Attachment VIII.A.8.c.-5

FitchRatings

Credit Suisse AG

Financial Institutions
Bank Ratings Navigator

Bank Ratings Navigator

Date:	**30-Apr-14**

Sector Details:

Sector:	Universal Commercial
Region:	DM Europe
Country:	Switzerland
Country IDR:	AAA stable
Last IDR Action:	Affirmed
Last Action Date:	15-Nov-13
Country Ceiling:	AAA
Country MPI:	2
Country BSI:	a

Ratings History

Date	Viability Rating	Action
26-Mar-14	a	Affirmed
26-Mar-14	a	Affirmed
16-May-13	a	Affirmed

Date	Support Floor	Action
26-Mar-14	A	Affirmed
26-Mar-14	A	Affirmed
16-May-13	A	Affirmed

Date	IDR	Alert	Action
26-Mar-14	A	stable	Affirmed
26-Mar-14	A	stable	Affirmed
16-May-13	A	stable	Affirmed

Bar Chart Legend:

Vertical bars = VR range of Rating Factor

Bar Colors = Influence on final VR

- Higher Influence
- Moderate Influence
- Lower Influence

Bar Arrows = Rating Factor Outlook

⇧	Positive	⇩	Negative
⇳	Evolving	☐	Stable

Peer Ratings bars = Count of banks

47	DM Europe Universal Commercial
2	Switzerland Universal Commercial

Relevant Criteria & References

- [Global Financial Institutions Rating Criteria]
- [Securities Firms Criteria]
- [Assessing and Rating Bank Subordinated and Hybrid Securities Criteria]
- [Rating FI Subsidiaries and Holding Companies]

Scale	Viability Rating	Support Rating Floor	Issuer Default Rating
aaa	aaa	AAA	AAA
aa+	aa+	AA+	AA+
aa	aa	AA	AA
aa-	aa-	AA-	AA-
a+	a+	A+	A+
a	a	A	A stable
a-	a-	A-	A-
bbb+	bbb+	BBB+	BBB+
bbb	bbb	BBB	BBB
bbb-	bbb-	BBB-	BBB-
bb+	bb+	BB+	BB+
bb	bb	BB	BB
bb-	bb-	BB-	BB-
b+	b+	B+	B+
b	b	B	B
b-	b-	B-	B-
ccc	ccc	CCC	CCC
cc	cc	CC	CC
c	c	C	C
f	f	NF	D or RD

Support Rating Floor

	Value
Typical D-SIFI SRF for country's rating level (assuming high propensity)	A+ to A-
Actual country D-SIFI SRF	A
Bank Support Rating Floor:	**A**

Support Factors

Support Factors	Positive	Neutral	Negative
Sovereign Ability to Support System			
Size of Banking System			✓
Size of Potential Problem	✓		
Structure of Banking System			✓
Liability Structure of Banking System		✓	
Sovereign Financial Flexibility		✓	
Sovereign Propensity to Support System			
Track Record of Banking Sector Support		✓	
Resolution Legislation			✓
Government Statements of Support			✓
Sovereign Propensity to Support Bank			
Systemic Importance		✓	
Ownership		✓	
Liability Structure of Bank		✓	
Specifics of Bank Failure		✓	
Policy Banks			
Policy Role			
Funding Guarantees and Legal Status			
Government Ownership			

Drivers & Sensitivities

Large Investment Banking Operations	Investment banking remains Credit Suisse's main risk centre, and the bank's business model will continue to rely on securities businesses, which means that an upgrade of the VR is unlikely in the medium term.
Sound risk controls	Fitch considers the bank's risk controls sound, which underpins Credit Suisse's VR. The bank has a good track record in managing risks in its business units. A material increase in risk appetite could result in pressure on the bank's VR.
Good-quality domestic loan book	Fitch expects the bank's domestic loan book to prove resilient in a downturn as underwriting standards have remained sound, but a sharp deterioration in the Swiss loan book's asset quality could put pressure on its VR.
Capitalisation within peer group range	Credit Suisse's capital ratios based on risk-weighted assets compare well within the peer group. Leverage remains somewhat weaker than US peers'. Capitalisation is underpinned by the sizeable amount of hybrid capital instruments issued.
Further Performance Improvement Expected	Fitch expects the bank to improve its performance as it reaches its cost reduction targets and continues the reduction of non-strategic assets.
Earnings Volatility Key	Credit Suisse's VR would come under pressure if earnings in the investment bank, where fixed income businesses are now concentrated on credit, proved highly volatile in a difficult market environment.
Sound Funding and Liquidity	Funding and liquidity benefit from a large customer deposit base. Credit Suisse has reduced its wholesale funding needs as it has reduced its balance sheet, but its repo and securities lending activities remain large.

Analysts

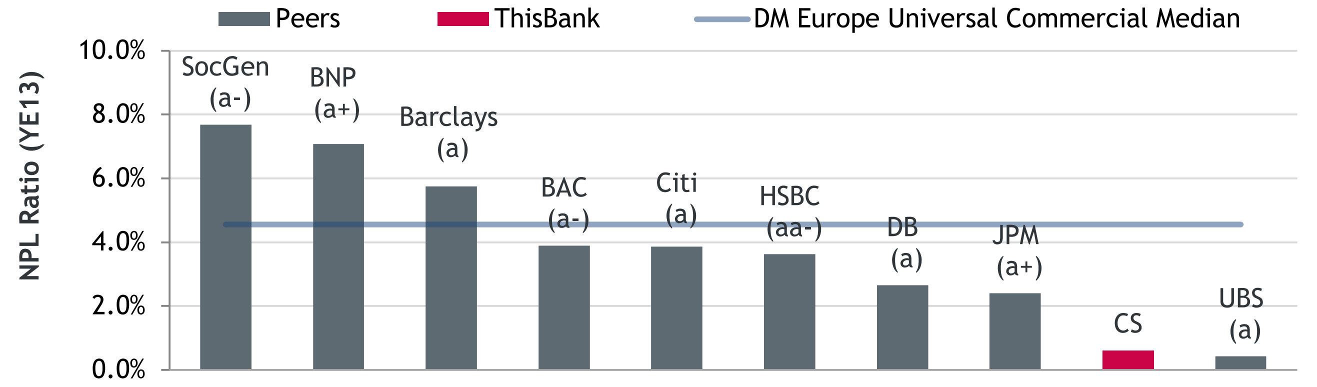
1st	Christian Scarafia	christian.scarafia@fitchratings.com	+44 20 3530 1012
2nd	Christian Kuendig	christian.kuendig@fitchratings.com	+44 20 3530 1399

FitchRatings

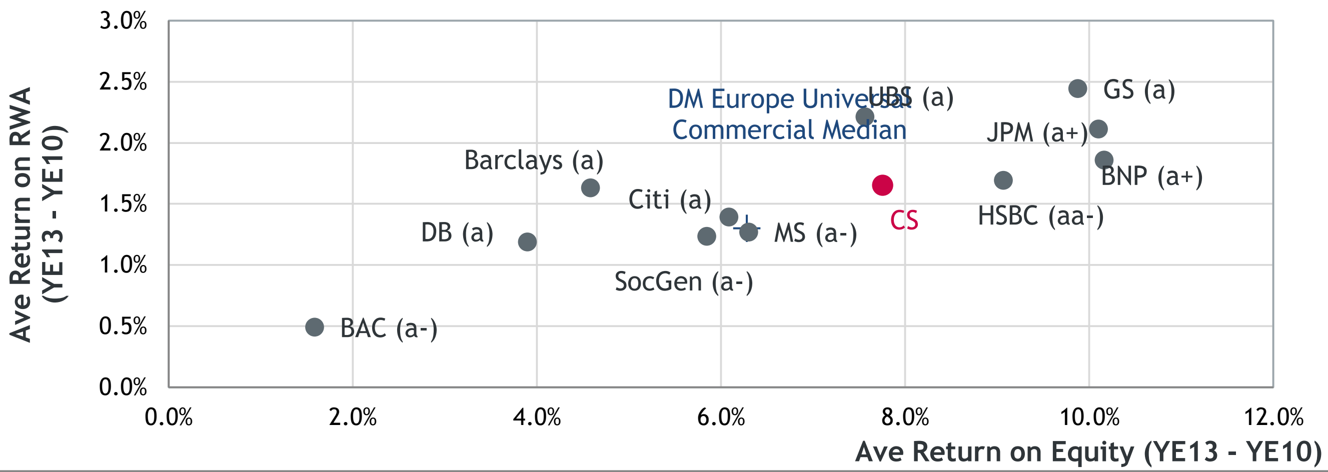
Credit Suisse AG

Key Financial Ratios (28-Apr-14)	This Bank				Direct Peers Median				Region Sector Median			
# Banks:					12	12	12	12				
Statement:	ank (Ov	YE12	YE11	YE10	YE13	YE12	YE11	YE10	YE13	YE12	YE11	YE10
Size (USDbn)												
Total Assets	979	1,008	1,115	1,098	1,991	2,037	2,001	2,016	596	467	482	499
Risk Weighted Assets (incl. Basel floor/cap)	307	319	224	233	510	526	549	543	260	164	162	166
Total Equity	51	43	43	45	85	78	81	78	37	29	25	25
Fitch Core Capital (FCC)	37	26	21	14	73	66	64	61	27	22	20	15
Asset Quality												
Growth of Gross Loans	2.0%	16.4%	7.1%	-20.4%	1.4%	1.3%	0.1%	6.2%	-2.9%	1.2%	1.0%	2.4%
Impaired Loans/ Gross Loans	0.6%	0.7%	0.7%	0.9%	3.7%	4.4%	4.6%	4.6%	4.6%	4.4%	4.4%	4.5%
Reserves for Impaired Loans/ Impaired Loans	58.4%	53.3%	58.9%	59.1%	57.2%	51.1%	59.7%	61.2%	58.1%	55.5%	58.7%	56.7%
Impaired Loans less Reserves for Imp Loans/ Fitch C	1.9%	3.3%	3.2%	5.2%	13.4%	16.4%	13.2%	11.3%	20.3%	19.0%	23.5%	20.8%
Loan Impairment Charges/ Average Gross Loans	0.1%	0.1%	0.1%	-0.0%	0.6%	0.7%	0.8%	1.1%	0.5%	0.5%	0.5%	0.7%
Earnings & Profitability												
Net Interest Income/ Average Earning Assets	1.1%	0.9%	0.8%	0.8%	1.0%	1.0%	1.1%	1.1%	1.3%	1.3%	1.4%	1.4%
Non-Interest Expense/ Gross Revenues	83.1%	89.8%	90.0%	76.1%	71.6%	67.3%	73.8%	65.7%	65.3%	63.2%	62.9%	60.7%
Loans and securities impairment charges/ Pre-impair	3.9%	7.2%	7.7%	-1.1%	25.0%	28.9%	38.3%	41.5%	33.0%	32.6%	42.7%	34.9%
Operating Profit/ Average Total Assets	0.5%	0.2%	0.2%	0.7%	0.5%	0.5%	0.4%	0.6%	0.4%	0.4%	0.3%	0.5%
Operating Profit / Risk Weighted Assets	1.5%	0.8%	1.1%	3.3%	1.5%	1.5%	1.4%	1.8%	1.5%	1.2%	1.1%	1.5%
Net Income/ Average Total Equity	6.7%	4.3%	6.8%	13.3%	6.4%	3.4%	7.1%	10.2%	6.1%	4.2%	5.6%	9.3%
Capital & Leverage												
Fitch Core Capital/Weighted Risks	11.9%	8.3%	9.5%	6.1%	12.5%	11.2%	9.3%	9.3%	12.1%	11.0%	9.3%	9.2%
Fitch Eligible Capital/ Weighted Risks	15.2%	10.3%	10.0%	6.1%	12.9%	11.7%	9.6%	9.3%	12.3%	11.4%	9.0%	9.0%
Tangible Common Equity/ Tangible Assets	3.7%	2.6%	2.7%	2.7%	4.7%	4.4%	3.9%	3.7%	4.7%	4.2%	4.4%	4.5%
Core Tier 1 Regulatory Capital Ratio	16.2%	15.0%	12.9%	12.7%	12.8%	12.1%	10.6%	10.4%	12.7%	11.4%	10.4%	10.1%
Internal Capital Generation	5.3%	1.0%	6.4%	10.5%	4.6%	1.1%	6.3%	7.8%	3.8%	2.7%	3.2%	5.4%
Funding & Liquidity												
Loans/ Customer Deposits	74.4%	78.9%	66.7%	67.8%	74.0%	75.1%	76.4%	79.4%	112.6%	121.1%	122.4%	128.6%
Interbank Assets/ Interbank Liabilities	6.6%	6.3%	68.9%	70.1%	73.5%	49.3%	61.2%	57.6%	72.3%	65.5%	69.5%	71.1%
Customer Deposits/ Total Funding excl Derivatives	50.1%	42.4%	38.5%	35.8%	59.3%	50.1%	44.0%	47.7%	59.8%	56.9%	55.8%	54.9%

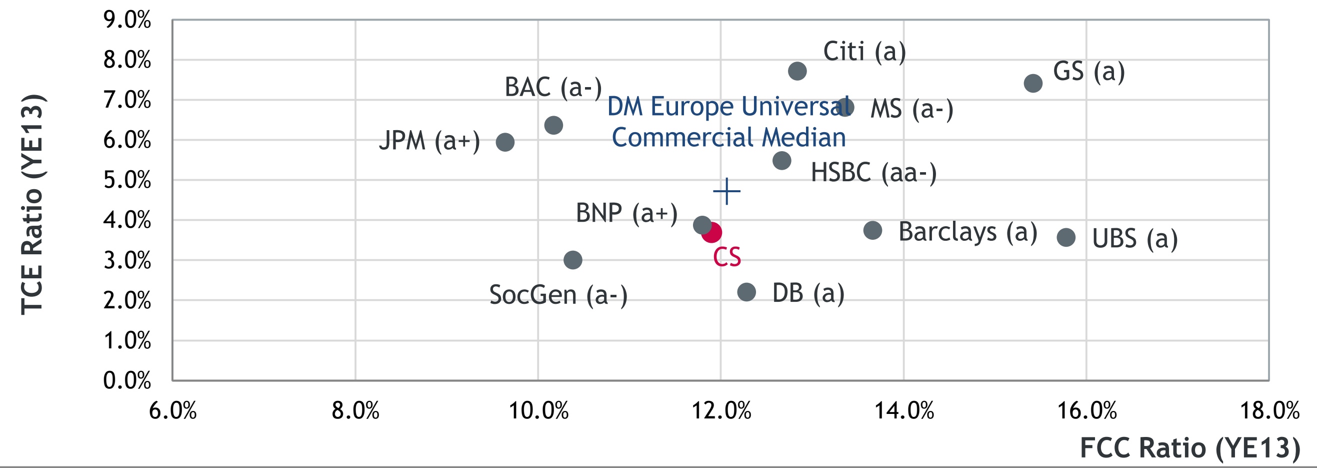
Asset Quality



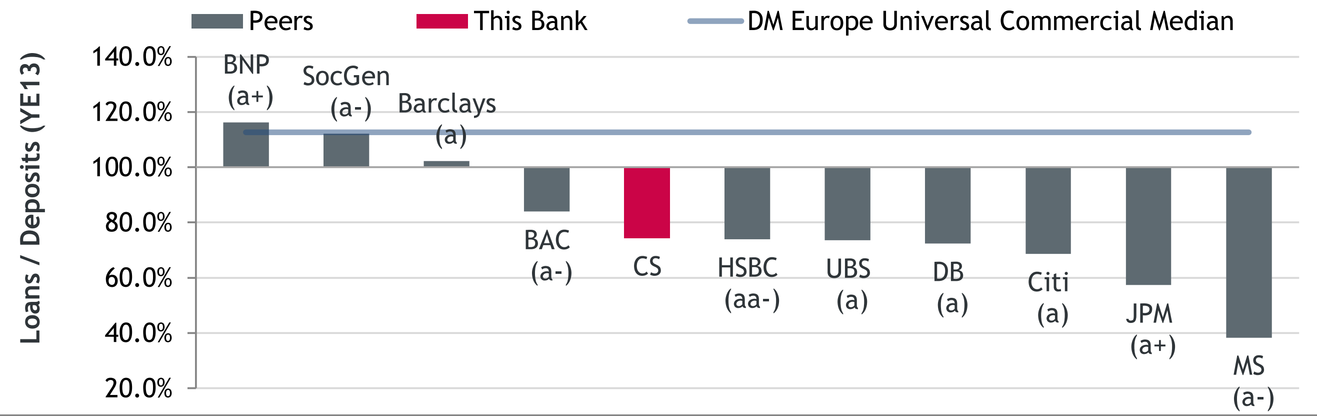
Earnings & Profitability



Capital & Leverage



Funding & Liquidity

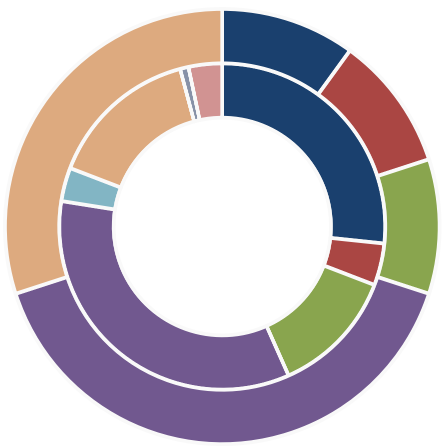


Business Mix

(by Profit or Revenue to nearest 10%)

Inner: Direct Peers Average
Outer: This Bank

- Retail banking (10%)
- SME banking (10%)
- Corporate banking (10%)
- Investment banking (40%)
- Transaction banking (0%)
- Asset Management (30%)
- Insurance (0%)
- Other (0%)

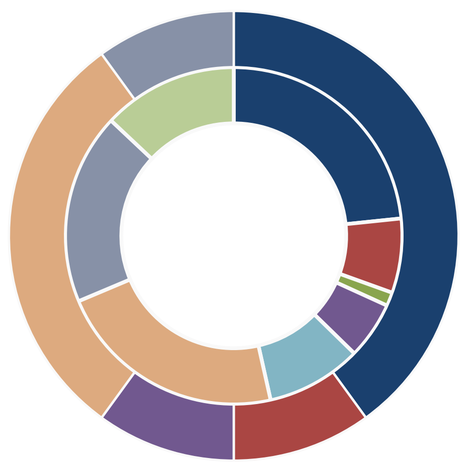


Lending Type

(by Loans to nearest 10%)

Inner: Direct Peers Average
Outer: This Bank

- Resi Mortgages (40%)
- Comm Mortgages (10%)
- Asset Finance (0%)
- Other secured (10%)
- Personal unsecured (0%)
- Comm Unsecured (30%)
- FIs & Sovs (10%)
- High yield (0%)
- Other Unsecured (0%)



The ratings above were solicited by, or on behalf of, the issuer, and therefore,
Fitch has been compensated for the provision of the ratings.

Company Report

CREDIT SUISSE GROUP AG

Paradeplatz 8
Zurich, 8070
Switzerland

www.credit-suisse.com

41-44-333-1111

Generated 06/13/2014

Table of Contents

Company Overview

DESCRIPTION

Credit Suisse Group AG is an international financial services group. The Group provides investment banking, private banking, and asset management services to customers located around the world.

QUICK-PROFILE

Country of Incorporation	Switzerland
State of Incorporation	N.A.
Fiscal Year End	December
Website	www.credit-suisse.com
Employees	45,600
Transfer Agent	N.A.
Auditor	KPMG AG
Primary Exchange	SIX Swiss Ex
Sector	Financial
Industry Group	Banks
Industry Sub-Group	Diversified Banking Inst
SIC Code	6282
SIC Name	INVEST ADVICE
Equity Float	1,449.95 Million
Institutional Ownership	872.9MLN
Phone	41-44-333-1111
Last Closing Price	27.38 CHF 06/12/14
Market Capitalization	43,175.03 Million CHF
52-Week High	29.749 CHF 10/22/13
52-Week Low	23.641 CHF 06/24/13
Shares Outstanding	1,596 Million shares
Last Dividend	0.70
Cash Flow from Operations	22,074.00 Million Swiss Franc
Cash and Near Cash Items	68,692.00 Million Swiss Franc

Issuer Credit Ratings

Up to last 3 ratings shown.

STANDARD & POOR'S

Outlook

Rating	CreditWatch	Effective	Indicator
NEG	—	04/29/14	DOWN

LT Foreign Issuer Credit

Rating	CreditWatch	Effective	Indicator
A-	—	07/02/13	DOWN
A	—	12/19/08	DOWN
A+	*- (Ratings with negative implications)	12/04/08	DOWN

LT Local Issuer Credit

Rating	CreditWatch	Effective	Indicator
A-	—	07/02/13	DOWN
A	—	12/19/08	DOWN
A+	*- (Ratings with negative implications)	12/04/08	DOWN

ST Foreign Issuer Credit

Rating	CreditWatch	Effective	Indicator
NR	—	07/27/12	DOWN
A-1	—	05/10/02	DOWN
A-1+	—	12/20/96	NEUTRAL

ST Local Issuer Credit

Rating	CreditWatch	Effective	Indicator
NR	—	07/27/12	DOWN
A-1	—	05/10/02	DOWN
A-1+	—	12/20/96	NEUTRAL

MOODY'S

Outlook

Rating	CreditWatch	Effective	Indicator
NEG	—	05/20/14	NEUTRAL

Long Term Rating

Rating	CreditWatch	Effective	Indicator
(P)A2	—	06/21/12	NEUTRAL

Senior Unsecured Debt

Rating	CreditWatch	Effective	Indicator
(P)A2	—	06/21/12	DOWN

Rating	CreditWatch	Effective	Indicator
(P)Aa2	*- (Ratings with negative implications)	11/14/11	DOWN
(P)Aa2	—	08/27/10	NEUTRAL

Subordinated Debt

Rating	CreditWatch	Effective	Indicator
(P)Baa3	—	06/21/12	DOWN
(P)Aa3	*- (Ratings with negative implications)	11/14/11	DOWN
(P)Aa3	—	08/27/10	NEUTRAL

JR Subordinated Debt

Rating	CreditWatch	Effective	Indicator
(P)Ba1	—	06/21/12	DOWN
(P)A2	*- (Ratings with negative implications)	11/14/11	DOWN
(P)A2	—	08/27/10	NEUTRAL

Short Term

Rating	CreditWatch	Effective	Indicator
WR	—	07/25/12	DOWN
(P)P-1	—	08/27/10	NEUTRAL
P-1	—	06/23/06	NEUTRAL

FITCH

Outlook

Rating	CreditWatch	Effective	Indicator
STABLE	—	12/15/11	NEUTRAL

LT Issuer Default Rating

Rating	CreditWatch	Effective	Indicator
A	—	12/15/11	DOWN
AA-	*- (Ratings with negative implications)	10/13/11	DOWN
AA-	—	07/28/09	UP

Senior Unsecured Debt

Rating	CreditWatch	Effective	Indicator
A	—	12/15/11	DOWN
AA-	*- (Ratings with negative implications)	10/13/11	DOWN
AA-	—	07/28/09	UP

Subordinated Debt

Rating	CreditWatch	Effective	Indicator
A-	—	12/15/11	DOWN

Rating	CreditWatch	Effective	Indicator
A+	*- (Ratings with negative implications)	10/13/11	DOWN
A+	—	07/28/09	UP

Preferred Stock

Rating	CreditWatch	Effective	Indicator
BBB	—	03/08/12	DOWN
BBB+	*- (Ratings with negative implications)	12/15/11	DOWN
A	*- (Ratings with negative implications)	10/13/11	DOWN

Short Term

Rating	CreditWatch	Effective	Indicator
F1	—	12/15/11	DOWN
F1+	*- (Ratings with negative implications)	10/13/11	DOWN
F1+	—	08/01/88	NEUTRAL

ST Issuer Default Rating

Rating	CreditWatch	Effective	Indicator
F1	—	12/15/11	DOWN
F1+	*- (Ratings with negative implications)	10/13/11	DOWN
F1+	—	03/29/93	NEUTRAL

Individual Rating

Rating	CreditWatch	Effective	Indicator
WD	—	01/25/12	DOWN
B/C	—	12/15/11	DOWN
B	*- (Ratings with negative implications)	10/13/11	DOWN

Support Rating

Rating	CreditWatch	Effective	Indicator
5	—	10/05/04	NEUTRAL

Viability

Rating	CreditWatch	Effective	Indicator
a	—	12/15/11	DOWN
aa-	*- (Ratings with negative implications)	10/13/11	DOWN
aa-	—	07/20/11	NEUTRAL

MOODY'S INVESTORS SERVICE

Rating Action: Moody's Affirms Credit Suisse (Senior at A1), Changes Outlook to Negative

Global Credit Research - 20 May 2014

New York, May 20, 2014 -- Moody's Investors Service, ("Moody's") has today affirmed the ratings of Credit Suisse AG (deposits and senior debt at A1/Prime-1) and affiliates, including parent company Credit Suisse Group AG (senior debt at (P)A2), and has changed the ratings outlook to negative from stable.

RATINGS RATIONALE

The rating action follows the bank's settlement of charges of tax evasion with the US Department of Justice. As a part of the settlement, the bank is paying a total of $2.8 billion (CHF 2.5 billion) in fines, penalties and tax restitution to various US government agencies and has pled guilty to a criminal charge. The rating agency said the negative outlook reflects the risks to the bank's creditors stemming from the negative impact of the settlement on the bank's capital position as well as the potential for client defections and lost revenues resulting from the criminal plea.

The settlement will require the bank to take a CHF 1.6 billion after-tax charge during the current quarter. On a pro forma basis this will cause the bank's 31 March 2014 fully applied Swiss Basel III Common Equity Tier 1 (CET1) ratio to decline to 9.3% from 9.9%. The bank's fully applied Basel III Tier 1 leverage ratio will also decline, to an estimated 3.0% on a pro forma basis from 3.2%. As a result, the bank will be at the low end of its peer group of large global investment banks on both of these capital measures.

The bank has announced plans to lower its risk-weighted assets and enhance its capital through asset sales in order to increase its CET1 ratio to at least 10% by year-end 2014 before the inclusion of any retained earnings. However, this still could leave the bank's capital ratios weaker than at most of its peers, especially since the bank still intends to return approximately half of its annual earnings to shareholders.

Moody's had previously noted that a deterioration in the trajectory of the bank's capital position would put downward pressure on the ratings. The settlement delays the timing of any further improvement in the bank's capital ratios. A persistent gap to peers on its capital ratios would be credit negative for Credit Suisse since both the bank's baseline credit assessment of baa1 and its supported ratings are at the high end of its peer group, notwithstanding the fact that the bank relies more heavily on capital markets activities, which are characteristically volatile, compared to many of its peers.

The settlement also includes an agreement by Credit Suisse to plead guilty to conspiracy to aid and assist US taxpayers in filing false income tax returns, a criminal felony. The bank is not expected to lose any licenses or charters as a result of the criminal plea, and it has already exited the business which is the subject of the settlement. However, Moody's believes the plea could still have negative implications for the bank's franchise and future earnings, stemming mainly from the potential loss of clients. In response to the guilty plea, some clients could cease doing business with the bank, either voluntarily or because of internal policies or legal prohibitions which prevent them from doing business with a firm that has pled guilty to a criminal felony. A permanent loss of a material amount of client business would reduce the bank's profitability and its ability to generate capital internally -- weakening its shock absorbers that are a key pillar of its current rating and thus posing greater risk for the bank's bondholders.

The loss of institutional client business could also limit the bank's access to funding, especially its short-term wholesale funding. However, Credit Suisse has a strong liquidity position and a sizeable liquidity pool, the rating agency noted. As a result, Moody's believes the bank is unlikely to face challenges in meeting its funding or liquidity needs. Nonetheless, any reduction in funding flexibility would also be credit negative.

WHAT COULD MOVE THE RATINGS UP/DOWN

The ratings could decline if the rating agency were to conclude that Credit Suisse was likely to suffer significant customer defections as a result of the guilty plea, leading to a loss of revenues or franchise value, or if the bank was unlikely to be able to restore its capital ratios to a level that meets or exceeds those of its peers. The ratings could also decline if Moody's were to lower its assumption regarding the likelihood of support for the bank's senior creditors from the Swiss government in the event support was required to prevent a default.

Given the negative ratings outlook, there is currently no upward pressure on the bank's ratings. However, upward pressure could arise if Credit Suisse were to significantly reduce its earnings reliance on capital markets activities, while at the same time maintaining capital, liquidity, and risk management that were all unambiguously stronger than most peers.

The principal methodology used in these ratings was Global Banks published in May 2013. Please see the Credit Policy page on www.moodys.com for a copy of this methodology.

REGULATORY DISCLOSURES

For ratings issued on a program, series or category/class of debt, this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series or category/class of debt or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides certain regulatory disclosures in relation to the rating action on the support provider and in relation to each particular rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the ratings tab on the issuer/entity page for the respective issuer on www.moodys.com.

For any affected securities or rated entities receiving direct credit support from the primary entity(ies) of this rating action, and whose ratings may change as a result of this rating action, the associated regulatory disclosures will be those of the guarantor entity. Exceptions to this approach exist for the following disclosures, if applicable to jurisdiction: Ancillary Services, Disclosure to rated entity, Disclosure from rated entity.

Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

Please see www.moodys.com for any updates on changes to the lead rating analyst and to the Moody's legal entity that has issued the rating.

Please see the ratings tab on the issuer/entity page on www.moodys.com for additional regulatory disclosures for each credit rating.

David L Fanger
Senior Vice President
Financial Institutions Group
Moody's Investors Service, Inc.
250 Greenwich Street
New York, NY 10007
U.S.A.
JOURNALISTS: 212-553-0376
SUBSCRIBERS: 212-553-1653

Robert Franklyn Young
MD - Financial Institutions
Financial Institutions Group
JOURNALISTS: 212-553-0376
SUBSCRIBERS: 212-553-1653

Releasing Office:
Moody's Investors Service, Inc.
250 Greenwich Street
New York, NY 10007
U.S.A.
JOURNALISTS: 212-553-0376
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Credit Suisse Group AG

Ticker: **CSGN** Moody's Org ID: **446100** Previous Name: **CREDIT SUISSE GROUP**

Long Term Rating **(P)A2, Not on Watch**
Outlook **Negative**
Other Debts on Watch?: No

Market Segment: **Financial Institutions**
Industry: **NON-U.S. BANK HOLDING CO.**
Domicile: **SWITZERLAND**

Analyst | Market Signals

Analyst: **David Fanger**

Research | **Ratings** | Family Tree | Market Signals

Rating Class Detail | Debt List | Issuer Outlook

Export Results:6

Class	Rating	Date	Action	Watch Status
Senior Unsecured (Foreign)	NR	28 Aug 2013	DECISION NOT TO RATE	Not on Watch
Senior Unsecured MTN (Foreign)	(P)A2	20 May 2014	RATING AFFIRMATION	Not on Watch
Subordinate MTN (Foreign)	(P)Baa3	20 May 2014	RATING AFFIRMATION	Not on Watch
Junior Subordinate MTN (Foreign)	(P)Ba1	20 May 2014	RATING AFFIRMATION	Not on Watch
Senior Unsec. Shelf (Foreign)	(P)A2	20 May 2014	RATING AFFIRMATION	Not on Watch
Subordinate Shelf (Foreign)	(P)Baa3	20 May 2014	RATING AFFIRMATION	Not on Watch

Rating Class History: Senior Unsecured (Foreign)

Rating History

Graph is not available

Export Results: 1

Date	Currency	Rating	Action
28 Aug 2013	foreign	NR	DECISION NOT TO RATE

[1] This date does not capture any Confirmations or Watch actions. Please refer to the rating history section for additional information.

For credit ratings that are derived exclusively from an existing credit rating of a program, series, category/class of debt, support provider or primary rated entity, or that replace a previously assigned provisional rating at the same rating level, Moody's publishes a rating announcement on that series, category/class of debt or program as a whole, on the support provider or primary rated entity, or on the provisional rating, but often does not publish a specific rating announcement on each subsequent bond or note for which the credit rating is derived from the existing credit rating. Rating announcements are usually press releases classified as Rating Actions on www.moodys.com. Please refer to the Research tab on the issuer/entity page for the rating announcement.

Credit Suisse Group AG (SWX:CSGN) > Fixed Income > S&P Credit Ratings

Rating Type	Rating	Regulatory Indentifier	Rating Date	Action	CreditWatch/Outlook	CreditWatch/Outlook Date
Issuer Credit Rating (Foreign Currency LT)	A-	EU	Jul-02-2013	CreditWatch/Outlook	Negative	Apr-29-2014
Issuer Credit Rating (Foreign Currency ST)	NR	-	Jul-27-2012	Not Rated	-	-
Issuer Credit Rating (Local Currency LT)	A-	EU	Jul-02-2013	CreditWatch/Outlook	Negative	Apr-29-2014
Issuer Credit Rating (Local Currency ST)	NR	-	Jul-27-2012	Not Rated	-	-

MOODY'S
INVESTORS SERVICE

Credit Opinion: Credit Suisse Group AG

Global Credit Research - 30 Dec 2013

Zurich, Switzerland

Ratings

Category	**Moody's Rating**
Outlook	Stable
Senior Unsecured MTN	(P)A2
Subordinate MTN	(P)Baa3
Jr Subordinate MTN	(P)Ba1
Credit Suisse AG	
Outlook	Stable
Bank Deposits	A1/P-1
Bank Financial Strength	C-
Baseline Credit Assessment	baa1
Adjusted Baseline Credit Assessment	baa1
Issuer Rating	A1
Senior Unsecured	A1
Subordinate -Dom Curr	Baa2
Jr Subordinate MTN	(P)Baa3
Pref. Stock	(P)Ba1 (hyb)
Pref. Stock Non-cumulative	Ba1 (hyb)
Commercial Paper	P-1
Other Short Term	(P)P-1

Contacts

Analyst	**Phone**
David Fanger/New York City	1.212.553.1653
Alessandro Roccati/London	44.20.7772.5454
Robert Young/New York City	1.212.553.1653
Mario Mico/London	44.20.7772.5454

Key Indicators

Credit Suisse Group AG (Consolidated Financials)[1]

	[2]**9-13**	[3]**12-12**	[3]**12-11**	[4]**12-10**	[4]**12-09**	**Avg.**
Total Assets (CHF million)	**895,169.0**	**924,280.0**	**1,049,165.0**	**1,032,005.0**	**1,031,427.0**	[5]**-3.5**
Total Assets (EUR million)	**731,321.1**	**765,899.8**	**864,296.1**	**825,305.1**	**695,423.8**	[5]**1.3**
Total Assets (USD million)	**989,957.4**	**1,009,755.8**	**1,121,981.6**	**1,107,182.7**	**997,752.8**	[5]**-0.2**
Tangible Common Equity (CHF million)	**41,370.0**	**34,285.4**	**29,485.0**	**30,035.9**	**30,634.7**	[5]**7.8**
Tangible Common Equity (EUR million)	**33,797.8**	**28,410.4**	**24,289.6**	**24,020.0**	**20,655.0**	[5]**13.1**
Tangible Common Equity (USD million)	**45,750.6**	**37,456.0**	**31,531.4**	**32,223.9**	**29,634.5**	[5]**11.5**
Net Interest Margin (%)	**1.2**	**0.9**	**0.8**	**0.8**	**0.8**	[6]**0.9**
PPI / Average RWA (%)	**2.8**	**2.0**	**1.0**	**3.2**	**5.0**	[7]**2.8**
Net Income / Average RWA (%)	**1.7**	**1.6**	**0.6**	**2.5**	**3.4**	[7]**2.0**
(Market Funds - Liquid Assets) / Total Assets (%)	**-13.9**	**-10.1**	**-9.9**	**-8.6**	**-7.7**	[6]**-10.0**
Core Deposits / Average Gross Loans (%)	**133.1**	**129.1**	**139.2**	**126.0**	**119.1**	[6]**129.3**
Tier 1 Ratio (%)	**17.0**	**19.4**	**15.2**	**15.9**	**14.5**	[7]**16.4**
Tangible Common Equity / RWA (%)	**15.5**	**15.3**	**12.2**	**13.7**	**12.3**	[7]**13.8**
Cost / Income Ratio (%)	**70.1**	**79.5**	**88.9**	**73.2**	**59.5**	[6]**74.2**
Problem Loans / Gross Loans (%)	**0.6**	**0.7**	**0.7**	**0.8**	**1.0**	[6]**0.8**

Problem Loans / (Equity + Loan Loss Reserves) (%)	**3.0**	**3.9**	**4.4**	**4.7**	**5.5**	[6]**4.3**

Source: Moody's

[1] All figures and ratios are adjusted using Moody's standard adjustments [2] Swiss Capital Requirements/Basel III; US GAAP [3] FINMA Basel II.5; US GAAP [4] Basel II; US GAAP [5] Compound Annual Growth Rate based on US GAAP reporting periods [6] US GAAP reporting periods have been used for average calculation [7] FINMA Basel II/II.5 and US GAAP reporting periods have been used for average calculation

Opinion

SUMMARY RATING RATIONALE

Credit Suisse Group AG is the parent bank holding company of Credit Suisse AG, a systemically important Swiss-based bank with sizeable international operations. The bank is rated A1/P-1 for deposits and senior debt, while the holding company's senior unsecured MTN program is rated (P)A2. The holding company is rated one notch below the senior rating of Credit Suisse AG to reflect the structural subordination inherent in holding company obligations. The bank financial strength rating (BFSR) of Credit Suisse, which reflects the stand-alone baseline credit assessment of the bank, is currently C-, mapping to a baa1 equivalent on Moody's long-term scale.

Credit Suisse's baseline credit assessment of baa1 reflects the risks posed to creditors by the firm's significant exposure to capital market activities, offset by the lower risk profile and more stable earnings derived from its large global wealth management franchise and well-positioned domestic Swiss banking franchise, the bank's pro-active approach to risk management, and the bank's sound liquidity management. The assessment also reflects Credit Suisse's regulatory risk-based capital position, which, consistent with our expectations, has improved significantly over the past year and is now above the median of its peers. This is somewhat offset by the firm's still relatively high leverage, although we expect that this position will also improve. Finally, the bank's stand-alone credit assessment also incorporates Switzerland's "safe haven" status which we believe has helped to insulate Credit Suisse from market instability and the more volatile funding environment elsewhere in Europe.

The bank's deposit and senior debt ratings benefit from three notches of uplift from the stand-alone credit assessment, reflecting our assumptions about the likelihood of support from the Swiss government for senior creditors in the event such support was required to prevent a default.

Rating Outlook

The outlook on all ratings is stable. Notwithstanding profit pressures stemming from the challenging macroeconomic and regulatory environment, we believe the ratings are well positioned, reflecting the firm's strengths as well as the cyclical nature of its business.

Rating Drivers

- Large global capital markets intermediary with a significant level of wholesale funding, a more volatile earnings profile, and a confidence-sensitive customer base.

- Large global wealth management franchise and well positioned domestic retail and commercial banking franchise generate a stable stream of earnings, mitigating to some extent the volatility of the capital markets business.

- Good risk management, with a highly proactive approach to risk taking, risk limits and controls.

- Sound liquidity position and conservative liquidity management, although an extended period without access to wholesale funding would nonetheless mandate significant balance sheet shrinkage that could impair franchise value and earnings.

- Improved capital ratios, albeit still high balance sheet leverage.

- Switzerland's "safe haven" status has helped to insulate Credit Suisse from market instability and the more volatile funding environment elsewhere in Europe.

- Improving profitability although still under pressure from regulatory changes and macroeconomic uncertainty.

What Could Change the Rating - Up

Given the bank's high ratings compared with most of its global capital markets peers, we do not expect significant upward pressure on the bank's ratings absent a significant and sustainable reduction in the bank's reliance on earnings from its global capital markets business (e.g. to less than 30% of total profits).

Upward pressure on the ratings could also arise if Credit Suisse were to have earnings from non-capital markets businesses, capital, liquidity, and risk management and controls that were all unambiguously stronger than most peers.

What Could Change the Rating - Down

Our C-/baa1 standalone credit assessment incorporates a degree of volatility stemming from Credit Suisse's large global investment bank. However, any indications of control or risk management failures, a marked increase in risk appetite, a significant decline in the Swiss economy or deterioration in the trajectory of the bank's capital or liquidity position would put downward pressure on the ratings.

A downgrade could also result from a reduction in our assumptions regarding the likelihood of support for senior creditors from the Swiss government in the event such support was required to prevent a default. We expect to closely monitor the changes the bank has proposed to redefine its legal entity structure as well as the implementation of the Swiss "too big to fail" legislation. We believe that in simplifying its structure, Credit Suisse may reduce one of the main obstacles to the resolvability of global and highly interconnected institutions like Credit Suisse. This could make an orderly resolution without government support more feasible, reducing the likelihood of systemic support for senior creditors in the future.

Recent Results

For a discussion of recent results, please see Moody's latest earnings commentary at http://www.moodys.com/credit-ratings/Credit-Suisse-Group-AG-credit-rating-446100?atagqt=001&viewtabid=0

DETAILED RATING CONSIDERATIONS

LARGE GLOBAL INVESTMENT BANKING ACTIVITIES CONSTRAIN CREDITWORTHINESS

In Moody's opinion, firms with sizeable global capital markets activities such as Credit Suisse pose risks for creditors. Adverse developments in such activities, whether systemic or idiosyncratic, can often lead to rapid deterioration in the creditworthiness of a firm. Negative credit attributes of global investment banks include the confidence sensitivity of customers and funding counterparties, substantial interconnectedness with other large capital markets intermediaries, a heavy reliance on wholesale funding, a high degree of opacity of risk taking, a high velocity of risk positions (including periodic large concentrated positions), and a more volatile earnings profile. While a more diversified business profile can provide some offset to these risks, rapidly changing capital markets risk positions may expose these firms to unexpected losses that can overwhelm the resources of even the largest, most diversified groups.

While Credit Suisse is more reliant on earnings from its capital markets activities than many of its large universal bank peers, the bank is nonetheless rated higher than most of its global capital markets peers. One key factor supporting the bank's ratings are the stronger (on a risk-adjusted basis) and more stable earnings generated by the bank's large global wealth management franchise (CHF 812.1 billion of assets under management as of 30 September 2013) and its well-positioned domestic retail and commercial banking franchise. Together, these businesses contribute roughly half of the bank's total earnings. Although the wealth management business is not immune to cyclical variables, Moody's believes that wealth management earnings are generally less volatile than earnings from the more traditional banking activities at many of Credit Suisse's universal bank peers because the wealth management business has more limited credit risk and greater geographic diversification.

Despite the buffers provided by its more stable businesses, Credit Suisse's earnings volatility was higher than the median of its global investment bank peers during the financial crisis. In response, Credit Suisse's investment bank has undergone a significant restructuring that is intended to reduce the level of earnings volatility going forward. In October 2013, Credit Suisse announced further efforts to restructure some of its businesses, most notably by restructuring its rates business within fixed income sales and trading, and by exiting a large number of smaller international markets within wealth management. The bank also announced it is forming a non-strategic unit within each of its two principal business segments to contain all businesses being runoff or restructured. In addition, Credit Suisse announced a long term target for Basel III risk-weighted assets (RWA) allocated to

Investment Banking of around 50% from its prior target of 57%. Investment Banking RWA currently account for 65% of groupwide RWA. We view these as positive further steps in the bank's efforts to achieve stronger and less volatile returns from less capital intensive businesses, and ultimately to achieve returns on capital that satisfy shareholders. Nonetheless, the execution risk around such changes poses risks for bondholders in the interim.

We believe that the firm's goal of stronger and less volatile returns has yet to be achieved. And with roughly half of its earnings coming from investment banking, we believe Credit Suisse may be challenged to step back from excessive risk taking when markets become more ebullient and its peers become more aggressive. We believe the high level of historical earnings volatility and the relative reliance on investment banking undermines any argument for a higher standalone credit assessment based on franchise value.

PRO-ACTIVE RISK MANAGEMENT A CRITICAL STRENGTH GIVEN OPPORTUNISTIC RISK APPETITE

Credit Suisse's pro-active approach to risk management is a critical strength supporting the bank's ratings. In Moody's view, the financial crisis significantly tested Credit Suisse's risk positioning. While some elements held up well, in other areas the bank's risk positioning was found wanting. The firm's large exposures in leveraged loans, residential real estate/RMBS and commercial real estate/CMBS, revealed a sizeable risk appetite, and the protection provided by hedges was by no means complete. This led to a greater level of earnings volatility than expected, exceeding that of many of the bank's global investment bank peers.

In the aftermath of the crisis Credit Suisse has implemented several programs to reduce risk positions and volatility in its investment banking business, often in advance of its peers. The bank has also adopted a more pro-active approach to risk management, reducing position limits, introducing more robust stress testing, enhanced risk monitoring, and exiting a number of more capital intensive trading and investment banking activities. Initially the bank also aggressively built out other, less capital intensive capital markets activities to offset the lost earnings. However, some of those efforts, most notably in commodities and foreign exchange, have been scaled back after meeting with only mixed success.

During 2013 the bank further refined its investment banking business in response to the increased capital requirements under Basel III. While these actions resulted in a significant reduction in Basel III risk-weighted assets in the Investment Bank (down 16% from September 2012 to September 2013) and the risk management average Value-at-Risk within the Investment Bank (down 31% from the 9 months September 2012 to the 9 months September 2013), total utilized economic capital allocated to the Investment Bank under the bank's economic capital framework was little changed over the same time period. We think the divergent signals sent by these various risk metrics highlights the importance of using a variety of risk metrics in assessing the riskiness of capital markets activities.

We believe Credit Suisse's risk management will be tested by the bank's plans to grow RWA in its wealth management business. While credit risk within this business segment has traditionally been relatively modest, the bank plans to accelerate loan growth, which could expose the bank to greater credit risk. In addition, the bank's exposure to Swiss mortgages is substantial, and we believe that portions of the Swiss real estate market are vulnerable to a correction which would likely increase credit costs for the bank. We view positively the fact that the bank has been willing to cede market share rather than compete more aggressively on underwriting; to the extent this were to change, it could put pressure on the ratings.

Prior to and during the financial crisis Credit Suisse experienced a number of significant control issues. In each case Credit Suisse discontinued the business and/or took steps to correct the problems and enhance its procedures to prevent practices of this type for occurring in the future. Nonetheless, the seriousness of these control issues remains a concern for Moody's. While the bank has already accrued significant litigation provisions (CHF 1.2 billion at year-end 2012 plus CHF 0.5 billion in net litigation provisions recorded during the first nine months of 2013), we believe it remains exposed to potential additional litigation-related charges stemming from past control failures. As of 30 September 2013 the bank estimated that its range of possible but not probable losses not covered by existing reserves for which an estimate is possible was between zero and CHF 2.2 billion.

HIGHER REGULATORY CAPITAL REQUIREMENTS BEING ADDRESSED BUT LEVERAGE REMAINS ELEVATED

While Credit Suisse has long reported strong risk-based regulatory capital ratios, until recently these ratios reflected relatively low risk weights on the bank's capital markets activities as well as a relatively sizeable reliance on hybrid capital securities qualifying as Tier 1 capital. The Swiss adoption of Basel 2.5 in 2011 and Basel III in 2013 significantly increased the risk weights on many capital markets-related exposures and also imposed restrictions on the use of hybrid capital. As a result, Credit Suisse is facing significantly higher capital requirements, although the stricter Basel III requirements are being phased in over six years.

During 2013 the bank made significant progress in improving its capital structure in response to the increased capital requirements. Much of the improvement was due to significant reductions in both the bank's Basel III "look-through" risk-weighted assets (down 15% from CHF 307 billion at September 2012 to CHF 261 billion at September 2013) and its total leverage exposure (down 16% from CHF 1,405 billion to CHF 1,184 billion over the same period). In addition Credit Suisse added capital through the retention of earnings, the exchange of existing non-qualifying subordinated debt and hybrid securities, the conversion of CHF 3.6 billion in mandatory and contingent convertible securities and the issuance of CHF 4.1 billion in low trigger capital notes with contractual principal write-down clauses.

These and other actions have resulted in a more than doubling of Credit Suisse's Basel III "look-through" common equity tier 1 (CET1) ratio in a little over a year, to 10.2% as of September 2013, up from 8.0% at year-end 2012 and an 4.7% at June 2012. The bank's look-through CET1 ratio now exceeds the Swiss minimum required by 2019. In addition, the quality of Credit Suisse's other capital ratios have improved. As of September 2013 95% of the bank's reported tier 1 capital was compromised of common equity tier 1, in contrast with 61% at year-end 2011.

Credit Suisse's Swiss leverage ratio has also improved, to 4.5% at September 2013 on a phase-in basis and 3.2% on a look-through basis (3.5% pro forma for an already agreed upon exchange of legacy Tier 1 hybrid capital into high-trigger Tier 1 contingent convertible securities). The phase-in leverage ratio exceeds the current Swiss phase-in minimum requirement by a considerable amount. However, bank's common equity tier 1 leverage ratio on a look-through basis was only 2.2% at the same date, and its tier 1 leverage ratio was 2.4% (2.7% pro forma for the exchange of Tier 1 instruments). These are low relative to many of the bank's peers and as such are a credit weakness. However, we expect that the bank's leverage position will improve to a level more in line with peers. In this regard, the bank has revised its long-term target Swiss leverage exposure to CHF 1,070 billion, which is 10% below its September 2013 level. In addition, the bank issued $2.25 billion in additional tier 1 capital in December 2013. Both of these will help boost the bank's leverage ratio.

With the achievement of Credit Suisse's previously announced look-through Swiss core capital ratio target of 10%, the bank plans to begin making significant cash returns to shareholders. We therefore expect the rate of improvement in Credit Suisse's capital ratios is likely to slow in 2014 as the bank returns more capital to shareholders. Depending upon the extent of any dividend hikes or share buybacks, this could weaken the bank's credit standing relative to its peers. To the extent that the bank's capital position were to fall significantly below that of its peers, it could put negative pressure on the bank's ratings.

LIQUIDITY POSITION IS SOUND, ALTHOUGH WHOLESALE FUNDING RELIANCE REMAINS SIGNIFICANT

Credit Suisse, as the second largest commercial bank in Switzerland and the second largest private bank globally, retains a large and stable base of retail and private bank customer deposits. At 30 September 2013, customer deposits (excluding wholesale certificates of deposit) exceeded loans (excluding loans with banks) by a factor of 1.24, up slightly from 1.20 at December 2012. Total liquid assets exceeded total market funds by 13.9% of total assets at 30 September 2013, up from 10% as of year-end 2012.

Credit Suisse's liquidity management is based on a prudent liquidity model which incorporates a severe stress scenario and it has maintained its liquidity well in excess of its minimum coverage level. At 30 September 2013, Credit Suisse had a CHF 137 billion liquidity pool, compromised of CHF 55 billion in cash held at major Central Banks, CHF 51 billion in securities issued by highly rated governments and government agencies, and CHF 31 billion in other highly liquid assets including equity securities that form the part of major equity indices. This liquidity pool was 115% of the bank's CHF 119 billion in total short-term unsecured wholesale borrowing, excluding LT debt maturing within one year. Given the bank's sizeable reliance on capital markets activities and secured short-term wholesale funding, we believe this excess is prudent, reflecting the potential additional collateral calls and cash outflows to which the firm could be subject in a stress scenario.

At 30 September 2013 the bank estimated that its Basel III net stable funding ratio (NSFR) was in excess of 100%, although it did not publish details of this calculation. The bank has not published an estimate of what its liquidity coverage ratio (LCR) would be under the Basel III framework. During the first half of 2013 the bank's liquidity profile deteriorated slightly as the bank reduced its more liquid assets to shrink its balance sheet while also reducing its long-term debt. We estimate that at 30 June 2013 the bank's core funding, including shareholders' equity, long-term debt maturing beyond one year and Moody's estimate of the bank's core deposits, was 93% of its illiquid assets, down from 100% at year-end 2012 and 101% at year-end 2011. In contrast, most of the bank's peers improved their structural liquidity profile over this time period. However, in the third quarter the bank's liquidity profile improved, and this ratio increased to 103%. With the pending adoption of the LCR we believe the bank will take the necessary steps to strengthen its liquidity profile.

Notwithstanding the reduction in the bank's balance sheet during the first nine months of 2013, the bank still has a heavy reliance on wholesale funding to fund liquid trading inventory and customer positions, and its overall volume of secured and unsecured wholesale funding is substantial. As a result, in the event the bank's access to market funding (including secured wholesale funding) was disrupted for an extended period of time, it would likely lead to a significant reduction in capital markets assets held on the bank's balance sheet, or else require the bank to access central bank financing. This could increase the stress on franchise value and earnings at what would likely already be a highly stressful period.

SYSTEMIC SUPPORT REMAINS LIKELY FOR SENIOR UNSECURED CREDITORS, BUT CERTAINTY COULD DIMINISH GOING FORWARD

Moody's deposit and senior unsecured debt ratings of A1/Prime-1 for Credit Suisse AG incorporate three notches of uplift from the baa1 stand-alone baseline credit assessment. This reflects our view that there is a very high likelihood of support from the Swiss government for senior creditors in the event such support was required to prevent a default, given Credit Suisse's importance to the Swiss financial system as a whole and to the nation's payment systems, as well as its role as a major counterparty in global financial markets.

In September 2011 the Swiss Parliament passed into law requirements that systemically important financial institutions (SIFIs) comply with more comprehensive and stricter regulations. As of January 1, 2013, the Swiss version of the Basel III framework along with the Swiss "Too Big To Fail" legislation and regulation came into force. These regulations apply to Credit Suisse and require higher capital charges, higher liquidity shock absorbing capacity, and lower limits on concentration risks. In addition, the SIFIs including Credit Suisse have to provide a Recovery and Resolution Plan (RRP) to FINMA for approval. If effective, this will allow the Swiss regulator (FINMA) to split off the important functions from the rest of the institution and let the less relevant parts wind down in a controlled manner.

In August 2013, FINMA published a position paper outlining possible resolution strategies for Switzerland's two global systemically important banks, UBS and Credit Suisse. The paper stated the Swiss banking regulator's preference for a Single Point of Entry (SPE) approach for the resolution of these institutions. Under the SPE approach the resolution authority would sit with the national regulator responsible for the consolidated supervision of the group and would focus on the top level company within the group.

We consider this position paper an important step towards an effective resolution regime for these two banks. However, given the very limited amount of debt outstanding at Credit Suisse Group AG, the top tier entity in the group, we believe that SPE would be difficult to implement successfully at present. Furthermore, a considerable amount Credit Suisse's outstanding debt has been issued by legal entities outside of Switzerland and not under Swiss law. We believe this is also significant hurdle to the successful implementation of SPE.

The fallback option for Swiss authorities would be the break-up of the group which might include a sale of entities and business lines or a wind-down of the non-viable parts of the group while the systemically important functions are preserved. We believe the current structure of the group would make this difficult to achieve, but it could potentially put senior unsecured creditors at greater risk of loss since, in a resolution, bondholders could end up in the part of the bank that is not systemically relevant and hence is less likely to survive. However, given the high risk of contagion across the banking system, we think burden-sharing with senior debt holders is still unlikely for Swiss SIFIs.

In November 2013 Credit Suisse unveiled a plan that would modify its legal entity structure whereby, amongst other actions, a newly created banking subsidiary would be set up in Switzerland acting as the booking centre for domestic retail, corporate and wealth management businesses. In addition, Credit Suisse would reorganize its Investment Banking business, more closely aligning the location where activities are booked with the location of clients. Once the legal framework is finally decided, Credit Suisse plans to issue bail-in eligible debt out of Credit Suisse Group AG, aiming to enable the SPE approach for its resolution. In doing this, Credit Suisse expects to be granted a limited reduction in capital requirements

Given the banking sector's large size relative to that of the Swiss economy, we believe that there are strong incentives for the Swiss government to limit the potential need for the sovereign to use its own balance sheet to support the sector. However, many details about Credit Suisse's plan and FINMA's resolution strategies are not yet resolved. A key question is to what extent the separate legal structures contemplated would reduce contagion risk and preserve the systemically important functions of the bank in the event that a resolution was required.

Furthermore, with the broad international scope of the bank's operations, this question may extend beyond those operations located solely in Switzerland.

While implementation is planned from mid-2015, Credit Suisse's proposal still requires regulatory approvals. We expect to closely monitor the changes the bank has proposed to redefine its legal entity structure as well as the implementation of the Swiss "too big to fail" legislation. We believe that in simplifying its structure, Credit Suisse may reduce one the main obstacles to the resolvability of global and highly interconnected institutions like Credit Suisse. This could make an orderly resolution without government support more feasible, reducing the likelihood of systemic support for senior bondholders in the future.

Notching Considerations

The ratings for Credit Suisse's subordinated debt and hybrid capital instruments are based off the bank's adjusted baseline credit assessment (adjusted BCA). The adjusted BCA incorporates both the firm's standalone credit assessment as well as any uplift stemming from parental and/or cooperative support, if applicable, but excludes government support. The adjusted BCA for Credit Suisse AG is baa1 -- the same as the standalone credit assessment, since parental and/or cooperative support does not apply.

For securities issued or backed by the holding company Credit Suisse Group AG, an additional notch from the bank's adjusted BCA is incorporated into the ratings to reflect holding company structural subordination.

Credit Suisse's lower tier 2 subordinated debt is rated one notch below the adjusted BCA. These instruments are all dated, and do not have any coupon deferral features. These securities are therefore rated Baa2 if issued by Credit Suisse AG or one of its branches, or Baa3 if issued or guaranteed by Credit Suisse Group AG.

Credit Suisse's upper tier 2 securities which have a junior subordinated claim and allow for optional coupon deferral and cumulative coupon payments are rated two notches below the adjusted BCA. These securities are therefore rated Baa3(hyb) if issued by Credit Suisse AG or one of its branches, or Ba1(hyb) if issued or guaranteed by Credit Suisse Group AG.

Credit Suisse's non-cumulative, tier 1 securities (with a deeply subordinated claim in liquidation and coupon payments that are not subject to any net loss triggers) are rated at a level three notches below the adjusted BCA. These securities are therefore rated Ba1(hyb) if issued by Credit Suisse AG or one of its branches, or Ba2(hyb) if issued or guaranteed by Credit Suisse Group AG. The tier 1 securities with skipped coupon payments covered by an equity settlement mechanism, which in Moody's opinion is equivalent to a cumulative coupon, are rated two notches below the adjusted BCA, at Baa3(hyb).

NOTE ON DATA

Unless noted otherwise, data in this report is sourced from company reports and our Banking Financial Metrics. All figures are based on our own chart of account, and are adjusted for analytical purposes. Please refer to the documents entitled "Moody's Approach to Global Standard Adjustments in the Analysis of the Financial Statements of Banks, Securities Firms and Finance Companies" and "Frequently Asked Questions: Moody's Approach to Global Standard Adjustments in the Analysis of the Financial Statements of Banks, Securities Firms and Finance Companies", both published on 19 July 2010. The financial factors in the table below reflect the average adjusted results for Credit Suisse Group AG for 2010 through 2012.

Rating Factors

Credit Suisse Group AG

Rating Factors [1]	**A**	**B**	**C**	**D**	**E**	**Total Score**	**Trend**
Qualitative Factors (50%)						**D+**	
Factor: Franchise Value						**D-**	**Neutral**
Market share and sustainability				**x**			
Geographical diversification				**x**			
Earnings stability					**x**		
Earnings Diversification [2]							
Factor: Risk Positioning						**D**	**Neutral**

Corporate Governance [2]				**x**			
- Ownership and Organizational Complexity				x			
- Key Man Risk							
- Insider and Related-Party Risks							
Controls and Risk Management				**x**			
- Risk Management			x				
- Controls				x			
Financial Reporting Transparency			**x**				
- Global Comparability	x						
- Frequency and Timeliness			x				
- Quality of Financial Information				x			
Credit Risk Concentration	**--**	**--**	**--**	**--**	**--**		
- Borrower Concentration	--	--	--	--	--		
- Industry Concentration	--	--	--	--	--		
Liquidity Management			**x**				
Market Risk Appetite			**x**				
Factor: Operating Environment						**B**	**Neutral**
Economic Stability			**x**				
Integrity and Corruption		**x**					
Legal System	**x**						
Financial Factors (50%)						**C+**	
Factor: Profitability						**C**	**Improving**
PPI % Average RWA (Basel II)			2.08%				
Net Income % Average RWA (Basel II)			1.56%				
Factor: Liquidity						**C+**	**Neutral**
(Market Funds - Liquid Assets) % Total Assets		-9.55%					
Liquidity Management			x				
Factor: Capital Adequacy						**A**	**Neutral**
Tier 1 Ratio (%) (Basel II)	16.83%						
Tangible Common Equity % RWA (Basel II)	13.74%						
Factor: Efficiency						**E**	**Improving**
Cost / Income Ratio					80.55%		
Factor: Asset Quality						**A**	**Neutral**
Problem Loans % Gross Loans	0.76%						
Problem Loans % (Equity + LLR)	4.32%						
Lowest Combined Financial Factor Score (15%)						**D+**	
Economic Insolvency Override						**Neutral**	
Aggregate BFSR Score						**C**	
Aggregate BCA Score						**a3**	
Assigned BFSR						**C-**	
Assigned BCA						**baa1**	

[1] - Where dashes are shown for a particular factor (or sub-factor), the score is based on non-public information.
[2] - A blank score under Earnings Diversification or Corporate Governance indicates the risk is neutral.

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Credit Suisse AG

Primary Credit Analyst:
Sean Cotten, Stockholm (46) 8-440-5928; sean.cotten@standardandpoors.com

Secondary Contacts:
Thierry Grunspan, Paris (33) 1-4420-6739; thierry.grunspan@standardandpoors.com
Markus W Schmaus, Frankfurt (49) 69-33-999-155; markus.schmaus@standardandpoors.com

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Credit Suisse AG

SACP	bbb+
Anchor	a-	
Business Position	Adequate	0
Capital and Earnings	Adequate	0
Risk Position	Moderate	-1
Funding	Average	0
Liquidity	Adequate	

\+

Support	+2
GRE Support	0
Group Support	0
Sovereign Support	+2

\+

Additional Factors	0

Issuer Credit Rating
A/Stable/A-1

Major Rating Factors

Strengths:

- A leading global private banking and investment banking franchise.
- Demonstrated asset quality and a highly collateralized lending book.
- Successful track record of improving cost efficiency and capitalization.

Weaknesses:

- Pronounced earnings volatility from investment banking.
- International pressures on the investment banking and offshore wealth-management business model.
- Considerable exposure to operational, litigation, and reputation risks.

Outlook: Stable

The stable outlook on Credit Suisse reflects Standard & Poor's Ratings Services' expectation that the bank's improving capital, earnings, and cost management mitigate further downside ratings pressure. Furthermore, we believe that the bank continues to have a strong global private banking franchise, and that it runs market leading and sustainable domestic operations.

We might take a positive rating action if the bank exceeded our expectations for capital generation, compensating for the inherent volatilities in its business and complex risks that could affect earnings.

We might consider a negative rating action if volatility in the investment banking business led to significantly weaker profitability.

Additionally, we note that the Swiss government is still considering measures to ensure that its support of highly systemic banking groups in a crisis would result from choice rather than necessity. We could lower our ratings on Credit Suisse if we saw materially diminished prospects that the government would provide support to the bank's senior creditors in a crisis, unless we see offsetting improvements in the bank's stand-alone credit profile (SACP).

Rationale

We base our ratings on Credit Suisse on its 'a-' anchor and our view of its "adequate" business position, reflecting the balance between the inherent volatility and uncertainty of its investment banking revenues and the strength and diversification of its global franchise. We view capital and earnings as "adequate," reflecting significant recent improvements in our capital ratios for Credit Suisse, inherent revenue volatilities, and the complexity of underlying risks in our forecasts of Credit Suisse's capital ratios.

We view Credit Suisse's risk position as "moderate," reflecting tail risks, complex market risks from investment banking, and substantial litigation and operational risks in the private and investment banking activities. We view funding as "average" and liquidity as "adequate," owing to Credit Suisse's relatively solid funding and liquidity metrics, but high share of nonguaranteed deposits and high market-confidence sensitivity.

In addition, we view Credit Suisse as having high systemic importance in Switzerland, which adds two notches of uplift to the SACP of 'bbb+'.

Anchor: 'a-', owing to the Swiss home market and a global blend of exposures

The 'a-' anchor reflects Credit Suisse's regulatory domicile, Switzerland, and its mix of exposures in Europe, North America, and Asia-Pacific.

Our bank criteria use the economic risk and industry risk scores from our Banking Industry Country Risk Assessment methodology to determine a bank's anchor, the starting point in assigning an issuer credit rating. We assess the economic risk for Credit Suisse based on our calculation of the weighted average of its regulatory gross credit exposure in the countries and regions in which it operates: 35% in Switzerland, 35% in Europe, 25% in the U.S. and the rest of the Americas, and 5% in Asia-Pacific. Consequently, our anchor for Credit Suisse is 'a-', lower than the 'a' anchor for a bank operating only in Switzerland.

We view Switzerland as a highly diversified and competitive economy, benefiting from one of the highest GDPs per capita in the world and very robust government finances. We believe Switzerland demonstrates a conservative risk and lending culture, which has accompanied recent moderate growth of house prices and loan portfolios.

The Swiss banking industry is supported by its sizable and very stable customer deposit base. Pure domestic Swiss banks have not loosened credit standards in recent years, thanks to sound earnings potential from core products. We consider regulatory standards to be more stringent than in other developed countries.

Table 1

Credit Suisse Group AG Key Figures

		--Year-ended Dec. 31--			
(Mil. CHF)	**2013***	**2012**	**2011**	**2010**	**2009**
Adjusted assets	886,845.0	915,648.0	1,040,286.0	1,022,949.0	1,021,832.0
Customer loans (gross)	240,903.0	237,145.0	229,323.0	213,859.0	230,644.0
Adjusted common equity	31,432.0	24,466.0	16,891.8	16,283.0	16,137.2
Operating revenues	18,547.0	23,111.0	22,322.0	28,160.0	31,547.0

Table 1

Credit Suisse Group AG Key Figures (cont.)					
Noninterest expenses	13,545.0	19,003.0	20,555.0	21,795.0	22,634.0
Core earnings	3,466.3	3,341.0	987.2	4,808.1	6,527.0

*Data as of Sept. 30. CHF--Swiss franc.

Business position: Pressure on investment banking model and revenues, despite resilience of domestic operations and global franchises

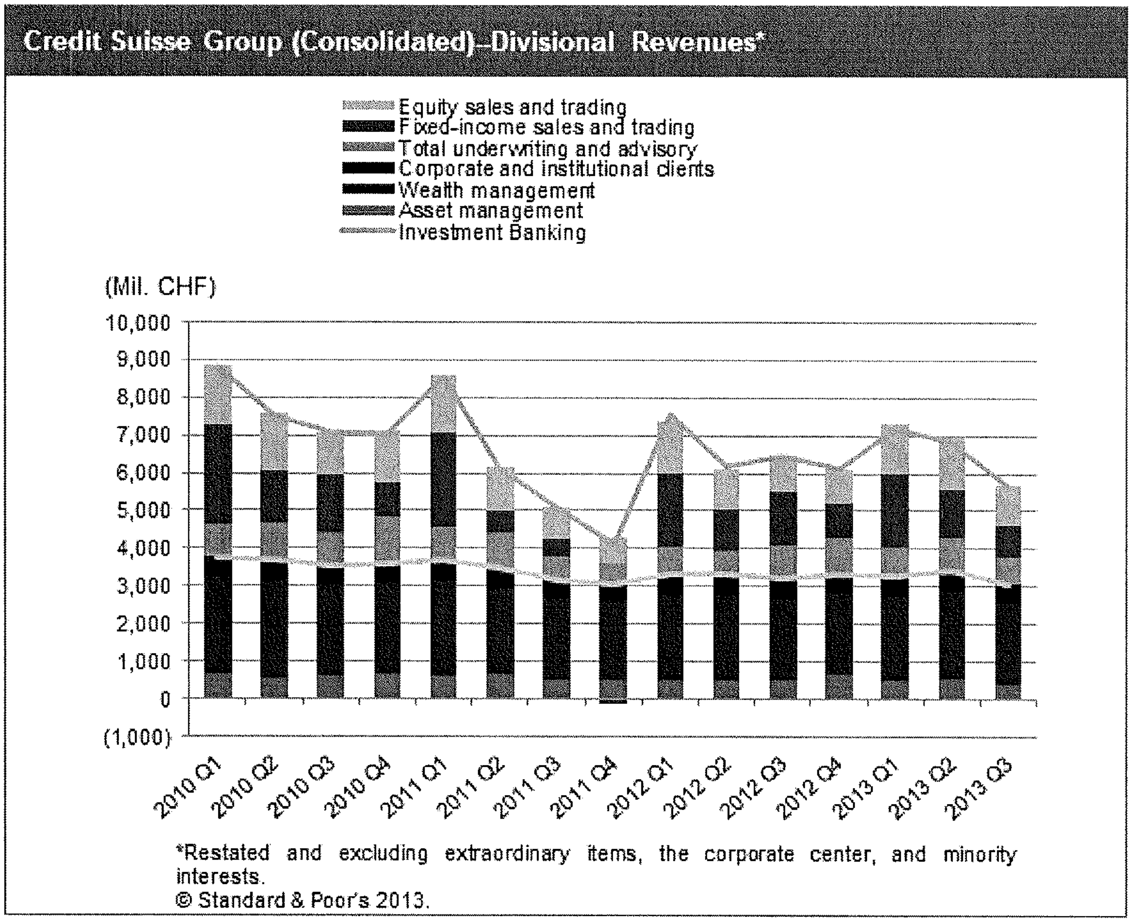
We regard Credit Suisse's business position as "adequate." This reflects the balance between volatilities inherent to the investment banking business and the strength and diversification of Credit Suisse's global franchises in wealth management and investment banking. We view the group's domestic position in corporate and residential lending, and diverse revenues by geography and business line, as stabilizing factors.

In our view, international regulatory pressures could significantly affect revenues and funding costs and lead to potential further changes to the bank's business model. We believe global regulatory initiatives are increasingly demanding for capital market operations. As a result, there will likely be fewer attractive business opportunities for regulated and systemically important banks. We believe that future regulations could lead to further restructuring of banks' business models and legal structures.

We see Credit Suisse's recent decisions to create nonstrategic units within its investment- and private-banking divisions as signs that the global universal banking model is changing. The announcement in November 2013 of changes in the bank's legal structure serves as additional evidence that resolution regimes and nationalized regulation of legal entities are affecting Credit Suisse's operating model.

The 2013 implementation of Basel III capital requirements in Switzerland forced Credit Suisse to act sooner than European and many global peers in terms of regulatory compliance and business restructuring. However, ongoing market volatility, regulatory pressures, and uncertainty about global monetary policy continue to affect the bank's strategy. In our view, Credit Suisse's plan to reduce capital allocated to investment banking in favor of the private banking operations will improve overall business and revenue stability. This is shown by the significant difference in volatility of quarterly revenues of the investment bank and the private banking and wealth management divisions (see chart 1).

Chart 1



Investment banking contributes a significant share of Credit Suisse's revenues, making it one of the most reliant among U.S. and large European peers on capital market revenues. In the first three quarters of 2013, sales and trading represented 39% of the bank's revenues, and origination and advisory 12%. This is in line with the 54% aggregate from investment banking in 2012. In our view, these revenues are susceptible to the unwinding of global stimulus measures, as shown by the impact of speculation on U.S. monetary policy and depressed market activity on revenues over the past two quarters. These market pressures are compounded by regulatory pressure on the business models, legal structures, capital, and leverage of Credit Suisse and its global peers. Although we expect Credit Suisse to maintain its strong equity and securitization franchises, we note that it is further reducing its fixed-income interest rates business to address the unit's poor return on Basel III capital requirements.

The Private Banking & Wealth Management division generates reliable revenues and profits for the group (see chart 1). However, considerable changes are underway and tax authorities' challenge of banking secrecy laws will continue to affect all Swiss private banks. In this respect, we believe Credit Suisse's global reach and investment banking services make it better able than smaller peers to overcome these hurdles. We view Credit Suisse's decision to scale back its private banking operations in certain countries and exit smaller or less profitable markets as a means to reallocate capital to business in emerging markets and with high- and ultra-high net worth individuals, which provide higher net margins than the mass-affluent customer segment. In addition, the domestic operations, serving corporate and institutional clients, provide stable revenues and strong asset quality.

Credit Suisse has recently announced the improved transparency of its nonstrategic businesses. As of Sept. 30, 2013, the bank reported Swiss franc (CHF) 25 billion (about €20 billion) of regulatory risk-weighted assets as nonstrategic, including existing wind-down and restructuring initiatives. We expect the run-off of legacy and capital-intensive exposures to free up capital for growth in Private Banking & Wealth Management and higher dividends. Importantly, the run-offs should remove more than CHF60 billion from the Swiss leverage ratio calculations by 2015 and lower the bank's total regulatory capital requirements.

Table 2

Credit Suisse Group AG Business Position

		--Year-ended Dec. 31--			
(%)	**2013***	**2012**	**2011**	**2010**	**2009**
Total revenues from business line (mil. CHF)	18,575.0	22,191.0	23,532.0	28,160.0	32,386.0
Commercial banking/total revenues from business line	8.4	9.6	8.1	6.5	5.6
Retail banking/total revenues from business line	36.2	40.3	37.6	34.2	29.9
Commercial & retail banking/total revenues from business line	44.5	49.9	45.7	40.7	35.5
Trading and sales income/total revenues from business line	41.9	43.6	34.5	45.0	57.7
Corporate finance/total revenues from business line	12.8	14.5	12.8	14.2	9.6
Asset management/total revenues from business line	9.5	11.1	9.5	8.7	6.0
Other revenues/total revenues from business line	(8.7)	(19.1)	(2.5)	(8.6)	(8.9)
Investment banking/total revenues from business line	54.7	58.1	47.3	59.2	67.3
Return on equity	9.6	3.2	5.2	13.9	18.9

*Data as of Sept. 30. CHF--Swiss franc.

Capital and earnings: Significant ratio improvements, due to deleveraging and capital initiatives

Our assessment of Credit Suisse's capital and earnings as "adequate" reflects our conservative approach; in our base case, we project the risk-adjusted capital (RAC) ratio to approach 12% over the next 18-24 months. Although this RAC ratio level exceeds our 7%-10% range for "adequate" capital, we continue to view Credit Suisse's capital and earnings as neutral to the rating. The main reason is that our capital framework doesn't fully capture the risk and earnings profile inherent to investment banking. We remain cautious about our ability to evaluate the bank's market and operational tail risks and forecast potential capital-market returns, litigation and restructuring costs, or regulatory fines. Consequently, we reflect the inherent volatilities in Credit Suisse's businesses and the complexity of the underlying risks in our overall assessment of capital and earnings.

The improvement of Credit Suisse's capital over the past two years reflects the bank's efforts to comply with Basel III regulatory capital requirements. Credit Suisse has increased its core equity, restructured business that tied up capital, and reduced its balance sheet to meet Swiss leverage requirements. In June 2013, the RAC ratio was 10.7%, twice that at year-end 2011 and among the highest ratios for Europe's largest banks. We also note an increase in the bank's reported exposure at default (EAD), due to Basel III implementation, which we estimate reduces our ratio by 30 basis points versus peers', which will continue to report according to Basel 2.5 until 2014. In addition, our RAC methodology does not take account of two new items under Basel III: reported exposures to central counterparties and credit exposures on uncollateralized derivative contracts. We therefore have not included associated exposures in our calculation of the RAC ratio for Credit Suisse or its peers.

We expect further capital improvements to be more modest. Credit Suisse's recent guidance indicates that the reduction of noncore portfolios will largely be replaced by additional lending at the Private Banking & Wealth Management division. Also, as of second-quarter 2013, the bank had reached its look-through Swiss core equity Tier 1 target of 10%, and indicated an increase in cash dividends starting this year. Our RAC ratio calculations already include the maximum admissible hybrid capital instruments, which limits the upside of future hybrid issuance.

Our capital and earnings assessment considers Credit Suisse's comparably higher reliance on hybrids. In Europe, Credit Suisse has one of the highest shares of hybrids and deferred tax assets (DTA) in our total adjusted capital (TAC) measure: 36% as of September 2013. TAC is the numerator of the RAC ratio, and this measure reflects DTA due to timing differences, and excludes tax loss carry forwards. We expect Credit Suisse's DTA to decrease somewhat, given the impact of excess DTA on the bank's Basel III regulatory capital ratios.

However, we expect Credit Suisse to maintain a high share of high- and low-trigger convertible hybrids. As of Sept. 30, 2013, TAC contained more than CHF10 billion of hybrids, including CHF4.1 billion of legacy Tier 1 instruments that were converted to Basel III-compliant contingent capital instruments in October 2013. We note that the bank issued $2.25 billion in additional Tier 1 capital instruments in December 2013, which more than compensates for the call of a $1.5 billion loss-absorbing hybrid in the same month and could improve the capital position further.

Table 3

Credit Suisse Group AG Capital And Earnings

		--Year-ended Dec. 31--			
(%)	**2013***	**2012**	**2011**	**2010**	**2009**
Tier 1 capital ratio	17.0	19.4	15.2	17.2	16.3
S&P RAC ratio before diversification	N.M.	9.3	5.2	5.4	5.2
S&P RAC ratio after diversification	N.M.	11.2	6.1	6.4	6.2
Adjusted common equity/total adjusted capital	75.2	67.7	75.2	75.2	75.2
Net interest income/operating revenues	34.4	30.9	28.8	23.2	21.8
Fee income/operating revenues	45.8	48.9	49.1	42.4	37.3
Market-sensitive income/operating revenues	14.1	8.4	17.1	31.9	37.7
Noninterest expenses/operating revenues	73.0	82.2	92.1	77.4	71.7
Preprovision operating income/average assets	0.7	0.4	0.2	0.6	0.8
Core earnings/average managed assets	0.5	0.3	0.1	0.5	0.6

*Data as of Sept. 30. N.M.--Not meaningful.

Table 4

Credit Suisse Group AG RACF [Risk-Adjusted Capital Framework] Data

(Mil. CHF)	Exposure*	Basel II RWA	Average Basel II RW (%)	Standard & Poor's RWA	Average Standard & Poor's RW (%)
Credit risk					
Government and central banks	64,841	4,257	7	2,034	3

Table 4

Credit Suisse Group AG RACF [Risk-Adjusted Capital Framework] Data (cont.)

Institutions	53,655	15,426	29	12,340	23
Corporate	187,381	85,253	45	138,903	74
Retail	162,025	22,027	14	38,977	24
Of which mortgage	97,905	10,675	11	27,165	28
Securitization§	44,973	14,309	32	22,916	51
Other assets	7,682	30,319	395	8,514	111
Total credit risk	520,557	171,591	33	223,685	43
Market risk					
Equity in the banking book†	4,725	11,580	281	32,783	694
Trading book market risk	--	42,987	--	58,399	--
Total market risk	--	54,567	--	91,181	--
Insurance risk					
Total insurance risk	--	--	--	2,375	--
Operational risk					
Total operational risk	--	44,788	--	68,308	--
(Mil. CHF)		**Basel II RWA**		**Standard & Poor's RWA**	**% of Standard & Poor's RWA**
Diversification adjustments					
RWA before diversification		289,747		385,548	100
Total Diversification/Concentration Adjustments		--		(58,985)	(15)
RWA after diversification		289,747		326,563	85
(Mil. CHF)		**Tier 1 capital**	**Tier 1 ratio (%)**	**Total adjusted capital**	**Standard & Poor's RAC ratio (%)**
Capital ratio					
Capital ratio before adjustments		45,989	15.9	41,339	10.7
Capital ratio after adjustments‡		45,989	15.9	41,339	12.7

*Exposure at default. §Securitisation Exposure includes the securitisation tranches deducted from capital in the regulatory framework. †Exposure and Standard & Poor's risk-weighted assets for equity in the banking book include minority equity holdings in financial institutions. ‡Adjustments to Tier 1 ratio are additional regulatory requirements (e.g. transitional floor or Pillar 2 add-ons). RWA--Risk-weighted assets. RW--Risk weight. RAC--Risk-adjusted capital. CHF--Swiss franc. Sources: Company data as of June. 30, 2013, Standard & Poor's.

Risk position: Vulnerable to capital market fluctuations, regulatory developments, and litigation risks

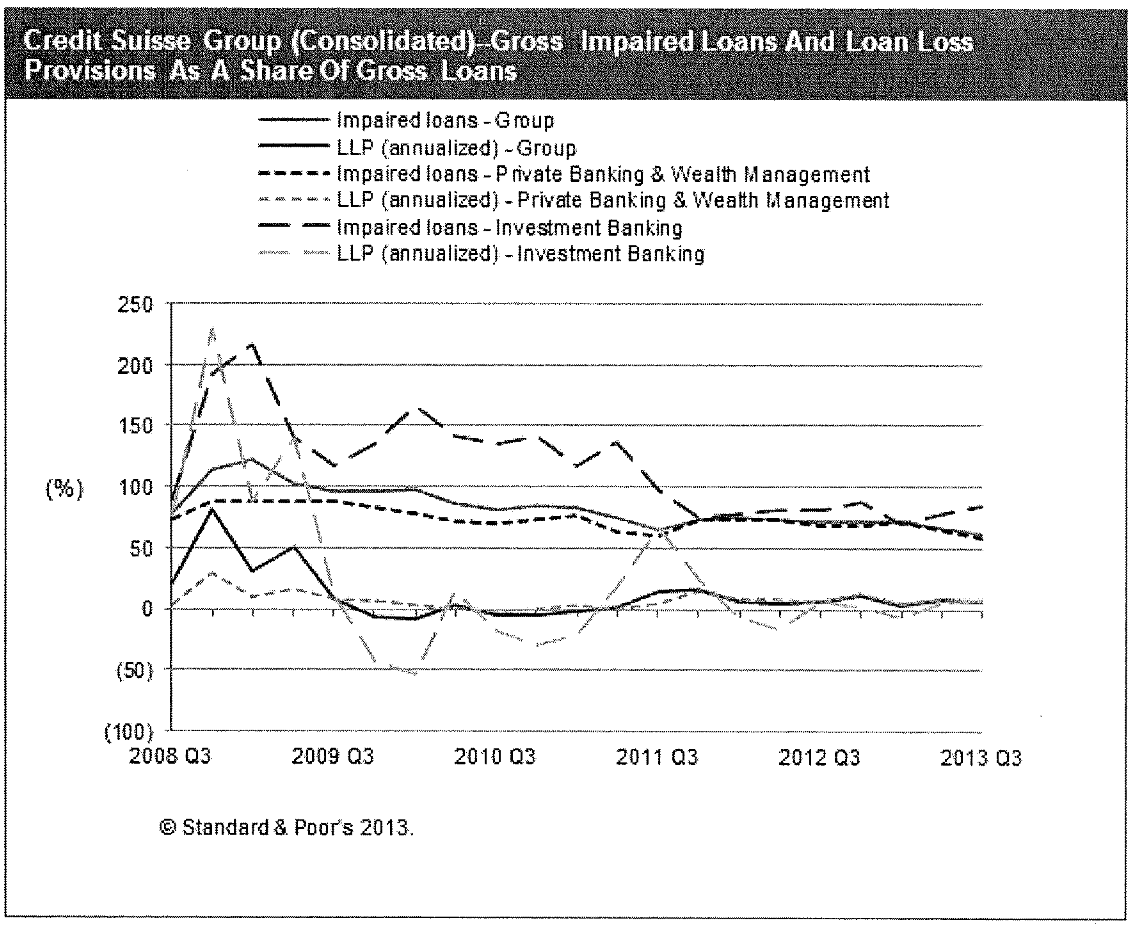
We assess Credit Suisse's risk position as "moderate," reflecting the bank's vulnerability to capital market developments and the liquidity necessary for trading in securities and derivatives. The group is also exposed to risks in securities underwriting and private equity, and in particular litigation risks in its investment banking and wealth management lines. In our view, these risks remain high, despite the bank's ongoing progress in improving its risk profile, and continue to overshadow the asset quality strengths in the bank's loan book.

Credit Suisse's risk profile includes a relatively high share of market and operational risks. The bank has significant trading and private-equity portfolios, given its position as a major global investment bank, significant issuer of securitized instruments, and alternative asset manager. These risks continue to cause volatility of bottom-line earnings at the Investment Banking division. This is even though the bank has made significant progress in reducing its cost base, including changes that lowered our risk-weighted assets figure for total market risk by 38% as of June 30, 2013, compared with December 2011.

We believe litigation risk remains a threat to Credit Suisse's profitability, although it has so far avoided some of the larger fines received by several global peers. Nevertheless, we note that litigation risks and regulatory fines have been increasing across the industry, with a specific focus on large, global investment banks. We understand that Credit Suisse is cooperating in several proceedings and believe the group could be subject to further litigation, leading to increases in extraordinary reserves. We also note that Credit Suisse and most of its Swiss private banking peers are still waiting for resolution of the U.S. tax evasion investigation. We believe that indicative potential fines may exceed current provisions, and we have factored these expectations into our assessment of capital.

The asset quality of the lending book remains high, and we expect it to be solid over our two-year rating horizon, given the resilience of the Swiss economy and high collateral levels. Even at the peak of the 2008 financial crisis, Credit Suisse's impaired loans and provisions were minimal, in particular within the private bank, which comprises nearly 85% of total lending (see chart 2).

Chart 2



We don't foresee a dramatic increase in provisions for the domestic loan book in the next two years, despite our concerns about growing economic imbalances. Switzerland, alongside Germany, has the lowest economic risks of any country covered by our Banking Industry Country Risk Assessments, and we regard individual and corporate repayment capacity as high. We believe that the present low-interest-rate environment and our view of the bank's strong underwriting, high-wealth clients, and high share of collaterized Lombard loans and income-generating commercial property loans continue to support the bank's low credit risk.

In our view, volatility in capital markets and assumptions for modeling asset valuations can significantly affect Credit Suisse's profits. Lending comprises less than 40% of Credit Suisse's earning assets. Trading securities, including illiquid or marked-to-model securities, reverse repos (repurchase agreements), market-making, and trading positions comprise 55%-60% of the balance-sheet assets. We note that Credit Suisse reported 47% of its consolidated assets and 33% of its liabilities at fair value in September 2013, of which 8% (mainly trading assets and investments) and 6% (mainly long-term funding and derivatives) were classified as Level 3, which means they are valued based on unobservable assumptions, and could be subject to stepwise changes in value.

Table 5

Credit Suisse Group AG Risk Position

		--Year-ended Dec. 31--			
(%)	**2013***	**2012**	**2011**	**2010**	**2009**
Growth in customer loans	2.1	3.4	7.2	(7.3)	0.7
Total diversification adjustment / S&P RWA before diversification	N.M.	(17.2)	(14.9)	(16.6)	(15.7)
Total managed assets/adjusted common equity (x)	28.5	37.8	62.1	63.4	63.9
New loan loss provisions/average customer loans	0.1	0.1	0.1	(0.0)	0.2
Net charge-offs/average customer loans	0.1	0.1	0.1	0.1	0.3
Gross nonperforming assets/customer loans + other real estate owned	0.5	0.5	0.5	0.6	0.7
Loan loss reserves/gross nonperforming assets	71.7	76.7	87.7	75.2	85.1

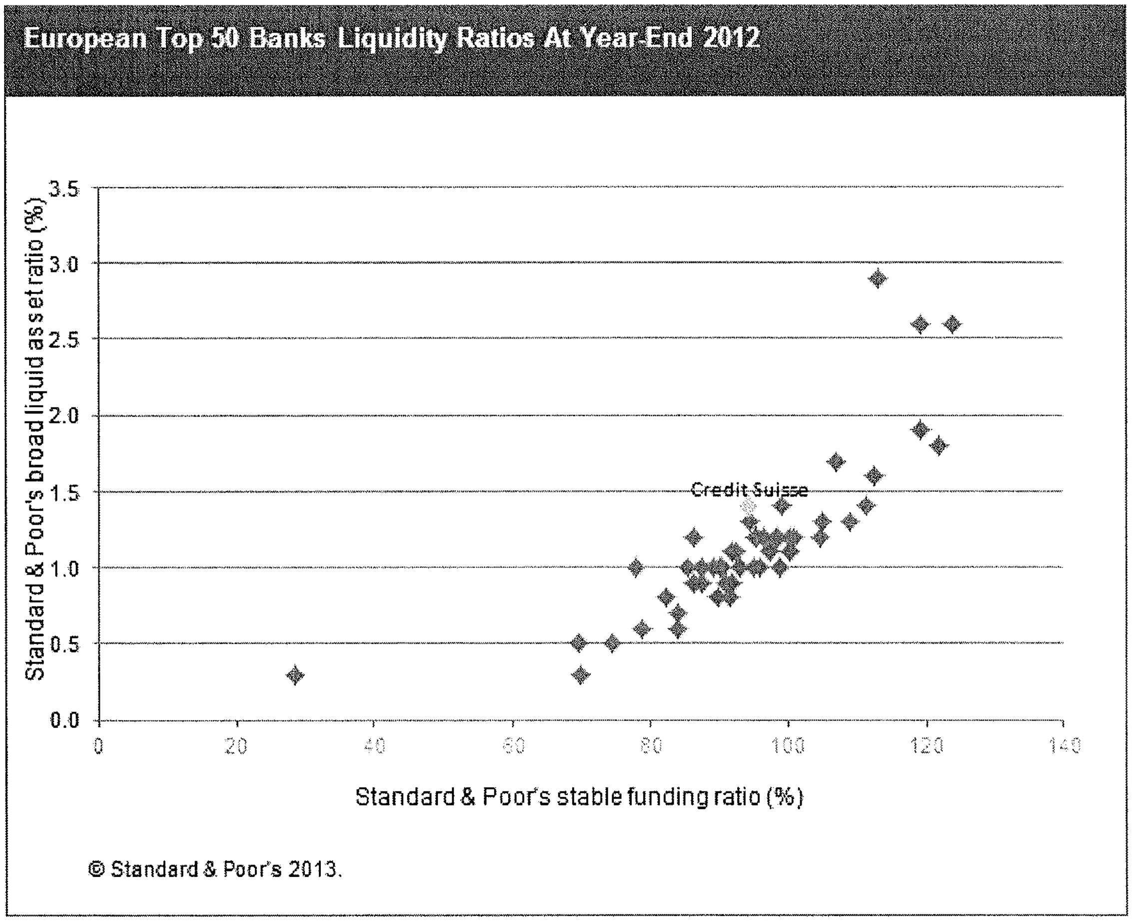
*Data as of Sept. 30. N.M.--Not meaningful.

Funding and liquidity: Significant matched funding and a large deposit base

We view Credit Suisse's funding as "average" compared with that of domestic peers, and its liquidity position as "adequate." This assessment considers both the bank's active management of asset and liability mismatches and the inherent funding risks associated with the low share of deposit guarantees and high market-confidence sensitivity, given the short-term nature of a large portion of the balance sheet.

We believe that the bank adequately manages its asset and liability mismatches. This is supported in part by the bank's early adoption of the regulatory net stable funding ratio and management of liquidity risks. The ratio of broad liquid assets to short-term wholesale funding was 1.5x in September 2013, and the stable funding ratio was 95%, showing an adequate match of assets and liabilities. Both measures are above the average among large European banks (see chart 3). However, they are somewhat lower than those of smaller domestic peers. We note that netting brokerage receivables and payables would improve our stable funding ratio by about 10 percentage points, given the large share of brokerage receivables on the bank's balance sheet.

Chart 3



Despite adequate ratios, there are additional factors that we consider in our assessment of Credit Suisse's funding. We consider wealth management deposits to be more sensitive to bank-specific risks than those in mass-market retail banking, given the lack of guaranteed deposits and higher proportion of high net worth and ultra-high net worth individuals in the deposit base. Moreover, we consider the risks from structured funding to be higher, given uncertain maturity, which could significantly shorten the anticipated duration of approximately 20% of the bank's long-term debt.

The rapid contraction of the bank's balance sheet has resulted in a lower reliance on wholesale funding and issuance of senior debt in recent years. Customer deposits now represent 45% of the funding base, compared with 34% at year-end 2011. As of Sept. 30, 2013, the tenor and size of about one-third of Credit Suisse's reported assets and liabilities on its CHF895 billion balance sheet were substantially equivalent. The remaining CHF595 billion in assets (62% loans and illiquid assets and 38% liquid assets) were funded by 20% of short-term borrowings, 22% long-term debt, 50% customer deposits, and 8% equity.

Table 6

Credit Suisse Group AG Funding And Liquidity

		--Year-ended Dec. 31--			
(%)	2013*	2012	2011	2010	2009
Core deposits/funding base	44.9	40.3	34.5	33.5	35.5
Customer loans (net)/customer deposits	80.5	82.8	82.0	80.0	82.3
Long term funding ratio	65.4	61.9	56.3	58.3	58.3
Stable funding ratio	95.4	94.1	96.3	95.7	92.9
Short-term wholesale funding/funding base	37.1	40.5	45.9	44.2	44.3
Broad liquid assets/short-term wholesale funding (x)	1.5	1.4	1.4	1.4	1.3
Net broad liquid assets/short-term customer deposits	86.6	85.2	118.2	135.7	126.7
Short-term wholesale funding/total wholesale funding	65.4	65.5	68.5	64.4	67.1

*Data as of Sept. 30.

External support: Two notches of uplift to the SACP for potential government support

The long-term rating on Credit Suisse is two notches higher than the SACP, reflecting Credit Suisse's high systemic importance in Switzerland and our assessment of the Swiss government as supportive to the local banking industry. However, the Swiss authorities are taking steps to strengthen the major banks under the so-called "too-big-to-fail" regime, which requires higher capital buffers and includes provisions relating to recovery, resolution plans, and intervention measures. Their aim is to ensure that, over the long term, the government's provision of wide-ranging support to highly systemic banking groups in a crisis would stem from choice rather than necessity.

We continue to monitor developments but, despite the existence of the bank resolution regime, we currently expect the Swiss government to remain "supportive" of the domestic banking system. In our view, the orderly resolution of a systemically important Swiss bank would be technically very difficult, and we are not certain it would preserve systemic stability today. Therefore, we continue to include government support uplift in our ratings on the largest Swiss banks, including Credit Suisse. However, success in regulatory reforms targeting balance-sheet repair and strengthening via the too-big-to-fail regime, together with the bank resolution regime, could in future reduce the prospect of government capital support for banks' senior bondholders, in our opinion.

We may begin to reduce or remove uplift for potential extraordinary government support if we consider that the success of regulatory reforms is credible and predictable enough to prevent contagion risk and significant negative unintended consequences related to the disruption of essential banking services to the economy.

Additional rating factors: None

No other factors affect the ratings.

Group ratings: Credit Suisse Group AG and core subsidiaries

Credit Suisse Group AG (CSG) is the group's holding company and parent company of Credit Suisse, which is by far CSG's largest subsidiary. Credit Suisse and its subsidiaries conduct the majority of banking business, and Credit Suisse owns stakes in most other group subsidiaries. Due to structural subordination, we rate CSG one notch lower than Credit Suisse.

In November 2013, Credit Suisse announced future changes to its legal structure, most notably, the creation of an entity for all its Swiss operations. In our view, the changes are driven by the Swiss regulator's aim to simplify resolution of the country's global banks. The changes also prepare the group for the issuance of senior debt with bail-in features out of the holding company, Credit Suisse Group AG. We continue to regard the four rated subsidiaries--Credit Suisse (USA) Inc., Credit Suisse Securities (USA) LLC, Credit Suisse Securities (Europe) Ltd., and Credit Suisse International--as core to Credit Suisse's global operations. Our ratings on these entities are therefore in line with those on Credit Suisse AG.

We also rate Credit Suisse's New York and Cayman Islands branches at the same level as Credit Suisse AG. We rate two highly strategic Mexican subsidiaries--Casa de Bolsa Credit Suisse Mexico and Banco Credit Suisse Mexico--'mxAAA', using our Mexico national scale.

Related Criteria And Research

Related Criteria

- Group Rating Methodology, Nov. 19, 2013
- Banks: Rating Methodology And Assumptions, Nov. 9, 2011
- Banking Industry Country Risk Assessment Methodology And Assumptions, Nov. 9, 2011
- Bank Hybrid Capital Methodology And Assumptions, Nov. 1, 2011
- Bank Capital Methodology And Assumptions, Dec. 6, 2010
- Analytical Approach To Assessing Nonoperating Holding Companies, March 17, 2009

Related Research

- Western European Banks Race To Plug Their €110 Billion Capital Shortfall, Dec. 12, 2013
- Banking Industry Country Risk Assessment: Switzerland, Dec. 6, 2013
- Resolution Plans For Global Banks May Eliminate Government Support For Some, But Progress Is Varied, Dec. 4, 2013
- Mainly Negative Rating Actions Taken On 4 Large European Banks, July 3, 2013
- Credit Suisse Long-Term Rating Lowered To 'A' On Revised Assessment of Investment Banking Risks; Outlook Stable, July 2, 2013
- How The Swiss Bank Resolution Regime Affects Government Support For Its Banks, Nov. 29, 2012
- Bulletin: Credit Suisse AG Ratings And Outlook Unaffected By Announced Capital Measures, July 19, 2012

Anchor Matrix

Industry Risk	Economic Risk									
	1	2	**3**	4	5	6	7	8	9	10
1	a	a	a-	bbb+	bbb+	bbb	-	-	-	-
2	a	a-	**a-**	bbb+	bbb	bbb	bbb-	-	-	-
3	a-	a-	bbb+	bbb+	bbb	bbb-	bbb-	bb+	-	-
4	bbb+	bbb+	bbb+	bbb	bbb	bbb-	bb+	bb	bb	-
5	bbb+	bbb	bbb	bbb	bbb-	bbb-	bb+	bb	bb-	b+
6	bbb	bbb	bbb-	bbb-	bbb-	bb+	bb	bb	bb-	b+
7	-	bbb-	bbb-	bb+	bb+	bb	bb	bb-	b+	b+
8	-	-	bb+	bb	bb	bb	bb-	bb-	b+	b
9	-	-	-	bb	bb-	bb-	b+	b+	b+	b
10	-	-	-	-	b+	b+	b+	b	b	b-

Ratings Detail (As Of December 20, 2013)

Credit Suisse AG	
Counterparty Credit Rating	A/Stable/A-1
Commercial Paper	
Foreign Currency	A-1
Junior Subordinated	BBB-
Senior Unsecured	A
Short-Term Debt	A-1
Subordinated	BBB
Subordinated	BBB-
Counterparty Credit Ratings History	
02-Jul-2013	A/Stable/A-1
29-Nov-2011	A+/Negative/A-1
19-Dec-2008	A+/Stable/A-1
Sovereign Rating	
Swiss Confederation (Unsolicited Ratings)	AAA/Stable/A-1+
Related Entities	
Banco Credit Suisse Mexico S.A.	
Issuer Credit Rating	
CaVal (Mexico) National Scale	mxAAA/Stable/mxA-1+
Casa de Bolsa Credit Suisse Mexico S. A. de C. V.	
Issuer Credit Rating	
CaVal (Mexico) National Scale	mxAAA/Stable/mxA-1+
Credit Suisse AG (Cayman Islands Branch)	
Issuer Credit Rating	A/Stable/A-1
Credit Suisse AG (New York Branch)	
Issuer Credit Rating	A/Stable/A-1
Short-Term Debt	A-1