

CREDIT SUISSE GROUP AG
Form 6-K
February 12, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

February 12, 2015

Commission File Number 001-15244

CREDIT SUISSE GROUP AG

(Translation of registrant's name into English)

Paradeplatz 8, 8001 Zurich, Switzerland
(Address of principal executive office)

Commission File Number 001-33434

CREDIT SUISSE AG

(Translation of registrant's name into English)

Paradeplatz 8, 8001 Zurich, Switzerland
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F

Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

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Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

This report includes the slides for the presentation to investors and the results summary for media professionals in connection with the 4Q14 and 2014 results.

























































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Fourth Quarter and Full-Year 2014 Results Summary

4Q14 results demonstrate consistency in performance amid a challenging market environment with increased volatility;

2014 Core pre-tax income of CHF 3.5 billion, stable compared to 2013, including the impact of the US cross-border settlement

Reported results:

- 4Q14 net income attributable to shareholders of CHF 921 million and return on equity of 8%
- 2014 net income attributable to shareholders of CHF 2,105 million and return on equity of 5%

Strategic results:

- 4Q14 net income of CHF 1,155 million and return on equity of 11%
- 2014 net income of CHF 4,962 million and return on equity of 12%

Private Banking & Wealth Management: Results for strategic businesses in 4Q14 reflect strong loan growth and gains from sales, more than offset by lower performance fees and continued low interest rate environment compared to 4Q13

Investment Banking: 4Q14 performance reflects strength of diversified franchise; stable revenues and improved returns in spite of increased market volatility and adverse impact from the recognition of funding valuation adjustments

Capital:

- Look-through BIS CET1 ratio of 10.2%; exceeding 10% year-end target
- Leverage exposure reduced by CHF 51 billion in 4Q14 before FX impact; announcing revised Group leverage targets
- Consistent with 2013, Board of Directors proposes cash distribution of CHF 0.70 per share for 2014, optional scrip alternative

Compensation:

- Economic value of variable incentive compensation awarded for the Group 9% lower than in 2013; reflecting continued compensation discipline and stable reported pre-tax income, including the impact of the US cross-border settlement
- BoD and ExB have voluntarily taken reductions to compensation; BoD total compensation reduced by approximately 25%, ExB variable compensation reduced by the equivalent of 20% of the amount that would have otherwise been granted

Changing currency and interest rate environment:

- Combination of incremental expense measures and growth initiatives expected to more than offset the impacts of changing currency and interest rate environment by end-2017

Results materials:

- Video interview
- Audio webcast
- Presentation slides
- Full earnings release

- Time series data
- Letter to shareholders
- Credit Suisse reporting structure
 - Acronyms guide

This Results Summary contains excerpts from our full 4Q14 Earnings Release that we believe are of special interest to media professionals. A copy of the complete 4Q14 Earnings Release, which has been distributed simultaneously and contains additional important information about our results and operations, is available at www.credit-suisse.com/results.

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Quotes from the CEO, Brady W. Dougan

Brady W. Dougan, Chief Executive Officer, said: “Our solid results for the fourth quarter demonstrate consistency in our performance amid a challenging market environment with increased volatility. Our strategic businesses generated a return on equity of 11% for the quarter and 12% for the full year. During the quarter, we further reduced leverage exposure, continued to execute our capital measures and exceeded our 10% Look-through CET1 year-end target, including the impact of the US settlement.”

On the distribution to shareholders, he said: “Consistent with 2013, the Board of Directors proposes a cash distribution of CHF 0.70 per share for 2014. We are offering an optional scrip alternative to our shareholders, allowing them to choose to receive the distribution in the form of new shares. Going forward, we remain committed to returning half of our earnings to shareholders, provided our Look-through CET1 capital ratio continues to exceed 10% and we meet our leverage ratio targets.”

Commenting on the changing currency and interest rate environment, he said: “We are implementing a number of measures to offset the impact from the strong appreciation of the Swiss franc and the more pronounced low interest rate environment on our profitability, following the SNB’s announcement in January. Based on 2014 earnings, we estimate the net adverse impact on our profit to be approximately 3% and expect to more than offset this impact through the announced measures by end-2017.”

Commenting on Private Banking & Wealth Management, he said: “In Private Banking & Wealth Management, we reported solid strategic pre-tax income of 1 billion Swiss francs. Our results were negatively impacted by lower performance fees and the ongoing low interest rate environment, compared to the fourth quarter of 2013. However, we continued to see strong loan growth from our ultra-high-net-worth individuals lending program and improved collaboration revenues between our two divisions. In Wealth Management Clients, we generated good net new assets with strong inflows from emerging markets.”

Commenting on Investment Banking, he said: “The profitability of our strategic businesses in Investment Banking improved by 20% compared to the fourth quarter of 2013. Revenues from our strategic businesses were consistent, amid a more volatile market environment, which generally benefitted our trading businesses while adversely impacting underwriting activity. This highlights the stability of our diversified franchise. Furthermore, we made continued progress in reducing the division’s risk-weighted assets and leverage exposure, in line with our strategy to sustain strong returns in Investment Banking.”

On the outlook for the first quarter of 2015, he said: “Year-to-date profitability of the Group is in line with last year. Our private banking and sales and trading businesses have shown an improving trend in recent weeks. Underwriting and advisory activities have started the year more slowly due to market volatility but we have a strong pipeline with execution dependent on market conditions.”

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on their behalf by the undersigned, thereunto duly authorized.

CREDIT SUISSE GROUP AG and CREDIT SUISSE AG
(Registrant)

By: /s/ Brady W. Dougan
Brady W. Dougan
Chief Executive Officer
Credit Suisse Group AG and Credit Suisse AG

/s/ David R. Mathers
David R. Mathers
Chief Financial Officer
Credit Suisse Group AG and Credit Suisse AG

Date: February 12, 2015