

Credit Suisse International Unaudited Interim Report 2007



CREDIT SUISSE INTERNATIONAL
CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED
30 JUNE 2007 (UNAUDITED)

	Note	30 June 2007 US\$M	30 June 2006 US\$M
Interest income	4	1,300	858
Interest expense	4	(2,373)	(1,333)
Net interest expense		(1,073)	(475)
Net commissions and fees	5	29	(27)
Net trading revenues	6	3,065	1,832
Other charges	5	(255)	(178)
Total non interest revenues		2,839	1,627
Net operating income		1,766	1,152
Compensation and benefits	5	(609)	(467)
Impairment charge on loans and receivables	5	(51)	(25)
Other expenses	5	(510)	(469)
Total operating expenses		(1,170)	(961)
Profit before tax		596	191
Income tax expense	7	(213)	(68)
Profit after tax		383	123

All profits for both 2007 and 2006 are from Continuing Operations.

The notes on pages 5 to 14 form an integral part of these Consolidated Interim Financial Statements.

CREDIT SUISSE INTERNATIONAL
CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2007 (UNAUDITED)

	Note	30 June 2007 US\$M	31 December 2006 US\$M
Assets			
Cash and due from banks		8,319	8,296
Interest-bearing deposits with banks		1,446	530
Securities purchased under resale agreements and securities borrowing transactions		26,735	17,338
Trading assets	6	284,328	218,076
Other financial assets designated at fair value through profit and loss		9,454	6,052
Loans and receivables		11,791	13,350
Current tax assets		521	449
Deferred tax assets		237	252
Other assets		25,895	17,290
Intangible assets		135	138
Property, plant and equipment		376	394
Total assets		369,237	282,165
Liabilities			
Deposits		8,548	6,825
Securities sold under repurchase agreements and securities lending transactions		16,306	22,333
Trading liabilities	6	208,549	155,733
Other financial liabilities designated at fair value through profit and loss		36,103	28,600
Short term borrowings		51,320	38,633
Current tax liabilities		244	47
Long term debt	8	4,583	4,425
Other liabilities		37,368	20,627
Provisions		38	40
Total liabilities		363,059	277,263
Shareholders' equity			
Called-up share capital	10	3,022	3,242
Share premium account	10	1,546	433
Retained earnings		1,610	1,227
Total shareholders' equity		6,178	4,902
Total liabilities and shareholders' equity		369,237	282,165

The notes on pages 5 to 14 form an integral part of these Consolidated Interim Financial Statements.

Approved by the Board of Directors on 28 August 2007 and signed on its behalf by:

Costas P. Michaelides

CREDIT SUISSE INTERNATIONAL
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED
30 JUNE 2007 (UNAUDITED)

	Attributable to equity holders of the Group				Total US\$M
	Share Capital US\$M	Share Premium US\$M	Cash Flow Hedge US\$M	Retained Earnings US\$M	
	Balance at 1 January 2006	1,957	433	-	
Profit for the period and total recognised income and expense for the period	-	-	-	123	123
Issue of shares	535	-	-	-	535
Losses taken to equity	-	-	(1)	-	(1)
Balance at 30 June 2006	2,492	433	(1)	1,451	4,375

	Attributable to equity holders of the Group				Total US\$M
	Share Capital US\$M	Share Premium US\$M	Cash Flow Hedge US\$M	Retained Earnings US\$M	
	Balance at 1 January 2007	3,242	433	-	
Profit for the period and total recognised income and expense for the period	-	-	-	383	383
Issue of shares	1,330	1,135	-	-	2,465
Redemption of shares	(1,550)	(22)	-	-	(1,572)
Balance at 30 June 2007	3,022	1,546	-	1,610	6,178

There were no dividends paid during the six months ended 30 June 2007 (30 June 2006 Nil).

The notes on pages 5 to 14 form an integral part of these Consolidated Interim Financial Statements.

CREDIT SUISSE INTERNATIONAL
CONSOLIDATED CASH FLOW STATEMENT FOR THE SIX MONTHS ENDED
30 JUNE 2007 (UNAUDITED)

	Note	30 June 2007 US\$M	30 June 2006 US\$M
Cash flows from operating activities			
Profit before tax for the period		596	191
Adjustments to reconcile net profit to net cash provided by/(used in) operating activities			
Non-cash items included in profit before tax and other adjustments:			
Depreciation and amortisation on property, plant and equipment and intangible assets		72	67
Interest accrued on long term debt		115	56
Impairment charge on loans and receivables		51	25
Gain on cash flow hedge		-	(1)
Foreign exchange losses		-	2
Net (increase)/decrease in operating assets:			
Interest bearing deposits with banks		(916)	301
Securities purchased under resale agreements and securities borrowing transactions		(9,397)	(1,485)
Trading assets		(66,252)	(17,024)
Other financial assets designated at fair value through profit and loss		(3,402)	737
Loans and receivables		1,508	(1,494)
Other assets		(8,681)	(4,181)
Net increase/(decrease) in operating liabilities:			
Deposits		(788)	769
Securities sold under resale agreements and securities lending transactions		(6,027)	2,451
Trading liabilities		52,816	5,518
Other financial liabilities designated at fair value through profit and loss		7,503	6,726
Short term borrowings		12,687	10,959
Other liabilities		16,734	10,581
Provisions		(2)	(16)
Cash (used in)/generated from operating activities		(3,383)	14,182
Income taxes refund		40	-
Income taxes paid		(32)	(31)
Net cash flow (used in)/generated from operating activities		(3,375)	14,151
Investing activities			
Capital expenditures for property, plant, equipment and intangible assets		(51)	(120)
Net cash flow used in investing activities		(51)	(120)
Financing activities			
Issue of long term debt	8	962	265
Issue of preference and participating shares	10	2,465	535
Redemption of preference shares	10	(1,572)	-
Repayments and reclassifications of long term debt	8	(809)	(3,086)
Interest paid on long term debt		(108)	(25)
Net cash flow from/(used in) financing activities		938	(2,311)
Net (decrease)/increase in cash and cash equivalents		(2,488)	11,720
Cash and cash equivalents at beginning of period		5,263	3,536
Cash and cash equivalents at end of period		2,775	15,256
Cash and due from banks		8,319	16,980
Demand deposits		(5,544)	(1,724)
Cash and cash equivalents at end of period		2,775	15,256

The notes on pages 5 to 14 form an integral part of these Consolidated Interim Financial Statements.

CREDIT SUISSE INTERNATIONAL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2007 (UNAUDITED)

1 General

Credit Suisse International ('CSi') is a bank domiciled in the United Kingdom. It is a global market leader in over-the-counter ('OTC') derivative products from the standpoints of counterparty service, innovation, product range and geographic scope of operations. CSi offers a range of interest rate, currency, equity, commodity and credit-related OTC derivatives and certain securitised products. CSi's business is primarily client-driven, focusing on transactions that address the broad financing, risk management and investment concerns of its worldwide client base. The Consolidated Interim Financial Statements for the six months ended 30 June 2007 comprise CSi (the 'Bank'), and its subsidiaries (together referred to as the 'Group').

The Unaudited Consolidated Interim Financial Statements were authorised for issue by the directors on 28 August 2007.

2 Significant Accounting Policies

Basis of preparation

The Group's Consolidated Interim Financial statements are prepared in accordance with IAS 34 'Interim Financial Reporting'. In preparing the Consolidated Interim Financial Statements, the same accounting policies and basis of computation are applied as in the Group Annual Consolidated Financial Statements for the year ended 31 December 2006, except for that otherwise disclosed in the notes to the Consolidated Interim Financial Statements.

The preparation of the financial statements in accordance with IFRS, as adopted by the European Union, requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision has a significant effect on both current and future periods.

The Consolidated Interim Financial Statements are unaudited. These Consolidated Interim Financial Statements should be read in conjunction with the Audited Annual Consolidated Financial Statements included in the Group's Annual report for 2006.

CREDIT SUISSE INTERNATIONAL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS
ENDED 30 JUNE 2007 (UNAUDITED)

3 Segmental Analysis

	Fixed Income US\$M	Equity US\$M	Other US\$M	Group US\$M
As at 30 June 2007				
Total operating income	1,442	361	(37)	1,766
Profit/(loss) before tax	602	38	(44)	596
Income tax expense				(213)
Profit after tax				383
	Fixed Income US\$M	Equity US\$M	Other US\$M	Group US\$M
As at 30 June 2006				
Total operating income	990	172	(10)	1,152
Profit/(loss) before tax	283	(86)	(6)	191
Income tax expense				(68)
Profit after tax				123

During 2006, a portion of the Fixed Income business was reclassified to Equities as part of a business realignment. In addition, the segment allocation methodology was revised. Comparative segment information was reclassified for consistency.

4 Interest Income and Interest Expense

	30 June 2007 US\$M	30 June 2006 US\$M
Loans and receivables	246	205
Securities purchased under resale agreements and securities borrowing transactions	485	155
Cash collateral paid on OTC derivatives transactions	292	219
Cash and cash equivalents	277	279
Total interest income	1,300	858
Deposits	(121)	(124)
Short term borrowings	(1,135)	(619)
Securities sold under resale agreements and securities lending transactions	(472)	(266)
Long term debt	(151)	(66)
Cash collateral received on OTC derivatives transactions	(494)	(258)
Total interest expense	(2,373)	(1,333)
Net interest Expense	(1,073)	(475)

CREDIT SUISSE INTERNATIONAL
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS
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5 Non-Interest Revenues and Total Operating Expenses

The following table sets forth the details of commissions and fees:

	30 June 2007	30 June 2006
	US\$M	US\$M
Commissions from lending business:		
Investment and portfolio management activities	80	82
Commissions and fees from fiduciary activities:		
Brokerage activities	-	1
Fees for other customer services	1	1
Commission and fee income	81	84
Commissions from lending business:		
Investment and portfolio management activities	(28)	(66)
Commissions and fees from fiduciary activities:		
Brokerage fees	(24)	(45)
Commission and fee expense	(52)	(111)
Net commissions and fee income/(expense)	29	(27)

Other charges of US\$255m (2006: US\$178m) principally relate to amounts allocated to CSi from other companies in the Credit Suisse Group (collectively referred to as the 'CS group') mainly due to revenue sharing arrangements.

The following table sets forth the details of compensation and benefits:

	30 June 2007	30 June 2006
	US\$M	US\$M
Salaries and bonuses	558	415
Social security	41	41
Pensions	7	8
Other	3	3
Compensation and benefits	609	467

At the balance sheet date, the sponsoring entity of the defined benefit plans in the Bank has yet to finalise the Bank's portion of contribution towards the fund deficit for the year. This amount is not expected to exceed US\$40m, and will be expensed once the contribution amount is agreed.

The impairment charge on loans and receivables of US\$51m (2006: US\$25m), comprises of additional allowances for loan losses of US\$62m (2006: US\$25m) and a release of allowances for loan losses of US\$11m (2006: US\$Nil).

The following table sets forth the details of other expenses:

	30 June 2007	30 June 2006
	US\$M	US\$M
Occupancy expenses	7	6
IT and machinery	40	33
Depreciation expenses	72	66
Provisions	8	5
Commission expenses	108	78
Travel and entertainment	6	7
Audit fees of the Bank	2	1
Professional services	26	36
Overheads allocated from other CS group entities	198	215
Other	43	22
Other expenses	510	469

CREDIT SUISSE INTERNATIONAL
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS
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6 Trading Activities

The following table sets forth the details of trading-related revenues:

	30 June 2007	30 June 2006
	US\$M	US\$M
Interest rate-related products	2,227	1,002
Equity/indexed-related products	496	514
Foreign exchange products	70	(18)
Credit related products	270	334
Other products	2	-
Net trading revenues	3,065	1,832

	30 June 2007	31 December 2006
	US\$M	US\$M
Trading assets		
Debt instruments	40,795	41,402
Equity instruments	42,612	23,071
Positive replacement values of derivative trading positions	184,027	141,072
Loans and other receivables	16,894	12,531
Total trading assets	284,328	218,076

	30 June 2007	31 December 2006
	US\$M	US\$M
Trading liabilities		
Short positions	21,351	11,348
Negative replacement values of derivative trading positions	187,198	144,385
Total trading liabilities	208,549	155,733

7. Income Tax Expense

	30 June 2007	30 June 2006
	US\$M	US\$M
Current tax	(198)	(91)
Deferred tax	(15)	23
Income tax expense	(213)	(68)

CREDIT SUISSE INTERNATIONAL
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS
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7. Income Tax Expense (continued)

The income tax expense for the period can be reconciled to the profit per the income statement as follows:

	30 June 2007 US\$M	30 June 2006 US\$M
Profit before tax	596	191
Profit before tax multiplied by the UK statutory rate of corporation tax at the rate of 30% (30 June 2006: 30%)	(179)	(57)
Effect of different tax rates of operations/subsidiaries operating in other jurisdictions	(12)	(6)
Other permanent differences	(1)	(5)
Adjustments to current tax in respect of previous periods	(7)	-
Effect on deferred tax resulting from changes to tax rates	(14)	-
Income tax expense	(213)	(68)

8 Long Term Debt

	Balance as at 1 January 2007 US\$M	Issuances US\$M	Repayments and other movements US\$M	Translation FX and MTM adjustments US\$M	Balance as at 30 June 2007 US\$M
Senior debt	1,237	62	(809)	(2)	488
Subordinated debt	3,188	900	-	7	4,095
Total long term debt	4,425	962	(809)	5	4,583

	Balance as at 1 January 2006 US\$M	Issuances US\$M	Repayments and other movements US\$M	Translation, FX and MTM adjustments US\$M	Balance as at 31 December 2006 US\$M
Senior debt	185	1,032	-	20	1,237
Subordinated debt	2,064	1,115	9	-	3,188
Total long term debt	2,249	2,147	9	20	4,425

On 25 January 2007, CSi effected a drawdown of US\$200,000,000 from a subordinated loan facility of US\$2,000,000,000 with Credit Suisse (International) Holding AG dated 15 March 2006.

On 31 January 2007, CSi executed a new subordinated loan agreement of US\$1,500,000,000 with Credit Suisse First Boston Finance B.V., of which US\$400,000,000 was issued on 9 May 2007.

On 9 May 2007, CSi effected a drawdown of US\$300,000,000 from a subordinated loan facility of US\$1,000,000,000 with Credit Suisse First Boston Finance B.V. dated 16 November 2005.

The following relates to drawdowns subsequent to balance sheet date:

On 10 July 2007, CSi effected a drawdown of US\$400,000,000 from a subordinated loan facility of US\$1,500,000,000 with Credit Suisse First Boston Finance B.V. dated 31 January 2007.

CREDIT SUISSE INTERNATIONAL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS
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8 Long Term Debt (continued)

On 10 July 2007, CSi effected a drawdown of US\$300,000,000 from a subordinated loan facility of US\$2,000,000,000 with Credit Suisse (International) Holding AG dated 15 March 2006.

All of the above transactions were done in order to support trading operations.

9 Derivatives and Hedging Activities

As at 30 June 2007

	Trading			Hedging		
	Notional amount US\$M	Positive fair value US\$M	Negative fair value US\$M	Notional amount US\$M	Positive fair value US\$M	Negative fair value US\$M
Interest rate products	20,312,017	169,759	171,373	1,017	-	32
Foreign exchange products	945,631	25,794	22,427	-	-	-
Precious metals products	12,852	1,296	2,644	-	-	-
Equity/indexed-related products	1,011,903	27,404	31,043	-	-	-
Credit products	2,153,151	23,204	23,346	1,246	1	22
Other products	12,930	662	457	-	-	-
Total derivative instruments	24,448,484	248,119	251,290	2,263	1	54

The notional amount of derivative instruments (trading and hedging) was US\$24,450,747m and US\$19,434,998m as at 30 June 2007 and 31 December 2006 respectively.

	30 June 2007		31 December 2006	
	Positive fair value US\$M	Negative fair value US\$M	Positive fair value US\$M	Negative fair value US\$M
Fair values (trading and hedging) before netting	248,120	251,344	186,676	190,170
Fair values (trading and hedging) after netting	184,028	187,252	141,072	144,566

As at 31 December 2006

	Trading			Hedging		
	Notional amount US\$M	Positive fair value US\$M	Negative fair value US\$M	Notional amount US\$M	Positive fair value US\$M	Negative fair value US\$M
Interest rate products	16,371,715	128,406	128,271	1,006	-	40
Foreign exchange products	725,712	19,851	17,774	-	-	-
Precious metals products	14,171	1,636	3,138	-	-	-
Equity/indexed-related products	794,124	22,970	26,065	-	-	-
Credit products	1,521,936	13,515	14,481	1,215	-	141
Other products	5,109	298	260	-	-	-
Total derivative instruments	19,432,767	186,676	189,989	2,221	-	181

CREDIT SUISSE INTERNATIONAL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS
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10 Called-up Share Capital

	30 June 2007	31 December 2006
	US\$	US\$
Authorised:		
Ordinary voting shares of US\$1 each	125	125
Participating non-voting shares of US\$1 each	1,224,999,375	774,999,375
Class A Participating non-voting shares of US\$1 each	500	500
Preference Shares of US\$25,000,000 each	275,000,000	275,000,000
Class A Preference Shares of US\$1 each	250,000,000	250,000,000
Class B Preference Shares of US\$1 each	600,000,000	600,000,000
Class C Preference Shares of US\$1 each	800,000,000	800,000,000
Class D Preference Shares of US\$1 each	600,000,000	600,000,000
Class E Preference Shares of US\$1 each	700,000,000	700,000,000
Class F Preference Shares of US\$1 each	750,000,000	750,000,000
Class G Preference Shares of US\$1 each	800,000,000	-
	6,000,000,000	4,750,000,000
Allotted, called up and fully paid:		
Ordinary voting shares of US\$1 each	125	125
Participating non-voting shares of US\$1 each	1,211,594,375	682,324,900
Class A Participating non-voting shares of US\$1 each	200	200
Preference Shares of US\$25,000,000 each	-	-
Class A Preference Shares of US\$1 each	250,000,000	250,000,000
Class B Preference Shares of US\$1 each	375,000,000	375,000,000
Class C Preference Shares of US\$1 each	350,000,000	350,000,000
Class D Preference Shares of US\$1 each	300,000,000	300,000,000
Class E Preference Shares of US\$1 each	535,000,000	535,000,000
Class F Preference Shares of US\$1 each	-	750,000,000
Class G Preference Shares of US\$1 each	-	-
	3,021,594,700	3,242,325,225

On 15 March 2007, the total authorised share capital of the Bank increased from US\$4,750,000,000 to US\$5,550,000,000 by the creation of a new class of shares being 800,000,000 Class G Preference Shares of US\$1 each, all of which were issued in cash at par to Credit Suisse (International) Holding AG.

On 20 April 2007, 92,674,475 Participating Shares of US\$1 each were allotted and issued in cash at par as follows

Credit Suisse Group	18,534,895
Credit Suisse (International) Holding AG	37,069,790
Credit Suisse	37,069,790

On 9 May 2007, the total authorised share capital of the Bank increased from US\$5,550,000,000 to US\$6,000,000,000 by the creation of a further 450,000,000 Participating Shares of US\$1 each, of which 436,595,000 were issued in cash at a share premium of \$1,135,147,000 to Credit Suisse (International) Holding AG.

On 9 May 2007, all issued Class F and G Preference Shares were redeemed at US\$1.029 and US\$0.99999 respectively, resulting in a net reduction in share premium of US\$21,742,000.

The following relates to an increase in capital subsequent to balance sheet date, to support continued business growth:

On 10 August 2007, the total authorised capital of the Bank increased from US\$6,000,000,000 to US\$6,700,000,000 by the creation of a new class of shares being 700,000,000 Class H Preference Shares of US\$1 each, of which US\$700,000,000 was issued in cash at par to Credit Suisse (International) Holding AG (IHAG).

CREDIT SUISSE INTERNATIONAL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2007 (UNAUDITED)

10 Called-up Share Capital (continued)

Stock awards

Total compensation expense for stock awards, relating to Credit Suisse Group (CSG) shares, recognised during the six months ended 30 June 2007 and 2006 was US\$139m and US\$139m respectively.

The total stock award liability recorded as at 30 June 2007 was US\$486m (31 December 2006: US\$429m). The fair value used to calculate the stock award liability was the closing CSG share price as at 30 June 2007 CHF87.35 (31 December 2006: CHF85.45).

11 Contingent Liabilities and Commitments

The Group has contingent liabilities and commitments, entered into in the ordinary course of business, in respect of forward rate agreements, OTC futures, interest rate and currency swaps, options, spot and forward foreign exchange contracts and other OTC off-balance sheet instruments.

The following contingent liabilities and commitments were entered into since 31 December 2006:

On 16 March 2007 the Bank registered a charge to The Bank of New York over all principal, interest and other amounts that may be payable under the obligations of the trust deed associated with US\$400m loan participation notes.

On 11 April 2007, the Bank registered a further charge to BNY Corporate Trustee Services Limited over all principal, interest and other amounts payable by the Bank under the obligations of the supplemental trust deed between the Bank and BNY Corporate Trustee Services Limited associated with US\$30m loan participation notes.

On 13 April 2007, the Bank registered an amendment to a trust deed dated 9 February 2006 with J.P. Morgan Corporate Trustee Services Limited by granting a charge to BNY Corporate Trustee Services over all principal, interest and other amounts payable by the Bank under the obligations of the supplemental trust deed between the Bank and BNY Corporate Trustee Services Limited associated with US\$95m loan participation notes.

On 7 June 2007, the Bank registered a charge to Deutsche Trustee Company Limited over all principal, interest and other amounts that may be payable under the obligations of the trust deed associated with the US\$125m loan participation notes.

The following relates to Contingent liabilities and commitments subsequent to balance sheet date:

On 31 July 2007, the Bank registered a charge to Caledonian Trust (Cayman) Limited for principal, interest and other amounts associated with its purchase of the Magnitude Master Fund linked Investments Notes of Sterling £20m.

12 Related Party Transactions

The Group is controlled by Credit Suisse Group, its ultimate parent, which is incorporated in Switzerland. The Group's parent company, who holds a majority of the voting rights in the undertaking, is Credit Suisse, which is incorporated in Switzerland.

The Group has significant related party balances with subsidiaries and affiliates of CSG. These transactions largely comprise derivative trades, as the Bank is the principal risk taker for derivatives within the CS group, as well as funding trades via the use of loans/deposits and repurchase/resale agreements. The Group is also charged by other CS group companies for operating costs which mainly relate to employee-related services and other business expenses.

CREDIT SUISSE INTERNATIONAL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2007 (UNAUDITED)

12 Related Party Transactions (continued)

The Group generally enters into the above transactions in the ordinary course of business on market terms that could be obtained from unrelated parties.

The nature of related party transactions remained consistent for the six months ended 30 June 2007 compared to the year ended 31 December 2006.

13 Financial Instruments Risk Position

The CS group, of which CSi is a part, manages its risks under global policies. The CS group risk management process is designed to ensure that there are sufficient controls to measure, monitor and control risks in accordance with CS group's control framework and in consideration of industry best practices. The primary responsibility for risk management lies with CS group's senior business line managers. They are held accountable for all risks associated with their businesses, including counterparty risk, market risk, liquidity risk, operational risk, legal risk and reputational risk.

There have been no material changes in the risk management policies since the year ended 31 December 2006.

The following tables give an update on the VaR results, mark to market exposures and interest rate sensitivity position as at 30 June 2007.

Market risk in CSi trading portfolios (1-day, 99% Value-at-Risk) ¹⁾

In US\$M	6 months ended 30 June 2007				12 months ended 31 December 2006			
	Min.	Max.	Average	30.06.2007	Min.	Max.	Average	31.12.2006
Interest rate & credit spread	17.9	40.2	27.9	25.3	18.0	38.3	24.8	21.5
Foreign exchange	2.3	18.4	5.5	14.0	3.9	21.2	8.0	7.4
Equity	19.1	46.9	27.2	38.5	19.9	44.0	31.2	29.7
Commodity	0.1	4.8	0.7	1.9	0.2	10.5	1.2	0.6
Diversification Benefit	²⁾	²⁾	(19.6)	(24.2)	²⁾	²⁾	(20.2)	(19.6)
Total	31.0	63.9	41.7	55.5	31.1	64.4	45.0	39.6

1) Disclosure covers all trading books of CSi. Numbers represent 10-day VaR scaled to a 1-day holding period. 2) As the minimum and maximum occur on different days for different risk types, it is not meaningful to calculate a portfolio diversification benefit.

Counterparty Exposure pre Collateral by Rating

	30 June 2007		31 December 2006	
	US\$M	%	US\$M	%
AAA	6,403	12	4,985	11
AA+ to AA-	14,524	28	11,746	27
A+ to A-	12,064	23	9,415	21
BBB+ to BBB-	8,203	16	8,034	18
BB+ to BB-	4,822	9	5,834	13
B+ and below	6,123	12	4,602	10
	52,139		44,616	

CREDIT SUISSE INTERNATIONAL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS
ENDED 30 JUNE 2007 (UNAUDITED)

13 Financial Instruments Risk Position (continued)

Unsecured Exposure by Rating (including provisions)

	30 June 2007		31 December 2006	
	US\$M	%	US\$M	%
AAA	6,206	24	4,755	20
AA+ to AA-	7,706	29	5,868	24
A+ to A-	5,784	22	4,723	19
BBB+ to BBB-	2,032	8	2,961	12
BB+ to BB	2,006	8	3,656	15
B+ and below	2,296	9	2,323	10
	26,030		24,286	

Interest rate sensitivity position

Interest rate sensitivity by time bands at 30 June 2007

USD thousand gain/(loss) per basis point increase		Within 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
CHF	Trading	(132.3)	15.0	(100.8)	323.6	(73.4)	32.1
	Non-trading	1.3	1.4	0.5	5.2	1.3	9.7
USD	Trading	45.9	(86.8)	51.3	107.4	283.1	400.9
	Non-trading	125.3	367.4	210.1	36.7	247.9	987.4
EUR	Trading	(138.4)	719.7	343.8	651.6	931.7	2,508.4
	Non-trading	36.1	42.1	20.0	(49.9)	(7.0)	41.3
GBP	Trading	13.9	(199.7)	66.0	1.5	51.5	(66.8)
	Non-trading	55.5	(28.6)	(7.0)	3.2	3.7	26.8
JPY	Trading	(10.7)	(64.0)	214.1	178.8	264.9	583.1
	Non-trading	1.5	0.7	0.3	(0.2)	(1.7)	0.6
Other	Trading	46.9	125.1	(17.5)	(524.8)	2.8	(367.5)
	Non-trading	(1.3)	18.1	4.1	3.0	(0.2)	23.7

Interest rate sensitivity position

Interest rate sensitivity by time bands at 31 December 2006

USD thousand gain/(loss) per basis point increase		Within 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
CHF	Trading	(41.0)	36.5	5.0	(103.1)	(113.9)	(216.5)
	Non-trading	(4.8)	1.0	0.2	1.7	1.6	(0.3)
USD	Trading	84.9	(523.4)	694.3	596.3	(689.5)	162.6
	Non-trading	90.2	392.3	76.4	(16.9)	4.0	546.0
EUR	Trading	(12.5)	(126.0)	302.9	(369.6)	869.0	663.8
	Non-trading	(0.1)	50.7	(39.7)	1.0	(25.7)	(13.8)
GBP	Trading	86.3	(132.5)	39.9	(110.1)	(171.8)	(288.2)
	Non-trading	0.8	(9.7)	(3.0)	3.0	4.7	(4.2)
JPY	Trading	(12.5)	62.0	(375.8)	228.4	563.4	465.5
	Non-trading	5.8	0.3	(0.3)	0.0	(0.5)	5.3
Other	Trading	(26.4)	5.0	141.0	(125.3)	364.0	358.3
	Non-trading	1.2	15.3	1.2	(0.4)	(0.7)	16.6



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