addition, we continue to reduce the size of our investment bank to ensure that it supports our wealth management activities, consumes less capital and generates less volatile earnings. In particular, we continue to right-size our operations in GM and are exiting or reducing selected activities consistent with the desire for higher return on capital and a lower risk profile. We have already substantially reduced risk-weighted assets and leverage exposure, exceeding our end-2015 targets, and are now targeting further significant reductions within the GM division until end-2016. In particular, we intend to reduce GM's risk-weighted assets target of USD 83-85 billion to approximately USD 60 billion, and lower the division's leverage exposure target from USD 380 billion to USD 290 billion by year-end. We are accelerating the right-sizing of our GM division and plan to further invest in our leading equities franchise and reduce our fixed income activities to operate on a substantially lower cost base and generate more stable earnings through the economic cycle. In our IBCM division, we are rebalancing our activities towards advisory and equity underwriting and towards investment grade corporates, which should help us to generate higher-quality earnings.

Cost competitiveness and flexibility are imperatives for our bank in today's rapidly evolving operating environment. We are therefore applying a rigorous, disciplined approach to cost management across the Group to reduce our cost base and lower the bank's break-even point, thus enhancing our ability to generate capital through the economic cycle. In February 2016, we announced plans to accelerate our cost savings program and in March we announced further savings and increased our gross cost reduction target for end-2018 from CHF 3.0-3.5 to CHF 4.0 – 4.5 billion and announced an operating cost base target of CHF 19.5 – 20.0 billion by end-2016. The majority of these cost savings will largely be driven by the accelerated reduction of the GM division. Combined with the measures already implemented in 4Q15 (including the transfer of our US Private Banking operations), we have already made considerable progress on reducing our cost base and thanks to the better cross divisional collaboration, we are able to further accelerate the pace of targeted cost savings. We believe that this will provide us with the flexibility we need to successfully navigate periods of market uncertainty and to fund the investments we intend to make to deliver profitable growth through the economic cycle for our shareholders.

Economic and political trends that shaped the market

2015 was a challenging period for the entire industry. Central bank actions remained a prominent topic during the year, with interest rates at historically low levels. On January 15, 2015, the Swiss National Bank announced the discontinuation of the minimum exchange rate of CHF 1.20 per euro – a move that caused a sharp appreciation of the Swiss franc and had a significant impact on the Swiss economy and the domestic banking sector for the remainder of the year. Thanks to the mitigating actions that we implemented, we were able to limit the impact on Credit Suisse.

Also in January 2015, the European Central Bank announced its plans to begin purchasing eurozone government bonds as a means of lowering bond yields and pushing the rate of inflation back towards its medium-term target of 2%. While the conflicts in parts of the Middle East continued to intensify – heightening the global climate of uncertainty – the Greek debt crisis and discussions about a potential UK exit from the EU added to concerns about a destabilization of Europe's monetary union. With worries about a growth slowdown in China and the emerging markets rising in the second half of 2015, the European Central Bank cut the deposit rate again in December 2015 and decided to extend its bond purchase program until at least the end of March 2017. At its meeting on March 10, 2016, the European Central Bank yet again cut all of its key interest rates in a further attempt to boost inflation and growth rates, given the persisting volatile market environment.

In contrast, the question about when the US Federal Reserve would tighten its own monetary policy remained a subject of intense public speculation during 2015. Following the decision by the People's Bank of China to devalue the renminbi against the US dollar – partly to offset decelerating growth – the US Federal Reserve postponed its first interest rate increase in almost a decade at its September meeting. The increase that finally occurred in December 2015 was largely motivated by strong US employment data and robust economic growth. While financial markets barely reacted to the actual announcement, which had widely been expected, discussions since the beginning of 2016 have focused on the question of the pace at which the US Federal Reserve is likely to raise interest rates going forward, especially following its decision to hold off on a further rate rise at the March meeting. Moreover, the global effects of the divergent monetary policies of the US Federal Reserve and the European Central Bank remain a prominent topic of discussion.

The divergence in monetary policy, uncertainty about economic growth in China, the decline in oil prices, lower market liquidity, widening credit spreads and the renewed strength of the Swiss franc have all led to a challenging market environment for Credit Suisse, particularly during the fourth quarter of 2015. All of these factors have contributed to lower levels of client activity and issuances, and large fund redemptions by market participants affecting asset prices. Market conditions have also remained challenging during the initial months of 2016, however, it is too early to determine how these challenges will evolve over the remainder of 2016.

Regulatory Issues

Regulatory requirements continued to evolve throughout 2015. In February 2015, the Swiss Federal Council presented its evaluation report on Switzerland's "Too Big to Fail" (TBTF) regime, which proposed the implementation of the new global standard for Total Loss-Absorbing Capacity (TLAC). The implementation of TLAC is largely seen as the last building block to end TBTF. The new Swiss capital rules are more strict than the TLAC standard issued by the Financial Stability Board. In fact, the Swiss requirements will be stronger than those of other financial centers. Based on the end 2015 balance sheet, Credit Suisse would be subject to a going and gone concern requirement of 28.6% of risk-weighted assets. Throughout 2015, Credit Suisse issued CHF 15 billion of senior bail-in instruments, which we expect to be TLAC eligible, marking an important step towards achieving our total requirement in accordance with the proposed amendments to the Swiss TBTF regime.

In addition to these new TLAC requirements, the new draft Swiss TBTF regime will increase the going concern capital and leverage requirements. Under these new going concern requirements, Credit Suisse would need to fulfill a 14.3% Tier 1 capital ratio with a minimum CET1 component of 10% and a minimum Swiss leverage ratio of 5%, of which the minimum CET1 component is 3.5%, by end-2019. The new requirements are expected to become effective on July 1, 2016, subject to phase-in.

The continued tightening of regulatory requirements for banks is likely to remain a dominant topic. Although the new rules announced by the Swiss Federal Council are yet to be finalized, we believe that the completion of our capital increase in December 2015 and our success in improving our leverage exposure will enable us to meet these requirements on a look-through basis ahead of the 2019 deadline. We also aim to further strengthen our capital base through operating profitably and focusing on maximizing the free capital generation. We aim at maintaining a CET1 capital ratio of between 11-12% during 2016 and are targeting a CET1 capital ratio of approximately 13% and a Tier 1 leverage ratio between 5-6% with a CET1 component of 3.5-4.0% by end-2018. Over the next three years, through a disciplined capital allocation process, we intend to release capital from those parts of the Group that are being wound down in the Strategic Resolution Unit (SRU) and to fund further growth in our APAC and IWM divisions.

2015 Results

Against the challenging backdrop of 2015, we reported a net loss attributable to shareholders of CHF 2.9 billion and a pre-tax loss of CHF 2.4 billion. Our results for the full year 2015 were mainly affected by a significant goodwill impairment charge of CHF 3.8 billion that we recognized primarily in respect of the acquisition of Donaldson, Lufkin & Jenrette in 2000. In addition, restructuring costs of CHF 355 million were taken in 4Q15 across all the divisions in connection with the implementation of our new strategy and our results were further impacted by charges relating to significant litigation items and a pre-tax loss in the SRU as we wind down businesses that no longer fit with our strategic direction. The losses we incurred, especially during the fourth quarter, the impact of the losses on our capital position, as well as the goodwill write-down, in combination with the challenging market conditions, have led to negative reactions by market participants.

Beyond these issues, as we move ahead with the implementation of our strategy and work towards our 2018 targets, we consider it important to measure the progress made in terms of our underlying business performance. Between now and 2018, the bank's restructuring will make the analysis of our performance more complex. Hence, we are focusing on adjusted Core results, which are measured excluding SRU activities, goodwill impairment, restructuring expenses, real estate transactions, deconsolidation, business sales, significant litigation expenses and the impact from fair value of own debt. Until 2018, we plan to report on this same adjusted basis at Group, Core and business level, as we believe that this will allow investors to most effectively monitor our progress on the implementation of our new strategy, given the material restructuring charges and other one-off items we expect to be borne in the interim period.

Our adjusted results reflect a positive start in the implementation of the new strategy and contained some encouraging trends despite volatile market conditions in 4Q15. The Group delivered adjusted* Core pre-tax income of CHF 4.2 billion for 2015 and the underlying performance of our three newly created geographic divisions – Swiss UB, IWM and APAC – highlights the long-term attractiveness of the opportunities that exist for wealth managers.

The performance of the APAC division in particular highlighted the growth potential in the region and our strong market position: at over CHF 1.1 billion, APAC delivered the highest full-year adjusted* pre-tax income in five years and generated CHF 17.8 billion of net new assets. The Swiss Universal Bank increased its 2015 adjusted* pre-tax income by 4% to CHF 1.6 billion and is on track for a partial IPO (20-30%) planned by year-end 2017, market conditions permitting[1]. IWM's Private Banking business grew its 2015 adjusted* pre-tax income by 6% to CHF 0.8 billion.

Net new asset generation was particularly strong in APAC and Swiss UB, which generated CHF 17.8 billion and CHF 13.8 billion of net new assets, respectively, in 2015. Additionally, we increased mandates penetration from 15% to 26% in Swiss UB and from 23% to 30% in IWM.

Our full year performance, particularly in the geographic divisions, was obscured to a degree by poorer results during the fourth quarter, particularly from our investment banking divisions. We have continued to rebalance our investment banking businesses and to rebuild our IBCM division through targeted investments and by shifting activity towards advisory, equity underwriting and investment grade corporates in order to reduce the volatility of our earnings in this attractive, capital-light activity. In the GM division, our full-year performance was additionally adversely impacted by certain legacy inventory positions, which had to be written down as a result of the low liquidity and poor market conditions in the fourth quarter of 2015. While these positions have already been reduced aggressively since we announced the new strategy, we believe that it will be essential for us to continue to restructure our GM activities to lower our risk profile. We will maintain our focus on lowering the fixed-cost base of all our businesses.

Changes to the Executive Board

The refocusing of the Group and its structural reorganization necessitated changes to the leadership structure, resulting in a new composition of the executive team, which was further enriched by six new members in order to drive forward the new business units and the central functions: Pierre-Olivier Bouée, Peter Goerke, Thomas Gottstein, Iqbal Khan, Helman Sitohang and Lara Warner. In October 2015, Gaël de Boissard, Hans-Ulrich Meister, Robert Shafir and Pamela Thomas-Graham stepped down from the Executive Board, and we thank them for their considerable contributions to our bank's progress over the years.

Positioned for Growth

Given the persisting challenges in the operating environment for banks, we have taken decisive measures to further accelerate the implementation of our strategy by increasing the pace with which our GM division will be right-sized in order to substantially lower our cost base and break-even point and thus decrease the volatility of our earnings going forward. With these changes in place, we are confident that with our strategy, our regionally and client-focused structure and our new management team, we are positioned to deliver over time compliant, well-controlled and profitable growth and returns for our shareholders. Thanks to our clients' and shareholders' continued trust in Credit Suisse, as well as our employees' dedication, we will continue to remain focused on deploying all our capabilities and expertise to best service our clients. We will implement our strategy with determination and are confident to deliver on the targets we have set for end-2018.

Best regards

Urs Rohner	Tidjane Thiam
Chairman of the Board of Directors	Chief Executive Officer

March 2016

* Adjusted results are non-GAAP financial measures. For a reconciliation of the adjusted results to the most directly comparable US GAAP measures, see the "Reconciliation of adjusted results" part of this letter.

[1] Any such IPO would involve the sale of a minority stake and would be subject to, among other things, all necessary approvals and would be intended to generate / raise additional capital for Credit Suisse AG or Credit Suisse (Schweiz) AG.

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Reconciliation of adjusted results

Adjusted results are non-GAAP financial measures that exclude goodwill impairment and certain other items included in our reported results. Management believes that adjusted results provide a useful presentation of our operating results for purposes of assessing our Group and divisional performance over time, on a basis that excludes items that management does not consider representative of our underlying performance. Provided below is a reconciliation of our adjusted results to the most directly comparable US GAAP measures.