

CREDIT SUISSE GROUP
Form 6-K
May 05, 2004

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Private Issuer

Dated May 5, 2004

**Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934**

For the month of May 5, 2004

Commission File Number 001-15244

CREDIT SUISSE GROUP

(Translation of registrant's name into English)

Paradeplatz 8, P.O. Box 1, CH-8070 Zurich, Switzerland
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover 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):

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.

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-

Media Relations

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CREDIT SUISSE GROUP REPORTS STRONG REVENUE GROWTH AND NET INCOME OF CHF 1.9 BILLION FOR THE FIRST QUARTER OF 2004

**Credit Suisse Financial Services Delivers Very Strong Net Income Across All Segments and
Reports An Annualized Net New Asset Growth Rate of 8.4% at Private Banking**

**Credit Suisse First Boston Reports Markedly Improved First Quarter Results Reflecting
Strong Revenue Growth and Controlled Risk-Taking**

Financial Highlights

in CHF million	1Q2004	4Q2003	1Q2003	Change in % from 4Q2003	Change in % from 1Q2003
Net revenues	16,571	12,875	14,696	29	13
Total operating expenses	6,324	6,354	6,047	0	5
Net income	1,861	784	279	137	□
Return on equity	21.3%	9.2%	3.3%	□	□
Earnings per share (in CHF)	1.61	0.66	0.24	□	□
BIS tier 1 ratio	11.5%	11.7%	9.3%	n/a	n/a

n/a: not applicable

Zurich, May 5, 2004 □ **Credit Suisse Group today reported net income of CHF 1.9 billion for the first quarter of 2004, compared to net income of CHF 279 million in the first quarter of 2003. Credit Suisse Financial Services recorded net income of CHF 1.1 billion in the first quarter of 2004, driven by increased revenue generation and efficiency improvements. Private Banking reported an inflow of CHF 10.8 billion in net new assets, representing an annualized growth rate of 8.4%. Corporate & Retail Banking achieved solid underlying revenues and continued productivity improvements, and both insurance segments recorded high investment income, with lower administration expenses at**

Life & Pensions and efficiency gains at Non-Life. At Credit Suisse First Boston, first quarter 2004 net income of CHF 759 million demonstrated the business unit's operating leverage, with progress in revenue growth and controlled risk-taking. Its return on average allocated capital was 28.1% and its pre-tax margin was 23.9%. Credit Suisse Group's consolidated BIS tier 1 ratio was 11.5% as of March 31, 2004.

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Oswald J. Gruebel and John J. Mack, Co-CEOs of Credit Suisse Group, said, "The Group delivered a strong performance in the first quarter, with revenue growth driven by higher levels of client activity and more favorable economic conditions. These results demonstrate the Group's continued progress in remaining disciplined on costs and risk management, while successfully growing key businesses to realize the full potential of our global platform."

Oswald J. Gruebel added, "Credit Suisse Financial Services achieved one of its best quarterly results ever. In Private Banking, we succeeded in attracting substantial net new assets and once again clearly demonstrated our leading expertise in product innovation. Corporate & Retail Banking and the insurance segments also contributed significantly to this strong quarterly performance. Going forward, we will continue to build on this progress and strive to maintain and expand our leading positions in key markets."

John J. Mack concluded, "Credit Suisse First Boston achieved strong revenue growth across a range of businesses and regions. The Firm also continued to improve key client franchises and to lay the foundation for future growth, most significantly with the creation of the Alternative Capital division, which is designed to provide the Firm with the industry's premier alternative investment platform. Our goal is to achieve further substantial improvements in profitability and thus deliver greater value for the Group's shareholders."

Net New Assets

Net New Assets and Assets under Management (AuM) for Q1 2004

in CHF billion	Net New Assets	Total AuM	Change in AuM % from 31.12.03
Private Banking	10.8	540.6	5.7
Corporate & Retail Banking	0.9	54.4	1.5
Life & Pensions	2.1	118.6	4.2
Non-Life	n/a	25.8	1.6
Credit Suisse Financial Services	13.8	739.4	5.0
Institutional Securities	1.8	17.6	36.4
Wealth & Asset Management	0.0	484.3	4.4
Credit Suisse First Boston	1.8	501.9	5.2
Credit Suisse Group	15.6	1,241.3	5.1

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Credit Suisse Group recorded a net new asset inflow of CHF 15.6 billion in the first quarter of 2004. Inflows of CHF 10.8 billion at Private Banking – representing an annualized growth rate of 8.4% – were a major contributor to this result. Corporate & Retail Banking reported CHF 0.9 billion of net new assets, and Life & Pensions recorded an inflow of CHF 2.1 billion in the first quarter of 2004. The Institutional Securities segment recorded CHF 1.8 billion of inflows. The Group's total assets under management amounted to CHF 1,241.3 billion as of March 31, 2004, an increase of 5.1% from December 31, 2003.

Credit Suisse Financial Services

CSFS Business Unit Results

in CHF million	1Q2004	4Q2003	1Q2003	Change in % from 4Q2003	Change in % from 1Q2003
Net revenues	11,888	9,194	10,980	29	8
Total operating expenses	2,761	3,015	2,724	-8	1
Net income	1,112	558	126	99	□

Credit Suisse Financial Services recorded net income of CHF 1.1 billion in the first quarter of 2004, up 99% compared to the fourth quarter of 2003 and up more than seven-fold compared to the first quarter of 2003. All four segments contributed to this increase, which was attributable to good revenue generation and efficiency improvements. Net revenues increased 8% compared to the first quarter of 2003, while total operating expenses remained practically unchanged.

CSFS Net Income by Segment

in CHF million	1Q2004	4Q2003	1Q2003	Change in % from 4Q2003	Change in % from 1Q2003
Private Banking	681	629	396	8	72
Corporate & Retail Banking	189	50	155	278	22
Life & Pensions	139	-176	-517	□	□
Non-Life	103	55	92	87	12

Private Banking reported net income of CHF 681 million, up 72% compared to the first quarter of 2003. Net revenues rose 30% in the first quarter of 2004 compared to the first quarter of 2003. Commissions and fees were also up 30%, driven by a higher average asset base, significantly better brokerage revenues – reflecting increased client activity – and high product issuing fees. Total operating expenses rose 12% compared to the first quarter of 2003, due to higher incentive-related compensation accruals – reflecting the better result – as well as higher commission expenses in line with increased brokerage activity, partially offset by further efficiency improvements. Compared to the fourth quarter of 2003, total operating expenses fell 1%. The cost/income ratio decreased 8.9 percentage points compared to the first quarter of 2003 to 55.3%. The first quarter 2004 gross margin increased 17.0 basis points compared to the first quarter of 2003, to 146.3 basis points.

Corporate & Retail Banking recorded net income of CHF 189 million in the first quarter of 2004, up 22% compared to the first quarter of 2003. Net revenues were practically unchanged compared to the first quarter of 2003. Total operating expenses fell 5% in the same period due to further efficiency gains – partly offset by higher incentive-related compensation accruals. Credit provisions were low in the first quarter. The segment further improved its cost/income ratio to 62.8%, down 4.4 percentage points compared to the first quarter of 2003.

Life & Pensions reported net income of CHF 139 million in the first quarter of 2004, compared to a net loss of CHF 517 million in the first quarter of 2003, which was impacted by the cumulative effect of a change in accounting for provisions for policyholder guarantees and annuities. The total business volume, which includes deposits from policyholders and gross premiums written, declined 2% compared to the first quarter of 2003. Insurance underwriting and acquisition expenses were almost flat, whereas administration expenses decreased 22% in the first quarter of 2004 compared to the first quarter of 2003. The expense ratio improved by 0.9 percentage points to 6.6% in the first quarter of 2004 compared to the first quarter of 2003. Net investment income was strong, up 31% compared to the first quarter of 2003. On March 24, 2004, the Swiss government passed legislation that provides for a mandatory participation in profits to policyholders in respect of the regulated employee benefit business in Switzerland. As a result, initial provisions of CHF 117 million were recorded in the first quarter of 2004, with an after-tax impact of CHF 91 million.

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Non-Life reported net income of CHF 103 million for the first quarter of 2004, up 12% from the first quarter of 2003. Net premiums earned also rose 12% compared to the first quarter of 2003. The combined ratio improved by 1.0 percentage points to 100.4% compared to the first quarter of 2003. The claims ratio increased by 2.8 percentage points, and the expense ratio fell 3.8 percentage points compared to the first quarter of 2003, as underwriting and acquisition as well as administration expenses decreased slightly despite higher premium volumes. The segment reported a 66% increase in net investment income in the first quarter of 2004 compared to the first quarter of 2003.

Credit Suisse First Boston

CSFB Business Unit Results

in CHF million	1Q2004	4Q2003	1Q2003	Change in % from 4Q2003	Change in % from 1Q2003
Net revenues	4,863	3,661	4,229	33	15
Total operating expenses	3,722	3,379	3,408	10	9
Net income	759	122	598	□	27

Credit Suisse First Boston reported net income of CHF 759 million in the first quarter of 2004, up 27% – or 39% on a US dollar basis – compared to the first quarter of 2003. This performance demonstrated the business unit's operating leverage, with progress in revenue growth and controlled risk-taking, accompanied by continued cost controls. First quarter net revenues were up 15% from the first quarter of 2003, reflecting improvements across most revenue categories and regions. Total operating expenses increased 9% compared to the first quarter of 2003. The business unit's return on average allocated capital was 28.1% and the pre-tax margin was 23.9% in the first quarter of 2004.

CSFB Net Income by Segment

in CHF million	1Q2004	4Q2003	1Q2003	Change in % from 4Q2003	Change in % from 1Q2003
Institutional Securities	623	96	511	□	22
Wealth & Asset Management	136	26	87	423	56

Institutional Securities reported a 22% increase in net income in the first quarter of 2004 – or 34% on a US dollar basis – compared to the first quarter of 2003, benefiting from favorable markets and higher client and proprietary activity. Net revenues rose 12% compared to the first quarter of 2003 – or 23% on a US dollar basis – reflecting a 6% increase in fixed income trading revenues on a US dollar basis, as well as a significant increase in equity trading revenues. In aggregate, debt and equity underwriting revenues were up 41% from the first quarter of 2003, primarily on the strength of leveraged finance, assets and real estate securitizations, and equity new issuances. First quarter 2004 non-compensation expenses were down 12% from the first quarter of 2003 – primarily reflecting the weakening US dollar – and were down 4% on a US dollar basis. Compensation expenses rose 22%, reflecting higher revenues. Institutional Securities achieved substantial progress in respect of its financial benchmarks, reporting a return on average allocated capital of 25.6% and a pre-tax margin of 23.0%.

At Wealth & Asset Management, net income was up 56% in the first quarter of 2004 compared to the first quarter of 2003, due largely to improvements at Credit Suisse Asset Management. Net revenues rose 28% compared to the first quarter of 2003, reflecting higher asset management fees and performance gains on private equity investments and the impact of the consolidation of certain private equity funds under US GAAP. Total operating expenses rose 3% compared to the first quarter of 2003. The segment's pre-tax margin and return on average allocated capital improved substantially compared to the first quarter of 2003. Credit Suisse Asset Management will henceforth include the new Alternative Capital division, which brings together Credit Suisse First Boston's alternative investment activities, including private equity and private fund groups.

Outlook

Credit Suisse Group started the year successfully, benefiting from progress achieved in all of its businesses and improved economic conditions. The Group remains optimistic about 2004, given present levels of client activity and current economic conditions.

Enquiries

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Credit Suisse Group, Investor Relations	Telephone	+41 1 333 45 70

For additional information with respect to Credit Suisse Group's results for the first quarter of 2004, we refer you to the Group's Quarterly Report Q1 2004, as well as the Group's slide presentation for analysts and the press, posted on the Internet at: www.credit-suisse.com/results.

Credit Suisse Group

Credit Suisse Group is a leading global financial services company headquartered in Zurich. The business unit Credit Suisse Financial Services provides private clients and small and medium-sized companies with private banking and financial advisory services, banking products, and pension and insurance solutions from Winterthur. The business unit Credit Suisse First Boston, an investment bank, serves global institutional, corporate, government and individual clients in its role as a financial intermediary. Credit Suisse Group's registered shares (CSGN) are listed in Switzerland and in the form of American Depositary Shares (CSR) in New York. The Group employs around 60,000 staff worldwide. As of March 31, 2004, it reported assets under management of CHF 1,241.3 billion.

Cautionary Statement Regarding Forward-Looking Information

This press release contains statements that constitute forward-looking statements. In addition, in the future we, and others on our behalf, may make statements that constitute forward-looking statements. Such forward-looking statements may include, without limitation, statements relating to our plans, objectives or goals; our future economic performance or prospects; the potential effect on our future performance of certain contingencies; and assumptions underlying any such statements. Words such as "believes," "anticipates," "expects," "intends" and "plans" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. We do not intend to update these forward-looking statements except as may be required by applicable laws. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other outcomes described or implied in forward-looking statements will not be achieved. We caution you that a number of important factors could cause results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include (i) market and interest rate fluctuations; (ii) the strength of the global economy in general and the strength of the economies of the countries in which we conduct our operations in particular; (iii) the ability of counterparties to meet their obligations to us; (iv) the effects of, and changes in, fiscal, monetary, trade and tax policies, and currency fluctuations; (v) political and social developments, including war, civil unrest or terrorist activity; (vi) the possibility of foreign exchange controls, expropriation, nationalization or confiscation of assets in countries in which we conduct our operations; (vii) the ability to maintain sufficient liquidity and access capital markets; (viii) operational factors such as systems failure, human error, or the failure to properly implement procedures; (ix) actions taken by regulators with respect to our business and practices in one or more of the countries in which we conduct our operations; (x) the effects of changes in laws, regulations or accounting policies or practices; (xi) competition in geographic and business areas in which we conduct our operations; (xii) the ability to retain and recruit qualified personnel; (xiii) the ability to maintain our reputation and promote our brands; (xiv) the ability to increase market share and control expenses; (xv) technological changes; (xvi) the timely development and acceptance of our new products and services and the perceived overall value of these products and services by users; (xvii) acquisitions, including the ability to integrate successfully acquired businesses; (xviii) the adverse resolution of litigation and other contingencies; and (xix) our success at managing the risks involved in the foregoing. We caution you that the foregoing list of important factors is not exclusive; when evaluating forward-looking statements, you should carefully consider the foregoing factors and other uncertainties and events, as well as the risks identified in our most recently filed Form 20-F and reports on Form 6-K furnished to the US Securities and Exchange Commission.

Presentation of Credit Suisse Group's First Quarter Results 2004 via Webcast and Telephone Conference

Date Wednesday, May 5, 2004

Time 10.00 CET / 09.00 BST / 04.00 EST

Speakers Philip K. Ryan, CFO of Credit Suisse Group
Ulrich Koerner, CFO of Credit Suisse Financial Services
Barbara Yastine, CFO of Credit Suisse First Boston

All presentations will be held in English.

Webcast www.credit-suisse.com/results

Telephone Europe: +41 91 610 5600
UK: +44 207 107 0611
USA: +1 866 291 4166
Reference: 'Credit Suisse Group quarterly results'

Q&A You will have the opportunity to ask the speakers questions via the telephone conference following the presentations.

Playback Video on demand available approximately three hours after the event at:
www.credit-suisse.com/results

Telephone available approximately one hour after the event; please dial:

Europe: +41 91 612 4330
: UK +44 207 866 4300
USA: +1 412 858 1440

Conference ID: 430#

Note We recommend that you dial in approximately ten minutes before the start of the presentation for the webcast and telephone conference. Further instructions and technical test functions are now available on our website.

Letter to Shareholders Q1 2004

Dear shareholders,

Credit Suisse Group delivered a strong performance in the first quarter, with revenue growth driven by higher levels of client activity and more favorable economic conditions. These results demonstrate Credit Suisse Group's continued progress in remaining disciplined on costs and risk management, while successfully growing key businesses to realize the full potential of its global platform.

Credit Suisse Group reported net income of CHF 1.9 billion for the first quarter of 2004, compared to net income of CHF 279 million in the first quarter of 2003.

Credit Suisse Financial Services recorded net income of CHF 1.1 billion in the first quarter of 2004, driven by increased revenue generation and efficiency improvements. Private Banking reported an inflow of CHF 10.8 billion in net new assets, representing an annualized growth rate of 8.4%. Corporate & Retail Banking achieved solid underlying revenues and continued productivity improvements, and both insurance segments recorded high investment income, with lower administration expenses at Life & Pensions and efficiency gains at Non-Life.

At Credit Suisse First Boston, first quarter 2004 net income of CHF 759 million demonstrated the business unit's operating leverage, with progress in revenue growth and controlled risk-taking. Its return on average allocated capital was 28.1% and its pre-tax margin was 23.9%.

Credit Suisse Group's consolidated BIS tier 1 ratio was 11.5% as of March 31, 2004.

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The first quarter of 2004 represents the first period in which the business was operated in line with US GAAP. Prior period information has been presented in accordance with US GAAP, although the business was managed in line with Swiss GAAP until the end of 2003.

Net new assets

Credit Suisse Group recorded a net new asset inflow of CHF 15.6 billion in the first quarter of 2004. Inflows of CHF 10.8 billion at Private Banking – representing an annualized growth rate of 8.4% – were a major contributor to this result. Corporate & Retail Banking reported CHF 0.9 billion of net new assets, and Life & Pensions recorded an inflow of CHF 2.1 billion in the first quarter of 2004. The Institutional Securities segment recorded CHF 1.8 billion of inflows. Credit Suisse Group's total assets under management amounted to CHF1,241.3 billion as of March 31, 2004, an increase of 5.1% from December 31, 2003.

Credit Suisse Financial Services

Credit Suisse Financial Services recorded net income of CHF 1.1 billion in the first quarter of 2004, up 99% compared to the fourth quarter of 2003 and up more than seven-fold compared to the first quarter of 2003. All four segments contributed to this increase, which was attributable to good revenue generation and efficiency improvements. Net revenues increased 8% compared to the first quarter of 2003, while total operating expenses remained practically unchanged.

Private Banking

Private Banking reported net income of CHF 681 million, up 72% compared to the first quarter of 2003. Net revenues rose 30% in the first quarter of 2004 compared to the first quarter of 2003. Commissions and fees were also up 30%, driven by a higher average asset base, significantly better brokerage revenues – reflecting increased client activity – and high product issuing fees. Total operating expenses rose 12% compared to the first quarter of 2003, due to higher incentive-related compensation accruals – reflecting the better result – as well as higher commission expenses in line with increased brokerage activity, partially offset by further efficiency improvements. Compared to the fourth quarter of 2003, total operating expenses fell 1%. The cost/income ratio decreased 8.9 percentage points compared to the first quarter of 2003 to 55.3%. The first quarter 2004 gross margin increased 17.0 basis points compared to the first quarter of 2003, to 146.3 basis points.

Corporate & Retail Banking

Corporate & Retail Banking recorded net income of CHF 189 million in the first quarter of 2004, up 22% compared to the first quarter of 2003. Net revenues were practically unchanged compared to the first quarter of 2003. Total operating expenses fell 5% in the same period due to further efficiency gains, – partly offset by higher incentive-related compensation accruals. Credit provisions were low in the first quarter. The segment further improved its cost/income ratio to 62.8%, down 4.4 percentage points compared to the first quarter of 2003.

Life & Pensions

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Non-Life

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Non-Life reported net income of CHF 103 million for the first quarter of 2004, up 12% from the first quarter of 2003. Net premiums earned rose 12% compared to the first quarter of 2003. The combined ratio improved by 1.0 percentage points to 100.4% compared to the first quarter of 2003. The claims ratio increased by 2.8 percentage points, and the expense ratio fell 3.8 percentage points compared to the first quarter of 2003, as underwriting and acquisition as well as administration expenses decreased slightly despite higher premium volumes. The segment reported a 66% increase in net investment income in the first quarter of 2004 compared to the first quarter of 2003.

Credit Suisse First Boston

Credit Suisse First Boston reported net income of CHF 759 million in the first quarter of 2004, up 27% – or 39% on a US dollar basis – compared to the first quarter of 2003. This performance demonstrated the business unit's operating leverage, with progress in revenue growth and controlled risk-taking, accompanied by continued cost controls. First quarter net revenues were up 15% from the first quarter of 2003, reflecting improvements across most revenue categories and regions. Total operating expenses increased 9% compared to the first quarter of 2003. The business unit's return on average allocated capital was 28.1% and the pre-tax margin was 23.9% in the first quarter of 2004.

Institutional Securities

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Wealth & Asset Management

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Oswald J. Grübel John J. Mack

May 2004

Segment reporting

in CHF m	Net revenues			Net income		
	1Q2004	4Q2003	1Q2003	1Q2004	4Q2003	1Q2003
Private Banking	1,940	1,818	1,487	681	629	396
Corporate & Retail Banking	787	826	774	189	50	155
Life & Pensions	6,036	3,607	6,047	139	(176)	(517)
Non-Life	3,125	2,943	2,672	103	55	92
Institutional Securities	3,997	2,705	3,554	623	96	511
Wealth & Asset Management	866	956	675	136	26	87
Corporate Center	(180)	20	(513)	(10)	104	(445)
Credit Suisse Group	16,571	12,875	14,696	1,861	784	279

in CHF m	Total assets	
	31.03.04	31.12.03
Private Banking	197,822	174,934
Corporate & Retail Banking	101,501	98,468
Life & Pensions and Non-Life	168,757	163,028
Institutional Securities	762,931	644,375
Wealth & Asset Management	8,066	7,418
Corporate Center	(100,881)	(83,915)
Credit Suisse Group	1,138,196	1,004,308

Consolidated statements of income (unaudited)

in CHF m	1Q2004	4Q2003	1Q2003	Change	Change
				in % from 4Q2003	in % from 1Q2003
Interest and dividend income	7,742	7,209	6,527	7	19
Interest expense	(4,663)	(4,169)	(4,032)	12	16
Net interest income	3,079	3,040	2,495	1	23
Commissions and fees	3,571	3,275	3,029	9	18
Trading revenues	1,516	794	1,287	91	18
Realized gains/(losses) from investment securities, net	528	353	81	50	–
Insurance net premiums earned	7,417	5,142	7,458	44	(1)
Other revenues	460	271	346	70	