VII

Consolidated financial statements – Credit Suisse (Bank)

Notes to the consolidated financial statements

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Report of the Group Auditors and the Independent Registered Public Accounting Firm to the General Meeting of

Credit Suisse, Zurich

We have audited the accompanying consolidated balance sheets of Credit Suisse and subsidiaries (the "Bank") as of December 31, 2007 and 2006, and the related consolidated statements of income, changes in shareholder's equity, comprehensive income and cash flows, and notes thereto, for each of the years in the three-year period ended December 31, 2007. These consolidated financial statements are the responsibility of the Bank's management and the Board of Directors. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We confirm that we meet the legal requirements concerning professional qualification and independence.

We conducted our audits in accordance with the standards of the Public Company A ccounting Oversight Board (United States) and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Bank as of December 31, 2007 and 2006, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2007, in conformity with U.S. generally accepted accounting principles, and comply with Swiss law.

In accordance with Swiss law, we recommend that the consolidated financial statements submitted to you be approved.

As discussed in Notes 1 and 2 to the consolidated financial statements, in 2007 the Bank changed its method of accounting for certain financial instruments accounted for at fair value, in 2006 the Bank changed its method of accounting for defined benefit pension plans and in 2005 the Bank changed its method of accounting for share-based compensation.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Bank's internal control over financial reporting as of December 31, 2007, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated March 18, 2008 expressed an adverse opinion on the effectiveness of the Bank's internal control over financial reporting.

KPMG Klynveld Peat Marwick Goerdeler SA

David L. Jahnke
Auditor in Charge

Robert S. Overstreet

Zurich, Switzerland
March 18, 2008

Consolidated statements of income

	Reference to notes	in 2007	2006	2005
Consolidated statements of income (CHF million)				
Interest and dividend income	5	61,604	49,392	35,361
Interest expense	5	(53,994)	(43,423)	(28,822)
Net interest income	5	7,610	5,969	6,539
Commissions and fees	6	17,922	16,379	13,273
Trading revenues		5,806	9,162	5,693
Other revenues	7	5,966	5,102	3,626
Net revenues		**37,304**	**36,612**	**29,131**
Provision for credit losses	8	**227**	**(97)**	**(134)**
Compensation and benefits	9	15,648	15,132	13,444
General and administrative expenses	10	6,865	6,654	7,737
Commission expenses		2,391	2,122	1,798
Total other operating expenses		9,256	8,776	9,535
Total operating expenses		**24,904**	**23,908**	**22,979**
Income from continuing operations before taxes, minority interests, extraordinary items and cumulative effect of accounting changes		**12,173**	**12,801**	**6,286**
Income tax expense	24	846	2,137	659
Minority interests		5,013	3,620	2,064
Income from continuing operations before extraordinary items and cumulative effect of accounting changes		**6,314**	**7,044**	**3,563**
Extraordinary items, net of tax		0	(24)	0
Cumulative effect of accounting changes, net of tax		–	–	12
Net income		**6,314**	**7,020**	**3,575**

The accompanying notes to the consolidated financial statements are an integral part of these statements.

Consolidated balance sheets

	Reference to notes		end of
		2007	2006
Assets (CHF million)			
Cash and due from banks		36,304	27,865
Interest-bearing deposits with banks		4,526	3,910
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	11	296,341	318,572
of which reported at fair value		183,719	–
Securities received as collateral, at fair value		28,728	32,310
Trading assets, at fair value	12	530,125	449,422
of which encumbered		141,764	141,404
Investment securities	13	14,515	20,304
of which reported at fair value		14,267	19,560
of which encumbered		1,908	54
Other investments	14	27,907	20,188
of which reported at fair value		25,080	18,324
Net loans	15	221,570	190,883
of which reported at fair value		31,047	–
allowance for loan losses		1,000	1,305
Premises and equipment	16	5,590	5,443
Goodwill	17	9,746	9,889
Other intangible assets	18	421	475
of which reported at fair value		179	181
Other assets	20	157,969	147,503
of which reported at fair value		49,298	11,265
of which encumbered		12,084	26,426
Total assets		**1,333,742**	**1,226,764**

The accompanying notes to the consolidated financial statements are an integral part of these statements.

	Reference to notes	end of 2007	2006
Liabilities and shareholder's equity (CHF million)			
Due to banks	21	106,979	104,724
of which reported at fair value		6,348	–
Customer deposits	21	307,598	280,200
of which reported at fair value		5,551	–
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	11	300,476	288,442
of which reported at fair value		140,424	–
Obligation to return securities received as collateral, at fair value		28,728	32,310
Trading liabilities, at fair value	12	200,575	197,936
Short-term borrowings		14,398	16,287
of which reported at fair value		8,120	2,764
Long-term debt	22	157,282	144,021
of which reported at fair value		107,290	44,208
Other liabilities	20	162,353	117,836
of which reported at fair value		24,221	14,916
Minority interests		24,019	18,963
Total liabilities		**1,302,408**	**1,200,719**
Common shares		4,400	4,400
Additional paid-in capital		20,849	19,593
Retained earnings		15,872	11,652
Treasury shares, at cost		(5,497)	(6,149)
Accumulated other comprehensive income/(loss)	23	(4,290)	(3,451)
Total shareholder's equity		**31,334**	**26,045**
Total liabilities and shareholder's equity		**1,333,742**	**1,226,764**

end of	2007	2006
Additional share information		
Par value (CHF)	100.00	100.00
Issued shares (million)	44.0	44.0
Shares outstanding (million)	44.0	44.0

The accompanying notes to the consolidated financial statements are an integral part of these statements.

Statements of changes in shareholder's equity

	Common shares	Additional paid-in capital	Retained earnings	Treasury shares, at cost [1]	Accumu-lated other compre-hensive income	**Total share-holder's equity**	Number of common shares outstanding [2]
2007 (CHF million)							
Balance at beginning of period	**4,400**	**19,593**	**11,652**	**(6,149)**	**(3,451)**	**26,045**	**43,996,652**
Net income	–	–	6,314	–	–	6,314	–
Cumulative effect of accounting changes, net of tax	–	–	(680)	–	10	(670) [3]	–
Other comprehensive income, net of tax	–	–	–	–	(849)	(849)	–
Repurchase of treasury shares	–	–	–	(287)	–	(287)	–
Share-based compensation, net of tax	–	833	–	939	–	1,772	–
Dividends on share-based compensation, net of tax	–	112	–	–	–	112	–
Cash dividends paid	–	–	(1,167) [4]	–	–	(1,167)	–
Other	–	311	(247)	–	–	64	–
Balance at end of period	**4,400**	**20,849**	**15,872**	**(5,497)**	**(4,290)**	**31,334**	**43,996,652**
2006 (CHF million)							
Balance at beginning of period	**4,400**	**18,770**	**7,045**	**(1,895)**	**(2,532)**	**25,788**	**43,996,652**
Net income	–	–	7,020	–	–	7,020	–
Cumulative effect of accounting changes, net of tax	–	–	45	–	(306)	(261)	–
Other comprehensive income, net of tax	–	–	–	–	(613)	(613)	–
Issuance of treasury shares	–	(4)	–	–	–	(4)	–
Repurchase of treasury shares	–	–	–	(4,664)	–	(4,664)	–
Share-based compensation, net of tax	–	846	–	410	–	1,256	–
Dividends on share-based compensation, net of tax	–	(19)	–	–	–	(19)	–
Cash dividends paid	–	–	(2,458)	–	–	(2,458)	–
Balance at end of period	**4,400**	**19,593**	**11,652**	**(6,149)**	**(3,451)**	**26,045**	**43,996,652**
2005 (CHF million)							
Balance at beginning of period	**4,400**	**18,736**	**5,372**	**(3,131)**	**(3,309)**	**22,068**	**43,996,652**
Net income	–	–	3,575	–	–	3,575	–
Other comprehensive income, net of tax	–	–	–	–	777	777	–
Repurchase of treasury shares	–	–	–	(171)	–	(171)	–
Share-based compensation, net of tax	–	30	–	1,407	–	1,437	–
Cash dividends paid	–	–	(1,902)	–	–	(1,902)	–
Other	–	4	–	–	–	4	–
Balance at end of period	**4,400**	**18,770**	**7,045**	**(1,895)**	**(2,532)**	**25,788**	**43,996,652**

[1] Reflects Credit Suisse Group shares which are reported as treasury shares. Those shares are held to economically hedge share award obligations. [2] The Bank's total share capital is fully paid and consists of 43,996,652 registered shares with nominal value of CHF 100 per share. Each share is entitled to one vote. The Bank has no warrants or convertible rights on its own shares outstanding. [3] Includes CHF 165 million related to SFAS 157, CHF (832) million related to SFAS 159, CHF (13) million related to FIN 48 and CHF 10 million reclassified from accumulated other comprehensive income as a result of SFAS 159, all net of tax. [4] Includes CHF 10 million dividends paid by the Bank to Credit Suisse Group, and CHF 1,157 million dividends paid by Credit Suisse Holdings (USA) to Credit Suisse Group on its preference stock interest.

The accompanying notes to the consolidated financial statements are an integral part of these statements.

Comprehensive income

in	2007	2006	2005
Comprehensive income (CHF million)			
Net income	6,314	7,020	3,575
Gains/(losses) on cash flow hedges	2	(36)	7
Cumulative translation adjustments	(1,168)	(729)	1,061
Unrealized gains/(losses) on securities	15	51	(71)
Minimum pension liability adjustment	–	101	(220)
Actuarial gains/(losses)	304	–	–
Net prior service cost	(2)	–	–
Other comprehensive income/(loss), net of tax [1]	(849)	(613)	777
Comprehensive income	**5,465**	**6,407**	**4,352**

[1] For details on the components of other comprehensive income, refer to Note 23 – Accumulated other comprehensive income.

The accompanying notes to the consolidated financial statements are an integral part of these statements.

Consolidated statements of cash flows

in	2007	2006	2005
Operating activities of continuing operations (CHF million)			
Net income	6,314	7,020	3,575
Income from continuing operations	**6,314**	**7,020**	**3,575**
Adjustments to reconcile net income to net cash provided by/(used in) operating activities of continuing operations (CHF million)			
Impairment, depreciation and amortization	860	988	894
Provision for credit losses	227	(97)	(134)
Deferred tax provision	(1,193)	585	(595)
Share of net income from equity method investments	(91)	2	(54)
Cumulative effect of accounting changes, net of tax	–	–	(12)
Trading assets and liabilities	(64,779)	(25,848)	(7,249)
(Increase)/decrease in accrued interest, fees receivable and other assets	(63,377)	(60,763)	(30,021)
Increase/(decrease) in accrued expenses and other liabilities	60,266	28,294	6,095
Other, net	7,818	2,227	1,004
Total adjustments	(60,269)	(54,612)	(30,072)
Net cash provided by/(used in) operating activities of continuing operations	**(53,955)**	**(47,592)**	**(26,497)**
Investing activities of continuing operations (CHF million)			
(Increase)/decrease in interest-bearing deposits with banks	(455)	330	(571)
(Increase)/decrease in central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	3,327	9,841	(47,562)
Purchase of investment securities	(445)	(1,641)	(12,409)
Proceeds from sale of investment securities	2,884	1,234	412
Maturities of investment securities	3,451	3,533	6,081
Investments in subsidiaries and other investments	(8,395)	(6,541)	(2,293)
Proceeds from sale of other investments	2,188	1,705	1,483
(Increase)/decrease in loans	(36,137)	(26,477)	(17,957)
Proceeds from sales of loans	339	3,142	2,158
Capital expenditures for premises and equipment and other intangible assets	(1,296)	(1,488)	(901)
Proceeds from sale of premises and equipment and other intangible assets	90	34	44
Other, net	(43)	95	261
Net cash provided by/(used in) investing activities of continuing operations	**(34,492)**	**(16,233)**	**(71,254)**

The accompanying notes to the consolidated financial statements are an integral part of these statements.

Consolidated statements of cash flows – continued

in	2007	2006	2005
Financing activities of continuing operations (CHF million)			
Increase/(decrease) in due to banks and customer deposits	46,290	51,154	40,790
Increase/(decrease) in short-term borrowings	(49)	483	(936)
Increase/(decrease) in central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	30,590	(1,392)	36,975
Issuances of long-term debt	77,786	76,596	51,170
Repayments of long-term debt	(62,638)	(49,402)	(29,110)
Issuance of trust preferred securities	22	0	0
Issuances of treasury shares	0	(4)	0
Repurchase of treasury shares	(287)	(4,664)	(171)
Dividends paid/capital repayments	(1,106)	(2,528)	(1,904)
Other, net	7,522	1,970	(84)
Net cash provided by/(used in) financing activities of continuing operations	**98,130**	**72,213**	**96,730**
Effect of exchange rate changes on cash and due from banks (CHF million)			
Effect of exchange rate changes on cash and due from banks	**(1,244)**	**(468)**	**3,260**
Net increase/(decrease) in cash and due from banks (CHF million)			
Net increase/(decrease) in cash and due from banks	**8,439**	**7,920**	**2,239**
Cash and due from banks at beginning of period	27,865	19,945	17,706
Cash and due from banks at end of period	**36,304**	**27,865**	**19,945**

in	2007	2006	2005
Cash paid for income taxes and interest (CHF million)			
Cash paid for income taxes	2,541	1,481	1,586
Cash paid for interest	54,128	41,609	27,892
Assets acquired and liabilities assumed in business acquisitions (CHF million)			
Fair value of assets acquired	335	199	1,554
Fair value of liabilities assumed	300	199	1,364

The accompanying notes to the consolidated financial statements are an integral part of these statements.

Notes to the consolidated financial statements

1 Summary of significant accounting policies

The accompanying consolidated financial statements of Credit Suisse, the Swiss bank subsidiary of the Group (the Bank), are prepared in accordance with US GAAP and are stated in CHF. The financial year for the Bank ends on December 31. Certain reclassifications have been made to the prior year's consolidated financial statements to conform to the current year's presentation and had no impact on net income or total shareholder's equity.

In preparing the consolidated financial statements, management is required to make estimates and assumptions including, but not limited to, the fair valuation of certain financial assets and liabilities, the allowance for loan losses, the impairment of assets other than loans, as well as various contingencies. These estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the dates of the consolidated balance sheets and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's estimates.

For a summary of significant accounting policies, with the exception of the following accounting policies, refer to Note 1 – Summary of significant accounting policies in V – Consolidated financial statements – Credit Suisse Group.

Pensions and other post-retirement benefits

Credit Suisse sponsors a Group defined benefit pension plan in Switzerland that covers eligible employees of the Bank domiciled in Switzerland. The Bank also has single-employer defined benefit pension plans and defined contribution pension plans in Switzerland and other countries around the world.

For the Bank's participation in the Group defined benefit pension plan, no retirement benefit obligation is recognized in the consolidated balance sheets of the Bank and defined contribution accounting is applied, as the Bank is not the sponsoring entity of the Group plan.

For single-employer defined benefit plans, the Bank uses the projected unit credit actuarial method to determine the present value of its PBO and the current and past service costs related to its defined benefit and other post-retirement benefit plans. The measurement date used by the Bank to perform the actuarial revaluations is September 30.

Certain key assumptions are used in performing the actuarial valuations. These assumptions must be made concerning the future events that will determine the amount and timing of the benefit payments and thus require significant judgment and estimate by Bank management. Among others, assumptions have to be made with regard to discount rates, expected return on plan assets and salary increases.

The assumed discount rates reflect the rates at which the pension benefits could be effectively settled. These rates are determined based on yields of high-quality corporate bonds currently available and are expected to be available during the period to maturity of the pension benefits. In countries where no deep market in high-quality corporate bonds exists, the estimate is based on governmental bonds adjusted to include a risk premium reflecting the additional risk for corporate bonds.

The expected long-term rate of return on plan assets is determined on a plan-by-plan basis, taking into account asset allocation, historical rate of return, benchmark indices for similar type pension plan assets, long-term expectations of future returns and investment strategy.

Health care cost trend rates are determined by reviewing external data and the Bank's own historical trends for health care costs. Salary increases are determined by reviewing external data and considering internal projections.

The funded status of the Bank's defined benefit post-retirement and pension plans are recognized in the consolidated balance sheets.

Actuarial gains and losses in excess of 10% of the greater of the PBO or the market value of plan assets and unrecognized prior service costs and transition obligations and assets are amortized to net periodic pension and other post-retirement cost on a straight-line basis over the average remaining service life of active employees expected to receive benefits.

The Bank records pension expense for defined contribution plans when the employee renders service to the company, essentially coinciding with the cash contributions to the plans.

Own shares and own bonds

The Bank's shares are wholly-owned by Credit Suisse and are not subject to trading. The Bank may buy and sell Credit Suisse Group shares, own bonds and derivatives on Credit

Suisse Group shares within its normal trading and market-making activities. In addition, the Bank may hold Credit Suisse Group shares to physically hedge commitments arising from employee share-based compensation awards. Credit Suisse Group shares are reported as trading assets, unless those shares are held to economically hedge share award obligations. Hedging shares are reported as treasury shares, resulting in a reduction to total shareholder's equity. Derivatives on Credit Suisse Group shares are recorded as assets or liabilities and carried at fair value. Dividends received on Credit Suisse Group shares and unrealized and realized gains and losses on Credit Suisse Group shares are recorded according to the classification of the shares as trading assets or treasury shares. Purchases of bonds originally issued by the Bank are recorded as an extinguishment of debt.

2 Recently issued accounting standards

For recently adopted accounting standards and standards to be adopted in future periods, refer to Note 2 – Recently issued accounting standards in V – Consolidated financial statements – Credit Suisse Group. With the exception of the following standards, the impact on the Bank's and Group's financial condition, results of operations or cash flows was or is expected to be identical.

Recently adopted accounting standards

SFAS 159

As a result of the adoption of SFAS 159 and election of certain existing instruments under the fair value option as of January 1, 2007, the Bank reported a decrease in opening retained earnings of CHF 832 million, net of tax. For further information, refer to Note 31 – Financial instruments.

SFAS 158

The cumulative effect of the Bank adopting the recognition provisions of SFAS 158 as of December 31, 2006, was an after-tax decrease in AOCI and consolidated net assets of CHF 306 million. For further information, refer to Note 27 – Pension and other post-retirement benefits.

SFAS 157

As a result of the adoption of SFAS 157 as of January 1, 2007, the Bank reported an increase in opening retained earnings of CHF 165 million, net of tax. For further information, refer to Note 31 – Financial instruments.

3 Business developments

The Bank had no significant acquisitions in 2006 and 2005 and no significant divestitures in 2007, 2006 and 2005. For further information, refer to Note 3 – Business developments in V – Consolidated financial statements – Credit Suisse Group.

4 Segment information

For purpose of presentation of reportable segments, the Bank has included accounts of affiliate entities wholly owned by the same parent which are managed together with the operating segments of the Bank. These affiliate entities include certain bank and trust affiliates, primarily managed by Private Banking. Income from continuing operations before taxes, minority interests, extraordinary items and cumulative effect of accounting changes of these non-consolidated affiliate entities included in the segment presentation for the years ended December 31, 2007, 2006 and 2005 were CHF 1,078 million, CHF 994 million and CHF 791 million, respectively. For the same periods net revenues of these non-consolidated affiliate entities included in the segment presentation were CHF 2,501 million, CHF 2,141 million and CHF 1,855 million, respectively, and total assets of these non-consolidated affiliate entities included in the segment presentation as of December 31, 2007 and 2006, were CHF 56.2 billion and CHF 44.9 billion, respectively. For further information, refer to Note 5 – Segment information in V – Consolidated financial statements – Credit Suisse Group.

Net revenues and income from continuing operations before taxes

in	**2007**	2006	2005
Net revenues (CHF million)			
Private Banking	13,522	11,678	10,495
Investment Banking	18,958	20,469	15,547
Asset Management	2,577	2,861	2,801
Adjustments [1,2]	2,247	1,604	288
Net revenues	**37,304**	**36,612**	**29,131**
Income from continuing operations before taxes, minority interests, extraordinary items and cumulative effect of accounting changes (CHF million)			
Private Banking	5,486	4,596	3,966
Investment Banking	3,649	5,951	1,599
Asset Management	354	508	1,006
Adjustments [1,3]	2,684	1,746	(285)
Income from continuing operations before taxes, minority interests, extraordinary items and cumulative effect of accounting changes	**12,173**	**12,801**	**6,286**

[1] Adjustments represent certain consolidating entries and balances, including those relating to items that are managed but are not legally owned by the Bank and vice-versa and certain expenses that were not allocated to the segments. [2] Includes minority interest-related revenues of CHF 5,046 million, CHF 3,788 million and CHF 2,074 million in 2007, 2006 and 2005, respectively, from the consolidation of certain private equity funds and other entities in which the Bank does not have a SEI in such revenues. [3] Includes minority interest income of CHF 4,864 million, CHF 3,683 million and CHF 2,042 million in 2007, 2006 and 2005, respectively, from the consolidation of certain private equity funds and other entities in which the Bank does not have a SEI in such income.

Total assets

end of	**2007**	2006
Total assets (CHF million)		
Private Banking	376,800	340,741
Investment Banking	1,140,740	1,046,557
Asset Management	27,784	20,448
Adjustments [1]	(211,582)	(180,982)
Total assets	**1,333,742**	**1,226,764**

[1] Adjustments represent certain consolidating entries and balances, including those relating to items that are managed but are not legally owned by the Bank and vice-versa and certain expenses that were not allocated to the segments.

Net revenues and income from continuing operations before taxes by geographic location

in	**2007**	2006	2005
Net revenues (CHF million)			
Switzerland	9,893	8,832	8,043
EMEA	9,797	9,002	7,254
Americas	15,021	16,126	11,595
Asia Pacific	2,593	2,652	2,239
Net revenues	**37,304**	**36,612**	**29,131**
Income from continuing operations before taxes, minority interests, extraordinary items and cumulative effect of accounting changes (CHF million)			
Switzerland	3,237	3,184	2,147
EMEA	2,665	2,068	1,388
Americas	6,325	7,232	2,515
Asia Pacific	(54)	317	236
Income from continuing operations before taxes, minority interests, extraordinary items and cumulative effect of accounting changes	**12,173**	**12,801**	**6,286**

The designation of net revenues and income from continuing operations before taxes is based upon the location of the office recording the transactions. This presentation does not reflect the way the Bank is managed.

Total assets by geographic location

end of	**2007**	2006
Total assets (CHF million)		
Switzerland	163,416	147,137
EMEA	448,717	388,809
Americas	607,944	578,738
Asia Pacific	113,665	112,080
Total assets	**1,333,742**	**1,226,764**

The designation of total assets by region is based upon customer domicile.

5 Net interest income

in	2007	2006	2005
Net interest income (CHF million)			
Loans	8,208	6,952	5,496
Investment securities	713	667	490
Trading assets	22,851	17,554	13,764
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	22,462	19,125	12,673
Other	7,370	5,094	2,938
Interest and dividend income	61,604	49,392	35,361
Deposits	(15,991)	(12,268)	(7,416)
Short-term borrowings	(894)	(625)	(367)
Trading liabilities	(8,665)	(6,606)	(4,845)
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	(21,134)	(17,881)	(11,677)
Long-term debt	(4,653)	(4,337)	(3,671)
Other	(2,657)	(1,706)	(846)
Interest expense	(53,994)	(43,423)	(28,822)
Net interest income	**7,610**	**5,969**	**6,539**

6 Commissions and fees

in	2007	2006	2005
Commissions and fees (CHF million)			
Lending business	2,015	1,590	1,146
Investment and portfolio management	5,319	4,441	3,904
Other securities business	216	174	189
Fiduciary	5,535	4,615	4,093
Underwriting	1,808	2,735	2,461
Brokerage	5,438	4,762	3,376
Underwriting and brokerage	7,246	7,497	5,837
Other customer services	3,126	2,677	2,197
Commissions and fees	**17,922**	**16,379**	**13,273**

7 Other revenues

in	2007	2006	2005
Other revenues (CHF million)			
Minority interests without SEI	4,915	3,670	2,085
Loans held-for-sale	(638)	31	62
Long-lived assets held-for-sale	30	20	25
Equity method investments	200	114	271
Other investments	732	772	668
Other	727	495	515
Other revenues	**5,966**	**5,102**	**3,626**

8 Provision for credit losses

in	2007	2006	2005
Provision for credit losses (CHF million)			
Allowance for loan losses	25	(116)	(126)
Provisions for lending-related and other exposures	202	19	(8)
Provision for credit losses	**227**	**(97)**	**(134)**

9 Compensation and benefits

in	2007	2006	2005
Compensation and benefits (CHF million)			
Salaries and bonuses	13,848	13,373	11,879
Social security	833	845	661
Other	967	914	904
Compensation and benefits	**15,648**	**15,132**	**13,444**

10 General and administrative expenses

in	2007	2006	2005
General and administrative expenses (CHF million)			
Occupancy expenses	859	861	813
IT, machinery, etc.	487	500	491
Provisions and losses [1]	99	(199)	1,337
Travel and entertainment	587	596	527
Professional services	2,257	2,129	1,856
Depreciation of property and equipment	826	807	802
Amortization and impairment of other intangible assets	34	182	96
Other	1,716	1,778	1,815
General and administrative expenses	**6,865**	**6,654**	**7,737**

[1] Includes provisions for litigation in 2005 and credits for insurance settlements for litigation and related costs in 2006.

11 Securities borrowed, lent and subject to repurchase agreements

end of	2007	2006
Securities borrowed or purchased under agreements to resell (CHF million)		
Central bank funds sold and securities purchased under resale agreements	184,729	170,734
Deposits paid for securities borrowed	111,612	147,838
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	**296,341**	**318,572**
Securities lent or sold under agreements to repurchase (CHF million)		
Central bank funds purchased and securities sold under repurchase agreements	244,782	244,544
Deposits received for securities lent	55,694	43,898
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	**300,476**	**288,442**

For further information, refer to Note 13 – Securities borrowed, lent and subject to repurchase agreements in V – Consolidated financial statements – Credit Suisse Group.

12 Trading assets and liabilities

end of	2007	2006
Trading assets (CHF million)		
Debt securities	208,988	214,076
Equity securities [1]	194,379	148,967
Derivative instruments	97,356	57,744
Other	29,402	28,635
Trading assets	**530,125**	**449,422**
Trading liabilities (CHF million)		
Short positions	122,655	139,899
Derivative instruments	77,920	58,037
Trading liabilities	**200,575**	**197,936**

[1] Including convertible bonds.

13 Investment securities

end of	2007	2006
Investment securities (CHF million)		
Debt securities held-to-maturity	248	744
Securities available-for-sale	14,267	19,560
Total investment securities	**14,515**	**20,304**

end of	Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value
2007 (CHF million)				
Debt securities issued by foreign governments	248	1	0	249
Debt securities held-to-maturity	**248**	**1**	**0**	**249**
Debt securities issued by foreign governments	14,165	16	499	13,682
Corporate debt securities	358	0	0	358
Other	18	1	0	19
Debt securities available-for-sale	**14,541**	**17**	**499**	**14,059**
Equity securities available-for-sale	163	45	0	**208**
Securities available-for-sale	**14,704**	**62**	**499**	**14,267**
2006 (CHF million)				
Debt securities issued by foreign governments	744	1	0	745
Debt securities held-to-maturity	**744**	**1**	**0**	**745**
Debt securities issued by foreign governments	18,900	9	590	18,319
Corporate debt securities	617	0	0	617
Other	380	10	1	389
Debt securities available-for-sale	**19,897**	**19**	**591**	**19,325**
Equity securities available-for-sale	**181**	**54**	**0**	**235**
Securities available-for-sale	**20,078**	**73**	**591**	**19,560**

Gross unrealized losses on investment securities and the related fair value

	Less than 12 months		12 months or more		Total	
end of	Fair value	Gross unrealized losses	Fair value	Gross unrealized losses	Fair value	Gross unrealized losses
2007 (CHF million)						
Debt securities issued by foreign governments	11	0	12,602	499	12,613	499
Debt securities available-for-sale	**11**	**0**	**12,602**	**499**	**12,613**	**499**
2006 (CHF million)						
Debt securities issued by foreign governments	1,353	2	16,450	588	17,803	590
Other	341	1	0	0	341	1
Debt securities available-for-sale	**1,694**	**3**	**16,450**	**588**	**18,144**	**591**

Management determined that the unrealized losses on debt securities are primarily attributable to general market interest rate, credit spread or exchange rate movements. No impairment charges were recorded as the Bank has the intent and ability to hold the debt securities for a reasonable period of time sufficient for a forecasted recovery of the decline in market value below cost.

Proceeds from sales, realized gains and realized losses from available-for-sale securities

	Debt securities			Equity securities		
in	**2007**	2006	2005	**2007**	2006	2005
Additional information (CHF million)						
Proceeds from sales	2,878	1,226	383	6	8	30
Realized gains	23	70	20	0	2	14
Realized losses	(6)	(79)	(8)	0	0	(29)

Amortized cost, fair value and average yield of debt securities

	Debt securities held-to-maturity			Debt securities available-for-sale		
end of	Amortized cost	Fair value	Average yield (in %)	Amortized cost	Fair value	Average yield (in %)
2007 (CHF million)						
Due within 1 year	0	0	–	2,815	2,794	3.54
Due from 1 to 5 years	248	249	3.85	6,686	6,465	2.88
Due from 5 to 10 years	0	0	–	5,040	4,800	3.39
Total debt securities	**248**	**249**	**3.85**	**14,541**	**14,059**	**3.18**

14 Other investments

end of	2007	2006
Other investments (CHF million)		
Equity method investments	2,558	1,450
Non-marketable equity securities [1]	24,887	18,324
Real estate held for investment	410	359
Life settlement contracts on investment method	52	55
Total other investments	**27,907**	**20,188**

[1] Includes private equity and restricted stock investments, as well as certain investments in non-marketable mutual funds for which the Bank has neither significant influence nor control over the investee.

There were no significant non-marketable equity securities, which have been in a continuous unrealized loss position. The Bank performs a regular impairment analysis of real estate portfolios. No significant impairment charges were recorded in 2007, 2006 and 2005.

Accumulated depreciation related to real estate held for investment amounted to CHF 313 million, CHF 329 million and CHF 390 million for 2007, 2006 and 2005, respectively. For further information, refer to Note 16 – Other investments in V – Consolidated financial statements – Credit Suisse Group.

15 Loans

end of	2007	2006
Loans (CHF million)		
Banks	2,128	554
Commercial	45,961	44,232
Consumer	70,197	68,982
Public authorities	982	1,000
Lease financings	2,604	3,361
Switzerland	121,872	118,129
Banks	10,593	8,900
Commercial	69,448	48,862
Consumer	19,021	15,170
Public authorities	1,592	905
Lease financings	115	228
Foreign	100,769	74,065
Gross loans	**222,641**	**192,194**
Net (unearned income)/deferred expenses	(71)	(6)
Allowance for loan losses	(1,000)	(1,305)
Net loans	**221,570**	**190,883**
Impaired loan portfolio (CHF million)		
Gross impaired loans	**1,540**	**1,780**
of which with a specific allowance	1,185	1,515
of which without a specific allowance	355	265

in	2007	2006	2005
Allowance for loan losses (CHF million)			
Balance at beginning of period	**1,305**	**1,965**	**2,697**
Change in accounting [1]	(61)	0	0
Change in scope of consolidation	(92)	0	0
Net additions charged to statements of income	25	(116)	(126)
Gross write-offs	(236)	(696)	(902)
Recoveries	83	140	132
Net write-offs	(153)	(556)	(770)
Provisions for interest	3	47	69
Foreign currency translation impact and other adjustments, net	(27)	(35)	95
Balance at end of period	**1,000**	**1,305**	**1,965**
of which a specific allowance	640	936	1,613
of which an inherent credit loss allowance	360	369	352

[1] Related to the adoption of SFAS 159.

As of December 31, 2007 and 2006, the Bank did not have any material commitments to lend additional funds to debtors whose loan terms have been modified in troubled debt restructurings.

in / end of	2007	2006	2005
Additional loan information (CHF million)			
Average balance of impaired loans	1,480	2,014	3,265
Interest income which was recognized	18	23	25
Interest income recognized on a cash basis	18	35	43
Net gains/(losses) on the sale of loans	(638)	31	62
Total non-performing loans	1,037	1,373	1,904

16 Premises and equipment

end of	2007	2006
Premises and equipment (CHF million)		
Buildings and improvements	3,337	3,383
Land	781	809
Leasehold improvements	1,746	1,716
Software	2,228	1,914
Equipment	2,904	3,269
Premises and equipment	**10,996**	**11,091**
Accumulated depreciation	(5,406)	(5,648)
Total premises and equipment, net	**5,590**	**5,443**

The carrying value of the Bank's premises and equipment is tested for impairment on a regular basis. This revaluation process identifies premises and equipment to be written down to their fair values, establishing a new cost base. No significant impairment charges were recorded in 2007, 2006 and 2005.

17 Goodwill

	Private Banking	Investment Banking	Asset Manage-ment	Credit Suisse (Bank)
2007 (CHF million)				
Balance at beginning of period	**382**	**7,088**	**2,419**	**9,889**
Goodwill acquired during the year	206	157	197	560
Other	(24)	(501)	(178)	(703)
Balance at end of period	**564**	**6,744**	**2,438**	**9,746**
2006 (CHF million)				
Balance at beginning of period	**384**	**7,524**	**2,563**	**10,471**
Goodwill acquired during the year	1	52	0	53
Other	(3)	(488)	(144)	(635)
Balance at end of period	**382**	**7,088**	**2,419**	**9,889**

For further information, refer to Note 19 – Goodwill in V – Consolidated financial statements – Credit Suisse Group.

18 Other intangible assets

			2007			2006
end of	Gross carrying amount	Accumu-lated amorti-zation	**Net carrying amount**	Gross carrying amount	Accumu-lated amorti-zation	**Net carrying amount**
Other intangible assets (CHF million)						
Tradenames/trademarks	31	(23)	8	33	(24)	9
Client relationships	357	(226)	131	388	(217)	171
Other	110	(109)	1	116	(110)	6
Total amortized other intangible assets	**498**	**(358)**	**140**	**537**	**(351)**	**186**
Unamortized other intangible assets	281	–	281	289	–	289
Total other intangible assets	**779**	**(358)**	**421**	**826**	**(351)**	**475**

The aggregate amortization expenses for 2007, 2006 and 2005 were CHF 28 million, CHF 43 million and CHF 96 million, respectively. For further information, refer to Note 20 – Other intangible assets in V – Consolidated financial statements – Credit Suisse Group.

Estimated amortization expenses (CHF million)	
2008	23
2009	20
2010	14
2011	13
2012	13

19 Life settlement contracts

2007	within 1 year	within 1-2 years	within 2-3 years	within 3-4 years	within 4-5 years	Thereafter	**Total**
Fair value method							
Number of contracts	178	332	259	268	378	4,919	6,334
Carrying value, in CHF m	10	21	15	16	26	1,993	2,081
Face value, in CHF m	11	22	15	17	38	4,926	5,029
Investment method							
Number of contracts	–	–	–	–	–	4	4
Carrying value, in CHF m	–	–	–	–	–	52	52
Face value, in CHF m	–	–	–	–	–	81	81
2006							
Fair value method							
Number of contracts	72	213	351	248	191	3,462	4,537
Carrying value, in CHF m	3	10	21	15	9	258	316
Face value, in CHF m	3	11	23	16	11	613	677
Investment method							
Number of contracts	–	–	–	–	–	5	5
Carrying value, in CHF m	–	–	–	–	–	55	55
Face value, in CHF m	–	–	–	–	–	102	102

For further information, refer to Note 21 – Life settlement contracts in V – Consolidated financial statements – Credit Suisse Group.

20 Other assets and other liabilities

end of	2007	2006
Other assets (CHF million)		
Cash collateral on derivative instruments	18,766	14,917
Derivative instruments used for hedging	1,039	1,648
Brokerage receivables	54,890	49,242
Assets held-for-sale	48,206	53,346
of which loans	47,975	53,178
of which real estate	231	168
Interest and fees receivable	10,700	8,657
Deferred tax assets	5,728	4,835
Prepaid expenses	521	452
Other	18,119	14,406
Other assets	**157,969**	**147,503**
Other liabilities (CHF million)		
Cash collateral on derivative instruments	48,968	22,610
Derivative instruments used for hedging	73	959
Brokerage payables	55,823	33,196
Provisions [1]	2,219	2,050
of which off-balance sheet risk	266	138
Interest and fees payable	11,737	12,239
Current tax liabilities	3,083	2,885
Deferred tax liabilities	537	466
Failed sales	10,627	18,384
Other	29,286	25,047
Other liabilities	**162,353**	**117,836**

[1] Includes provision for bridge commitments.

For further information, refer to Note 22 – Other assets and other liabilities in V – Consolidated financial statements – Credit Suisse Group.

21 Deposits

			2007			2006
end of	Switzerland	Foreign	**Total**	Switzerland	Foreign	**Total**
Deposits (CHF million)						
Non-interest-bearing demand deposits	7,385	1,581	8,966	6,742	914	7,656
Interest-bearing demand deposits	45,957	29,919	75,876	44,147	21,715	65,862
Savings deposits	32,943	38	32,981	35,220	24	35,244
Time deposits	63,970	232,784	296,754	62,302	213,860	276,162
Total deposits	**150,255**	**264,322**	**414,577**	**148,411**	**236,513**	**384,924**
of which due to banks	–	–	106,979	–	–	104,724
of which customer deposits	–	–	307,598	–	–	280,200

The designation of deposits in Switzerland versus foreign deposits is based upon the location of the office where the deposit is recorded.

As of December 31, 2007 and 2006, CHF 126 million and CHF 190 million, respectively, of overdrawn deposits were reclassified as loans. As of December 31, 2007 and 2006, the Bank had CHF 294.5 billion and CHF 274.3 billion, respectively, of individual time deposits issued in Switzerland and in foreign offices in the Swiss franc equivalent amounts of USD 100,000 or more.

22 Long-term debt

end of	**2007**	2006
Long-term debt (CHF million)		
Senior	138,237	127,367
Subordinated	19,045	16,654
Long-term debt	**157,282**	**144,021**
of which reported at fair value	107,290	44,208

end of	2008	2009	2010	2011	2012	Thereafter	**Total**
Long-term debt (CHF million)							
Senior debt							
Fixed rate	3,161	3,683	4,869	5,745	4,100	12,804	34,362
Variable rate	25,136	22,321	17,509	11,368	12,122	15,419	103,875
Interest rates (range in %) [1]	1.1-15.1	1.1-5.4	1.5-5.5	1.6-8.3	1.8-9.8	2.0-12.3	–
Subordinated debt							
Fixed rate	1,374	2,062	1,567	2,255	2,303	7,787	17,348
Variable rate	180	–	–	–	–	1,517	1,697
Interest rates (range in %) [1]	4.1-8.6	4.0-8.3	2.2-8.3	3.1-6.9	3.1-8.0	3.0-10.3	–
Total long-term debt	**29,851**	**28,066**	**23,945**	**19,368**	**18,525**	**37,527**	**157,282**
of which structured notes	16,731	15,645	15,534	7,778	6,393	12,621	74,702

[1] Excludes structured notes for which fair value has been elected as the related coupons are dependent upon the embedded derivatives and prevailing market conditions at the time each coupon is paid.

For further information, refer to Note 24 – Long-term debt in V – Consolidated financial statements – Credit Suisse Group.

23 Accumulated other comprehensive income

	Gains/ (losses) on cash flow hedges	Cumulative translation adjustments	Unrealized gains/ (losses) on securities	Minimum pension liability adjustment	Actuarial gains/ (losses)	Net prior service cost	**Accumulated other comprehensive income**
2007 (CHF million)							
Balance at beginning of period	**(1)**	**(2,811)**	**106**	**–**	**(754)**	**9**	**(3,451)**
Increase/(decrease)	6	(1,168)	19	–	248	0	(895)
Reclassification adjustments, included in net income	(4)	0	(4)	–	56	(2)	46
Adoption of SFAS 159, net of tax	6	0	4	–	0	0	10
Balance at end of period	**7**	**(3,979)**	**125**	**–**	**(450)**	**7**	**(4,290)**
2006 (CHF million)							
Balance at beginning of period	**35**	**(2,082)**	**55**	**(540)**	**–**	**–**	**(2,532)**
Increase/(decrease)	(33)	(728)	70	101	–	–	(590)
Reclassification adjustments, included in net income	(3)	(1)	(19)	0	–	–	(23)
Adoption of SFAS 158, net of tax	0	0	0	439	(754)	9	(306)
Balance at end of period	**(1)**	**(2,811)**	**106**	**0**	**(754)**	**9**	**(3,451)**
2005 (CHF million)							
Balance at beginning of period	**28**	**(3,143)**	**126**	**(320)**	**–**	**–**	**(3,309)**
Increase/(decrease)	(3)	1,070	2	(220)	–	–	849
Reclassification adjustments, included in net income	10	(9)	(73)	–	–	–	(72)
Balance at end of period	**35**	**(2,082)**	**55**	**(540)**	**–**	**–**	**(2,532)**

For income tax expense/(benefit) on the movements of accumulated other comprehensive income, refer to Note 24 – Tax and Note 27 – Pension and other post-retirement benefits.

24 Tax

Income from continuing operations before taxes in Switzerland and foreign countries

in	2007	2006	2005
Income from continuing operations before taxes (CHF million)			
Switzerland	3,237	3,184	2,147
Foreign	8,936	9,617	4,139
Income from continuing operations before taxes, minority interests, extraordinary items and cumulative effect of accounting changes	**12,173**	**12,801**	**6,286**

Details of current and deferred taxes

in	2007	2006	2005
Current and deferred taxes (CHF million)			
Switzerland	578	570	563
Foreign	1,461	982	692
Current income tax expense	**2,039**	**1,552**	**1,255**
Switzerland	128	76	19
Foreign	(1,321)	509	(615)
Deferred income tax expense/(benefit)	**(1,193)**	**585**	**(596)**
Income tax expense	**846**	**2,137**	**659**
Income tax expense/(benefit) on cumulative effect of accounting changes	–	–	6
Income tax expense/(benefit) reported in shareholder's equity related to:			
Gains/(losses) on cash flow hedges	0	(4)	1
Cumulative translation adjustment	(97)	(56)	110
Unrealized gains/(losses) on securities	7	23	(3)
Minimum pension liability adjustment	–	67	(120)
Actuarial gains/(losses)	124	(159)	–
Net prior service cost	0	5	–
Dividends	(5)	0	0
Cumulative effect of accounting changes	(265)	(3)	–
Share-based compensation and treasury shares	(56)	(259)	(3)

Reconciliation of taxes computed at the Swiss statutory rate

in	2007	2006	2005
Taxes computed at the Swiss statutory rate (CHF million)			
Income tax expense computed at the statutory tax rate of 22%	2,678	2,816	1,383
Increase/(decrease) in income taxes resulting from			
Foreign tax rate differential	(337)	347	(119)
Non-deductible amortization of intangible assets and goodwill impairment	8	59	23
Other non-deductible expenses	373	312	225
Additional taxable income	288	317	247
Lower taxed income	(1,106)	(733)	(511)
Income taxable to minority interests	(1,050)	(783)	(449)
Changes in tax law and rates	31	3	(1)
Changes in deferred tax valuation allowance [1]	692	(35)	(241)
Other [2]	(731)	(166)	102
Income tax expense	**846**	**2,137**	**659**

[1] In 2007, 2006 and 2005 there was a tax benefit of CHF 39 million, CHF 115 million and CHF 325 million, respectively, resulting from the release of valuation allowance on deferred tax assets on net operating loss carry-forwards, offset by additions. [2] Included in 2007 is a CHF 512 million benefit related to previously unrecognized deferred tax assets due to changes in the assessment of certain US state and local tax positions. Included in 2006 and 2005 is an amount of CHF 109 million and CHF 131 million, respectively, relating to the release of tax contingency accruals following the favorable resolution of tax matters. 2007 and 2005 also included a charge of CHF 11 million and CHF 146 million, respectively, relating to the reversal of deferred tax assets on net operating loss carry-forwards, which was offset by an equivalent release of valuation allowance on deferred tax assets on net operating loss carry-forwards.

As of December 31, 2007, the Bank had accumulated undistributed earnings from foreign subsidiaries of CHF 11.2 billion. No deferred tax was recorded in respect of those amounts, as these earnings are considered indefinitely reinvested. It is not practicable to estimate the amount of unrecognized deferred tax liabilities for these undistributed foreign earnings.

Details of the tax effect of temporary differences

end of	**2007**	2006
Tax effect of temporary differences (CHF million)		
Employment compensation and benefits	2,309	2,126
Loans	780	184
Investment securities	29	68
Provisions	523	1,006
Derivatives	121	149
Real estate	62	80
Net operating loss carry-forwards	3,669	1,985
Other	159	241
Gross deferred tax assets before valuation allowance	**7,652**	**5,839**
Less valuation allowance	(1,378)	(721)
Gross deferred tax assets net of valuation allowance	**6,274**	**5,118**
Employment compensation and benefits	(119)	(89)
Loans	(13)	(56)
Investment securities	(272)	(44)
Business combinations	(361)	(174)
Derivatives	(109)	(107)
Leasing	(92)	(189)
Real estate	(61)	(74)
Other	(56)	(16)
Gross deferred tax liabilities	**(1,083)**	**(749)**
Net deferred tax assets	**5,191**	**4,369**

Amounts and expiration dates of net operating loss carry-forwards

end of 2007	**Total**
Net operating loss carry-forwards (CHF million)	
Due to expire within 1 year	17
Due to expire within 2 to 5 years	329
Due to expire within 6 to 10 years	664
Due to expire within 11 to 20 years	7,396
Amount due to expire	**8,406**
Amount not due to expire	1,760
Total net operating loss carry-forwards	**10,166**

Movements in the valuation allowance

in	**2007**	2006	2005
Movements in the valuation allowance (CHF million)			
Balance at beginning of period	**721**	**891**	**1,124**
Net changes	657	(170)	(233)
Balance at end of period	**1,378**	**721**	**891**

Tax benefits associated with share-based compensation
Tax benefits associated with share-based compensation recorded in the consolidated statements of income were CHF 819 million, CHF 513 million and CHF 679 million in 2007, 2006 and 2005, respectively. For further information on share-based compensation, refer to Note 25 – Employee share-based compensation and other benefits.

The Bank realized windfall tax benefits of CHF 73 million, CHF 252 million and CHF 46 million in 2007, 2006 and 2005, respectively, upon settlement of share-based compensation. In 2007, CHF 13 million of tax benefits was recognized in respect of tax on dividend equivalent payments, in accordance with EITF 06-11, which was early adopted by the Bank. However, windfall deductions and dividend equivalents aggregating CHF 1.4 billion for 2007 and 2005 did not result in a reduction of income taxes payable because certain entities are in a net operating loss position. When the income tax benefit of these deductions is realized, an estimated CHF 560 million tax benefit will be recorded in additional paid-in capital.

FIN 48
The Bank adopted the provisions of FIN 48 on January 1, 2007. As a result of FIN 48 an increase in the liability for unrecognized tax benefits of approximately CHF 13 million was recognized as a reduction to the January 1, 2007 balance of retained earnings.

Interest and penalties are reported as tax expense. The amount of interest and penalties recognized in the consolidated statements of income was CHF 29 million for 2007 and the amount of interest and penalties recognized in the consolidated balance sheets was CHF 340 million.

Reconciliation of the beginning and ending amount of gross unrecognized tax benefits

2007 (CHF million)	
Balance at beginning of period	**1,475**
Increases in unrecognized tax benefits as a result of tax positions taken during a prior period	180
Decreases in unrecognized tax benefits as a result of tax positions taken during a prior period	(255)
Increases in unrecognized tax benefits as a result of tax positions taken during the current period	233
Decreases in unrecognized tax benefits relating to settlements with tax authorities	(130)
Reductions to unrecognized tax benefits as a result of a lapse of the applicable statute of limitations	(32)
Other (including foreign currency translation)	(121)
Balance at end of period	**1,350**

The total amount of net unrecognized tax benefits that, if recognized, would affect the effective tax rate was CHF 1,402 million and CHF 1,186 million on January 1, 2007 and December 31, 2007, respectively.

It is reasonably possible that there will be a decrease of between zero and CHF 280 million in unrecognized tax benefits within 12 months of the reporting date.

The Bank remains open to examination from federal, state, provincial or similar local jurisdictions from the following years onward in these major countries: Japan – 2005; Switzerland – 2004; the UK –1997; and the US – 1993.

For further information, refer to Note 26 – Tax in V – Consolidated financial statements – Credit Suisse Group.

25 Employee share-based compensation and other benefits

Share-based compensation
For further information, refer to Note 27 – Employee share-based compensation and other benefits in V – Consolidated financial statements – Credit Suisse Group.

Compensation expense
Total compensation expense for share-based compensation recognized in the consolidated statements of income in compensation and benefits was CHF 2,564 million, CHF 1,597 million and CHF 2,118 million for 2007, 2006 and 2005, respectively. As of December 31, 2007, the total estimated

unrecognized compensation expense of CHF 2,335 million related to non-vested share-based compensation will be recognized over the remaining weighted-average requisite service period of 1.3 years.

The Group generally repurchases its own shares in the open market to satisfy obligations in connection with share-based compensation but can also issue new shares out of available conditional capital. For the year ended December 31, 2007, the Group delivered approximately 22.1 million shares to employees.

Fair value assumptions for share-based compensation

The following table illustrates the significant assumptions used to estimate the fair value of share options, PIP and ISU based on the annual incentive performance bonus performance process.

Significant fair value assumptions

end of	**2007**	2006	2005
Significant assumptions			
Expected volatility, in % [1]	22.95	24.80	29.00
Expected dividend yield, in % [1]	2.41	3.24	3.03
Expected risk-free interest rate, in %	2.63	2.36	1.86
Expected term, in years	3	5	5

[1] Due to current and changing market conditions, the Group refined its methodology in 2005 for estimating the expected volatility and expected dividend yield to include management's assessment of how future implied market yields impact the overall expected assumptions.

Credit Suisse Incentive Share Unit

The compensation expense recognized in 2007 for these awards was CHF 1,127 million. The estimated unrecognized compensation expense related to these awards as of December 31, 2007, was CHF 1,513 million and will be recognized over a period of two years. None of the ISUs were vested as of December 31, 2007.

On January 22, 2008, the Bank granted 45.7 million ISUs. The fair value of the ISU Base Unit was CHF 54.90, and the fair value of the ISU Leverage Unit was CHF 10.69. The fair value of the ISU Leverage Unit was based on a valuation using an expected volatility of 32.04%, an expected dividend yield of 5.46%, an expected risk-free rate of 2.45% and an expected term of three years. For the ISUs granted in January 2008, there is no cap on the total payout of additional shares, however, the number of additional shares per ISU Base Unit is limited to a maximum of ten shares. The recognition of accounting expense for the ISUs granted on January 22, 2008, began in 2008 and thus had no impact on the 2007 consolidated financial statements. The expected unrecognized compensation expense of CHF 2,792 million will be recognized over a period of three years, subject to early retirement rules.

Incentive Share Unit activities

2007	ISU Base
Number of awards (million)	
Balance at beginning of period	**0.0**
Granted	27.2
Settled	(0.4)
Forfeited	(1.4)
Balance at end of period	**25.4**

Performance Incentive Plan

The compensation expense recognized in 2007 related to PIP I and PIP II was CHF 432 million. The estimated unrecognized compensation expense related to PIP I and PIP II as of December 31, 2007, was CHF 257 million and will be recognized over a period of three years. None of the PIP units were due for settlement as of December 31, 2007.

Performance Incentive Plan activities

	2007		2006		2005	
	PIP II	PIP I	PIP II	PIP I	PIP II	PIP I
Number of awards (million)						
Balance at beginning of period	**5.9**	**12.0**	**–**	**12.2**	**–**	**–**
Granted	0.4	–	6.1	–	–	13.5
Settled	–	–	–	–	–	–
Forfeited	(0.1)	(0.1)	(0.2)	(0.2)	–	(1.3)
Balance at end of period	**6.2**	**11.9**	**5.9**	**12.0**	**–**	**12.2**
of which vested	1.5	5.2	–	2.6	–	–
of which unvested	4.7	6.7	5.9	9.4	–	12.2

Shares

The compensation expense recognized in 2007 related to shares awarded under phantom share, LPA and special awards was CHF 1,004 million. The estimated unrecognized compensation expense related to these awards as of December 31, 2007, was CHF 565 million and will be recognized over a period of four years.

Share award activities

	2007		2006		2005	
	Number of share awards in million	Weighted-average grant-date fair value in CHF	Number of share awards in million	Weighted-average grant-date fair value in CHF	Number of share awards in million	Weighted-average grant-date fair value in CHF
Share award activities						
Balance at beginning of period	**50.7**	**60.70**	**46.5**	**47.73**	**75.1**	**47.44**
Granted	4.3	81.49	26.2	72.51	22.9	49.09
Settled	(24.2)	59.03	(18.8)	45.98	(45.9)	48.40
Forfeited	(2.3)	62.66	(3.2)	55.62	(5.6)	43.88
Balance at end of period	**28.5**	**65.13**	**50.7**	**60.70**	**46.5**	**47.73**
of which vested	0.3	–	2.7	–	3.6	–
of which unvested	28.2	–	48.0	–	42.9	–

Share options

The weighted-average fair value of options granted during 2006 and 2005 was CHF 12.12 and CHF 9.50, respectively. There were no options granted during 2007. As of December 31, 2007, the aggregate intrinsic value of options outstanding and exercisable was CHF 445 million and the weighted-average remaining contractual term was 3.6 years. As of the exercise date, the total intrinsic value of options exercised during 2007, 2006 and 2005 was CHF 302 million, CHF 232 million and CHF 139 million, respectively. Cash received from option exercises during 2007, 2006 and 2005 was CHF 336, CHF 327 million and CHF 193 million, respectively.

As of December 31, 2007, there were 1.6 million fully vested and exercisable options outstanding containing a cash settlement feature. These options had a weighted-average exercise price of CHF 68.10 and a weighted-average remaining contractual term of 1.8 years. During 2007, there were 0.1 million exercises of options with a cash settlement feature, no forfeitures and 0.2 million of these options were settled for CHF 8.3 million in cash.

Share option activities

	2007		2006		2005	
	Number of share awards in million	Weighted-average grant-date fair value in CHF	Number of share awards in million	Weighted-average grant-date fair value in CHF	Number of share awards in million	Weighted-average grant-date fair value in CHF
Share options						
Balance at beginning of period	**45.6**	**59.01**	**53.9**	**56.84**	**60.6**	**54.23**
Granted	–	–	0.1	71.60	0.1	48.61
Exercised	(7.2)	47.45	(7.3)	44.56	(6.1)	31.93
Settled	(0.3)	61.49	(0.4)	59.49	–	74.00
Forfeited	(0.7)	75.31	(0.6)	51.55	(0.6)	50.04
Expired	(0.2)	35.52	(0.1)	17.65	(0.1)	14.38
Balance at end of period	**37.2**	**61.07**	**45.6**	**59.01**	**53.9**	**56.84**
Exercisable at end of period	36.1	60.43	41.2	59.58	50.6	57.84

26 Related parties

Credit Suisse Group owns all of the Bank's outstanding voting registered shares. The Bank is involved in significant financing and other transactions with subsidiaries and affiliates of Credit Suisse Group. The Bank generally enters into these transactions in the ordinary course of business and believes that these transactions are generally on market terms that could be obtained from unrelated third parties.

For further information, refer to Note 28 – Related parties in V – Consolidated financial statements – Credit Suisse Group.

Related party assets and liabilities

end of	2007	2006
Assets (CHF million)		
Cash and due from banks	2,815	2,458
Interest-bearing deposits with banks	2,348	1,979
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	498	509
Securities received as collateral	542	187
Trading assets	141	369
Loans	8,609	7,058
Other assets	177	122
Total assets	**15,130**	**12,682**
Liabilities (CHF million)		
Due to banks/customer deposits	18,696	19,808
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	100	0
Obligation to return securities received as collateral	542	187
Trading liabilities	296	257
Short-term borrowings	0	133
Long-term debt	10,028	10,207
Other liabilities	542	754
Total liabilities	**30,204**	**31,346**

Related party revenues and expenses

in	2007	2006	2005
Revenues (CHF million)			
Interest and dividend income	444	295	90
Interest expense	(1,277)	(753)	(540)
Net interest income	**(833)**	**(458)**	**(450)**
Commissions and fees	(5)	(4)	45
Other revenues	246	238	253
Total non-interest revenues	**241**	**234**	**298**
Net revenues	**(592)**	**(224)**	**(152)**
Expenses (CHF million)			
Other expenses	(226)	(486)	(675)
Total operating expenses	**(226)**	**(486)**	**(675)**

Related party guarantees

end of	2007	2006
Guarantees (CHF million)		
Credit guarantees and similar instruments	62	77
Performance guarantees and similar instruments	1	0
Derivatives	376	320
Other guarantees	59	3
Total at end of period	**498**	**400**

Loans to members of the Board of Directors and the Executive Board

in	2007	2006	2005
Loans to members of the Board of Directors (CHF million) [1]			
Balance at beginning of period	**22**	**17**	**17**
Additions	0	5	1
Reductions	(7)	0	(1)
Balance at end of period	**15**	**22**	**17**
Loans to members of the Executive Board (CHF million) [2]			
Balance at beginning of period	**22**	**12**	**27**
Additions	3	12	8
Reductions	(3)	(2)	(23)
Balance at end of period	**22**	**22**	**12**

[1] The number of individuals at the beginning and at the end of the year was five. [2] The number of individuals at the beginning and at the end of the year was seven and eight, respectively.

Liabilities due to own pension funds

Liabilities due to the Bank's own pension funds as of December 31, 2007 and 2006, of CHF 678 million and CHF 771 million, respectively, are reflected in various liability accounts in the Bank's consolidated balance sheets.

27 Pension and other post-retirement benefits

Pension plans

The Bank participates in a defined benefit pension plan sponsored by Credit Suisse Group and has single-employer defined benefit pension plans, defined contribution pension plans and other post-retirement defined benefit plans. The Bank's principal plans are located in Switzerland, the US and the UK. The measurement date for the Group defined benefit pension plan, single-employer defined benefit pension plans and other post-retirement defined benefit plans is September 30.

Group pension plan

The Bank covers pension requirements for its employees in Switzerland through the participation in a defined benefit pension plan sponsored by Credit Suisse Group. Various legal entities within Credit Suisse Group participate in the plan and the plan is set up as an independent trust domiciled in Zurich. Credit Suisse Group accounts for the plan as a single-employer defined benefit pension plan and uses the projected unit credit actuarial method to determine the net periodic pension expense, PBO and the ABO. Following the implementation of SFAS 158, the funded status of the plan is recorded in the consolidated balance sheets. The Bank accounts for the defined benefit pension plan sponsored by Credit Suisse Group as a Group pension plan because other legal entities within Credit Suisse Group also participate in the plan and the assets contributed by the Bank are not segregated into a separate account or restricted to provide benefits only to employees of the Bank. The assets contributed by the Bank are commingled with the assets contributed by the other legal entities and can be used to provide benefits to any employee of any participating legal entity. The Bank's contributions to the Group plan comprise approximately 90% of the total assets contributed to the plan by all participating legal entities on an annual basis.

The Bank accounts for the Group plan on a defined contribution basis whereby it only recognizes the amounts required to be contributed to the plan during the period as net periodic pension expense and only recognizes a liability for any contributions due and unpaid. No other expense or balance sheet amounts related to this plan are recognized by the Bank. The Bank's contributions are determined using a predetermined formula based on each employee's salary level and age and approximates 167% of each employee's contribution. During 2007, 2006 and 2005, the Bank contributed and recognized as expense approximately CHF 333 million, CHF 285 million and CHF 260 million, respectively. The Bank expects to contribute CHF 332 million to the Group plan during 2008. If the Bank had accounted for the Group plan as a single-employer defined benefit plan, the net periodic pension expense recognized by the Bank during 2007, 2006 and 2005 would have been lower by CHF 186 million, CHF 150 million and CHF 175 million, respectively, and the Bank would have recognized CHF 74 million, CHF 69 million and CHF 27 million, respectively, as amortization of actuarial losses and prior service cost for the Group plan.

As of the measurement date, the ABO of the Group plan was CHF 10.5 billion, the PBO was CHF 11.7 billion and the fair value of plan assets was CHF 12.0 billion. As of December 31, 2007, the Group plan was overfunded on an ABO basis by CHF 1,555 million and overfunded on a PBO basis by CHF 385 million, which takes into account fourth quarter contributions of CHF 76 million. If the Bank had accounted for the Group plan as a defined benefit plan, the Bank would have had to recognize the funded status of the plan on a PBO basis of CHF 347 million as of December 31, 2007, as an asset in the consolidated balance sheets in accordance with SFAS 158, resulting in an increase in AOCI within total shareholder's equity.

The calculation of the expense and liability associated with the defined benefit pension plan requires an extensive use of assumptions, which include the expected long-term rate of return on plan assets and discount rate as determined by Credit Suisse Group. As of the measurement date, if the Bank had accounted for the Group plan as a defined benefit plan, the expected long-term rate of return on plan assets would have been 5%, and the discount rate used in the measurement of the benefit obligation and the net periodic pension cost would have been 4% and 3.3%, respectively.

International pension plans

Various pension plans cover the Bank's employees outside of Switzerland, including both single-employer defined benefit and defined contribution pension plans. Retirement benefits under the plans depend on age, contributions and salary. The Bank's funding policy with respect to these plans is consistent with local government and tax requirements. The assumptions used are derived based on local economic conditions. These plans provide defined benefits in the event of retirement, death, disability or employment termination.

Other post-retirement defined benefit plans

In the US, the Bank sponsors another post-retirement defined benefit plan that provides health and welfare benefits for certain retired employees. In exchange for the current services provided by the employee, the Bank promises to provide health benefits after the employee retires. The Bank's obligation for that compensation is incurred as employees render the services necessary to earn their post-retirement benefits.

International single-employer defined benefit plans and other post-retirement defined benefit plans

Pension cost

The net periodic pension cost for defined benefit pension as well as other post-retirement defined benefit plans is the cost of the respective plan for a period during which an employee renders services. The actual amount to be recognized is determined using an actuarial formula which considers, among others, current service cost, interest cost, expected return on plan assets, as well as the amortization of both prior service costs and actuarial gains or losses recognized in AOCI.

For further information, refer to Note 29 – Pension and other post-retirement benefits in V – Consolidated financial statements – Credit Suisse Group.

Total pension cost

in	International single-employer defined benefit pension plans 2007	2006	2005	Other post-retirement defined benefit plans 2007	2006	2005
Total pension costs (CHF million)						
Service costs on benefit obligation	46	51	61	1	2	1
Interest costs on benefit obligation	149	129	121	9	9	8
Expected return on plan assets	(158)	(139)	(142)	–	–	–
Amortization of recognized transition obligation/(asset)	–	(1)	(2)	–	–	–
Amortization of recognized prior service cost	1	1	1	(3)	–	–
Amortization of recognized actuarial (gains)/losses	75	71	48	11	9	9
Net periodic pension costs	**113**	**112**	**87**	**18**	**20**	**18**
Settlement (gains)/losses	–	(5)	–	–	–	–
Curtailment (gains)/losses	–	(9)	–	–	–	–
Total pension costs	**113**	**98**	**87**	**18**	**20**	**18**

Total pension costs reflected in the consolidated statements of income in compensation and benefits – other for 2007, 2006 and 2005 were CHF 131 million, CHF 118 million and CHF 105 million, respectively.

Benefit obligation

The following table shows the changes in PBO and fair value of plan assets, the amounts recognized in the consolidated balance sheets for the international single-employer defined benefit pension plans and other post-retirement defined benefit plans and ABO.

Funded status of the plans

in	International single-employer defined benefit pension plans 2007	2006	Other post-retirement defined benefit plans 2007	2006
PBO (CHF million)				
Beginning of the measurement period	**2,894**	**2,579**	**137**	**169**
Service cost	46	51	1	2
Interest cost	149	129	9	9
Plan amendments	–	–	–	(19)
Curtailments	–	(41)	–	–
Actuarial (gains)/losses	(255)	222	15	(5)
Benefit payments	(63)	(60)	(7)	(7)
Exchange rate (gains)/losses	(191)	14	(10)	(12)
End of the measurement period	**2,580**	**2,894**	**145**	**137**
Fair value of plan assets (CHF million)				
Beginning of the measurement period	**2,163**	**2,039**	**–**	**–**
Actual return on plan assets	260	192	–	–
Employer contributions	366	41	7	7
Curtailments	–	(42)	–	–
Benefit payments	(63)	(60)	(7)	(7)
Exchange rate gains/(losses)	(177)	(7)	–	–
End of the measurement period	**2,549**	**2,163**	**–**	**–**
Total amount recognized (CHF million)				
Funded status of the plan – over/(underfunded)	(31)	(731)	(145)	(137)
Fourth quarter employer contributions	6	–	2	1
Total amount recognized in the consolidated balance sheet at December 31	**(25)**	**(731)**	**(143)**	**(136)**
Total amount recognized (CHF million)				
Noncurrent assets	162	–	–	–
Current liabilities	(8)	(6)	(7)	(8)
Noncurrent liabilities	(179)	(725)	(136)	(128)
Total amount recognized in the consolidated balance sheet at December 31	**(25)**	**(731)**	**(143)**	**(136)**
ABO (CHF million)				
End of measurement	**2,463**	**2,736**	**–**	**–**

The total net amount recognized in the consolidated balance sheets in other assets and other liabilities – other as of December 31, 2007 and 2006 was an underfunding of CHF 168 million and CHF 867 million, respectively.

In 2008, the Bank expects to contribute CHF 192 million to the international single-employer defined benefit pension plans and CHF 7 million to other post-retirement defined benefit plans.

The table below discloses both the aggregate PBO and ABO as well as the aggregate fair value of plan assets for those plans that are underfunded as of September 30, 2007 and 2006, respectively. The significant decrease in 2007 from 2006 primarily relates to the overfunded UK pension plan as of the measurement date on September 30, 2007.

PBO and ABO in excess of fair value of plan assets for defined benefit pension plans

	PBO exceeds fair value of plan assets		ABO exceeds fair value of plan assets	
September 30	**2007**	2006	**2007**	2006
CHF million				
PBO	287	2,886	179	1,935
ABO	249	2,729	168	1,818
Fair value of plan assets	96	2,147	3	1,227

As of December 31, 2006, the Bank adopted SFAS 158, which requires actuarial gains/(losses) and prior service costs to be recognized in AOCI and that these amounts be adjusted as they are subsequently recognized as components of net periodic pension cost. For further information, refer to Note 2 – Recently issued accounting standards. As of December 31, 2007, no net transition obligation is included in AOCI and as a consequence, no further amortization will be recorded in net periodic pension costs.

Amounts recognized in AOCI, net of tax

	International single-employer defined benefit pension plans		Other post-retirement defined benefit plans		Total	
in	**2007**	2006	**2007**	2006	**2007**	2006
Amounts recognized in AOCI (CHF million)						
Actuarial gains/(losses)	(404)	(708)	(46)	(46)	(450)	(754)
Prior service cost	(3)	(3)	10	12	7	9
Total	**(407)**	**(711)**	**(36)**	**(34)**	**(443)**	**(745)**

The following table discloses the changes in other comprehensive income due to actuarial gains/(losses) and prior service costs recognized in AOCI during 2007 and the amortization of the aforementioned items as components of net periodic pension cost for the period.

Changes in plan assets and benefit obligations recognized in other comprehensive income

	International single-employer defined benefit pension plans			Other post-retirement defined benefit plans			
in 2007	Gross	Tax	**Net**	Gross	Tax	**Net**	**Total net**
Amounts recognized in other comprehensive income (CHF million)							
Actuarial gains/(losses)	357	(103)	254	(15)	9	(6)	248
Prior service cost	–	–	–	–	–	–	–
Amortization of actuarial gains/(losses)	75	(25)	50	11	(5)	6	56
Amortization of prior service cost	1	(1)	0	(3)	1	(2)	(2)
Total	**433**	**(129)**	**304**	**(7)**	**5**	**(2)**	**302**

Amounts in AOCI, net of tax, expected to be amortized in 2008

in 2008	International single-employer defined benefit pension plans	Other post-retirement defined benefit plans
CHF million		
Amortization of actuarial (gains)/losses	25	5
Amortization of prior service cost	1	(2)
Total	26	3

Weighted-average assumptions used to determine net periodic pension cost and benefit obligation

	International single-employer defined benefit pension plans		Other post-retirement defined benefit plan	
September 30	**2007**	2006	**2007**	2006
Net benefit pension cost (%)				
Discount rate	5.2	5.1	5.8	5.5
Salary increases	4.4	4.2	–	–
Expected long-term rate of return on plan assets	7.3	7.2	–	–
Benefit obligation (%)				
Discount rate	5.9	5.2	6.2	5.8
Salary increases	4.5	4.4	–	–

Plan assets and investment strategy

As of September 30, 2007 and 2006, there were no material amounts of Group debt and equity securities included in plan assets for the international single-employer defined benefit pension plans and other post-retirement defined benefit plans.

Weighted-average asset allocation as of the measurement date

September 30	**2007**	2006
Weighted-average asset allocation (%)		
Equity securities	58.3	44.7
Debt securities	20.4	49.8
Real estate	3.7	0.2
Alternative investments	14.6	0.2
Insurance	2.5	4.9
Liquidity	0.5	0.2
Total	**100.0**	**100.0**

Weighted-average target asset allocation to be applied prospectively

September 30, 2007 (%)	
Equity securities	55.0
Debt securities	20.0
Real estate	5.0
Alternative investments	15.0
Liquidity	5.0
Total	**100.0**

Estimated future benefit payments for defined benefit pension and other post-retirement defined benefit plans

	International single-employer defined benefit pension plans	Other post-retirement defined benefit plans
Estimated future benefit payments (CHF million)		
2008	73	7
2009	77	8
2010	81	8
2011	82	9
2012	85	9
Thereafter	461	52

Defined contribution pension plans

The Bank also contributes to various defined contribution pension plans primarily in the US and the UK but also in other countries throughout the world. The contributions to these plans during 2007, 2006 and 2005 were CHF 256 million, CHF 247 million and CHF 237 million, respectively.

28 Derivatives and hedging activities

Details of fair value, cash flow and net investment hedges

in	**2007**	2006	2005
Fair value, cash flow and net investment hedges (CHF million)			
Fair value hedges			
Net gain/(loss) on the ineffective portion	14	2	21
Cash flow hedges			
Net gain/(loss) on the ineffective portion	0	0	1
Expected reclassification from AOCI into earnings during the next 12 months	7	0	11
Net investment hedges			
Net gain/(loss) on hedges included in AOCI	121	(93)	(178)

For further information, refer to Note 30 – Derivatives and hedging activities in V – Consolidated financial statements – Credit Suisse Group.

29 Guarantees and commitments

Guarantees

end of	Maturity less than 1 year	Maturity between 1 to 3 years	Maturity between 3 to 5 years	Maturity greater than 5 years	**Total gross amount**	Total net amount [1]	Carrying value	Collateral received
2007 (CHF million)								
Credit guarantees and similar instruments	3,181	2,007	1,153	2,822	9,163	7,777	23	5,064
Performance guarantees and similar instruments	4,249	3,851	1,338	2,806	12,244	10,494	141	3,469
Securities lending indemnifications	40,006	0	0	0	40,006	40,006	0	40,006
Derivatives	127,332	234,805	522,879	233,832	1,118,848	1,118,848	37,853	– [2]
Other guarantees	2,942	322	243	365	3,872	3,838	0	1,564
Total guarantees	**177,710**	**240,985**	**525,613**	**239,825**	**1,184,133**	**1,180,963**	**38,017**	**50,103**
2006 (CHF million)								
Credit guarantees and similar instruments	3,153	1,326	2,175	3,196	9,850	7,450	8	4,581
Performance guarantees and similar instruments	3,657	4,307	1,046	1,883	10,893	9,687	162	3,069
Securities lending indemnifications	36,834	0	0	0	36,834	36,834	0	36,834
Derivatives	41,465	69,135	437,067	122,859	670,526	670,526	4,828	– [2]
Other guarantees	2,584	397	132	213	3,326	3,326	0	1,356
Total guarantees	**87,693**	**75,165**	**440,420**	**128,151**	**731,429**	**727,823**	**4,998**	**45,840**

[1] Total net amount is computed as the gross amount less any participations. [2] Collateral for derivatives accounted for as guarantees is not considered significant.

Lease commitments

Lease commitments (CHF million)	
2008	629
2009	564
2010	508
2011	469
2012	403
Thereafter	4,592
Future operating lease commitments	**7,165**
Less minimum non-cancellable sublease rentals	803
Total net future minimum lease commitments	**6,362**

Rental expense for operating leases

in	**2007**	2006	2005
Rental expense for operating leases (CHF million)			
Minimum rental expense	680	673	672
Sublease rental income	(142)	(158)	(146)
Total net rental expense	**538**	**515**	**526**

Other commitments

end of	Maturity less than 1 year	Maturity between 1 to 3 years	Maturity between 3 to 5 years	Maturity greater than 5 years	**Total gross amount**	Total net amount [1]	Collateral received
2007 (CHF million)							
Irrevocable commitments under documentary credits	5,854	76	19	1	5,950	5,221	2,439
Loan commitments	180,390	14,946	30,742	11,251	237,329	237,077	160,978
Forward reverse repurchase agreements	40,403	0	0	0	40,403	40,403	40,403
Other commitments	2,603	593	465	1,205	4,866	4,866	346
Total other commitments	**229,250**	**15,615**	**31,226**	**12,457**	**288,548**	**287,567**	**204,166**
2006 (CHF million)							
Irrevocable commitments under documentary credits	5,305	18	23	0	5,346	4,965	2,705
Loan commitments	167,907	14,464	28,625	14,541	225,537	224,225	132,452
Forward reverse repurchase agreements	5,535	122	0	40	5,697	5,697	5,697
Other commitments	1,095	184	275	3,293	4,847	4,847	112
Total other commitments	**179,842**	**14,788**	**28,923**	**17,874**	**241,427**	**239,734**	**140,966**

[1] Total net amount is computed as the gross amount less any participations.

For further information, refer to Note 31 – Guarantees and commitments in V – Consolidated financial statements – Credit Suisse Group.

30 Transfers and servicing of financial assets

Securitization activity

For further information, refer to Note 32 – Transfers and servicing of financial assets in V – Consolidated financial statements – Credit Suisse Group.

Securitization activity

in	2007	2006	2005
Proceeds received from securitization (CHF million)			
CMBS			
Proceeds from securitizations	24,735	30,089	17,939
Gains on securitizations [1]	527	704	411
RMBS			
Proceeds from securitizations	37,562	46,023	69,942
Gains on securitizations [1]	79	84	55
CDO			
Proceeds from securitizations	3,758	10,343	8,183
Gains on securitizations [1]	60	120	164
ABS [2]			
Proceeds from securitizations	3,844	5,503	10,518
Gains on securitizations [1]	11	50	9

[1] Includes underwriting revenues, deferred origination fees, gains or losses on the sale of collateral to the QSPE and gains or losses on the sale of newly issued securities to third parties, but excludes net interest revenues on assets prior to securitization. The gains or losses on the sale of the collateral is the difference between the fair value on the day prior to the securitization pricing date and the sale price of the loans. [2] Primarily home equity loans.

Key economic assumptions used in measuring fair value of retained interests

	2007				2006			
end of	CMBS [1]	RMBS	CDO [2]	ABS	CMBS [1]	RMBS	CDO [2]	ABS
Key economic assumptions								
Weighted-average life, in years	4.4	6.8	9.7	13.6	3.2	3.4	5.4	5.1
Prepayment speed assumption (rate per annum), in % [3]	–	0-30.0	–	8.1-11.0	–	0-92.0	–	25.0
Cash flow discount rate (rate per annum), in % [4]	1.3-14.9	4.1-45.0	0-16.7	9.3-10.9	1.0-31.9	0-39.7	0-21.5	26.3
Expected credit losses (rate per annum), in %	0.5-10.6	0-40.2	0-12.0	4.7-6.0	1.6-28.0	0-29.7	0-17.0	21.7

Retained interests, key economic assumptions and sensitivity analysis

in 2007	CMBS [1]	RMBS	CDO [2]	ABS
CHF million, except where indicated				
Fair value of retained interests	2,641	1,471	148	109
of which non-investment grade	194	110	57	45
Weighted-average life, in years	4.3	5.4	5.3	15.3
Prepayment speed assumption (rate per annum), in % [3]	–	0.5-32.0	–	6.0-26.2
Impact on fair value from 10% adverse change	–	(15.1)	–	(1.1)
Impact on fair value from 20% adverse change	–	(29.8)	–	(2.3)
Cash flow discount rate (rate per annum), in % [4]	0-17.8	8.0-28.3	11.7-14.0	12.8
Impact on fair value from 10% adverse change	(52.7)	(31.5)	(7.0)	(4.5)
Impact on fair value from 20% adverse change	(105.3)	(63.0)	(12.9)	(9.0)
Expected credit losses (rate per annum), in %	2.6-8.5	2.0-2.6	7.7-8.1	8.7
Impact on fair value from 10% adverse change	(15.6)	(16.0)	(4.6)	(2.3)
Impact on fair value from 20% adverse change	(32.4)	(32.8)	(8.2)	(5.6)

[1] To deter prepayment, commercial mortgage loans typically have prepayment protection in the form of prepayment lockouts and yield maintenances. [2] CDOs are generally structured to be protected from prepayment risk. [3] Prepayment speed assumption (PSA) is an industry standard prepayment speed metric used for projecting prepayments over the life of a residential mortgage loan. PSA utilizes the Constant Prepayment Rate (CPR) assumptions. A 100% prepayment assumption assumes a prepayment rate of 0.2% per annum of the outstanding principal balance of mortgage loans in the first month. This increases by 0.2% thereafter during the term of the mortgage loan, leveling off to a CPR of 6% per annum beginning in the 30th month and each month thereafter during the term of the mortgage loan. 100 PSA equals 6 CPR. [4] The rate is based on the weighted-average yield on the retained interest.

Variable interest entities

As of December 31, 2007, the Bank consolidated all VIEs for which it is the primary beneficiary under FIN 46(R). For further information, refer to Note 32 – Transfers and servicing of financial assets in V – Consolidated financial statements – Credit Suisse Group.

Consolidated and non-consolidated VIEs

end of	**2007**	2006
Total assets of consolidated VIEs (CHF million)		
CDO	6,672	6,538
CP conduit	1	1
Financial intermediation	17,397	15,186
Total assets of consolidated VIEs	**24,070**	**21,725**
Total assets of non-consolidated VIEs (CHF million)		
CDO	16,360	15,636
CP conduit	12,642	7,038
Financial intermediation	99,288	90,584
Total assets of non-consolidated VIEs	**128,290**	**113,258**
Total maximum exposure to loss of non-consolidated VIEs (CHF million)		
CDO	2,453	1,678
CP conduit	17,347	12,548
Financial intermediation	20,556	19,115

Collateralized debt obligations

We believe the Bank's maximum loss exposure is generally equal to the carrying value of the retained interests, which are reported as trading assets and carried at fair value and totaled CHF 2.5 billion and CHF 1.7 billion as of December 31, 2007 and December 31, 2006, respectively.

Commercial paper conduits

As of December 31, 2007, the Bank's maximum loss exposure to a non-consolidated CP conduit was CHF 17.4 billion, which consisted of CHF 12.5 billion of funded assets and the CP conduit's commitments to purchase CHF 4.9 billion of additional assets. As of December 31, 2006, the Bank's maximum loss exposure was CHF 12.5 billion.

Financial intermediation

The Bank's maximum loss exposure to non-consolidated VIEs related to financial intermediation activities was CHF 20.6 billion and CHF 19.1 billion as of December 31, 2007 and December 31, 2006, respectively. This exposure consists of the carrying value of the Bank's interests held as trading assets, derivatives or loans and the notional amount of guarantees to VIEs, not the total assets of the VIEs.

31 Financial instruments

For further information, refer to Note 33 – Financial instruments in V – Consolidated financial statements – Credit Suisse Group.

Cumulative effect adjustment to opening retained earnings due to adoption of fair value option

as of January 1, 2007	Carrying value prior to adoption	Net gains/ (losses)	Fair value after adoption
Balance sheet items (CHF million)			
Other investments	34	1	35
Loans	13,694	78	13,772
Other assets	1,313	2	1,315
Due to banks and customer deposits	(229)	(21)	(250)
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions, net	(43,102)	(5)	(43,107)
Short-term borrowings	(2,543)	1	(2,542)
Long-term debt	(48,637)	(1,026)	(49,663)
Other liabilities	(211)	(286)	(497)
Minority interests		42	
Pre-tax cumulative effect of adoption of the fair value option		**(1,214)**	
Deferred taxes		382	
Cumulative effect of adoption of the fair value option (charge to retained earnings)		**(832)**	

Fair value of assets and liabilities measured at fair value on a recurring basis

end of 2007	Quoted prices in active markets for identical assets or liabilities (level1)	Significant other observable inputs (level 2)	Significant unobservable inputs (level 3)	Impact of netting [1]	**Total at fair value**
Assets (CHF million)					
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	0	183,719	0	0	183,719
Securities received as collateral	25,576	3,152	0	0	28,728
Trading assets	253,052	562,940	60,622	(346,489)	530,125
Investment securities	13,393	874	0	0	14,267
Other investments	565	6,893	17,622	0	25,080
Loans	0	25,409	5,638	0	31,047
Other intangible assets	0	0	179	0	179
Other assets	4,091	37,221	8,080	(94)	49,298
Total assets at fair value	**296,677**	**820,208**	**92,141**	**(346,583)**	**862,443**
Liabilities (CHF million)					
Due to banks	0	6,342	6	0	6,348
Customer deposits	0	5,551	0	0	5,551
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	0	140,424	0	0	140,424
Obligations to return securities received as collateral	25,576	3,152	0	0	28,728
Trading liabilities	111,632	415,885	19,599	(346,541)	200,575
Short-term borrowings	0	7,426	694	0	8,120
Long-term debt	0	76,053	31,237	0	107,290
Other liabilities	0	24,090	173	(42)	24,221
Total liabilities at fair value	**137,208**	**678,923**	**51,709**	**(346,583)**	**521,257**
Net assets/liabilities at fair value	**159,469**	**141,285**	**40,432**	**0**	**341,186**

[1] Derivative contracts are reported on a gross basis by level. The impact of netting represents an adjustment related to counterparty netting.

Fair value of assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (level 3)

2007	Derivatives, net	Private equity investments	Other	Total
Assets (CHF million)				
Balance at beginning of period	**192**	**14,722**	**10,701** [1]	**25,615**
Net realized/unrealized gains/(losses) included in net revenues	6,850	3,652	(6,389)	4,113
Purchases, sales, issuances and settlements	523	(557)	27,444	27,410
Transfers in and/or out of level 3	(1,932)	(195)	17,800	15,673
Balance at end of period	**5,633**	**17,622**	**49,556** [1]	**72,811**
Liabilities (CHF million)				
Balance at beginning of period	**–**	**–**	**27,939** [2]	**27,939**
Net realized/unrealized gains/(losses) included in net revenues	–	–	(1,965)	(1,965)
Purchases, sales, issuances and settlements	–	–	14,793	14,793
Transfers in and/or out of level 3	–	–	(8,388)	(8,388)
Balance at end of period	**–**	**–**	**32,379** [2]	**32,379**
Net	**5,633**	**17,622**	**17,177**	**40,432**
Total realized/unrealized gains/(losses) included in net revenues	**6,850**	**3,652**	**(4,424)**	**6,078**

[1] Includes primarily RMBS, CMBS, CDO, collateralized bond and loan obligations and internally managed private equity funds. [2] Includes primarily structured notes.

Gains and losses on assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (level 3)

in 2007	Trading revenues	Other revenues	Total revenues
Gains and losses on assets and liabilities (CHF million)			
Net realized/unrealized gains/(losses) included in net revenues	1,191	4,887	6,078
Whereof:			
Changes in unrealized gains or losses relating to assets and liabilities still held as of the reporting date	1,852	2,588	4,440

Non-recurring fair value changes

Certain assets and liabilities are measured at fair value on a non-recurring basis; that is, they are not measured at fair value on an ongoing basis but are subject to fair value adjustments in certain circumstances (for example, when there is evidence of impairment). As of December 31, 2007, CHF 6.3 billion of loans have been recorded at fair value, of which CHF 5.7 billion and CHF 0.6 billion were classified as level 2 and level 3, respectively.

Difference between the aggregate fair value and the aggregate unpaid principal balances of loans and financial instruments

end of 2007	Aggregate fair value	Aggregate unpaid principal	Difference
Loans (CHF million) [1]			
Non-accrual loans	232	459	(227)
Financial instruments (CHF million)			
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	183,719	183,303	416
Loans	31,047	31,517	(470)
Other assets	33,936	35,420	(1,484)
Due to banks and customer deposits	(5,805)	(5,798)	(7)
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	(140,424)	(140,436)	12
Short-term borrowings	(8,120)	(8,409)	289
Long-term debt	(107,290)	(107,323)	33
Other liabilities	(3,648)	(3,646)	(2)

[1] There were no non-performing loans 90 days or more past due which were carried at fair value.

Gains and losses on financial instruments

in 2007	Net gains/(losses)
Financial instruments (CHF million)	
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	19,466 [1]
Trading loans	117 [1]
of which related to credit risk	(113)
Other investments	44 [2]
Loans	1,345 [1]
of which related to credit risk	(408)
Other assets	955 [1]
of which related to credit risk	(1,264)
Due to banks and customer deposits	(258) [1]
of which related to credit risk	5
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	(21,151) [1]
Short-term borrowings	0 [1]
Long-term debt	(5,567) [2]
of which related to credit risk	1,038
Other liabilities	(1,402) [2]
of which related to credit risk	(1,402)

[1] Primarily recognized in net interest income. [2] Primarily recognized in trading revenues.

Book and estimated fair values of financial instruments

	2007		2006	
end of	Book value	Fair value	Book value	Fair value
Financial assets (CHF million)				
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	296,341	296,366	318,572	318,576
Securities received as collateral	28,728	28,728	32,310	32,310
Trading assets	530,125	530,125	449,422	449,422
Investment securities	14,515	14,516	20,304	20,305
Loans	221,570	221,995	190,883	192,160
Other financial assets [1]	220,337	220,328	194,105	194,105
Financial liabilities (CHF million)				
Due to banks and deposits	414,577	418,441	384,924	387,809
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	300,476	300,451	288,442	287,645
Obligation to return securities received as collateral	28,728	28,728	32,310	32,310
Trading liabilities	200,575	200,575	197,936	197,936
Short-term borrowings	14,398	14,396	16,287	16,287
Long-term debt	157,282	157,404	144,021	144,805
Other financial liabilities [2]	161,815	161,857	117,370	117,370

[1] Primarily includes cash and due from banks, interest-bearing deposits with banks, brokerage receivables, loans held-for-sale, cash collateral on derivative instruments, interest and fee receivables and non-marketable equity securities. [2] Primarily includes brokerage payables, cash collateral on derivative instruments and interest and fee payables.

32 Assets pledged or assigned

end of	2007	2006
Assets pledged or assigned (CHF million)		
Book value of assets pledged and assigned as collateral	267,493	261,133
of which assets provided with the right to sell or repledge	180,475	200,193
Fair value of collateral received with the right to sell or repledge	619,913	622,761
of which sold or repledged	508,442	508,862
Other information (CHF million)		
Cash restricted under foreign banking regulations	16,220	17,290
Swiss National Bank Liquidity 1 required cash reserves	1,699	1,472

33 Capital adequacy

The Bank, on a consolidated basis, is subject to risk-based capital and leverage guidelines under SFBC and BIS guidelines. These guidelines are used to evaluate risk-based capital adequacy. The Bank has based its capital adequacy calculations on US GAAP, as permitted by SFBC circular 06/8, which replaced SFBC newsletter 32 as of January 1, 2007. The SFBC has advised the Bank that it may continue to include as tier 1 capital CHF 4.8 billion of equity from special purpose entities which are deconsolidated under FIN 46(R) as of December 31, 2007.

As of December 31, 2007 and 2006, the Bank was adequately capitalized under the regulatory provisions outlined under both SFBC and BIS guidelines.

For further information, refer to Note 35 – Capital adequacy in V – Consolidated financial statements – Credit Suisse Group.

BIS data (risk-weighted assets, capital and ratios)

end of	**2007**	2006
Risk-weighted assets (CHF million)		
Risk-weighted positions	259,915	219,927
Market risk equivalents	33,680	12,746
Risk-weighted assets	**293,595**	**232,673**
Capital (CHF million)		
Tier 1 capital	**32,254**	**26,600**
Tier 2 capital	**13,104**	**13,580**
Less reductions	(1,040)	(1,739)
Total capital	**44,318**	**38,441**
Capital ratios (%)		
Tier 1 ratio	11.0	11.4
Total capital ratio	15.1	16.5

Broker-dealer operations

Certain Bank broker-dealer subsidiaries are also subject to capital adequacy requirements. As of December 31, 2007, the Bank and its subsidiaries complied with all applicable regulatory capital adequacy requirements.

Dividend restrictions

Certain of the Bank's subsidiaries are subject to legal restrictions governing the amount of dividends they can pay (for example, pursuant to corporate law as defined by the Swiss Code of Obligations). As of December 31, 2007, the Bank was not subject to restrictions on its ability to pay dividends.

34 Litigation

For further information, refer to Note 37 – Litigation in V – Consolidated financial statements – Credit Suisse Group.

35 Significant subsidiaries and associates

Significant subsidiaries

% of equity capital held	Company name	Domicile	Currency	Capital in m
as of December 31, 2007				
100	AJP Cayman Ltd.	George Town, Cayman Islands	JPY	8,025.6
100	Banco Credit Suisse (Brasil) S.A.	São Paulo, Brazil	BRL	53.6
100	Banco Credit Suisse (Mexico) S.A.	Mexico City, Mexico	MXN	679.4
100	Banco de Investimentos Credit Suisse (Brasil) S.A.	São Paulo, Brazil	BRL	164.8
100	Boston Re Ltd.	Hamilton, Bermuda	USD	2.0
100	Candlewood Capital Partners LLC	Wilmington, United States	USD	0.3
100	Casa de Bolsa Credit Suisse (Mexico) S.A. de C.V.	Mexico City, Mexico	MXN	274.1
100	CJSC Bank Credit Suisse (Moscow)	Moscow, Russia	USD	37.8
100	CND Securitization LLC	Wilmington, United States	USD	183.4
100	Column Canada Financial Corp.	Toronto, Canada	USD	0.0
100	Column Financial, Inc.	Wilmington, United States	USD	0.0
100	Credit Suisse (Australia) Limited	Sydney, Australia	AUD	34.1
100	Credit Suisse (Brasil) Distribuidora de Titulos e Valores Mobiliários S.A.	São Paulo, Brazil	BRL	5.0
100	Credit Suisse (Brasil) S.A. Corretora de Titulos e Valores Mobiliários	São Paulo, Brazil	BRL	98.4
100	Credit Suisse (Deutschland) AG	Frankfurt, Germany	EUR	66.0
100	Credit Suisse (France)	Paris, France	EUR	52.9
100	Credit Suisse (Gibraltar) Limited	Gibraltar, Gibraltar	GBP	5.0
100	Credit Suisse (Guernsey) Limited	St. Peter Port, Guernsey	USD	6.1
100	Credit Suisse (Hong Kong) Limited	Hong Kong, China	HKD	2,258.5
100	Credit Suisse (International) Holding AG	Zug, Switzerland	CHF	42.1
100	Credit Suisse (Italy) S.p.A.	Milan, Italy	EUR	74.6
100	Credit Suisse (Monaco) S.A.M.	Monte Carlo, Monaco	EUR	12.0
100	Credit Suisse (Singapore) Limited	Singapore, Singapore	SGD	621.3
100	Credit Suisse (UK) Limited	London, United Kingdom	GBP	102.3
100 [1]	Credit Suisse (USA), Inc.	Wilmington, United States	USD	0.0
100	Credit Suisse Asia Pacific Services (Singapore) Pte Ltd	Singapore, Singapore	SGD	5.2
100	Credit Suisse Asset Finance Limited	George Town, Cayman Islands	CHF	50.0
100	Credit Suisse Asset Management (Australia) Limited	Sydney, Australia	AUD	0.3
100	Credit Suisse Asset Management (France) S.A.	Paris, France	EUR	31.6
100	Credit Suisse Asset Management (Polska) S.A.	Warsaw, Poland	PLN	5.6
100	Credit Suisse Asset Management (UK) Holding Limited	London, United Kingdom	GBP	14.2
100	Credit Suisse Asset Management Fund Holding (Luxembourg) S.A.	Luxembourg, Luxembourg	CHF	29.6
100	Credit Suisse Asset Management Fund Service (Lux) S.A.	Luxembourg, Luxembourg	CHF	1.5
100	Credit Suisse Asset Management Funds	Zurich, Switzerland	CHF	7.0
100	Credit Suisse Asset Management Funds S.p.A.	Milan, Italy	EUR	5.0
100	Credit Suisse Asset Management Funds UK Limited	London, United Kingdom	GBP	0.5
100	Credit Suisse Asset Management Holding Europe (Luxembourg) S.A.	Luxembourg, Luxembourg	CHF	32.6
100	Credit Suisse Asset Management International Holding	Zurich, Switzerland	CHF	20.0
100	Credit Suisse Asset Management Ltd.	London, United Kingdom	GBP	0.0
100	Credit Suisse Asset Management Limited	Tokyo, Japan	JPY	2,090.0
100	Credit Suisse Asset Management, LLC	Wilmington, United States	USD	485.9
100	Credit Suisse Bond Fund Management Company	Luxembourg, Luxembourg	CHF	0.3

Significant subsidiaries (continued)

% of equity capital held	Company name	Domicile	Currency	Capital in m
100	Credit Suisse Capital LLC	Wilmington, United States	USD	737.6
100	Credit Suisse Energy LLC	Wilmington, United States	USD	0.0
100	Credit Suisse Equities (Australia) Limited	Sydney, Australia	AUD	62.5
100	Credit Suisse Equity Fund Management Company	Luxembourg, Luxembourg	CHF	0.3
100	Credit Suisse Finance (Australia) Limited (formerly known as Credit Suisse First Boston Finance (Australia) Limited)	Sydney, Australia	AUD	10.0
100	Credit Suisse Finance (Guernsey) Limited (formerly known as Credit Suisse First Boston Finance (Guernsey) Ltd.)	St. Peter Port, Guernsey	USD	0.2
100	Credit Suisse Financial Corporation	Wilmington, United States	USD	0.0
100	CSFB Reinsurance Intermediaries LLC	Wilmington, United States	USD	0.0
100	Credit Suisse First Boston (Latam Holdings) LLC	George Town, Cayman Islands	USD	23.8
100	Credit Suisse First Boston Finance B.V.	Amsterdam, The Netherlands	EUR	0.0
100	Credit Suisse First Boston Mortgage Capital LLC	Wilmington, United States	USD	356.6
100	Credit Suisse First Boston RAFT, LLC	Wilmington, United States	USD	0.0
100	Credit Suisse Fund Management S.A.	Luxembourg, Luxembourg	CHF	0.3
100	Credit Suisse Futures (Hong Kong) Limited	Hong Kong, China	HKD	265.8
100	Credit Suisse Holdings (Australia) Limited	Sydney, Australia	AUD	3.0
100	Credit Suisse Holdings (Mauritius) Limited	Port Louis, Mauritius	USD	0.0
100	Credit Suisse Holdings (USA), Inc.	Wilmington, United States	USD	4,185.4
100	Credit Suisse Investment Products (Asia Pacific) Limited	George Town, Cayman Islands	USD	0.0
100	Credit Suisse Leasing 92A, L.P.	New York, United States	USD	85.0
100	Credit Suisse Life & Pensions AG	Vaduz, Liechtenstein	CHF	15.0
100	Credit Suisse Life (Bermuda) Ltd.	Hamilton, Bermuda	USD	1.0
100	Credit Suisse Loan Funding LLC	Wilmington, United States	USD	0.0
100	Credit Suisse Management LLC	Wilmington, United States	USD	896.1
100	Credit Suisse Money Market Fund Management Company	Luxembourg, Luxembourg	CHF	0.3
100	Credit Suisse Portfolio Fund Management Company	Luxembourg, Luxembourg	CHF	0.3
100	Credit Suisse Premium Finance Corp.	Sacramento, United States	USD	0.0
100	Credit Suisse Premium Finance LLC	Wilmington, United States	USD	6.1
100	Credit Suisse Principal Investments Limited	George Town, Cayman Islands	JPY	3,324.0
100	Credit Suisse Private Equity, Inc. (formerly known as Credit Suisse First Boston Private Equity, Inc)	Wilmington, United States	USD	0.0
100	Credit Suisse Securities (Canada), Inc	Toronto, Canada	CAD	3.4
100	Credit Suisse Securities (Europe) Limited	London, United Kingdom	USD	2,150.0
100	Credit Suisse Securities (Hong Kong) Limited	Hong Kong, China	HKD	530.9
100	Credit Suisse Securities (India) Private Limited	Mumbai, India	INR	979.8
100	Credit Suisse Securities (Japan) Ltd.	Tokyo, Japan	JPY	78,100.0
100	Credit Suisse Securities (Singapore) Pte Limited	Singapore, Singapore	SGD	30.0
100	Credit Suisse Securities (Thailand) Limited	Bangkok, Thailand	THB	331.0
100	Credit Suisse Securities (USA) LLC	Wilmington, United States	USD	3,311.8
100	Credit Suisse Capital Funding, Inc. (formerly known as DLJ Capital Funding, Inc)	Wilmington, United States	USD	0.0
100	Credit Suisse Investments (Singapore) LLP	Singapore, Singapore	AUD	5.5

Significant subsidiaries (continued)

% of equity capital held	Company name	Domicile	Currency	Capital in m
100	CS Non-Traditional Products Ltd.	Nassau, Bahamas	USD	0.1
100	DLJ Capital Corporation	Wilmington, United States	USD	4.0
100	DLJ International Capital	George Town, Cayman Islands	USD	0.0
100	DLJ Mortgage Capital, Inc.	Wilmington, United States	USD	0.0
100	Glenstreet Corporation N.V.	Curaçao, Netherlands Antilles	GBP	20.0
100	J O Hambro Investment Management Limited	London, United Kingdom	GBP	0.0
100	Lime Financial Services, Ltd.	Oregon, United States	USD	1.4
100	Pearl Investment Management Limited	Nassau, Bahamas	USD	0.1
100	SPS Holding Corporation	Wilmington, United States	USD	0.1
100	Swiss American Corporation	New York, United States	USD	38.9
80	Column Guaranteed LLC	Wilmington, United States	USD	32.4
80 [2]	Credit Suisse International	London, United Kingdom	USD	1,611.1
78	Park Acquisitions Limited	Cardiff, United Kingdom	GBP	0.3
58 [3]	Credit Suisse (Luxembourg) S.A.	Luxembourg, Luxembourg	CHF	43.0
50 [4]	Credit Suisse Hedging-Griffo Investimentos S.A.	São Paulo, Brazil	BRL	49.2
0 [5]	Credit Suisse EBC AG	Zurich, Switzerland	CHF	1.7

[1] 43% of voting rights held by Credit Suisse Group, Guernsey Branch. [2] Remaining 20% held directly by Credit Suisse Group. [3] Remaining 42% held directly by Credit Suisse Group. [4] Majority interest. [5] 100% owned by Credit Suisse Group, but consolidated into Credit Suisse under FIN 46.

Significant associates (value according to the equity method)

Equity interest in %	Company name	Domicile
as of December 31, 2007		
8 [1]	Absolute Invest Ltd. (formerly known as Absolute US AG)	Zug, Switzerland
29	Asian Diversified Total Return Limited Duration Company	George Town, Cayman Islands
25	E.L. & C. Baillieu Stockbroking Ltd.	Melbourne, Australia
25	ICBC Credit Suisse Asset Management Company Ltd.	Beijing, China
19 [1]	SIS Swiss Financial Services Group AG	Zurich, Switzerland
17 [1]	Telekurs Holding AG, Zurich	Zurich, Switzerland
34	USFR Limited Duration Company	George Town, Cayman Islands
30	Woori Credit Suisse Asset Management Co., Ltd.	Seoul, South Korea

[1] The Bank retains significant influence through Board of Directors representation.

36 Significant valuation and income recognition differences between US GAAP and Swiss GAAP (true and fair view)

For further information, refer to Note 41 – Significant valuation and income recognition differences between US GAAP and Swiss GAAP (true and fair view) in V – Consolidated financial statements – Credit Suisse Group.

Controls and procedures

Evaluation of disclosure controls and procedures

The Bank has evaluated the effectiveness of the design and operation of its disclosure controls and procedures as of the end of the period covered by this report under the supervision and with the participation of management, including the Bank CEO and CFO, pursuant to Rule 13(a)-15(e) under the Securities Exchange Act of 1934 (the Exchange Act). The Bank identified a material weakness in internal control over financial reporting as of December 31, 2007 described below. As a result of this material weakness, the Bank CEO and CFO concluded that, as of the end of the period covered by this report, the operation of the Bank's disclosure controls and procedures were not effective. For further information on the Bank's identification of mismarks and pricing errors by a small number of traders and the related internal review, see II – Operating and financial review – Credit Suisse – Revaluing of certain asset-backed securities positions.

Notwithstanding the existence of this material weakness in internal control over financial reporting, the Bank confirms that its consolidated financial statements in this Annual Report fairly present, in all material respects, the Bank's consolidated financial condition as of December 31, 2007 and 2006, and its consolidated results of operations and cash flows for the years ended December 31, 2007, 2006 and 2005, in conformity with US GAAP.

Management report on internal control over financial reporting

The management of the Bank is responsible for establishing and maintaining adequate internal control over financial reporting. The Bank's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with US GAAP. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management has made an evaluation and assessment of the Bank's internal control over financial reporting as of December 31, 2007 using the criteria issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in "Internal Control – Integrated Framework". A material weakness is a deficiency or combination of deficiencies in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Bank's financial statements will not be prevented or detected on a timely basis. The Bank's management has concluded that, as of December 31, 2007, the following material weakness existed.

As of December 31, 2007, the controls over the valuation of ABS positions in the CDO trading business in Investment Banking relating to the supervision and monitoring of the initial valuations of these positions by trading personnel and the related price testing and supervision by product control, which is segregated from trading, were not effective. The Bank's price testing of these positions included modeling techniques that failed to accurately value these positions. This resulted in adjustments to the Bank's preliminary 2007 consolidated financial statements.

As a result of this material weakness in internal control, management, including the Bank CEO and CFO, has concluded that the Bank's internal control over financial reporting was not effective as of December 31, 2007.

The effectiveness of the Bank's internal control over financial reporting as of December 31, 2007 has been audited by KPMG Klynveld Peat Marwick Goerdeler SA, the Bank's independent auditors, as stated in their report, which follows.

Remediation

In connection with the completion of the Bank's internal review, the Bank has been actively engaged in the development and implementation of a remediation plan to address this material weakness in internal control over financial reporting. The Bank has reassigned trading responsibility for the CDO trading business and is enhancing related control processes. The Bank's remediation plan also includes improving the effectiveness of supervisory reviews, formalizing escalation procedures, improving the coordination among trading, product control and risk management, adding additional resources, improving training and enhancing the tools and other technical resources available to our personnel.

The Executive Board continues to assign the highest priority to the prompt remediation of this material weakness and reports regularly on these remediation efforts to the Bank Audit Committee and Board of Directors.

Notwithstanding the existence of this material weakness in internal control over financial reporting, the Bank has performed alternative procedures since mid-February 2008, including an extensive review of the valuations of these positions in its CDO trading business as of December 31, 2007, led by senior personnel. The Bank is confident that as a result of the alternative procedures performed, the Bank's financial statements in this Annual Report are fairly presented, in all material respects, in conformity with US GAAP.

Changes in internal control over financial reporting

There were no changes in the Bank's internal control over financial reporting during the period covered by this report that have materially affected, or are reasonably likely to materially affect, the Bank's internal control over financial reporting. For changes in internal control over financial reporting subsequent to the report date, see the changes described above.

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Report of the Group Auditors and the Independent Registered Public Accounting Firm to the General Meeting of

Credit Suisse, Zurich

We have audited Credit Suisse and subsidiaries' (the "Bank") internal control over financial reporting as of December 31, 2007, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Bank's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Bank's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis. The following material weakness has been identified and included in management's assessment: controls over the valuation of asset-backed securities positions in the collateralized debt obligations trading business in Investment Banking relating to the supervision and monitoring of the initial valuations of these positions by trading personnel and the related price testing and supervision by product control, which is segregated from trading, were not effective. We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) and Swiss Auditing Standards, the consolidated balance sheets of the Bank as of December 31, 2007 and 2006, and the related consolidated statements of income, changes in shareholder's equity, comprehensive income, and cash flows, and notes thereto, for each of the years in the three-year period ended December 31, 2007. This material weakness was considered in determining the nature, timing, and extent of audit tests applied in our audit of the 2007 consolidated financial statements, and this report does not affect our report dated March 18, 2008, which expressed an unqualified opinion on those consolidated financial statements.

In our opinion, because of the effect of the aforementioned material weakness on the achievement of the objectives of the control criteria, the Bank has not maintained effective internal control over financial reporting as of December 31, 2007, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We do not express an opinion or any other form of assurance on management's statements referring to corrective actions taken after December 31, 2007, relative to the aforementioned material weakness in internal control over financial reporting.

KPMG Klynveld Peat Marwick Goerdeler SA

David L. Jahnke
Auditor in Charge

Robert S. Overstreet

Zurich, Switzerland
March 18, 2008