

VII

Consolidated financial statements – Credit Suisse (Bank)

- 377 Report of the Statutory Auditor**
- 379 Consolidated financial statements**
- 387 Notes to the consolidated financial statements**
(see the following page for a detailed list)
- 457 Controls and procedures**
- 458 Report of the Independent
Registered Public Accounting Firm**

Consolidated financial statements

379	Consolidated statements of operations
380	Consolidated balance sheets
382	Consolidated statements of changes in equity
385	Consolidated statements of comprehensive income
385	Consolidated statements of cash flows

Notes to the consolidated financial statements

387	1 Summary of significant accounting policies	403	21 Other assets and other liabilities
388	2 Recently issued accounting standards	404	22 Deposits
388	3 Business developments	404	23 Long-term debt
388	4 Discontinued operations	405	24 Accumulated other comprehensive income
389	5 Segment information	406	25 Tax
391	6 Net interest income	411	26 Employee deferred compensation
391	7 Commissions and fees	415	27 Related parties
392	8 Trading revenues	417	28 Pension and other post-retirement benefits
392	9 Other revenues	425	29 Derivatives and hedging activities
392	10 Provision for credit losses	431	30 Guarantees and commitments
393	11 Compensation and benefits	433	31 Transfers of financial assets and variable interest entities
393	12 General and administrative expenses	439	32 Financial instruments
393	13 Securities borrowed, lent and subject to repurchase agreements	452	33 Assets pledged or assigned
394	14 Trading assets and liabilities	453	34 Capital adequacy
395	15 Investment securities	454	35 Litigation
396	16 Other investments	454	36 Significant subsidiaries and equity method investments
397	17 Loans, allowance for loan losses and credit quality	456	37 Significant valuation and income recognition differences between US GAAP and Swiss GAAP (true and fair view)
400	18 Premises and equipment	456	38 Risk assessment
400	19 Goodwill and other intangible assets		
402	20 Life settlement contracts		



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Report of the Statutory Auditor on the Consolidated Financial Statements to the General Meeting of

Credit Suisse AG, Zurich

As statutory auditor, we have audited the accompanying consolidated financial statements of Credit Suisse AG and subsidiaries (the "Bank"), which comprise the consolidated balance sheets as of December 31, 2010 and 2009, and the related consolidated statements of operations, changes in equity, comprehensive income and cash flows, and notes for each of the years in the three-year period ended December 31, 2010.

Board of Directors' Responsibility

The board of directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with U.S. generally accepted accounting principles and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The board of directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Swiss law and Swiss Auditing Standards and 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 whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the financial position as of December 31, 2010 and 2009, and the results of operations and cash flows for each of the years in the three-year period ended December 31, 2010, in accordance with U.S. generally accepted accounting principles and comply with Swiss law.

As discussed in Note 2 to the consolidated financial statements, the Bank changed its method of accounting for variable interest entities in 2010 due to the adoption of ASU 2009-17.



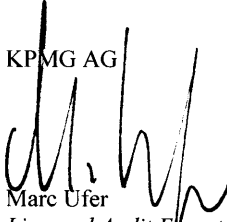
Report on Other Legal and Regulatory Requirements


We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) (Switzerland) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the board of directors.

We recommend that the consolidated financial statements submitted to you be approved.

We also have 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, 2010, 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 24, 2011 expressed an unqualified opinion on the effectiveness of the Bank's internal control over financial reporting.

KPMG AG

Marc Ufer
Licensed Audit Expert
Auditor in Charge


Simon Ryder
Licensed Audit Expert

Zurich, Switzerland
March 24, 2011

Consolidated financial statements

Consolidated statements of operations

	Reference to notes	2010	2009	2008
in				
Consolidated statements of operations (CHF million)				
Interest and dividend income	6	24,825	24,522	47,102
Interest expense	6	(18,798)	(18,153)	(39,189)
Net interest income	6	6,027	6,369	7,913
Commissions and fees	7	13,122	12,770	13,640
Trading revenues	8	9,072	12,164	(10,340)
Other revenues	9	1,377	690	(3,908)
Net revenues		29,598	31,993	7,305
Provision for credit losses	10	(124)	460	797
Compensation and benefits	11	14,372	14,706	12,958
General and administrative expenses	12	7,088	7,622	7,299
Commission expenses		1,991	1,848	2,090
Total other operating expenses		9,079	9,470	9,389
Total operating expenses		23,451	24,176	22,347
Income/(loss) from continuing operations before taxes		6,271	7,357	(15,839)
Income tax expense/(benefit)	25	1,258	1,794	(4,922)
Income/(loss) from continuing operations		5,013	5,563	(10,917)
Income/(loss) from discontinued operations, net of tax	4	(19)	169	(531)
Net income/(loss)		4,994	5,732	(11,448)
Less net income/(loss) attributable to noncontrolling interests		802	(697)	(3,379)
Net income/(loss) attributable to shareholder		4,192	6,429	(8,069)
of which from continuing operations		4,211	6,260	(7,538)
of which from discontinued operations		(19)	169	(531)

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

Consolidated balance sheets

	Reference to notes	2010	end of 2009
Assets (CHF million)			
Cash and due from banks		65,031	52,535
of which reported from consolidated VIEs		1,432	–
Interest-bearing deposits with banks		4,457	2,200
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	13	220,708	208,378
of which reported at fair value		136,906	128,303
Securities received as collateral, at fair value		42,100	37,371
of which encumbered		21,305	27,671
Trading assets, at fair value	14	321,256	331,307
of which encumbered		87,554	112,994
of which reported from consolidated VIEs		8,717	–
Investment securities	15	6,331	9,190
of which reported at fair value		6,192	9,190
of which reported from consolidated VIEs		72	–
Other investments	16	16,055	23,547
of which reported at fair value		13,184	20,865
of which reported from consolidated VIEs		2,334	–
Net loans	17	200,748	221,452
of which reported at fair value		18,552	36,246
of which encumbered		783	1,105
of which reported from consolidated VIEs		3,745	–
allowance for loan losses		(812)	(1,184)
Premises and equipment	18	6,220	5,901
of which reported from consolidated VIEs		33	–
Goodwill	19	7,450	8,132
Other intangible assets	19	304	318
of which reported at fair value		66	30
Brokerage receivables		38,773	41,872
Other assets	21	79,305	68,279
of which reported at fair value		39,419	29,097
of which encumbered		2,388	3,262
of which reported from consolidated VIEs		19,569	–
Assets of discontinued operations held-for-sale	4	23	0
Total assets		1,008,761	1,010,482

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

Consolidated balance sheets (continued)

	Reference to notes	2010	end of 2009
Liabilities and equity (CHF million)			
Due to banks	22	47,675	50,081
of which reported at fair value		3,995	4,914
Customer deposits	22	263,767	258,697
of which reported at fair value		2,855	2,038
of which reported from consolidated VIEs		54	–
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	13	168,394	191,587
of which reported at fair value		123,697	122,136
Obligation to return securities received as collateral, at fair value		42,100	37,371
Trading liabilities, at fair value	14	133,937	134,875
of which reported from consolidated VIEs		188	–
Short-term borrowings		19,516	6,058
of which reported at fair value		3,308	3,383
of which reported from consolidated VIEs		4,333	–
Long-term debt	23	171,140	156,676
of which reported at fair value		81,474	70,900
of which reported from consolidated VIEs		19,739	–
Brokerage payables		61,862	59,132
Other liabilities	21	61,206	70,254
of which reported at fair value		29,040	30,271
of which reported from consolidated VIEs		839	–
Total liabilities		969,597	964,731
Common shares / Participation certificates		4,400	4,400
Additional paid-in capital		24,026	24,299
Retained earnings		10,068	11,422
Treasury shares, at cost		0	(487)
Accumulated other comprehensive income/(loss)	24	(10,711)	(8,406)
Total shareholder's equity		27,783	31,228
Noncontrolling interests		11,381	14,523
Total equity		39,164	45,751
Total liabilities and equity		1,008,761	1,010,482
end of		2010	2009
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.

Consolidated statements of changes in equity

	Attributable to shareholder								Number of common shares outstanding
	Common shares/Participation certificates	Additional paid-in capital	Retained earnings	Treasury shares, at cost ¹	Accumulated other comprehensive income	Total shareholder's equity	Non-controlling interests	Total equity	
2010 (CHF million)									
Balance at beginning of period	4,400	24,299	11,422	(487)	(8,406)	31,228	14,523	45,751	43,996,652 ²
Purchase of subsidiary shares from noncontrolling interests, changing ownership	-	-	-	-	-	-	(9)	(9)	-
Purchase of subsidiary shares from noncontrolling interests, not changing ownership ^{3,4}	-	-	-	-	-	-	(2,207)	(2,207)	-
Sale of subsidiary shares to noncontrolling interests, not changing ownership ⁴	-	-	-	-	-	-	471	471	-
Net income/(loss)	-	-	4,192	-	-	4,192	802	4,994	-
Cumulative effect of accounting changes, net of tax ⁵	-	-	(2,384)	-	135	(2,249)	-	(2,249)	-
Gains/(losses) on cash flow hedges	-	-	-	-	22	22	-	22	-
Foreign currency translation	-	-	-	-	(2,365)	(2,365)	(1,233)	(3,598)	-
Unrealized gains/(losses) on securities	-	-	-	-	14	14	-	14	-
Actuarial gains/(losses)	-	-	-	-	(110)	(110)	(1)	(111)	-
Net prior service cost	-	-	-	-	(1)	(1)	-	(1)	-
Total other comprehensive income/(loss), net of tax	-	-	-	-	(2,440)	(2,440)	(1,234)	(3,674)	-
Issuance of common shares/notes	-	1,567	-	-	-	1,567	-	1,567	-
Sale of treasury shares	-	(28)	-	2,110	-	2,082	-	2,082	-
Repurchase of treasury shares	-	-	-	(1,623)	-	(1,623)	-	(1,623)	-
Share-based compensation, net of tax	-	(1,725) ⁶	-	-	-	(1,725)	10	(1,715)	-
Dividends on share-based compensation, net of tax	-	(87)	-	-	-	(87)	-	(87)	-
Cash dividends paid	-	-	(3,162)	-	-	(3,162)	(143)	(3,305)	-
Change in scope of consolidation	-	-	-	-	-	-	(911) ⁷	(911)	-
Other	-	-	-	-	-	-	79	79	-
Balance at end of period	4,400	24,026	10,068	0	(10,711)	27,783	11,381	39,164	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 Distributions to owners in funds include the return of original capital invested and any related dividends. ⁴ Transactions with and without ownership changes related to fund activity are all displayed under "not changing ownership". ⁵ Represents the impact of the adoption in 1Q10 of new accounting rules governing when an entity is consolidated under US GAAP. ⁶ Includes a tax benefit of CHF 608 million from the excess fair value of shares delivered over recognized compensation expense. ⁷ Represents primarily the impact from the spin-off of a real estate private equity fund in 3Q10.

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

Consolidated statements of changes in equity (continued)

	Attributable to shareholder								Number of common shares outstanding
	Common shares/Participation certificates	Additional paid-in capital	Retained earnings	Treasury shares, at cost	Accumulated other comprehensive income	Total shareholder's equity	Non-controlling interests	Total equity	
2009 (CHF million)									
Balance at beginning of period	4,400	25,059	5,132	18	(7,741)	26,868	19,281	46,149	43,996,652
Purchase of subsidiary shares from noncontrolling interests, changing ownership	-	9	-	-	-	9	(9)	0	-
Purchase of subsidiary shares from noncontrolling interests, not changing ownership	-	-	-	-	-	-	(468)	(468)	-
Sale of subsidiary shares to noncontrolling interests, changing ownership	-	(1)	-	-	-	(1)	5	4	-
Sale of subsidiary shares to noncontrolling interests, not changing ownership	-	-	-	-	-	-	1,229	1,229	-
Net income/(loss)	-	-	6,429	-	-	6,429	(697)	5,732	-
Gains/(losses) on cash flow hedges	-	-	-	-	17	17	-	17	-
Foreign currency translation	-	-	-	-	(472)	(472)	(303)	(775)	-
Unrealized gains/(losses) on securities	-	-	-	-	13	13	-	13	-
Actuarial gains/(losses)	-	-	-	-	(223)	(223)	-	(223)	-
Total other comprehensive income/(loss), net of tax	-	-	-	-	(665)	(665)	(303)	(968)	-
Issuance of common shares	-	(13)	-	-	-	(13)	-	(13)	-
Sale of treasury shares	-	50	-	1,645	-	1,695	-	1,695	-
Repurchase of treasury shares	-	-	-	(2,150)	-	(2,150)	-	(2,150)	-
Share-based compensation, net of tax	-	(797)	-	-	-	(797)	-	(797)	-
Dividends on share-based compensation, net of tax	-	(5)	-	-	-	(5)	-	(5)	-
Cash dividends paid	-	-	(141)	-	-	(141)	(111)	(252)	-
Change in scope of consolidation	-	-	-	-	-	-	(4,491)	(4,491)	-
Other	-	(3)	2	-	-	(1)	87	86	-
Balance at end of period	4,400	24,299	11,422	(487)	(8,406)	31,228	14,523	45,751	43,996,652

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

Consolidated statements of changes in equity (continued)

	Attributable to shareholder								Number of common shares outstanding
	Common shares/Participation certificates	Additional paid-in capital	Retained earnings	Treasury shares, at cost	Accumulated other comprehensive income	Total shareholder's equity	Non-controlling interests	Total equity	
2008 (CHF million)									
Balance at beginning of period	4,400	20,849	15,872	(5,497)	(4,290)	31,334	24,019	55,353	43,996,652
Purchase of subsidiary shares from noncontrolling interests, changing ownership	-	-	-	-	-	-	(77)	(77)	-
Purchase of subsidiary shares from noncontrolling interests, not changing ownership	-	-	-	-	-	-	(1,717)	(1,717)	-
Sale of subsidiary shares to noncontrolling interests, not changing ownership	-	-	-	-	-	-	1,991	1,991	-
Net income/(loss)	-	-	(8,069)	-	-	(8,069)	(3,379)	(11,448)	-
Cumulative effect of accounting changes, net of tax	-	-	(11)	-	7	(4)	-	(4)	-
Gains/(losses) on cash flow hedges	-	-	-	-	(14)	(14)	-	(14)	-
Foreign currency translation	-	-	-	-	(3,294)	(3,294)	(1,353)	(4,647)	-
Unrealized gains/(losses) on securities	-	-	-	-	(54)	(54)	-	(54)	-
Actuarial gains/(losses)	-	-	-	-	(95)	(95)	-	(95)	-
Net prior service cost	-	-	-	-	(1)	(1)	-	(1)	-
Total other comprehensive income/(loss), net of tax	-	-	-	-	(3,458)	(3,458)	(1,353)	(4,811)	-
Issuance of common shares	-	2,958	-	-	-	2,958	-	2,958	-
Sale of treasury shares	-	1	-	1,039	-	1,040	-	1,040	-
Repurchase of treasury shares	-	-	-	(1,021)	-	(1,021)	-	(1,021)	-
Share-based compensation, net of tax	-	1,264	-	-	-	1,264	-	1,264	-
Dividends on share-based compensation, net of tax	-	(203)	-	-	-	(203)	-	(203)	-
Cash dividends paid	-	-	(2,660)	-	-	(2,660)	(124)	(2,784)	-
Change in scope of consolidation	-	-	-	-	-	-	15	15	-
Other	-	190	-	5,497	-	5,687	(94)	5,593	-
Balance at end of period	4,400	25,059	5,132	18	(7,741)	26,868	19,281	46,149	43,996,652

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

Consolidated statements of comprehensive income

in	2010	2009	2008
Comprehensive income (CHF million)			
Net income/(loss)	4,994	5,732	(11,448)
Other comprehensive income/(loss), net of tax ¹	(3,674)	(968)	(4,811)
Comprehensive income/(loss)	1,320	4,764	(16,259)
Comprehensive income/(loss) attributable to noncontrolling interests	(432)	(1,000)	(4,732)
Comprehensive income/(loss) attributable to shareholder	1,752	5,764	(11,527)

¹ For details on the components of other comprehensive income, refer to Note 24 – Accumulated other comprehensive income.

Consolidated statements of cash flows

in	2010	2009	2008
Operating activities of continuing operations (CHF million)			
Net income/(loss)	4,994	5,732	(11,448)
(Income)/loss from discontinued operations, net of tax	19	(169)	531
Income/(loss) from continuing operations	5,013	5,563	(10,917)
Adjustments to reconcile net income/(loss) to net cash provided by/(used in) operating activities of continuing operations (CHF million)			
Impairment, depreciation and amortization	1,136	1,081	1,129
Provision for credit losses	(124)	460	797
Deferred tax provision/(benefit)	1,048	935	(5,133)
Share of net income/(loss) from equity method investments	(101)	(28)	20
Trading assets and liabilities, net	(10,571)	(8,623)	122,210
(Increase)/decrease in other assets	4,068	27,236	(1,396)
Increase/(decrease) in other liabilities	4,410	(40,612)	27,880
Other, net	3,684	1,782	(842)
Total adjustments	3,550	(17,769)	144,665
Net cash provided by/(used in) operating activities of continuing operations	8,563	(12,206)	133,748
Investing activities of continuing operations (CHF million)			
(Increase)/decrease in interest-bearing deposits with banks	(2,152)	1,584	207
(Increase)/decrease in central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	(28,904)	55,508	12,285
Purchase of investment securities	(241)	(67)	(510)
Proceeds from sale of investment securities	988	891	55
Maturities of investment securities	1,312	2,209	2,365
Investments in subsidiaries and other investments	(1,365)	(1,961)	(3,828)
Proceeds from sale of other investments	2,151	1,919	2,515
(Increase)/decrease in loans	6,492	3,690	(10,441)
Proceeds from sale of loans	817	992	596
Capital expenditures for premises and equipment and other intangible assets	(1,667)	(1,374)	(1,400)
Proceeds from sale of premises and equipment and other intangible assets	17	3	4
Other, net	249	169	141
Net cash provided by/(used in) investing activities of continuing operations	(22,303)	63,563	1,989

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

Consolidated statements of cash flows (continued)

in	2010	2009	2008
Financing activities of continuing operations (CHF million)			
Increase/(decrease) in due to banks and customer deposits	27,290	(30,327)	(57,581)
Increase/(decrease) in short-term borrowings	10,111	3,259	(7,564)
Increase/(decrease) in central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	(6,997)	(47,354)	(40,975)
Issuances of long-term debt	54,979	61,467	106,422
Repayments of long-term debt	(48,931)	(71,061)	(85,496)
Repayments of trust preferred securities	0	0	111
Issuances of common shares	1,567	(13)	2,958
Sale of treasury shares	2,082	1,695	1,040
Repurchase of treasury shares	(1,623)	(2,150)	(1,021)
Dividends paid/capital repayments	(3,305)	(257)	(3,002)
Excess tax benefits related to share-based compensation	608	181	0
Other, net	(3,336)	(3,628)	5,622
Net cash provided by/(used in) financing activities of continuing operations	32,445	(88,188)	(79,486)
Effect of exchange rate changes on cash and due from banks (CHF million)			
Effect of exchange rate changes on cash and due from banks	(6,167)	(1,155)	(2,016)
Net cash provided by/(used in) discontinued operations (CHF million)			
Net cash provided by/(used in) operating activities of discontinued operations	(42)	0	(18)
Net increase/(decrease) in cash and due from banks (CHF million)			
Net increase/(decrease) in cash and due from banks	12,496	(37,986)	54,217
Cash and due from banks at beginning of period	52,535	90,521	36,304
Cash and due from banks at end of period	65,031	52,535	90,521

Supplemental cash flow information

in	2010	2009	2008
Cash paid for income taxes and interest (CHF million)			
Cash paid for income taxes	835	1,077	1,820
Cash paid for interest	18,846	19,283	40,935
Assets acquired and liabilities assumed in business acquisitions (CHF million)			
Fair value of assets acquired	0	0	383
Fair value of liabilities assumed	0	0	23
Assets and liabilities sold in business divestitures (CHF million)			
Assets sold	0	869	0
Liabilities sold	0	799	0

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 AG, the Swiss bank subsidiary of the Group (the Bank), are prepared in accordance with accounting principles generally accepted in the US (US GAAP) and are stated in Swiss francs (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/(loss) 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 value measurements of certain financial assets and liabilities, the allowance for loan losses, the evaluation of variable interest entities (VIEs), the impairment of assets other than loans, recognition of deferred tax assets, tax uncertainties, pension liabilities, 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. While management evaluates its estimates and assumptions on an ongoing basis, actual results could differ materially from management's estimates. Market conditions may increase the risk and complexity of the judgments applied in these 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 con-

tribution 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 projected benefit obligations (PBO) and the current and past service costs or credits related to its defined benefit and other post-retirement benefit plans. The measurement date used to perform the actuarial valuation is December 31.

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 or credits 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, own bonds and financial instruments on Group shares

The Bank's shares are wholly-owned by Credit Suisse Group AG and are not subject to trading. The Bank may buy and sell Credit Suisse Group AG shares (Group shares), own bonds and financial instruments on Group shares within its normal trading and market-making activities. In addition, the Bank

may hold Group shares to physically hedge commitments arising from employee share-based compensation awards. 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. Financial instruments on Group shares are recorded as assets or liabilities and carried at fair value. Dividends received on Group shares and unrealized and realized gains and losses on 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*. The impact on the Bank's and Group's financial condition, results of operations or cash flows was or is expected to be identical.

3 Business developments

For further information, refer to *Note 3 – Business developments in V – Consolidated financial statements – Credit Suisse Group*.

4 Discontinued operations

For further information, refer to *Note 4 – Discontinued operations in V – Consolidated financial statements – Credit Suisse Group*.

Income/(loss) from discontinued operations

in	2010	2009	2008
Income/(loss) from discontinued operations (CHF million)			
Net revenues	(19)	56	346
Total expenses	0	(167)	(393)
Income/(loss) before taxes from discontinued operations	(19)	(111)	(47)
Gain/(loss) on disposal	0	261 ¹	(463)
Income tax expense/(benefit)	0	(19)	21
Income/(loss) from discontinued operations, net of tax	(19)	169	(531)

¹ Represents net gains/(losses) from the deconsolidation of subsidiaries. The Bank did not retain any investment in the former subsidiaries.

5 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, noncontrolling 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, 2010, 2009 and 2008 were CHF 536 million,

CHF 654 million and CHF 513 million, respectively. For the same periods net revenues of these non-consolidated affiliate entities included in the segment presentation were CHF 1,782 million, CHF 1,789 million and CHF 2,092 million, respectively, and total assets of these non-consolidated affiliate entities included in the segment presentation as of December 31, 2010 and 2009, were CHF 47.8 billion and CHF 48.8 billion, respectively. For further information, refer to *Note 5 – Segment information in V – Consolidated financial statements – Credit Suisse Group*.

Net revenues and income/(loss) from continuing operations before taxes

in	2010	2009	2008
Net revenues (CHF million)			
Private Banking	11,631	11,662	12,907
Investment Banking	16,214	20,537	(1,971)
Asset Management	2,332	1,842	632
Adjustments ^{1,2}	(579)	(2,048)	(4,263)
Net revenues	29,598	31,993	7,305
Income/(loss) from continuing operations before taxes (CHF million)			
Private Banking	3,426	3,651	3,850
Investment Banking	3,531	6,845	(13,792)
Asset Management	503	35	(1,185)
Adjustments ^{1,3}	(1,189)	(3,174)	(4,712)
Income/(loss) from continuing operations before taxes	6,271	7,357	(15,839)

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 noncontrolling interest-related revenues of CHF 775 million, CHF (689) million and CHF (2,806) million in 2010, 2009 and 2008, respectively, from the consolidation of certain private equity funds and other entities in which the Bank does not have a significant economic interest (SEI) in such revenues. ³ Includes noncontrolling interest income/(loss) of CHF 702 million, CHF (872) million and CHF (2,952) million in 2010, 2009 and 2008, 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	2010	2009
Total assets (CHF million)		
Private Banking	337,496	345,488
Investment Banking	803,613	819,081
Asset Management	27,986	19,289
Adjustments ¹	(160,334)	(173,376)
Total assets	1,008,761	1,010,482

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/(loss) from continuing operations before taxes by geographic location

in	2010	2009	2008
Net revenues (CHF million)			
Switzerland	7,758	9,073	11,494
EMEA	7,284	6,795	(4,132)
Americas	12,634	13,763	(975)
Asia Pacific	1,922	2,362	918
Net revenues	29,598	31,993	7,305
Income/(loss) from continuing operations before taxes (CHF million)			
Switzerland	950	1,610	4,695
EMEA	1,383	960	(10,308)
Americas	4,739	5,076	(8,579)
Asia Pacific	(801)	(289)	(1,647)
Income/(loss) from continuing operations before taxes	6,271	7,357	(15,839)

The designation of net revenues and income/(loss) 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	2010	2009
Total assets (CHF million)		
Switzerland	168,755	164,800
EMEA	266,758	267,411
Americas	474,638	492,836
Asia Pacific	98,610	85,435
Total assets	1,008,761	1,010,482

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

6 Net interest income

in	2010	2009	2008
Net interest income (CHF million)			
Loans	4,620	5,575	8,231
Investment securities	66	207	598
Trading assets	14,013	13,280	18,131
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	2,663	3,076	13,523
Other	3,463	2,384	6,619
Interest and dividend income	24,825	24,522	47,102
Deposits	(1,591)	(2,977)	(10,358)
Short-term borrowings	(80)	(232)	(411)
Trading liabilities	(9,010)	(7,360)	(8,516)
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	(1,638)	(2,262)	(12,523)
Long-term debt	(6,134)	(4,800)	(4,806)
Other	(345)	(522)	(2,575)
Interest expense	(18,798)	(18,153)	(39,189)
Net interest income	6,027	6,369	7,913

7 Commissions and fees

in	2010	2009	2008
Commissions and fees (CHF million)			
Lending business	1,404	995	771
Investment and portfolio management	3,705	3,666	4,464
Other securities business	58	124	216
Fiduciary business	3,763	3,790	4,680
Underwriting	2,125	2,375	1,049
Brokerage	3,714	3,846	4,629
Underwriting and brokerage	5,839	6,221	5,678
Other services	2,116	1,764	2,511
Commissions and fees	13,122	12,770	13,640

8 Trading revenues

in	2010	2009
Trading revenues (CHF million)		
Interest rate products	5,653	10,067
Foreign exchange products	1,959	196
Equity/index-related products	2,467	4,349
Credit products	(1,641)	(3,960)
Commodity, emission and energy products	309	542
Other products	325	970
Total	9,072	12,164

Represents revenues on a product basis which are not representative of business results within segments, as segment results utilize financial instruments across various product types. This disclosure was adopted prospectively as of January 1, 2009.

For further information, refer to *Note 8 – Trading revenues in V – Consolidated financial statements – Credit Suisse Group*.

9 Other revenues

in	2010	2009	2008
Other revenues (CHF million)			
Noncontrolling interests without significant economic interest	723	(917)	(2,978)
Loans held-for-sale	(84)	(287)	(269)
Long-lived assets held-for-sale	(182)	13	41
Equity method investments	193	95	(98)
Other investments	117	907	(1,367)
Other	610	879	763
Other revenues	1,377	690	(3,908)

10 Provision for credit losses

in	2010	2009	2008
Provision for credit losses (CHF million)			
Provision for loan losses	(139)	271	570
Provision for lending-related and other exposures	15	189	227
Provision for credit losses	(124)	460	797

11 Compensation and benefits

in	2010	2009	2008
Compensation and benefits (CHF million)			
Salaries and deferred and variable compensation expense	11,885	12,857	11,068
Social security	884	973	731
Other ¹	1,603	876	1,159
Compensation and benefits	14,372	14,706	12,958

¹ Includes pension and other post-retirement expense of CHF 905 million and the UK levy on variable compensation of CHF 404 million in 2010, pension and other post-retirement expense of CHF 641 million and CHF 848 million in 2009 and 2008, respectively.

12 General and administrative expenses

in	2010	2009	2008
General and administrative expenses (CHF million)			
Occupancy expenses	1,119	1,121	1,090
IT, machinery, etc.	1,320	1,191	1,171
Provisions and losses	491	1,434	540
Travel and entertainment	432	413	540
Professional services	2,082	1,759	2,043
Goodwill impairment	0	0	82
Amortization and impairment of other intangible assets	34	48	108
Other	1,610	1,656	1,725
General and administrative expenses	7,088	7,622	7,299

13 Securities borrowed, lent and subject to repurchase agreements

end of	2010	2009
Securities borrowed or purchased under agreements to resell (CHF million)		
Central bank funds sold and securities purchased under resale agreements	149,229	119,830
Deposits paid for securities borrowed	71,479	88,548
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	220,708	208,378
Securities lent or sold under agreements to repurchase (CHF million)		
Central bank funds purchased and securities sold under repurchase agreements	147,878	163,515
Deposits received for securities lent	20,516	28,072
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	168,394	191,587

For further information, refer to *Note 14 – Securities borrowed, lent and subject to repurchase agreements in V – Consolidated financial statements – Credit Suisse Group.*

14 Trading assets and liabilities

end of	2010	2009
Trading assets (CHF million)		
Debt securities	153,228	159,277
Equity securities ¹	101,196	100,031
Derivative instruments ²	47,776	55,323
Other	19,056	16,676
Trading assets	321,256	331,307
Trading liabilities (CHF million)		
Short positions	76,219	77,605
Derivative instruments ²	57,718	57,270
Trading liabilities	133,937	134,875

¹ Including convertible bonds. ² Amounts shown net of cash collateral receivables and payables.

Cash collateral receivables and payables

end of	2010	2009
Cash collateral receivables (CHF million)		
Receivables netted against derivative positions	28,400	31,788
Receivables not netted ¹	14,987	16,025
Total	43,387	47,813
Cash collateral payables (CHF million)		
Payables netted against derivative positions	29,480	28,808
Payables not netted ¹	14,428	18,935
Total	43,908	47,743

¹ Recorded as cash collateral on derivative instruments, refer to Note 21 – Other assets and other liabilities.

15 Investment securities

end of	2010	2009
Investment securities (CHF million)		
Debt securities held-to-maturity	139	0
Securities available-for-sale	6,192	9,190
Total investment securities	6,331	9,190

Investment securities by type

end of	Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value
2010 (CHF million)				
Debt securities issued by foreign governments	139	0	0	139
Debt securities held-to-maturity	139	0	0	139
Debt securities issued by the Swiss federal, cantonal or local governmental entities	0	0	0	0
Debt securities issued by foreign governments	5,418	225	0	5,643
Corporate debt securities	387	0	0	387
Collateralized debt obligations	71	2	0	73
Debt securities available-for-sale	5,876	227	0	6,103
Banks, trust and insurance companies	69	10	0	79
Industry and all other	9	1	0	10
Equity securities available-for-sale	78	11	0	89
Securities available-for-sale	5,954	238	0	6,192
2009 (CHF million)				
Debt securities issued by foreign governments	8,375	271	0	8,646
Corporate debt securities	312	0	0	312
Collateralized debt obligations	60	7	0	67
Other debt securities	59	0	0	59
Debt securities available-for-sale	8,806	278	0	9,084
Banks, trust and insurance companies	83	9	0	92
Industry and all other	13	1	0	14
Equity securities available-for-sale	96	10	0	106
Securities available-for-sale	8,902	288	0	9,190

There were no unrealized losses on investment securities in 2010 and 2009. No significant impairment was recorded as the Bank does not intend to sell the investments, nor is it more

likely than not that the Bank will be required to sell the investments before the recovery of their amortized cost bases, which may be maturity.

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

in	Debt securities			Equity securities		
	2010	2009	2008	2010	2009	2008
Additional information (CHF million)						
Proceeds from sales	985	723	2	3	168	53
Realized gains	5	17	3	0	22	0
Realized losses	(11)	(14)	0	0	(1)	0

Amortized cost, fair value and average yield of debt securities

end of	Debt securities held-to-maturity			Debt securities available-for-sale		
	Amortized cost	Fair value	Average yield (in %)	Amortized cost	Fair value	Average yield (in %)
2010 (CHF million)						
Due within 1 year	139	139	0	789	793	2.86
Due from 1 to 5 years	0	0	–	5,013	5,231	3.79
Due from 5 to 10 years	0	0	–	0	0	–
Due after 10 years	0	0	–	74	79	5.44
Total debt securities	139	139	0	5,876	6,103	3.69

16 Other investments

end of	2010	2009
Other investments (CHF million)		
Equity method investments	3,909	3,618
Non-marketable equity securities ¹	9,831	17,470
Real estate held for investment	420	360
Life finance instruments ²	1,895	2,099
Total other investments	16,055	23,547

¹ Includes private equity, hedge funds 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. ² Includes life settlement contracts at investment method and SPIA contracts.

Non-marketable equity securities include investments in entities that regularly calculate net asset value per share or its equivalent. For further information on such investments, refer to *Note 32 – Financial instruments*.

Substantially all non-marketable equity securities are carried at fair value. There were no non-marketable equity securities not carried at fair value that have been in a continuous unrealized loss position.

The Bank performs a regular impairment analysis of real estate portfolios. The carrying values of the impaired properties were written down to their respective fair values, estab-

lishing new cost bases. For these properties, the fair values were measured based on either discounted cash flow analyses or external market appraisals. In 2010 and 2009, no impairment was recorded. An impairment of CHF 22 million was recorded in 2008.

Accumulated depreciation related to real estate held for investment amounted to CHF 273 million, CHF 326 million and CHF 320 million for 2010, 2009 and 2008, respectively.

For further information, refer to *Note 17 – Other investments in V – Consolidated financial statements – Credit Suisse Group*.

17 Loans, allowance for loan losses and credit quality

end of	2010	2009
Loans (CHF million)		
Mortgages	69,953	68,767
Loans collateralized by securities	21,247	18,776
Consumer finance	2,833	2,461
Consumer loans	94,033	90,004
Real estate	20,115	21,776
Commercial and industrial loans	51,842	57,006
Financial institutions	33,608	48,892
Governments and public institutions	2,059	5,047
Corporate and institutional loans	107,624	132,721
Gross loans	201,657	222,725
of which held at amortized cost	183,105	186,479
of which held at fair value	18,552	36,246
Net (unearned income)/deferred expenses	(97)	(89)
Allowance for loan losses	(812)	(1,184)
Net loans	200,748	221,452
Gross loans by location (CHF million)		
Switzerland	123,506	123,249
Foreign	78,151	99,476
Gross loans	201,657	222,725
Impaired loan portfolio (CHF million)		
Non-performing loans	690	1,032
Non-interest-earning loans	298	294
Total non-performing and non-interest-earning loans	988	1,326
Restructured loans	52	6
Potential problem loans	438	600
Total other impaired loans	490	606
Gross impaired loans	1,478	1,932

Allowance for loan losses

in	2010	2009	2008
Allowance for loan losses (CHF million)			
Balance at beginning of period	1,184	1,428	1,000
Net movements recognized in statements of operations	(139)	271	570
Gross write-offs	(234)	(618)	(181)
Recoveries	57	57	82
Net write-offs	(177)	(561)	(99)
Provisions for interest	1	38	16
Foreign currency translation impact and other adjustments, net	(57)	8	(59)
Balance at end of period	812	1,184	1,428
of which individually evaluated for impairment	600	839	1,018
of which collectively evaluated for impairment	212	345	410

Allowance for loan losses and gross loans held at amortized cost

end of 2010	Consumer loans	Corporate and institutional loans	Total
Allowance for loan losses (CHF million)			
Balance at end of period	143	669	812
of which individually evaluated for impairment	110	490	600
of which collectively evaluated for impairment	33	179	212
Gross loans held at amortized cost (CHF million)			
Balance at end of period	94,027	89,078	183,105
of which individually evaluated for impairment	384	903	1,287
of which collectively evaluated for impairment	93,643	88,175	181,818

Gross loans held at amortized cost by internal counterparty rating

end of	AAA	AA	A	BBB	BB	B	CCC	CC	C	D	Total
2010 (CHF million)											
Mortgages	137	1,193	9,412	41,393	16,938	699	15	3	0	163	69,953
Loans collateralized by securities	1	66	330	19,681	1,116	9	0	0	0	44	21,247
Consumer finance	0	2	104	2,113	384	18	0	28	1	177	2,827
Consumer loans	138	1,261	9,846	63,187	18,438	726	15	31	1	384	94,027
Real estate	22	269	1,561	8,645	8,894	398	0	0	0	52	19,841
Commercial and industrial loans	350	615	1,891	19,896	14,917	2,863	95	239	159	687	41,712
Financial institutions	2,183	5,492	8,070	7,028	1,850	1,293	0	0	20	88	26,024
Governments and public institutions	57	140	209	425	87	60	517	0	0	6	1,501
Corporate and institutional loans	2,612	6,516	11,731	35,994	25,748	4,614	612	239	179	833	89,078
Gross loans held at amortized cost	2,750	7,777	21,577	99,181	44,186	5,340	627	270	180	1,217	183,105
Value of collateral ¹	2,476	3,645	12,975	91,558	38,036	3,416	66	0	0	545	152,717

¹ Includes the value of collateral up to the amount of the outstanding related loans. For mortgages, collateral values are generally values at the time of granting the loan.

Gross loans held at amortized cost – aging analysis

end of	Current				Past due		Total	Total
	Up to 30 days	31-60 days	61-90 days	More than 90 days	Total			
2010 (CHF million)								
Mortgages	69,713	80	14	8	138	240	69,953	
Loans collateralized by securities	21,184	46	2	0	15	63	21,247	
Consumer finance	2,484	267	37	9	30	343	2,827	
Consumer loans	93,381	393	53	17	183	646	94,027	
Real estate	19,780	35	0	1	25	61	19,841	
Commercial and industrial loans	40,493	715	94	42	368	1,219	41,712	
Financial institutions	25,886	125	3	0	10	138	26,024	
Governments and public institutions	1,497	3	1	0	0	4	1,501	
Corporate and institutional loans	87,656	878	98	43	403	1,422	89,078	
Gross loans held at amortized cost	181,037	1,271	151	60	586	2,068	183,105	

Gross impaired loans by category

end of	Non-performing and non-interest-earning loans			Other impaired loans			Total
	Non-performing loans	Non-interest-earning loans	Total	Restructured loans	Potential problem loans	Total	
2010 (CHF million)							
Mortgages	135	15	150	0	43	43	193
Loans collateralized by securities	37	11	48	0	1	1	49
Consumer finance	146	29	175	0	3	3	178
Consumer loans	318	55	373	0	47	47	420
Real estate	34	10	44	0	14	14	58
Commercial and industrial loans	329	187	516	52	305	357	873
Financial institutions	9	40	49	0	72	72	121
Governments and public institutions	0	6	6	0	0	0	6
Corporate and institutional loans	372	243	615	52	391	443	1,058
Gross impaired loans	690	298	988	52	438	490	1,478

Gross impaired loan details

2010	Recorded investment	Unpaid principal balance	Associated specific allowance	Average recorded investment	Interest income recognized	Interest income
						recognized on a cash basis
Gross impaired loan details (CHF million)						
Mortgages	168	158	26	169	1	1
Loans collateralized by securities	49	45	36	48	1	0
Consumer finance	167	166	48	191	8	4
Consumer loans	384	369	110	408	10	5
Real estate	55	45	29	52	0	0
Commercial and industrial loans	724	667	366	701	5	5
Financial institutions	118	117	89	133	0	0
Governments and public institutions	6	4	6	6	0	0
Corporate and institutional loans	903	833	490	892	5	5
Gross impaired loans with a specific allowance	1,287	1,202	600	1,300	15	10
Mortgages	25	25	–	77	0	0
Loans collateralized by securities	0	0	–	3	0	0
Consumer finance	11	12	–	14	0	0
Consumer loans	36	37	–	94	0	0
Real estate	3	3	–	14	0	0
Commercial and industrial loans	149	146	–	238	0	0
Financial institutions	3	4	–	4	0	0
Corporate and institutional loans	155	153	–	256	0	0
Gross impaired loans without specific allowance	191	190	–	350	0	0
Gross impaired loans	1,478	1,392	600	1,650	15	10
of which consumer loans	420	406	110	502	10	5
of which corporate and institutional loans	1,058	986	490	1,148	5	5

As of December 31, 2010 and 2009, the Bank did not have any material commitments to lend additional funds to debtors whose loan terms have been modified in troubled debt restructurings.

For further information, refer to *Note 18 – Loans, allowance for loan losses and credit quality in V – Consolidated financial statements – Credit Suisse Group.*

18 Premises and equipment

end of	2010	2009
Premises and equipment (CHF million)		
Buildings and improvements	3,524	3,311
Land	734	716
Leasehold improvements	1,930	1,896
Software	3,793	3,223
Equipment	2,967	3,095
Premises and equipment	12,948	12,241
Accumulated depreciation	(6,728)	(6,340)
Total premises and equipment, net	6,220	5,901

Depreciation and impairment

in	2010	2009	2008
CHF million			
Depreciation	1,085	988	839
Impairment	16	45	100 ¹

¹ Includes CHF 92 million impairment on software primarily in connection with the accelerated implementation of the Group's strategic plan.

19 Goodwill and other intangible assets

Goodwill

end of 2010	Private Banking	Investment Banking	Asset Management	Credit Suisse (Bank)
Gross amount of goodwill (CHF million)				
Balance at beginning of period	379	6,203	1,632	8,214
Foreign currency translation impact	(40)	(496)	(145)	(681)
Other	0	0	(1)	(1)
Balance at end of period	339	5,707	1,486	7,532
Accumulated impairment (CHF million)				
Balance at beginning of period	0	82	0	82
Balance at end of period	0	82	0	82
Net book value (CHF million)				
Net book value	339	5,625	1,486	7,450

Goodwill (continued)

end of 2009	Private Banking	Investment Banking	Asset Manage- ment	Credit Suisse (Bank)
Gross amount of goodwill (CHF million)				
Balance at beginning of period	355	6,333	1,589	8,277
Foreign currency translation impact	24	(130)	(9)	(115)
Other	0	0	52	52
Balance at end of period	379	6,203	1,632	8,214
Accumulated impairment (CHF million)				
Balance at beginning of period	0	82	0	82
Balance at end of period	0	82	0	82
Net book value (CHF million)				
Net book value	379	6,121	1,632	8,132

For further information, refer to *Note 20 – Goodwill and other intangible assets in V – Consolidated financial statements – Credit Suisse Group*.

Other intangible assets

end of	2010			2009		
	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	26	(21)	5	28	(22)	6
Client relationships	521	(321)	200	556	(311)	245
Other	91	(91)	0	101	(101)	0
Total amortizing other intangible assets	638	(433)	205	685	(434)	251
Non-amortizing other intangible assets	99	–	99	67	–	67
of which mortgage servicing rights, at fair value	66	–	66	30	–	30
Total other intangible assets	737	(433)	304	752	(434)	318

Additional information

in	2010	2009	2008
Aggregate amortization and impairment (CHF million)			
Aggregate amortization	33	41	58
Impairment	1	7	50 ¹

¹ The carrying amount of certain client relationships in Asset Management exceeded the expected future cash flows.

Estimated amortization

Estimated amortization (CHF million)

2011	30
2012	28
2013	27
2014	26
2015	25

For further information, refer to *Note 20 – Goodwill and other intangible assets in V – Consolidated financial statements – Credit Suisse Group*.

20 Life settlement contracts

2010	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	929	500	1,002	1,789	1,850	2,804	8,874
Carrying value (CHF million)	30	27	42	80	134	545	858
Face value (CHF million)	31	51	67	137	316	2,877	3,479
Investment method							
Number of contracts	–	–	–	–	–	8	8
Carrying value (CHF million)	–	–	–	–	–	51	51
Face value (CHF million)	–	–	–	–	–	70	70
2009							
Fair value method							
Number of contracts	493	909	451	933	1,720	4,312	8,818
Carrying value (CHF million)	49	33	25	37	106	581	831
Face value (CHF million)	23	41	39	55	263	3,813	4,234
Investment method							
Number of contracts	–	–	–	–	–	8	8
Carrying value (CHF million)	–	–	–	–	–	51	51
Face value (CHF million)	–	–	–	–	–	75	75

Realized and unrealized gains and losses on life settlement contracts accounted for under the fair value method

in	2010	2009	2008
CHF million			
Realized gains/(losses)	44	(39)	47
Unrealized gains/(losses)	(105)	(8)	(130)

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

21 Other assets and other liabilities

end of	2010	2009
Other assets (CHF million)		
Cash collateral on derivative instruments	14,987	16,025
Cash collateral on non-derivative transactions	1,792	1,827
Derivative instruments used for hedging	2,682	1,994
Assets held-for-sale	26,886	14,569
of which loans ¹	24,925	14,287
of which real estate	1,946	269
Interest and fees receivable	5,098	5,645
Deferred tax assets	9,350	8,982
Prepaid expenses	1,279	958
Failed purchases	442	172
Other	16,789	18,107
Other assets	79,305	68,279
Other liabilities (CHF million)		
Cash collateral on derivative instruments	14,428	18,935
Cash collateral on non-derivative transactions	20	29
Derivative instruments used for hedging	1,059	1,080
Provisions ²	1,606	1,684
of which off-balance sheet risk	551	601
Interest and fees payable	6,685	6,928
Current tax liabilities	1,104	1,471
Deferred tax liabilities	267	187
Failed sales	7,354	9,258
Other	28,683	30,682
Other liabilities	61,206	70,254

¹ Included as of December 31, 2010 and 2009 were CHF 7,818 million and CHF 8,806 million, respectively, in restricted loans, which represented collateral on secured borrowings, and CHF 1,223 million and CHF 707 million, respectively, in loans held in trusts, which are consolidated as a result of failed sales under US GAAP. ² Includes provision for bridge commitments.

22 Deposits

end of	2010			2009		
	Switzerland	Foreign	Total	Switzerland	Foreign	Total
Deposits (CHF million)						
Non-interest-bearing demand deposits	7,849	2,612	10,461	5,673	2,095	7,768
Interest-bearing demand deposits	95,440	18,478	113,918	85,348	20,853	106,201
Savings deposits	45,423	27	45,450	42,422	37	42,459
Time deposits	17,669	123,944	141,613 ¹	24,092	128,258	152,350 ¹
Total deposits	166,381	145,061	311,442 ²	157,535	151,243	308,778 ²
of which due to banks	–	–	47,675	–	–	50,081
of which customer deposits	–	–	263,767	–	–	258,697

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

¹ Included as of December 31, 2010 and 2009 were CHF 141,169 million and CHF 151,834 million, respectively, of individual time deposits issued in Switzerland and in foreign offices in the Swiss franc equivalent amounts of USD 100,000 or more. ² Not included as of December 31, 2010 and 2009 were CHF 48 million and CHF 21 million, respectively, of overdrawn deposits reclassified as loans.

23 Long-term debt

end of	2010						2009	
Long-term debt (CHF million)								
Senior							126,441	131,547
Subordinated							24,960	25,129
Non-recourse liabilities from consolidated VIEs							19,739	–
Long-term debt							171,140	156,676
of which reported at fair value							81,474	70,900
of which structured notes							36,201	40,174
end of	2011	2012	2013	2014	2015	Thereafter	Total	
Long-term debt (CHF million)								
Senior debt								
Fixed rate	9,642	10,516	12,660	7,981	11,278	19,451	71,528	
Variable rate	13,155	11,580	10,632	5,335	5,236	8,974	54,912	
Interest rates (range in %) ¹	0.2-6.1	0.2-6.5	0.2-8.5	0.9-6.1	1.2-5.1	1.2-8.8	–	
Subordinated debt								
Fixed rate	1,109	199	1,030	134	431	17,942	20,845	
Variable rate	1,000	2,000	–	200	20	896	4,116	
Interest rates (range in %) ¹	3.5-6.9	6.9-7.1	6.6-9.4	13.2	4.3-12.6	0.4-11.3	–	
Non-recourse liabilities from consolidated VIEs								
Fixed rate	438	7	–	–	–	174	619	
Variable rate	439	678	2,038	427	597	14,941	19,120	
Interest rates (range in %) ¹	3.5	–	9.4	13.2	12.1-12.6	2.7-11.3	–	
Total long-term debt	25,783	24,980	26,360	14,077	17,562	62,378	171,140	
of which structured notes	9,539	7,292	4,555	3,360	3,641	7,814	36,201	

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.*

24 Accumulated other comprehensive income

	Gains/ (losses) on cash flow hedges	Cumulative translation adjustments	Unrealized gains/ (losses) on securities	Actuarial gains/ (losses)	Net prior service credit/ (cost)	Accumu- lated other compre- hensive income
2010 (CHF million)						
Balance at beginning of period	10	(7,745)	84	(761)	6	(8,406)
Increase/(decrease)	45	(2,352)	8	(134)	0	(2,433)
Reclassification adjustments, included in net income	(23)	(13)	6	24	(1)	(7)
Cumulative effect of accounting changes, net of tax	0	135	0	0	0	135
Balance at end of period	32	(9,975)	98	(871)	5	(10,711)
2009 (CHF million)						
Balance at beginning of period	(7)	(7,273)	71	(538)	6	(7,741)
Increase/(decrease)	30	(522)	28	(238)	0	(702)
Reclassification adjustments, included in net income	(13)	50	(15)	15	0	37
Balance at end of period	10	(7,745)	84	(761)	6	(8,406)
2008 (CHF million)						
Balance at beginning of period	7	(3,979)	125	(450)	7	(4,290)
Increase/(decrease)	(14)	(3,294)	(63)	(127)	0	(3,498)
Reclassification adjustments, included in net income	0	0	9	32	(1)	40
Cumulative effect of accounting changes, net of tax	0	0	0	7	0	7
Balance at end of period	(7)	(7,273)	71	(538)	6	(7,741)

For income tax expense/(benefit) on the movements of accumulated other comprehensive income, refer to Note 25 – Tax and Note 28 – Pension and other post-retirement benefits.

25 Tax

Income/(loss) from continuing operations before taxes in Switzerland and foreign countries

in	2010	2009	2008
Income/(loss) from continuing operations before taxes (CHF million)			
Switzerland	950	1,610	4,695
Foreign	5,321	5,747	(20,534)
Income/(loss) from continuing operations before taxes	6,271	7,357	(15,839)

Details of current and deferred taxes

in	2010	2009	2008
Current and deferred taxes (CHF million)			
Switzerland	(25)	99	7
Foreign	235	760	204
Current income tax expense/(benefit)	210	859	211
Switzerland	(293)	32	(277)
Foreign	1,341	903	(4,856)
Deferred income tax expense/(benefit)	1,048	935	(5,133)
Income tax expense/(benefit)	1,258	1,794	(4,922)
Income tax expense/(benefit) on discontinued operations	0	(19)	21
Income tax expense/(benefit) reported in shareholder's equity related to:			
Gains/(losses) on cash flow hedges	4	0	1
Cumulative translation adjustment	32	(164)	(132)
Unrealized gains/(losses) on securities	0	7	(41)
Actuarial gains/(losses)	(46)	(81)	(71)
Net prior service cost	0	(1)	(1)
Dividends	0	0	(15)
Share-based compensation and treasury shares	(608)	(169)	89

Reconciliation of taxes computed at the Swiss statutory rate

in	2010	2009	2008
Reconciliation of taxes computed at the Swiss statutory rate (CHF million)			
Income tax expense/(benefit) computed at the statutory tax rate of 22%	1,380	1,619	(3,485)
Increase/(decrease) in income taxes resulting from			
Foreign tax rate differential	569	887	(2,870)
Non-deductible amortization of other intangible assets and goodwill impairment	1	3	29
Other non-deductible expenses	619	502	257
Additional taxable income	22	70	171
Lower taxed income ¹	(760)	(575)	(1,645)
Income taxable to noncontrolling interests	(282)	313	1,000
Changes in tax law and rates	119	3	2
Changes in deferred tax valuation allowance ¹	54	(91)	1,707
Other ¹	(464)	(937)	(88)
Income tax expense/(benefit)	1,258	1,794	(4,922)

¹ See explanation below.

Lower taxed income

2010 included a tax benefit of CHF 380 million in respect of a legal entity merger that reflected regulatory concerns about complex holding structures.

2010 and 2008 included a tax benefit of CHF 130 million and CHF 290 million, respectively, in respect of the reversal of the deferred tax liability recorded to cover estimated recapture of loss deductions arising from foreign branches of the Bank.

2008 included a tax benefit of CHF 588 million in respect of the Swiss tax effect of the valuation reduction in the investment in subsidiaries.

Changes in deferred tax valuation allowance

2010 and 2009 included a tax benefit of CHF 199 million and CHF 567 million, respectively, resulting from the release of valuation allowances on deferred tax assets for one of the Bank's operating entities in the US. The 2009 tax benefit was partially offset by a net increase to the valuation allowance on deferred tax assets on net tax loss carry-forwards of CHF 433 million.

2010 included an increase to the valuation allowance of CHF 193 million in respect of one of the Bank's operating entities in the UK relating to deferred tax assets on tax loss carry-forwards.

2008 included a tax benefit of CHF 125 million, resulting from the release of valuation allowance on deferred tax assets on net tax loss carry-forwards, offset by additions.

Other

2010, 2009 and 2008 included an amount of CHF 301 million, CHF 156 million and CHF 163 million, respectively, relating to the release of tax contingency accruals following the favorable resolution of tax matters.

2009 and 2008 included foreign exchange translation gains of CHF 460 million and foreign exchange translation losses of CHF 467 million, respectively, relating to deferred tax assets on tax loss carry-forwards recorded in UK entities. The foreign exchange movements arose due to tax loss carry-forwards denominated in British pounds, which differs from the functional currency of the reporting entities. UK tax law was enacted during 2009 which had the effect of removing these foreign exchange movements going forward.

2009 included a tax benefit of CHF 91 million relating to the increase of deferred tax assets on net operating loss carry-forwards, which was offset by an equivalent increase of valuation allowance on deferred tax assets on net operating loss carry-forwards.

As of December 31, 2010, the Bank had accumulated undistributed earnings from foreign subsidiaries of CHF 7.3 billion. No deferred tax liability was recorded in respect of those amounts as these earnings are considered indefinitely rein-

vested. 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	2010	2009
Tax effect of temporary differences (CHF million)		
Compensation and benefits	2,152	2,148
Loans	498	660
Investment securities	1,016	32
Provisions	1,346	1,275
Business combinations	96	93
Derivatives	159	101
Real estate	200	200
Net operating loss carry-forwards	7,237	8,557
Other	123	97
Gross deferred tax assets before valuation allowance	12,827	13,163
Less valuation allowance	(2,255)	(2,790)
Gross deferred tax assets net of valuation allowance	10,572	10,373
Compensation and benefits	(34)	(142)
Loans	(31)	(9)
Investment securities	(297)	(217)
Provisions	(335)	(422)
Business combinations	(277)	(191)
Derivatives	(315)	(263)
Leasing	(66)	(80)
Real estate	(68)	(64)
Other	(66)	(190)
Gross deferred tax liabilities	(1,489)	(1,578)
Net deferred tax assets	9,083	8,795

The increase in net deferred tax assets from 2009 to 2010 of CHF 288 million was primarily due to the consolidation of Alpine Securitization Corp. and the impact from the legal entity merger that reflected regulatory concerns about complex holding structures, which contributed net deferred tax assets of CHF 1,508 million and CHF 409 million, respectively. These contributions were partially offset by foreign exchange translation losses of CHF 811 million, which are included within the currency translation adjustment recorded in accumulated other comprehensive income/(loss) (AOCI). The remaining movement, a reduction of net deferred tax assets of CHF 818 million, mainly represents the impact of temporary differences and taxable income in 2010.

The most significant net deferred tax assets arise in the US and UK and these decreased from CHF 8,438 million, net of a valuation allowance of CHF 1,409 million as of the end of 2009 to CHF 8,406 million, net of a valuation allowance of CHF 1,302 million as of the end of 2010.

Due to uncertainty concerning its ability to generate the necessary amount and mix of taxable income in future periods, the Bank recorded a valuation allowance against deferred tax assets in the amount of CHF 2.3 billion as of December 31, 2010 compared to CHF 2.8 billion as of December 31, 2009.

Amounts and expiration dates of net operating loss carry-forwards

end of 2010	Total
Net operating loss carry-forwards (CHF million)	
Due to expire within 1 year	28
Due to expire within 2 to 5 years	3,863
Due to expire within 6 to 10 years	9,822
Due to expire within 11 to 20 years	7,070
Amount due to expire	20,783
Amount not due to expire	11,262
Total net operating loss carry-forwards	32,045

Movements in the valuation allowance

in	2010	2009	2008
Movements in the valuation allowance (CHF million)			
Balance at beginning of period	2,790	2,922	1,378
Discontinued operations	0	0	(13)
Net changes	(535)	(132)	1,557
Balance at end of period	2,255	2,790	2,922

Tax benefits associated with share-based compensation

in	2010	2009	2008
Tax benefits associated with share-based compensation (CHF million)			
Tax benefits recorded in the consolidated statements of operations	536	623	936
Windfall tax benefits/(shortfall tax charges) recorded in additional paid-in capital	615	179	(93)
Tax benefits in respect of tax on dividend equivalent payments	26	0	16

For further information on share-based compensation, refer to *Note 26 – Employee deferred compensation*.

However, windfall deductions and dividend equivalents aggregating CHF 1.0 billion and CHF 0.3 billion for 2010 and 2009, respectively, did not result in a reduction of income

taxes payable because certain entities were in a net operating loss position. When the income tax benefit of these deductions is realized, an estimated CHF 234 million tax benefit will be recorded in additional paid-in capital.

Uncertain tax positions

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

in	2010	2009
Movements in gross unrecognized tax benefits (CHF million)		
Balance at beginning of period	944	1,136
Increases in unrecognized tax benefits as a result of tax positions taken during a prior period	53	18
Decreases in unrecognized tax benefits as a result of tax positions taken during a prior period	(286)	(197)
Increases in unrecognized tax benefits as a result of tax positions taken during the current period	37	25
Decreases in unrecognized tax benefits relating to settlements with tax authorities	(12)	(48)
Reductions to unrecognized tax benefits as a result of a lapse of the applicable statute of limitations	(88)	(6)
Other (including foreign currency translation)	(70)	16
Balance at end of period	578	944
of which, if recognized, would affect the effective tax rate	553	895

Interest and penalties

in	2010	2009	2008
Interest and penalties (CHF million)			
Interest and penalties recognized in the consolidated statements of operations	(42)	(16)	0
Interest and penalties recognized in the consolidated balance sheets	206	267	246

It is reasonably possible that there will be a decrease of between zero and CHF 85 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: Switzerland – 2007; Japan – 2005; the UK – 2003; and the US – 1999.

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

26 Employee deferred compensation

Deferred compensation for employees

For further information, refer to Note 27 – *Employee deferred compensation in V – Consolidated financial statements – Credit Suisse Group*.

The following tables show the compensation expense for deferred compensation awards granted in 2010 and prior years that was recognized in the consolidated statements of

operations during 2010, 2009, and 2008, the total shares delivered, the estimated unrecognized compensation expenses for deferred compensation awards granted in 2010 and prior years outstanding as of December 31, 2010 and the remaining requisite service period over which the unrecognized compensation expense will be recognized.

Deferred compensation expense

in	2010	2009	2008
Deferred compensation expense (CHF million)			
Adjustable Performance Plan awards	948	–	–
Scaled Incentive Share Units	552	–	–
Incentive Share Units	713	1,498	2,329
Cash Retention Awards	574	819	–
Performance Incentive Plans (PIP I and PIP II) ¹	(2)	18	111
Partner Asset Facility ²	45	628	450
Other share-based awards	293	330	585
Other cash awards	410	420	(76)
Total deferred compensation expense	3,533	3,713	3,399
Total shares delivered (million)			
Total shares delivered	46.7	38.1	17.2

¹ Includes claw backs. ² Represents the change in the underlying fair value of the indexed assets during the period. 2009 also included the vesting of the remaining 33.3% in the first quarter.

Additional information

end of	2010
Estimated unrecognized compensation expense (CHF million)	
Adjustable Performance Plan awards	604
Scaled Incentive Share Units	768
Incentive Share Units	332
Other share-based awards	496
Other cash awards	41
Total	2,241
Aggregate remaining weighted-average requisite service period (years)	
Aggregate remaining weighted-average requisite service period	1.6

Fair value assumptions for share-based compensation

The following table illustrates the significant assumptions used to estimate the fair value of Scaled Incentive Share Units

(SISUs) and Incentive Share Units (ISUs) granted in 2010, 2009 and 2008, based on the annual deferred compensation process.

Significant fair value assumptions

	2010		2009	2008
	SISU	ISU	ISU	ISU
Significant fair value assumptions				
Expected volatility, in %	33.42	33.52	62.97	32.04
Expected dividend yield, in %	–	–	–	5.46
Expected dividend cash flows, in CHF				
2009	–	–	0.10	–
2010	1.45	1.45	0.60	–
2011	1.55	1.55	1.00	–
2012	1.65	1.65	–	–
2013	1.75	–	–	–
Expected risk-free interest rate, in %	1.26	1.00	1.24	2.45
Expected term, in years	4	3	3	3

Share awards

On January 20, 2011, the Bank granted 34.0 million share awards with a total value of CHF 1,408 million. The estimated unrecognized compensation expense of CHF 1,402 million was determined based on the fair value of the award at the date of grant, including the current estimate of future forfeitures, and will be recognized over the four-year vesting period, subject to early retirement rules.

Adjustable Performance Plan Awards

On January 20, 2011, the Bank granted Adjustable Performance Plan awards with a total value of CHF 1,099 million. The estimated unrecognized compensation expense of CHF 1,664 million was determined based on the fair value of the award at the date of grant, including the current estimated

outcome of relevant performance criteria and estimated future forfeitures, and will be recognized over the four-year vesting period, subject to early retirement rules. On January 21, 2010, the Bank granted Adjustable Performance Plan awards with a total value of CHF 1,186 million.

Restricted Cash Award

On January 20, 2011, the Bank granted restricted cash awards with a total value of CHF 465 million. The estimated unrecognized compensation expense of CHF 465 million was determined based on the fair value of the award at the date of grant and will be recognized over the two-year vesting period.

Scaled Incentive Share Unit

On January 21, 2010, the Bank granted 20.7 million SISUs.

Scaled Incentive Share Unit activities

	2010
Number of awards (million)	
Balance at beginning of period	–
Granted	20.7
Settled	(0.2)
Forfeited	(0.5)
Balance at end of period	20.0
of which vested	0.2
of which unvested	19.8

Incentive Share Unit

On January 21, 2010, January 21, 2009 and January 22, 2008, the Bank granted 6.0 million, 25.9 million and 45.7 million ISUs, respectively.

Incentive Share Unit activities

	2010	2009	2008
Number of awards (million)			
Balance at beginning of period	40.2	59.3	25.4
Granted ¹	6.0	25.9	46.5
Settled	(8.2)	(42.8)	(9.9)
Forfeited	(0.8)	(2.2)	(2.7)
Balance at end of period	37.2	40.2	59.3
of which vested	3.9	2.7	1.4
of which unvested	33.3	37.5	57.9

¹ Includes ISUs granted in January and through out the year.

Performance Incentive Plan

The Performance Incentive Plan (PIP) I units granted in 2005 were settled in April 2010 in accordance with the terms and conditions of the plan and each outstanding PIP I unit settled for approximately 4.8 Group shares. The PIP II units granted in 2006 are due to settle in May 2011. For PIP II, the performance condition was finalized as of December 31, 2010

and will result in the conversion of each outstanding initial PIP II unit into 0.93 final PIP II units upon settlement. Based on the current estimate of the outcome of the Group share price target for PIP II, it is probable that the minimum average share price target of CHF 47 will not be met and thus each final PIP II unit will settle for zero Group shares. At grant, each PIP II unit was equivalent to a Group share price of CHF 72.

Performance Incentive Plan activities

	2010		2009		2008	
	PIP II	PIP I	PIP II	PIP I	PIP II	PIP I
Number of awards (million)						
Balance at beginning of period	6.1	11.8	6.1	11.8	6.2	11.9
Granted	–	–	–	–	0.1	–
Settled	0.0	(11.6)	0.0	0.0	0.0	0.0
Forfeited	(0.1)	(0.2)	0.0	0.0	(0.2)	(0.1)
Balance at end of period	6.0	0.0	6.1	11.8	6.1	11.8
of which vested	5.2	0.0	4.3	10.1	3.1	7.9
of which unvested	0.8	0.0	1.8	1.7	3.0	3.9

Partner Asset Facility

On January 21, 2009, the Bank granted Partner Asset Facility awards to employees with a total notional value of CHF 676 million.

Other share-based awards

On January 20, 2011, the Bank granted blocked shares for approximately CHF 30 million that vested immediately upon grant, have no future service requirements and were expensed for services performed in 2010.

Other share-based award activities

	2010		2009		2008	
	Number of other share-based awards in million	Weighted-average grant-date fair value in CHF	Number of other share-based awards in million	Weighted-average grant-date fair value in CHF	Number of other share-based awards in million	Weighted-average grant-date fair value in CHF
Other share-based award activities						
Balance at beginning of period	15.5	45.67	20.5	58.90	28.5	65.13
Granted	7.1	45.30	8.1	40.35	8.4	46.93
Settled	(4.9)	48.39	(12.5)	69.36	(14.9)	61.66
Forfeited	(0.4)	51.65	(0.6)	53.33	(1.5)	82.82
Balance at end of period	17.3	43.86	15.5	45.67	20.5	58.90
of which vested	1.3	–	1.2	–	0.2	–
of which unvested	16.0	–	14.3	–	20.3	–

Share options

There were no options granted during 2010, 2009 and 2008. As of December 31, 2010, the aggregate intrinsic value of options outstanding and exercisable was CHF 43 million and the weighted-average remaining contractual term was one year. As of the exercise date, the total intrinsic value of

options exercised during 2010, 2009 and 2008 was CHF 8 million, CHF 9 million and CHF 7 million, respectively. Cash received from option exercises during 2010, 2009 and 2008 was CHF 32 million, CHF 27 million and CHF 17 million, respectively.

Share option activities

	2010		2009		2008	
	Number of share options in million	Weighted-average exercise price in CHF	Number of share options in million	Weighted-average exercise price in CHF	Number of share options in million	Weighted-average exercise price in CHF
Share options						
Balance at beginning of period	32.8	62.68	36.6	61.41	37.2	61.07
Exercised	(0.8)	40.12	(0.7)	41.60	(0.5)	38.00
Settled	0.0	0.00	(0.1)	62.05	0.0	0.00
Forfeited	0.0	0.00	0.0	0.00	0.0	0.00
Expired	(3.7)	57.98	(3.0)	51.89	(0.1)	42.00
Balance at end of period	28.3	63.94	32.8	62.68	36.6	61.41
Exercisable at end of period	28.3	63.94	32.8	62.68	35.6	60.83

During 2010, 1.0 million options with a cash settlement feature expired, leaving no options containing a cash settlement feature outstanding as of December 31, 2010.

As of December 31, 2010, 2.7 million additional options expired and in January 2011, 9.6 million expired.

27 Related parties

The 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 the 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	2010	2009
Assets (CHF million)		
Cash and due from banks	533	1,145
Interest-bearing deposits with banks	3,035	1,022
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	541	523
Trading assets	185	148
Net loans	9,339	10,725
Other assets	100	55
Total assets	13,733	13,618
Liabilities (CHF million)		
Due to banks/customer deposits	12,135	16,051
Trading liabilities	93	521
Long-term debt	7,906	8,951
Other liabilities	430	569
Total liabilities	20,564	26,092

Related party revenues and expenses

in	2010	2009	2008
Revenues (CHF million)			
Interest and dividend income	86	120	501
Interest expense	(317)	(514)	(1,177)
Net interest income	(231)	(394)	(676)
Commissions and fees	(33)	(42)	(11)
Other revenues	330	248	264
Net revenues	66	(188)	(423)
Expenses (CHF million)			
Total operating expenses	(389)	(101)	19

Related party guarantees

end of	2010	2009
Guarantees (CHF million)		
Credit guarantees and similar instruments	16	76
Derivatives	29	42
Other guarantees	220	53
Total guarantees	265	171

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

in	2010	2009	2008
Loans to members of the Executive Board (CHF million)			
Balance at beginning of period	19 ¹	24	22
Additions	5	4	11
Reductions	(6)	(9)	(9)
Balance at end of period	18 ¹	19	24
Loans to members of the Board of Directors (CHF million)			
Balance at beginning of period	24 ²	14	15
Additions	14	11	1
Reductions	(4)	(1)	(2)
Balance at end of period	34 ²	24	14

¹ The number of individuals with outstanding loans at the beginning and end of the year was seven and six, respectively. ² The number of individuals with outstanding loans at the beginning and end of the year was eight and seven, respectively.

Liabilities due to own pension funds

Liabilities due to the Bank's own pension funds as of December 31, 2010 and 2009 of CHF 1,308 million and CHF 1,111 million, respectively, were reflected in various liability accounts in the Bank's consolidated balance sheets.

28 Pension and other post-retirement benefits

Pension plans

The Bank participates in a defined benefit pension plan sponsored by the 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.

Group pension plan

The Bank covers pension requirements for its employees in Switzerland through the participation in a defined benefit pension plan sponsored by the Group (Group plan). The plan provides benefits in the event of retirement, death and disability. Various legal entities within the Group participate in the plan, which is set up as an independent trust domiciled in Zurich. On January 1, 2010, in addition to the annuity section, a new savings section (defined contribution) was introduced in the Swiss main plan and a partial changeover from the defined benefit plan to the defined contribution plan has been processed. In accordance with US GAAP, the Group accounts for the Group plan as a single-employer defined benefit pension plan, for both the annuity section and the savings section, and uses the projected unit credit actuarial method to determine the net periodic pension expense, the PBO and the accumulated benefit obligation (ABO). The Bank accounts for the defined benefit pension plan sponsored by the Group as a Group pension plan because other legal entities within the 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 of the Group and can be used to provide benefits to any employee of any participating legal entity. The Bank's contributions to the Group plan comprise 90% of the total assets contributed to the Group 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 Group plan during the period as net periodic pension expense and only recognizes a liability for any contributions due and unpaid. No other expenses or balance sheet amounts related to the Group plan were recognized by the Bank. In the annuity section of the plan, the Bank's contributions are determined using a predetermined formula based on each employee's salary level and age and amount to at least 200% of each employee's contribution. In the savings section of the plan, the employer contribution varies between

7.5% and 25% of the pensionable salary depending on the employees' age.

During 2010, 2009 and 2008, the Bank contributed and recognized as expense CHF 619 million, CHF 394 million and CHF 579 million to the Group plan, respectively. The Bank expects to contribute CHF 431 million to the Group plan during 2011. 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 2010, 2009 and 2008 would have been lower by CHF 447 million, CHF 274 million and CHF 477 million, respectively, and the Bank would have recognized CHF 93 million, CHF 38 million and CHF 35 million, respectively, as amortization of actuarial losses and prior service cost for the Group plan.

As of December 31, 2010 and 2009, the ABO of the Group plan was CHF 12.8 billion and CHF 12.2 billion, the PBO was CHF 13.8 billion and CHF 13.3 billion and the fair value of plan assets was CHF 13.4 billion and CHF 12.6 billion, respectively. As of December 31, 2010 and 2009, the Group plan was overfunded on an ABO basis by CHF 581 million and CHF 408 million and underfunded on a PBO basis by CHF 385 million and CHF 730 million, respectively. If the Bank had accounted for the Group plan as a defined benefit pension plan, the Bank would have had to recognize the funded status of the Group plan on a PBO basis of CHF 347 million and CHF 657 million as of December 31, 2010 and 2009, respectively, as a liability in the consolidated balance sheets, resulting in a decrease in AOCI within total shareholder's equity.

The calculation of the expense and liability associated with the Group plan requires an extensive use of assumptions, which include the expected long-term rate of return on plan assets and the discount rate as determined by the Group. If the Bank had accounted for the Group plan as a defined benefit plan, the expected long-term rate of return on plan assets used in the net periodic pension costs for 2010 and 2009 would have been 4.8%. As of December 31, 2010 and 2009, the discount rate used in the measurement of the benefit obligation would have been 3.1% and 3.5% and the net periodic pension cost would have been 3.5% and 3.9%, 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. These plans provide defined benefits in the event of retirement, death, disability or employment termination. 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.

Other post-retirement defined benefit plans

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

der the services necessary to earn their post-retirement benefits.

Pension costs

The net periodic pension cost for defined benefit pension and 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 and the amortization of both prior service cost/(credit) and actuarial losses/(gains) recognized in AOCI.

Components of total pension costs

in	International single-employer defined benefit pension plans			Other post-retirement defined benefit plans		
	2010	2009	2008	2010	2009	2008
Total pension costs (CHF million)						
Service costs on benefit obligation	30	33	44	1	1	1
Interest costs on benefit obligation	134	129	139	9	9	8
Expected return on plan assets	(163)	(166)	(170)	–	–	–
Amortization of recognized prior service cost/(credit)	1	1	1	(2)	(2)	(2)
Amortization of recognized actuarial losses	36	17	39	6	8	9
Net periodic pension costs	38	14	53	14	16	16
Settlement (gains)/losses	(2)	1	–	–	–	–
Curtailment (gains)/losses	–	(2)	–	–	–	–
Total pension costs	36	13	53	14	16	16

Total pension costs reflected in compensation and benefits – other for 2010, 2009 and 2008 were CHF 50 million, CHF 29 million and CHF 69 million, respectively.

On December 4, 2008, the Group announced the accelerated implementation of its strategic plan and, as part of this plan, a headcount reduction. This resulted in settlement payments of CHF 1 million in 2009 for the US pension plans. The discontinuance of a Japanese plan in 2009 resulted in a curtailment gain of CHF 2 million in 2009, due to the reduction in the benefit obligation, and a gain of CHF 2 million in 2010 from the related settlement of the obligation.

Benefit obligation

The following table shows the changes in the PBO, the fair value of plan assets and 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 as well as the ABO for the defined benefit pension plans.

Obligations and funded status of the plans

in / end of	International single-employer defined benefit pension plans		Other post- retirement defined benefit plans	
	2010	2009	2010	2009
PBO (CHF million) ¹				
Beginning of the measurement period	2,299	1,953	141	134
Service cost	30	33	1	1
Interest cost	134	129	9	9
Plan amendments	–	18	–	–
Settlements	(3)	(8)	–	–
Curtailments	–	(5)	–	–
Special termination benefits	3	3	–	–
Actuarial (gains)/losses	220	185	31	9
Plans added	9	–	–	–
Benefit payments	(52)	(67)	(8)	(8)
Exchange rate (gains)/losses	(267)	58	(14)	(4)
End of the measurement period	2,373	2,299	160	141
Fair value of plan assets (CHF million)				
Beginning of the measurement period	2,036	1,815	–	–
Actual return on plan assets	218	30	–	–
Employer contributions	172	169	8	8
Plan amendments	–	18	–	–
Settlements	(3)	(8)	–	–
Benefit payments	(52)	(67)	(8)	(8)
Exchange rate gains/(losses)	(250)	79	–	–
End of the measurement period	2,121	2,036	–	–
Total funded status recognized (CHF million)				
Funded status of the plan – over/(underfunded)	(252)	(263)	(160)	(141)
Total funded status recognized in the consolidated balance sheet at December 31	(252)	(263)	(160)	(141)
Total amount recognized (CHF million)				
Noncurrent assets	166	84	–	–
Current liabilities	(13)	(9)	(8)	(8)
Noncurrent liabilities	(405)	(338)	(152)	(133)
Total amount recognized in the consolidated balance sheet at December 31	(252)	(263)	(160)	(141)
ABO (CHF million) ²				
End of the measurement period	2,287	2,235	–	–

¹ Including estimated future salary increases. ² Exclusive of estimated future salary increases.

The total net amount recognized in other assets – other and other liabilities – other in the consolidated balance sheets as of December 31, 2010 and 2009 was an underfunding of CHF 412 million and CHF 404 million, respectively.

In 2010 and 2009, the Bank made contributions of CHF 172 million and CHF 169 million, respectively, to the international single-employer defined benefit pension plans, including CHF 135 million and CHF 130 million, respectively, as a special contribution to the UK defined benefit plan. In 2011, the Bank expects to contribute CHF 38 million to the interna-

tional single-employer defined benefit pension plans and CHF 8 million to other post-retirement defined benefit plans.

PBO or ABO in excess of plan assets

The following table discloses the aggregate PBO and ABO, as well as the aggregate fair value of plan assets for those plans with PBO in excess of plan assets and those plans with ABO in excess of plan assets as of December 31, 2010 and 2009, respectively.

Defined benefit pension plans in which PBO or ABO were in excess of plan assets

December 31	PBO exceeds fair value of plan assets ¹		ABO exceeds fair value of plan assets ¹	
	2010	2009	2010	2009
CHF million				
PBO	1,212	1,138	1,128	1,076
ABO	1,163	1,100	1,099	1,049
Fair value of plan assets	794	791	717	729

¹ Includes only those defined benefit pension plans where the PBO/ABO exceeded the fair value of plan assets.

Amount recognized in AOCI and other comprehensive income

The following table discloses the actuarial gains/(losses) and prior service credit/(cost) which were recorded in AOCI and subsequently recognized as components of net periodic pension cost.

Amounts recognized in AOCI, net of tax

in	International single-employer defined benefit pension plans		Other post-retirement defined benefit plans		Total	
	2010	2009	2010	2009	2010	2009
Amounts recognized in AOCI (CHF million)						
Actuarial gains/(losses)	(819)	(723)	(52)	(38)	(871)	(761)
Prior service credit/(cost)	(1)	(1)	6	7	5	6
Total	(820)	(724)	(46)	(31)	(866)	(755)

The following tables disclose the changes in other comprehensive income due to actuarial gains/(losses) and prior service credit/(cost) recognized in AOCI during 2010 and 2009 and the amortization of the aforementioned items as components of net periodic pension cost for these periods as well as the amounts expected to be amortized in 2011.

Amounts recognized in other comprehensive income

in	International single-employer defined benefit pension plans			Other post- retirement defined benefit plans			Total net
	Gross	Tax	Net	Gross	Tax	Net	
2010 (CHF million)							
Actuarial gains/(losses)	(165)	50	(115)	(31)	12	(19)	(134)
Amortization of actuarial losses/(gains)	36	(13)	23	6	(3)	3	26
Amortization of prior service cost/(credit)	1	(1)	0	(2)	1	(1)	(1)
Immediate recognition due to curtailment/settlement	(2)	0	(2)	–	–	–	(2)
Total amounts recognized in other comprehensive income	(130)	36	(94)	(27)	10	(17)	(111)
2009 (CHF million)							
Actuarial gains/(losses)	(323)	88	(235)	(9)	3	(6)	(241)
Amortization of actuarial losses/(gains)	17	(7)	10	8	(3)	5	15
Amortization of prior service cost/(credit)	1	0	1	(2)	1	(1)	0
Immediate recognition due to curtailment/settlement	4	(1)	3	–	–	–	3
Total amounts recognized in other comprehensive income	(301)	80	(221)	(3)	1	(2)	(223)

Amounts in AOCI, net of tax, expected to be amortized in 2011

in 2011	International single- employer defined benefit pension plans	Other post- retirement defined benefit plans
CHF million		
Amortization of actuarial losses/(gains)	35	6
Amortization of prior service cost/(credit)	0	(1)
Total	35	5

Assumptions

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

December 31	International single-employer defined benefit pension plans			Other post- retirement defined benefit plans		
	2010	2009	2008	2010	2009	2008
Net benefit pension cost (%)						
Discount rate	6.0	6.3	5.9	6.1	6.4	6.2
Salary increases	4.3	4.0	4.5	–	–	–
Expected long-term rate of return on plan assets	7.2	7.5	7.6	–	–	–
Benefit obligation (%)						
Discount rate	5.5	6.0	6.3	5.5	6.1	6.4
Salary increases	4.2	4.3	4.0	–	–	–

Health care cost assumptions

The health care cost trend is used to determine the appropriate other post-retirement defined benefit costs. In determining those costs, an annual weighted-average rate of 9.75% for 2010 and 2009 and 11% for 2008 was assumed in the cost of covered health care benefits. As of December 31, 2010, the rate is assumed to decrease gradually to 5% by 2016 and remain at that level thereafter. As of December 31, 2010, 2009 and 2008, a 1% increase in the health care cost trend rate assumption would have resulted in an increase in post-retirement expenses of CHF 1.5 million, CHF 1.3 million and CHF 1.3 million, and an increase in accumulated post-retirement defined benefit obligation of CHF 26 million, CHF 19 million and CHF 18 million, respectively. A 1% decrease in the health care cost trend assumption would result in a decrease in post-retirement expenses of CHF 1.2 million, CHF 1.0 million and CHF 1.1 million, and a decrease in post-retirement

defined benefit obligation of CHF 21 million, CHF 16 million and CHF 15 million as of December 31, 2010, 2009 and 2008.

Plan assets and investment strategy

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

As of December 31, 2010 and 2009, there were no material amounts of Group debt or equity securities included in plan assets for the international single-employer defined benefit pension plans or other post-retirement defined benefit plans.

Fair value of plan assets

The following tables present the plan assets measured at fair value on a recurring basis as of December 31, 2010 and 2009, for the Bank's defined benefits plans.

Plan assets measured at fair value on a recurring basis

end of	2010								2009
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Plan assets at fair value (CHF million)									
Cash and cash equivalents	138	19	0	157	163	8	0	171	
Debt securities	65	644	122	831	79	392	176	647	
of which governments	57	1	0	58	48	0	0	48	
of which corporates	8	643	122	773	31	392	176	599	
Equity securities	0	1,006	0	1,006	56	1,142	0	1,198	
Real estate – indirect	0	0	52	52	0	0	14	14	
Alternative investments	0	(97)	94	(3)	0	(130)	57	(73)	
of which private equity	0	0	8	8	0	0	12	12	
of which hedge funds	0	3	81	84	0	0	45	45	
of which other	0	(100) ¹	5	(95)	0	(130) ¹	0	(130)	
Other investments	0	78	0	78	0	79	0	79	
Total plan assets at fair value	203	1,650	268	2,121	298	1,491	247	2,036	

¹ Primarily related to derivative instruments.

Plan assets measured at fair value on a recurring basis for level 3

	Actual return on plan assets					Foreign currency translation impact	Balance at end of period
	Balance at beginning of period	On assets still held at reporting date	On assets sold during the period	Purchases, sales, settlements			
2010 (CHF million)							
Debt securities – corporates	176	16	1	(56)	(15)	122	
Real estate – indirect	14	3	0	37	(2)	52	
Alternative investments	57	0	3	39	(5)	94	
of which private equity	12	0	1	(4)	(1)	8	
of which hedge funds	45	0	2	38	(4)	81	
of which other	0	0	0	5	0	5	
Total plan assets at fair value	247	19	4	20	(22)	268	
2009 (CHF million)							
Debt securities – corporates	103	20	(2)	55	–	176	
Real estate – indirect	34	(19)	0	(1)	–	14	
Alternative investments	73	10	(1)	(25)	–	57	
of which private equity	35	(2)	3	(24)	–	12	
of which hedge funds	38	12	(4)	(1)	–	45	
Other investments	25	0	16	(41)	–	0	
Total plan assets at fair value	235	11	13	(12)	–	247	

The following table shows the plan asset allocation as of the measurement date calculated based on the fair value at that date including the performance of each asset class.

Weighted-average plan asset allocation as of the measurement date

December 31	2010	2009
Weighted-average plan asset allocation (%)		
Cash and cash equivalents	7.4	8.4
Debt securities	39.1	31.7
Equity securities	47.4	58.8
Real estate	2.5	0.7
Alternative investments	0.0	(3.5) ¹
Insurance	3.6	3.9
Total	100.0	100.0

¹ Negative asset allocation was primarily related to derivative instruments.

The following table shows the target plan asset allocation for 2011 in accordance with the Bank's investment strategy. The target plan asset allocation is used to determine the expected return on plan assets to be considered in the net periodic pension costs for 2011.

Weighted-average target plan asset allocation to be applied prospectively

2011 (%)	
Cash and cash equivalents	1
Debt securities	57
Equity securities	20
Real estate	1
Alternative investments	17
Insurance	4
Total	100

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)		
2011	75	8
2012	73	9
2013	74	9
2014	77	10
2015	79	10
For five years thereafter	439	56

Defined contribution pension plans

The Bank contributes to various defined contribution pension plans primarily in the US and the UK as well as other countries throughout the world. During 2010, 2009, and 2008, the

Bank contributed to these plans and recognized as expense CHF 263 million, CHF 235 million and CHF 249 million, respectively.

29 Derivatives and hedging activities

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

Hedge accounting

Cash flow hedges

As of the end of 2010, the maximum length of time over which the Bank hedged its exposure to the variability in future cash flows for forecasted transactions, excluding those forecasted transactions related to the payment of variable interest on existing financial instruments, was five months.

Fair value of derivative instruments

	Trading			Hedging ¹		
	Notional amount	Positive replacement value (PRV)	Negative replacement value (NRV)	Notional amount	Positive replacement value (PRV)	Negative replacement value (NRV)
end of 2010						
Derivative instruments (CHF billion)						
Forwards and forward rate agreements	8,073.9	6.3	5.9	0.0	0.0	0.0
Swaps	24,105.2	429.5	422.4	66.0	2.4	1.6
Options bought and sold (OTC)	2,420.1	44.9	46.1	0.0	0.0	0.0
Futures	2,765.7	0.0	0.0	0.0	0.0	0.0
Options bought and sold (exchange traded)	1,365.6	0.5	0.3	0.0	0.0	0.0
Interest rate products	38,730.5	481.2	474.7	66.0	2.4	1.6
Forwards	2,053.6	35.2	37.7	19.4	0.4	0.1
Swaps	1,060.7	34.9	46.1	0.0	0.0	0.0
Options bought and sold (OTC)	794.7	14.3	15.0	0.0	0.0	0.0
Futures	13.5	0.0	0.0	0.0	0.0	0.0
Options bought and sold (exchange traded)	5.6	0.1	0.1	0.0	0.0	0.0
Foreign exchange products	3,928.1	84.5	98.9	19.4	0.4	0.1
Forwards	15.5	1.6	1.4	0.0	0.0	0.0
Swaps	0.1	0.1	0.0	0.0	0.0	0.0
Options bought and sold (OTC)	24.8	0.7	0.8	0.0	0.0	0.0
Futures	0.5	0.0	0.0	0.0	0.0	0.0
Precious metals products	40.9	2.4	2.2	0.0	0.0	0.0
Forwards	6.2	1.1	0.1	0.0	0.0	0.0
Swaps	213.5	4.1	7.4	0.0	0.0	0.0
Options bought and sold (OTC)	279.2	15.2	16.5	0.0	0.0	0.0
Futures	77.9	0.0	0.0	0.0	0.0	0.0
Options bought and sold (exchange traded)	387.1	17.0	17.9	0.0	0.0	0.0
Equity/index-related products	963.9	37.4	41.9	0.0	0.0	0.0
Credit derivatives ²	1,989.5	49.5	46.6	0.0	0.0	0.0
Forwards	32.0	2.0	1.9	0.0	0.0	0.0
Swaps	100.9	14.1	15.7	0.0	0.0	0.0
Options bought and sold (OTC)	50.1	3.2	2.9	0.0	0.0	0.0
Futures	219.8	0.0	0.0	0.0	0.0	0.0
Options bought and sold (exchange traded)	128.6	4.8	4.8	0.0	0.0	0.0
Other products ³	531.4	24.1	25.3	0.0	0.0	0.0
Total derivative instruments	46,184.3	679.1	689.6	85.4	2.8	1.7

The notional amount for derivative instruments (trading and hedging) was CHF 46,269.7 billion as of December 31, 2010.

¹ Relates to derivative contracts that qualify for hedge accounting under US GAAP. ² Primarily credit default swaps. ³ Primarily commodity, energy and emission products.

Fair value of derivative instruments (continued)

	Trading			Hedging ¹		
	Notional amount	Positive replacement value (PRV)	Negative replacement value (NRV)	Notional amount	Positive replacement value (PRV)	Negative replacement value (NRV)
end of 2009						
Derivative instruments (CHF billion)						
Forwards and forward rate agreements	7,956.7	6.4	6.2	0.0	0.0	0.0
Swaps	22,673.8	473.7	464.6	55.6	1.8	1.1
Options bought and sold (OTC)	2,461.2	43.6	46.1	0.0	0.0	0.0
Futures	1,895.1	0.0	0.0	0.0	0.0	0.0
Options bought and sold (exchange traded)	926.5	0.1	0.2	0.0	0.0	0.0
Interest rate products	35,913.3	523.8	517.1	55.6	1.8	1.1
Forwards	1,675.8	18.8	21.0	22.4	0.2	0.0
Swaps	996.9	31.3	34.3	0.0	0.0	0.0
Options bought and sold (OTC)	865.6	14.8	15.8	0.0	0.0	0.0
Futures	22.6	0.0	0.0	0.0	0.0	0.0
Options bought and sold (exchange traded)	17.1	0.2	0.4	0.0	0.0	0.0
Foreign exchange products	3,578.0	65.1	71.5	22.4	0.2	0.0
Forwards	12.2	1.6	1.0	0.0	0.0	0.0
Swaps	0.1	0.0	0.0	0.0	0.0	0.0
Options bought and sold (OTC)	22.0	0.6	1.1	0.0	0.0	0.0
Futures	3.0	0.0	0.0	0.0	0.0	0.0
Precious metals products	37.3	2.2	2.1	0.0	0.0	0.0
Forwards	6.3	1.6	0.1	0.0	0.0	0.0
Swaps	210.6	5.2	8.2	0.0	0.0	0.0
Options bought and sold (OTC)	352.9	18.1	21.6	0.0	0.0	0.0
Futures	124.2	0.0	0.0	0.0	0.0	0.0
Options bought and sold (exchange traded)	501.3	1.2	1.3	0.0	0.0	0.0
Equity/index-related products	1,195.3	26.1	31.2	0.0	0.0	0.0
Credit derivatives²	2,414.0	68.2	61.9	0.0	0.0	0.0
Forwards	28.3	1.7	2.0	0.0	0.0	0.0
Swaps	142.6	17.4	17.8	0.0	0.0	0.0
Options bought and sold (OTC)	66.7	3.5	3.5	0.0	0.0	0.0
Futures	313.6	0.0	0.0	0.0	0.0	0.0
Options bought and sold (exchange traded)	147.5	3.0	2.7	0.0	0.0	0.0
Other products³	698.7	25.6	26.0	0.0	0.0	0.0
Total derivative instruments	43,836.6	711.0	709.8	78.0	2.0	1.1

The notional amount for derivative instruments (trading and hedging) was CHF 43,914.6 billion as of December 31, 2009.

¹ Relates to derivative contracts that qualify for hedge accounting under US GAAP. ² Primarily credit default swaps. ³ Primarily commodity, energy and emission products.

Fair value of derivative instruments (continued)

	2010		2009	
	Positive replacement value (PRV)	Negative replacement value (NRV)	Positive replacement value (PRV)	Negative replacement value (NRV)
end of				
Derivative instruments (CHF billion)				
Replacement values (trading and hedging) before netting agreements	681.9	691.3	713.0	710.9
Counterparty netting ¹	(603.0)	(603.0)	(623.7)	(623.7)
Cash collateral netting ¹	(28.4)	(29.5)	(32.0)	(28.8)
Replacement values (trading and hedging) after netting agreements	50.5	58.8	57.3	58.4
of which recorded in trading assets (PRV) and trading liabilities (NRV)	47.8	57.7	55.3	57.3
of which recorded in other assets (PRV) and other liabilities (NRV)	2.7	1.1	2.0	1.1

¹ Netting was based on legally enforceable netting agreements.

Fair value hedges

in	2010	2009	2008
Gains/(losses) recognized in income on derivatives (CHF million)			
Interest rate products		619	(628)
Foreign exchange products		21	3
Total	640	(625)	–
Gains/(losses) recognized in income on hedged items (CHF million)			
Interest rate products	(603)	609	–
Foreign exchange products	(21)	(3)	–
Total	(624)	606	–
Details of fair value hedges (CHF million)			
Net gains/(losses) on the ineffective portion	16	(19)	68

Represents gains/(losses) recognized in trading revenues.

Cash flow hedges

in	2010	2009	2008
Gains/(losses) recognized in AOCI on derivatives (CHF million)			
Foreign exchange products ¹	54	30	–
Gains/(losses) reclassified from AOCI into income (CHF million)			
Foreign exchange products ¹	27 ²	13 ³	–
Details of cash flow hedges (CHF million)			
Net gains/(losses) on the ineffective portion	0	0	(1)

¹ Represents gains/(losses) on effective portion. ² Included in commissions and fees. ³ Included in total operating expenses.

The net gain associated with cash flow hedges expected to be reclassified from AOCI within the next 12 months is CHF 27 million.

Net investment hedges

in	2010	2009	2008
Gains/(losses) recognized in AOCI on derivatives (CHF million)			
Interest rate products	8	12	–
Foreign exchange products	1,563	(1,401)	–
Total	1,571	(1,389)	–
Gains/(losses) reclassified from AOCI into income (CHF million)			
Interest rate products	0	0	–
Foreign exchange products	(4) ¹	(21) ²	–
Total	(4)	(21)	–

Represents gains/(losses) on effective portion.

¹ Included in other revenues. ² Primarily included in discontinued operations.

The Bank includes all derivative instruments not included in hedge accounting relationships in its trading activities. Instead of separately disclosing gains and losses of these derivative instruments by type of contracts, the Bank elected to provide alternative disclosures as offered under US GAAP. For these alternative disclosures, refer to *Note 8 – Trading revenues*.

Disclosures relating to contingent credit risk

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

The following table provides the Bank's current net exposure from contingent credit risk relating to derivative contracts with bilateral counterparties and special purpose entities

(SPEs) that include credit support agreements, the related collateral posted and the additional collateral required in a one-notch and two-notch downgrade event, respectively. The table also includes derivative contracts with contingent credit risk features without credit support agreements that have accelerated termination event conditions. The current net exposure for derivative contracts with bilateral counterparties and contracts with accelerated termination event conditions is the aggregate fair value of derivative instruments that were in a net liability position. For SPEs, the current net exposure by contract may include amounts other than or in addition to the NRV of derivative instruments with credit-risk-related contingent features.

Contingent credit risk

end of	Bilateral counterparties	Special purpose entities	Accelerated terminations	Total
2010 (CHF billion)				
Current net exposure	14.6	2.1	0.8	17.5
Collateral posted	13.0	2.0	–	15.0
Additional collateral required in a one-notch downgrade event	0.2	1.8	0.1	2.1
Additional collateral required in a two-notch downgrade event	0.4	3.2	0.4	4.0
2009 (CHF billion)				
Current net exposure	10.5	3.3	1.6	15.4
Collateral posted	9.0	3.4	–	12.4
Additional collateral required in a one-notch downgrade event	0.2	2.4	0.7	3.3
Additional collateral required in a two-notch downgrade event	0.5	4.4	1.0	5.9

Credit derivatives

Credit protection sold/purchased

	2010				
end of	Credit protection sold	Credit protection purchased ¹	Net credit protection (sold)/ purchased	Other protection purchased	Fair value of credit protection sold
Single-name instruments (CHF million)					
Investment grade ²	(467,419)	450,123	(17,296)	49,008	977
Non-investment grade	(195,341)	169,173	(26,168)	17,161	(2,208)
Total single-name instruments	(662,760)	619,296	(43,464)	66,169	(1,231)
of which sovereigns	(115,191)	113,547	(1,644)	10,305	(2,390)
of which non-sovereigns	(547,569)	505,749	(41,820)	55,864	1,159
Multi-name instruments (CHF million)					
Investment grade ²	(238,371)	215,052	(23,319)	14,480	(4,765)
Non-investment grade	(60,283)	55,884	(4,399)	16,112	(1,088)
Total multi-name instruments	(298,654)	270,936	(27,718)	30,592	(5,853)
of which sovereigns	(15,424)	14,589	(835)	643	(636)
of which non-sovereigns	(283,230)	256,347	(26,883)	29,949	(5,217)

¹ Represents credit protection purchased with identical underlyings and recoveries. ² Based on internal ratings of BBB and above.

Credit protection sold

	2009		
end of	Credit protection sold	Fair value of credit protection sold	Recoveries
Single-name instruments (CHF million)			
Investment grade ¹	(608,386)	8,712	598,895
Non-investment grade	(222,402)	(12,790)	215,675
Total single-name instruments	(830,788)	(4,078)	814,570
of which sovereigns	(128,760)	(782)	128,141
of which non-sovereigns	(702,028)	(3,296)	686,429
Multi-name instruments (CHF million)			
Investment grade ¹	(291,880)	(9,271)	285,683
Non-investment grade	(58,579)	494	56,144
Total multi-name instruments	(350,459)	(8,777)	341,827
of which sovereigns	(347)	(58)	111
of which non-sovereigns	(350,112)	(8,719)	341,716

¹ Based on internal ratings of BBB and above.

Maturity of credit protection sold

end of	Maturity less than 1 year	Maturity between 1 to 5 years	Maturity greater than 5 years	Total
2010 (CHF million)				
Single-name instruments	90,718	468,182	103,859	662,759
Multi-name instruments	27,257	227,007	44,391	298,655
Total	117,975	695,189	148,250	961,414
2009 (CHF million)				
Single-name instruments	100,387	592,552	137,849	830,788
Multi-name instruments	31,154	256,008	63,297	350,459
Total	131,541	848,560	201,146	1,181,247

30 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
2010 (CHF million)								
Credit guarantees and similar instruments	3,306	1,504	1,031	1,430	7,271	6,785	512	4,217
Performance guarantees and similar instruments	7,935	2,096	1,192	656	11,879	10,613	97	4,240
Securities lending indemnifications	18,254	0	0	0	18,254	18,254	0	18,254
Derivatives ²	35,743	19,292	6,486	4,061	65,582	65,582	2,246	– ³
Other guarantees	4,016	504	274	279	5,073	5,003	7	2,183
Total guarantees	69,254	23,396	8,983	6,426	108,059	106,237	2,862	28,894
2009 (CHF million)								
Credit guarantees and similar instruments	3,197	1,591	1,533	1,660	7,981	7,223	543	4,364
Performance guarantees and similar instruments	6,176	3,926	990	799	11,891	10,438	93	3,896
Securities lending indemnifications	22,644	0	0	0	22,644	22,644	0	22,644
Derivatives ²	29,102	25,535	13,277	12,615	80,529	80,529	2,454	– ³
Other guarantees	3,490	509	168	262	4,429	4,361	10	1,851
Total guarantees	64,609	31,561	15,968	15,336	127,474	125,195	3,100	32,755

¹ Total net amount is computed as the gross amount less any participations. ² Excludes derivative contracts with certain active commercial and investment banks and certain other counterparties, as such contracts can be cash settled and the Bank had no basis to conclude it was probable that the counterparties held, at inception, the underlying instruments. In the case of certain active commercial banks, prior periods have been conformed to the current presentation. ³ Collateral for derivatives accounted for as guarantees is not considered significant.

Lease commitments

Lease commitments (CHF million)

2011	563
2012	476
2013	424
2014	367
2015	319
Thereafter	2,018
Future operating lease commitments	4,167
Less minimum non-cancellable sublease rentals	398
Total net future minimum lease commitments	3,769

Rental expense for operating leases

in	2010	2009	2008
Rental expense for operating leases (CHF million)			
Minimum rental expense	605	577	459
Sublease rental income	(122)	(125)	(118)
Total net expenses for operating leases	483	452	341

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
2010 (CHF million)							
Irrevocable commitments under documentary credits	4,489	10	41	0	4,540	4,151	1,882
Loan commitments	144,297	35,431	12,232	8,088	200,048	193,494	133,211
Forward reverse repurchase agreements	51,968	0	0	0	51,968	51,968	51,968
Other commitments	1,347	832	1,096	554	3,829	3,830	53
Total other commitments	202,101	36,273	13,369	8,642	260,385	253,443	187,114
2009 (CHF million)							
Irrevocable commitments under documentary credits	4,520	15	25	0	4,560	4,160	2,020
Loan commitments	165,542	33,841	10,021	8,827	218,231	211,876	149,720
Forward reverse repurchase agreements	43,481	0	0	0	43,481	43,481	43,481
Other commitments	6,350	1,529	682	302	8,863	8,863	6
Total other commitments	219,893	35,385	10,728	9,129	275,135	268,380	195,227

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*.

31 Transfers of financial assets and variable interest entities

Transfers of financial assets**Securitizations**

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

The following table provides the gains or losses and proceeds from the transfer of assets relating to 2010, 2009 and

2008 securitizations of financial assets that qualify for sale accounting and subsequent derecognition, along with the cash flows between the Bank and the SPEs used in any securitizations in which the Bank still has continuing involvement as of the end of 2010, 2009 and 2008, regardless of when the securitization occurred.

Securitizations

in	2010	2009 ¹	2008 ¹
Gains and cash flows (CHF million)			
CMBS			
Net gain ²	13	0	32
Proceeds from transfer of assets	523	144	1,137
Purchases of previously transferred financial assets or its underlying collateral	0	0	(173)
Servicing fees	1	1	2
Cash received on interests that continue to be held	150	244	273
RMBS			
Net gain ²	214	194	56
Proceeds from transfer of assets	52,308	34,246	20,998
Purchases of previously transferred financial assets or its underlying collateral	0	(46)	(3)
Servicing fees	6	6	4
Cash received on interests that continue to be held	488	329	231
ABS ³			
Net gain ²	0	19	0
Proceeds from transfer of assets	0	104	0
Purchases of previously transferred financial assets or its underlying collateral	0	(18)	0
Cash received on interests that continue to be held	6	18	22
CDO			
Net gain ²	69	107	63
Proceeds from transfer of assets	2,952	2,374	1,612
Purchases of previously transferred financial assets or its underlying collateral ⁴	(1,823)	(1,850)	–
Cash received on interests that continue to be held	157	13	44

¹ Amounts were previously presented separately as QSPEs and SPEs. The change in the presentation was a result of new guidance. ² Includes underwriting revenues, deferred origination fees, gains or losses on the sale of collateral to the SPE and gains or losses on the sale of newly issued securities to third parties, but excludes net interest income 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. ³ Primarily home equity loans. ⁴ Represents market making activity and voluntary repurchases at fair value where no repurchase obligations were present.

Other asset-backed financing activities

The following table provides the gains or losses and proceeds from the transfer of assets relating to 2010, 2009 and 2008 transfers (which were not securitizations) treated as sales,

along with the cash flows between the Bank and the SPEs used in such transfers in which the Bank had continuing involvement as of the end of 2010, 2009 and 2008, regardless of when the transfer of assets occurred.

Other asset-backed financing activities

in	2010	2009	2008
Gains and cash flows (CHF million)			
Net gain ¹	16	12	22
Proceeds from transfer of assets ²	1,424	3,494	6,063
Purchases of previously transferred financial assets or its underlying collateral	(696)	(219)	0
Cash received on interests that continue to be held	1,376	1,422	1,315

¹ Includes underwriting revenues, deferred origination fees, gains or losses on the sale of collateral to the SPE and gains or losses on the sale of newly issued securities to third parties, but excludes net interest income on assets prior to the other asset-backed financing activity. The gains or losses on the sale of the collateral is the difference between the fair value on the day prior to the other asset-backed financing activity pricing date and the sale price of the loans. ² Primarily home equity loans.

Continuing involvement in transferred financial assets

The following table provides the outstanding principal balance of assets to which the Bank continued to be exposed after the

transfer of the financial assets to any SPE and the total assets of the SPE as of the end of 2010 and 2009, regardless of when the transfer of assets occurred.

Principal amounts outstanding and total assets of SPEs resulting from continuing involvement

end of	2010	2009 ¹
CHF million		
CMBS		
Principal amount outstanding	45,129 ²	48,854 ²
Total assets of SPE	65,667	71,477
RMBS		
Principal amount outstanding	79,077 ²	92,083 ²
Total assets of SPE	85,556	99,119
ABS		
Principal amount outstanding	4,171	7,244
Total assets of SPE	4,171	7,244
CDO		
Principal amount outstanding	29,275 ²	37,474 ²
Total assets of SPE	29,279	37,952
Other asset-backed financing activities		
Principal amount outstanding	10,770	12,261 ²
Total assets of SPE	10,770	13,862

¹ Amounts were previously presented separately as QSPEs and SPEs. The change in the presentation was a result of new guidance. ² Principal amount outstanding relates to assets transferred from the Bank and does not include principle amounts for assets transferred from third parties.

Fair value of beneficial interests

The fair value measurement of the beneficial interests held at the time of transfer and as of the reporting date that result from any continuing involvement are determined using fair value estimation techniques, such as the present value of estimated future cash flows that incorporate assumptions that market participants customarily use in these valuation techniques. The fair value of the assets or liabilities that result from any continuing involvement does not include any benefits from financial instruments that the Bank may utilize to hedge the inherent risks.

Key economic assumptions at the time of transfer

In January 2010, the Financial Accounting Standard Board amended the disclosure requirements for the Bank's reporting of the fair value of beneficial interests retained at the time of transfer. Further, the beneficial interests are categorized according to their fair value hierarchy levels. As this requirement is not retroactive, comparable data is not presented for prior periods. For further information on fair value hierarchy, refer to *Note 32 – Financial instruments – Fair value hierarchy*.

Key economic assumptions used in measuring fair value of beneficial interests at time of transfer

at time of transfer	CMBS	RMBS
CHF million, except where indicated		
Fair value of beneficial interests	79	3,110
of which level 2	79	2,751
of which level 3	0	359
Weighted-average life, in years	6.4	7.7
Prepayment speed assumption (rate per annum), in % ¹	–	0.0-43.7
Cash flow discount rate (rate per annum), in % ²	5.5-10.2	0.0-70.1
Expected credit losses (rate per annum), in %	3.2-8.0	0.0-71.5

Transfers of assets in which the Bank does not have beneficial interests are not included in this table.

¹ 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. ² The rate was based on the weighted-average yield on the beneficial interests.

Sensitivity analysis

The following tables provide the sensitivity analysis of key economic assumptions used in measuring the fair value of beneficial interests held in SPEs as of the end of 2010 and 2009.

Key economic assumptions used in measuring fair value of beneficial interests held in SPEs

end of 2010	CMBS ¹	RMBS	ABS	CDO ²	Other asset-backed financing activities
CHF million, except where indicated					
Fair value of beneficial interests	412	1,694	22	262	2,440
of which non-investment grade	25	1,070	22	35	2,397
Weighted-average life, in years	3.4	6.9	11.4	1.8	3.7
Prepayment speed assumption (rate per annum), in % ³	–	0.2-35.8	0.0-4.1	–	–
Impact on fair value from 10% adverse change	–	(38.8)	(0.1)	–	–
Impact on fair value from 20% adverse change	–	(78.1)	(0.3)	–	–
Cash flow discount rate (rate per annum), in % ⁴	2.2-40.3	2.2-52.5	7.5-28.0	0.7-29.2	0.8-7.8
Impact on fair value from 10% adverse change	(13.7)	(61.8)	(1.0)	(1.3)	(4.6)
Impact on fair value from 20% adverse change	(26.6)	(117.6)	(1.8)	(2.6)	(9.3)
Expected credit losses (rate per annum), in %	1.8-40.2	1.5-49.9	3.6-24.9	0.8-27.6	6.6-13.3
Impact on fair value from 10% adverse change	(9.8)	(48.2)	(0.6)	(0.8)	(4.1)
Impact on fair value from 20% adverse change	(19.2)	(92.1)	(1.2)	(1.5)	(8.4)
end of 2009					
CHF million, except where indicated					
Fair value of beneficial interests	1,216	1,831	93	1,230	2,636
of which non-investment grade	403	673	86	956	1,527
Weighted-average life, in years	2.7	5.0	4.3	3.7	3.9
Prepayment speed assumption (rate per annum), in % ³	–	0.0-32.4	1.7-4.5	–	–
Impact on fair value from 10% adverse change	–	(31.9)	(0.3)	–	–
Impact on fair value from 20% adverse change	–	(66.0)	(0.5)	–	–
Cash flow discount rate (rate per annum), in % ⁴	5.6-51.6	2.2-53.5	5.1-48.2	0.5-41.3	0.2-7.8
Impact on fair value from 10% adverse change	(24.2)	(48.3)	(0.8)	(2.1)	(6.1)
Impact on fair value from 20% adverse change	(46.6)	(91.6)	(1.5)	(4.0)	(11.7)
Expected credit losses (rate per annum), in %	3.3-48.1	3.3-49.5	3.4-47.5	1.0-39.3	0.5-9.7
Impact on fair value from 10% adverse change	(17.9)	(27.4)	(0.6)	(1.3)	(5.0)
Impact on fair value from 20% adverse change	(34.7)	(51.4)	(1.2)	(2.5)	(8.8)

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 PSA is an industry standard prepayment speed metric used for projecting prepayments over the life of a residential mortgage loan. PSA utilizes the 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 beneficial interests.

Secured borrowings

The following table provides the carrying amounts of transferred financial assets and the related liabilities where sale treatment was not achieved as of the end of 2010 and 2009.

Carrying amounts of transferred financial assets and liabilities where sale treatment was not achieved

end of	2010	2009
CHF million		
CMBS		
Other assets	602	940
Liability to SPE, included in Other liabilities	(602)	(940)
RMBS		
Other assets	58	296
Liability to SPE, included in Other liabilities	(58)	(296)
ABS		
Trading assets	19	116
Other assets	1,341	1,137
Liability to SPE, included in Other liabilities	(1,360)	(1,253)
CDO		
Trading assets	203	193
Other assets	171	195
Liability to SPE, included in Other liabilities	(374)	(388)
Other asset-backed financing activities		
Trading assets	1,381	1,575
Other assets	29	15
Liability to SPE, included in Other liabilities	(1,410)	(1,590)

Variable interest entities

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

Consolidated VIEs

The Bank has significant involvement with VIEs in its role as a financial intermediary on behalf of clients. The Bank consolidated all VIEs related to financial intermediation for which it was the primary beneficiary.

Consolidated VIEs in which the Bank was the primary beneficiary

end of 2010	Financial intermediation						Total
	CDO	CP Conduit	Securitized	Funds	Loans	Other	
Assets of consolidated VIEs (CHF million)							
Cash and due from banks	1,011	24	95	118	129	55	1,432
Trading assets	1,943	1,392	31	3,417	605	1,329	8,717
Investment securities	0	72	0	0	0	0	72
Other investments	0	0	0	46	1,781	507	2,334
Net loans	0	2,521	0	0	60	1,164	3,745
Premises and equipment	0	0	0	0	0	33	33
Loans held-for-sale	7,510	0	7,960	0	0	0	15,470
Other assets	58	1,278	1	65	2,276	421	4,099
Total assets of consolidated VIEs	10,522	5,287	8,087	3,646	4,851	3,509	35,902
Liabilities of consolidated VIEs (CHF million)							
Customer deposits	0	0	0	0	0	54	54
Trading liabilities	33	0	0	149	0	6	188
Short-term borrowings	0	4,307	0	26	0	0	4,333
Long-term debt	9,617	23	9,139	499	221	240	19,739
Other liabilities	54	6	99	32	321	327	839
Total liabilities of consolidated VIEs	9,704	4,336	9,238	706	542	627	25,153

Total assets of consolidated VIEs increased CHF 27.1 billion, from CHF 8.8 billion as of 2009 to CHF 35.9 billion as of 2010. A significant portion of the increase was due to the adoption of Accounting Standards Updates (ASU) 2009-17 as of January 1, 2010, including an incremental increase to the Bank's consolidated balance sheet from the adoption of ASU 2009-17 of CHF 15.0 billion and an increase in total assets of consolidated VIEs of CHF 12.9 billion of variable interest assets previously recognized on the Bank's balance sheet as of the end of 2009 that are now recognized as assets of consolidated VIEs. These increases were partially offset by a decrease of CHF 0.8 billion of assets from 2010 activity and certain previously consolidated VIEs that were not required to be included in this disclosure prior to the adoption of ASU 2009-17.

Consolidated VIEs in which the Bank was the primary beneficiary

end of 2009	Financial inter-mediation		Total
	CDO		
Assets of consolidated VIEs (CHF million)			
Cash and due from banks	9	515	524
Trading assets	473	2,750	3,223
Other investments	0	3,287	3,287
Net loans	0	157	157
Other assets	1	1,598	1,599
Total assets of consolidated VIEs	483	8,307	8,790
of which structured investment products	–	1,580	1,580
Liabilities of consolidated VIEs (CHF million)			
Trading liabilities	0	466	466
Short-term borrowings	15	0	15
Long-term debt	193	1,717	1,910
Other liabilities	6	520	526
Total liabilities of consolidated VIEs	214	2,703	2,917

Non-consolidated VIEs

Non-consolidated VIE assets are related to the non-consolidated VIEs with whom the Bank has variable interests. These amounts represent the assets of the entities themselves and

are typically unrelated to the exposures the Bank has with the entity and thus are not amounts that are considered for risk management purposes.

Non-consolidated VIEs

end of 2010	Financial intermediation					Total
	CDO	Secur- tizations	Funds	Loans	Other	
Variable interest assets (CHF million)						
Trading assets	130	3,847	1,423	645	2,905	8,950
Net loans	332	145	1,106	6,520	2,031	10,134
Other assets	0	0	57	0	32	89
Total variable interests assets	462	3,992	2,586	7,165	4,968	19,173
Maximum exposure to loss (CHF million)						
Maximum exposure to loss	634	7,686	2,716	7,936	5,370	24,342
Non-consolidated VIE assets (CHF million)						
Non-consolidated VIE assets	10,491	115,024	52,430	31,006	8,639	217,590

end of 2009	Financial intermediation					Total
	CDO	CP Conduit	Secur- tizations	Funds	Loans	
Variable interest assets (CHF million)						
Trading assets	789	659	1,132	2,400	1,168	6,863
Net loans	694	12,255	3,651	1,710	4,401	23,248
Other assets	0	4	0	190	0	195
Total variable interests assets	1,483	12,918	4,783	4,300	5,569	30,306
Maximum exposure to loss (CHF million)						
Maximum exposure to loss	1,678	13,138	8,925	4,301	6,394	35,953
Non-consolidated VIE assets (CHF million)						
Non-consolidated VIE assets	20,150	5,098	37,015	41,191	24,638	134,611

32 Financial instruments

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

Assets and liabilities measured at fair value on a recurring basis

end of 2010	Level 1	Level 2	Level 3	Netting impact ¹	Total
Assets (CHF million)					
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	0	135,709	1,197	0	136,906
Debt	431	5,781	0	0	6,212
of which corporates	0	5,551	0	0	5,551
Equity	35,872	16	0	0	35,888
Securities received as collateral	36,303	5,797	0	0	42,100
Debt	84,904	57,438	10,886	0	153,228
of which foreign governments	67,766	8,096	373	0	76,235
of which corporates	172	34,429	3,802	0	38,403
of which RMBS	16,233	6,936	3,264	0	26,433
of which CMBS	0	2,220	1,861	0	4,081
of which CDO	0	5,704	1,135	0	6,839
Equity	90,779	9,795	622	0	101,196
Derivatives	6,962	663,164	8,719	(631,069)	47,776
of which interest rate products	3,217	475,688	2,072	–	–
of which foreign exchange products	1	83,663	842	–	–
of which equity/index-related products	2,960	32,127	2,301	–	–
of which credit derivatives	0	46,822	2,725	–	–
Other	6,821	10,218	2,017	0	19,056
Trading assets	189,466	740,615	22,244	(631,069)	321,256
Debt	5,625	399	79	0	6,103
of which foreign governments	5,625	0	18	0	5,643
of which corporates	0	387	0	0	387
of which CDO	0	11	62	0	73
Equity	4	85	0	0	89
Investment securities	5,629	484	79	0	6,192
Private equity	0	0	4,370	0	4,370
of which equity funds	0	0	3,277	0	3,277
Hedge funds	0	575	259	0	834
of which debt funds	0	185	165	0	350
Other equity investments	612	807	4,717	0	6,136
of which private	8	614	4,714	0	5,336
Life finance instruments	0	0	1,844	0	1,844
Other investments	612	1,382	11,190	0	13,184
Loans	0	12,294	6,258	0	18,552
of which commercial and industrial loans	0	6,574	3,558	0	10,132
of which financial institutions	0	5,389	2,195	0	7,584
Other intangible assets (mortgage servicing rights)	0	0	66	0	66
Other assets	5,886	24,475	9,253	(195)	39,419
of which loans held-for-sale	0	14,866	8,932	0	23,798
Total assets at fair value	237,896	920,756	50,287	(631,264)	577,675
Less other investments – equity at fair value attributable to noncontrolling interests	(522)	(870)	(5,163)	0	(6,555)
Less assets consolidated under ASU 2009-17 ²	0	(11,655)	(7,155)	0	(18,810)
Assets at fair value excluding noncontrolling interests and assets not consolidated under Basel II	237,374	908,231	37,969	(631,264)	552,310

¹ Derivative contracts are reported on a gross basis by level. The impact of netting represents an adjustment related to counterparty netting. ² Assets of consolidated VIEs that are not risk-weighted assets under Basel II.

Assets and liabilities measured at fair value on a recurring basis (continued)

end of 2010	Level 1	Level 2	Level 3	Netting impact ¹	Total
Liabilities (CHF million)					
Due to banks	0	3,995	0	0	3,995
Customer deposits	0	2,855	0	0	2,855
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	0	123,190	507	0	123,697
Debt	431	5,781	0	0	6,212
of which corporates	0	5,551	0	0	5,551
Equity	35,872	16	0	0	35,888
Obligation to return securities received as collateral	36,303	5,797	0	0	42,100
Debt	44,635	11,351	65	0	56,051
of which foreign governments	44,466	1,130	0	0	45,596
of which corporates	6	9,426	65	0	9,497
Equity	19,720	394	28	0	20,142
Derivatives	6,693	673,693	9,106	(631,748)	57,744
of which interest rate products	2,980	470,354	1,342	–	–
of which foreign exchange products	16	95,919	2,941	–	–
of which equity/index-related products	2,847	36,098	2,938	–	–
of which credit derivatives	0	45,342	1,256	–	–
Trading liabilities	71,048	685,438	9,199	(631,748)	133,937
Short-term borrowings	0	3,185	123	0	3,308
Long-term debt	402	64,275	16,797	0	81,474
of which treasury debt over two years	0	18,666	0	0	18,666
of which structured notes over two years	0	20,170	9,488	0	29,658
of which non-recourse liabilities	402	12,200	6,825	0	19,427
Other liabilities	0	25,903	3,733	(596)	29,040
of which failed sales	0	3,885	1,849	0	5,734
Total liabilities at fair value	107,753	914,638	30,359	(632,344)	420,406

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

Assets and liabilities measured at fair value on a recurring basis (continued)

end of 2009	Level 1	Level 2	Level 3	Netting impact ¹	Total
Assets (CHF million)					
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	0	126,789	1,514	0	128,303
Debt	3,824	713	0	0	4,537
of which corporates	3,368	681	0	0	4,049
Equity	32,834	0	0	0	32,834
Securities received as collateral	36,658	713	0	0	37,371
Debt	92,651	54,651	11,975	0	159,277
of which foreign governments	60,437	10,721	39	0	71,197
of which corporates	3,181	32,440	4,811	0	40,432
of which RMBS	27,496	7,449	3,626	0	38,571
of which CMBS	0	1,119	2,461	0	3,580
Equity	86,039	13,505	487	0	100,031
Derivatives	6,457	693,206	11,192	(655,532)	55,323
of which credit derivatives	0	63,862	4,339	–	–
Other	5,852	8,514	2,310	0	16,676
Trading assets	190,999	769,876	25,964	(655,532)	331,307
Debt	8,511	487	86	0	9,084
of which foreign governments	8,508	119	19	0	8,646
Equity	4	102	0	0	106
Investment securities	8,515	589	86	0	9,190
Private equity	0	35	4,538	0	4,573
of which equity funds	0	35	3,547	0	3,582
Hedge funds	0	1,179	475	0	1,654
of which debt funds	0	624	209	0	833
Other equity investments	1,538	4,121	6,931	0	12,590
of which private	0	3,902	6,929	0	10,831
Life finance instruments	0	0	2,048	0	2,048
Other investments	1,538	5,335	13,992	0	20,865
Loans	0	25,167	11,079	0	36,246
Other intangible assets (mortgage servicing rights)	0	0	30	0	30
Other assets	5,772	16,605	6,744	(24)	29,097
Total assets at fair value	243,482	945,074	59,409	(655,556)	592,409
Less other investments – equity at fair value attributable to noncontrolling interests	(1,297)	(331)	(7,728)	0	(9,356)
Assets at fair value excluding noncontrolling interests	242,185	944,743	51,681	(655,556)	583,053

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

Assets and liabilities measured at fair value on a recurring basis (continued)

end of 2009	Level 1	Level 2	Level 3	Netting impact ¹	Total
Liabilities (CHF million)					
Due to banks	0	4,914	0	0	4,914
Customer deposits	0	2,038	0	0	2,038
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	0	121,930	206	0	122,136
Debt	3,824	713	0	0	4,537
of which corporates	3,368	681	0	0	4,049
Equity	32,834	0	0	0	32,834
Obligation to return securities received as collateral	36,658	713	0	0	37,371
Debt	48,707	9,687	92	0	58,486
of which foreign governments	48,665	2,534	0	0	51,199
of which corporates	7	7,007	92	0	7,106
Equity	18,587	501	31	0	19,119
Derivatives	5,986	691,927	11,828	(652,471)	57,270
of which credit derivatives	0	59,867	1,996	–	–
Trading liabilities	73,280	702,115	11,951	(652,471)	134,875
Short-term borrowings	0	3,219	164	0	3,383
Long-term debt	0	54,255	16,645	0	70,900
Other liabilities	246	26,136	3,994	(105)	30,271
Total liabilities at fair value	110,184	915,320	32,960	(652,576)	405,888

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

Assets and liabilities measured at fair value on a recurring basis for level 3

2010	Balance at beginning of period	Transfers in	Transfers out	Purchases, sales, issuances, settlements ¹
Assets (CHF million)				
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	1,514	0	0	(209)
Debt	11,975	3,142	(2,422)	(2,081)
of which corporates	4,811	770	(604)	(865)
of which RMBS	3,626	1,239	(1,093)	(824)
of which CMBS	2,461	259	(207)	(577)
of which CDO	559	607	(435)	(28)
Equity	487	334	(177)	48
Derivatives	11,192	2,493	(2,156)	(2,412)
of which interest rate products	1,529	576	(206)	(109)
of which equity/index-related products	3,298	236	(644)	(744)
of which credit derivatives	4,339	1,407	(1,060)	(870)
Other	2,310	688	(778)	14
Trading assets	25,964	6,657	(5,533)	(4,431)
Investment securities	86	0	(133)	148
Equity	11,944	328	(380)	(2,322)
Life finance instruments	2,048	0	0	(134)
Other investments	13,992	328	(380)	(2,456)
Loans	11,079	1,215	(3,686)	(1,689)
of which commercial and industrial loans	8,346	703	(1,644)	(3,251)
of which financial institutions	2,454	160	(1,839)	1,439
Other intangible assets	30	0	0	91
Other assets	6,744	4,808	(7,169)	4,158
of which loans held-for-sale	6,220	4,744	(7,132)	4,294
Total assets at fair value	59,409	13,008	(16,901)	(4,388)
Liabilities (CHF million)				
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	206	0	0	356
Trading liabilities	11,951	2,109	(2,632)	(2,135)
of which interest rate derivatives	1,788	387	(307)	(284)
of which foreign exchange derivatives	2,936	156	(16)	(421)
of which equity/index-related derivatives	3,635	194	(744)	(576)
of which credit derivatives	1,996	1,244	(939)	(467)
Short-term borrowings	164	46	(69)	33
Long-term debt	16,645	4,313	(8,780)	4,595
of which structured notes over two years	14,781	1,330	(3,364)	(2,198)
of which non-recourse liabilities	0	2,789	(5,069)	7,975
Other liabilities	3,994	409	(150)	(42)
of which failed sales	1,932	197	(37)	161
Total liabilities at fair value	32,960	6,877	(11,631)	2,807
Net assets/liabilities at fair value	26,449	6,131	(5,270)	(7,195)

¹ Includes CHF 10.1 billion of level 3 assets shown as purchases due to the adoption of ASU 2009-17 as of January 1, 2010. For further information, refer to Note 2 – Recently issued accounting standards. ² For all transfers to level 3 or out of level 3, the Bank determines and discloses as level 3 events only gains or losses through the last day of the reporting period.

	Trading revenues		Other revenues		Foreign currency translation impact	Balance at end of period
	On transfers in / out ²	On all other	On transfers in / out ²	On all other		
	0	8	0	0	(116)	1,197
	193	1,037	0	(2)	(956)	10,886
	45	121	0	(2)	(474)	3,802
	126	491	0	0	(301)	3,264
	12	(73)	0	0	(14)	1,861
	7	526	0	0	(101)	1,135
	(3)	(31)	0	0	(36)	622
	108	302	0	(1)	(807)	8,719
	102	353	0	(1)	(172)	2,072
	104	315	0	0	(264)	2,301
	(141)	(739)	0	0	(211)	2,725
	27	(37)	0	0	(207)	2,017
	325	1,271	0	(3)	(2,006)	22,244
	0	4	0	0	(26)	79
	0	(14)	26	547	(783)	9,346
	0	113	0	0	(183)	1,844
	0	99	26	547	(966)	11,190
	51	81	0	34	(827)	6,258
	43	(267)	0	34	(406)	3,558
	8	362	0	0	(389)	2,195
	0	0	0	(48)	(7)	66
	852	1,043	0	39	(1,222)	9,253
	849	1,106	0	46	(1,195)	8,932
	1,228	2,506	26	569	(5,170)	50,287
	(3)	3	0	0	(55)	507
	397	454	0	0	(945)	9,199
	57	(179)	0	0	(120)	1,342
	5	561	0	0	(280)	2,941
	140	639	0	0	(350)	2,938
	35	(530)	0	0	(83)	1,256
	5	(41)	0	0	(15)	123
	658	1,600	0	0	(2,234)	16,797
	(52)	179	0	0	(1,188)	9,488
	696	1,425	0	0	(991)	6,825
	(39)	(283)	0	170	(326)	3,733
	5	(244)	0	0	(165)	1,849
	1,018	1,733	0	170	(3,575)	30,359
	210	773	26	399	(1,595)	19,928

Assets and liabilities measured at fair value on a recurring basis for level 3 (continued)

2009	Balance at beginning of period	Transfers in	Transfers out	Purchases, sales, issuances, settlements
Assets (CHF million)				
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	0	1,570	0	0
Debt	19,861	2,185	(3,693)	(7,006)
of which corporates	13,194	673	(2,332)	(7,547)
of which RMBS	2,512	754	(863)	819
of which CMBS	2,306	195	(154)	363
Equity	2,183	1,829	(1,510)	(1,907)
Derivatives	24,795	5,051	(8,994)	(10,134)
of which credit derivatives	12,107	3,939	(4,649)	(5,955)
Other	4,254	276	(1,971)	(1,017)
Trading assets	51,093	9,341	(16,168)	(20,064)
Investment securities	0	0	0	47
Equity	16,889	1,981	(1,600)	(3,492)
Life finance instruments	1,942	9	0	314
Other investments	18,831	1,990	(1,600)	(3,178)
Loans	14,309	1,006	(1,424)	(3,686)
Other intangible assets	113	0	0	(48)
Other assets	13,645	1,068	(3,132)	(5,293)
Total assets at fair value	97,991	14,975	(22,324)	(32,222)
Liabilities (CHF million)				
Due to banks	3	0	0	(3)
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	0	205	0	0
Trading liabilities	23,593	4,996	(8,686)	(7,925)
of which derivatives	23,468	4,706	(8,470)	(7,823)
Short-term borrowings	350	381	(5)	(795)
Long-term debt	23,853	1,864	(2,932)	(6,155)
Other liabilities	3,249	679	(1,603)	595
Total liabilities at fair value	51,048	8,125	(13,226)	(14,283)
Net assets/liabilities at fair value	46,943	6,850	(9,098)	(17,939)

	Trading revenues			Other revenues			Foreign currency translation impact	Balance at end of period
	On transfers in	On transfers out	On all other	On transfers in	On transfers out	On all other		
	(58)	0	0	0	0	0	2	1,514
	61	663	110	0	0	0	(206)	11,975
	(9)	618	232	0	0	0	(18)	4,811
	(33)	19	540	0	0	0	(122)	3,626
	24	9	(210)	0	0	0	(72)	2,461
	(133)	(41)	(26)	0	0	0	92	487
	(1,389)	472	1,488	0	0	0	(97)	11,192
	(1,230)	440	(378)	0	0	0	65	4,339
	17	103	726	0	0	1	(79)	2,310
	(1,444)	1,197	2,298	0	0	1	(290)	25,964
	0	0	35	0	0	0	4	86
	0	0	10	(103)	(3)	(1,590)	(148)	11,944
	1	0	(164)	0	0	0	(54)	2,048
	1	0	(154)	(103)	(3)	(1,590)	(202)	13,992
	57	(328)	1,202	0	0	0	(57)	11,079
	0	0	0	0	0	(36)	1	30
	(61)	528	58	0	0	0	(69)	6,744
	(1,505)	1,397	3,439	(103)	(3)	(1,625)	(611)	59,409
	0	0	0	0	0	0	0	0
	2	0	0	0	0	0	(1)	206
	(857)	882	115	0	0	0	(167)	11,951
	(835)	892	50	0	0	0	(160)	11,828
	(3)	(1)	216	0	0	0	21	164
	168	343	(268)	0	0	0	(228)	16,645
	3	187	264	21	0	737	(138)	3,994
	(687)	1,411	327	21	0	737	(513)	32,960
	(818)	(14)	3,112	(124)	(3)	(2,362)	(98)	26,449

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

in	2010			2009		
	Trading revenues	Other revenues	Total revenues	Trading revenues	Other revenues	Total revenues
Gains and losses on assets and liabilities (CHF million)						
Net realized/unrealized gains/(losses) included in net revenues	983	425	1,408 ¹	2,280	(2,489)	(209) ¹
Whereof:						
Unrealized gains/(losses) relating to assets and liabilities still held as of the reporting date	(1,195)	117	(1,078)	(2,505)	(2,016)	(4,521)

¹ Excludes net realized/unrealized gains/(losses) attributable to foreign currency translation impact.

Nonrecurring fair value changes

end of	2010	2009
Loans recorded at fair value on a nonrecurring basis (CHF billion)		
Loans recorded at fair value on a nonrecurring basis	0.6	1.1
of which level 2	0.1	0.1
of which level 3	0.5	1.0

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

end of	2010			2009		
	Aggregate fair value	Aggregate unpaid principal	Difference	Aggregate fair value	Aggregate unpaid principal	Difference
Loans (CHF million)						
Non-performing loans	105	187	(82)	168	273	(105)
Non-interest-earning loans	653	2,087	(1,434)	1,519	3,763	(2,244)
Financial instruments (CHF million)						
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	136,906	135,939	967	128,303	127,575	728
Loans	18,552	18,677	(125)	36,246	33,672	2,574
Other assets	25,078	36,195	(11,117)	11,991	23,441	(11,450)
Due to banks and customer deposits	(410)	(420)	10	(1,815)	(1,817)	2
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	(123,697)	(123,562)	(135)	(122,136)	(122,053)	(83)
Short-term borrowings	(3,308)	(3,262)	(46)	(3,383)	(3,439)	56
Long-term debt	(81,474)	(87,977)	6,503	(70,900)	(72,133)	1,233
Other liabilities	(5,734)	(7,569)	1,835	(6,197)	(8,531)	2,334

Gains and losses on financial instruments

	2010	2009
in	Net gains/ (losses)	Net gains/ (losses)
Financial instruments (CHF million)		
Interest-bearing deposits with banks	11 ¹	0
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	1,901 ¹	1,363 ¹
Other trading assets	46 ²	262 ²
Other investments	(225) ³	998 ³
of which related to credit risk	(2)	0
Loans	1,065 ¹	7,976 ²
of which related to credit risk	707	5,255
Other assets	5,896 ²	1,458 ¹
of which related to credit risk	589	549
Due to banks and customer deposits	(27) ²	(9) ¹
of which related to credit risk	0	2
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	(471) ¹	(1,421) ¹
Short-term borrowings	(51) ²	(778) ²
of which related to credit risk ⁴	1	6
Long-term debt	(6,313) ²	(9,729) ²
of which related to credit risk ⁴	166	(3,705)
Other liabilities	(232) ²	1,299 ²
of which related to credit risk	(97)	1,125

¹ Primarily recognized in net interest income. ² Primarily recognized in trading revenues. ³ Primarily recognized in other revenues. ⁴ Changes in fair value related to credit risk is due to the change in the Bank's own credit spreads. Other changes in fair value are attributable to changes in foreign currency exchange rates and interest rates, as well as movements in the reference price or index for structured notes.

Fair value, unfunded commitments and term of redemption conditions

end of 2010	Non- redeemable	Redeemable	Total fair value	Unfunded commit- ments
Fair value and unfunded commitments (CHF million)				
Debt funds	0	29	29	0
Equity funds	36	6,340 ¹	6,376	0
Equity funds sold short	0	(109)	(109)	0
Total funds held in trading assets and liabilities	36	6,260	6,296	0
Debt funds	20	330	350	234
Equity funds	8	219	227	0
Others	5	252	257	0
Hedge funds	33	801 ²	834	234
Debt funds	12	0	12	19
Equity funds	3,277	0	3,277	1,052
Real estate funds	322	0	322	223
Others	759	0	759	214
Private equity	4,370	0	4,370	1,508
Equity method investments	1,183	0	1,183	0
Total funds held in other investments	5,586	801	6,387	1,742
Total fair value	5,622 ³	7,061 ⁴	12,683	1,742 ⁵

¹ 47% of the redeemable fair value amount of equity funds is redeemable on demand with a notice period of less than 30 days, 22% is redeemable on a monthly basis with a notice period primarily of less than 30 days and 16% is redeemable on an annual basis with a notice period primarily of more than 60 days. ² 51% of the redeemable fair value amount of hedge funds is redeemable on a quarterly basis with a notice period primarily of more than 60 days, 22% is redeemable on demand with a notice period of less than 30 days and 17% is redeemable on a monthly basis with a notice period primarily of more than 30 days. ³ Includes CHF 2,399 million attributable to noncontrolling interests. ⁴ Includes CHF 95 million attributable to noncontrolling interests. ⁵ Includes CHF 641 million attributable to noncontrolling interests.

Fair value, unfunded commitments and term of redemption conditions (continued)

end of 2009	Non-redeemable	Redeemable	Total fair value	Unfunded commitments
Fair value and unfunded commitments (CHF million)				
Debt funds	29	65	94	0
Equity funds	120	8,002 ¹	8,122	0
Equity funds sold short	0	(45)	(45)	0
Total funds held in trading assets and liabilities	149	8,022	8,171	0
Debt funds	189	650	839	0
Equity funds	0	205	205	0
Real estate funds	0	129	129	0
Others	1	486	487	0
Hedge funds	190	1,470 ²	1,660	0
Debt funds	18	0	18	22
Equity funds	3,547	35	3,582	1,648
Real estate funds	251	0	251	85
Others	722	0	722	222
Private equity	4,538	35	4,573	1,977
Equity method investments	1,526	16	1,542	0
Total funds held in other investments	6,254	1,521	7,775	1,977
Total fair value	6,403 ³	9,543	15,946	1,977 ⁴

¹ 40% of the redeemable fair value amount of equity funds is redeemable on demand with a notice period of less than 30 days, 38% is redeemable on a monthly basis with a notice period primarily of more than 30 days and 13% is redeemable on an annual basis with a notice period of more than 60 days. ² 61% of the redeemable fair value amount of hedge funds is redeemable on a quarterly basis with a notice period of more than 60 days, 23% is redeemable on an annual basis with a notice period of more than 60 days and 9% is redeemable on demand with a notice period of less than 30 days. ³ Includes CHF 2,631 million attributable to noncontrolling interests. ⁴ Includes CHF 803 million attributable to noncontrolling interests.

Carrying value and estimated fair values of financial instruments

end of	2010		2009	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets (CHF million)				
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	220,708	220,708	208,378	208,378
Securities received as collateral	42,100	42,100	37,371	37,371
Trading assets	321,256	321,256	331,307	331,307
Investment securities	6,331	6,331	9,190	9,190
Loans	200,748	203,346	221,452	223,586
Other financial assets ¹	191,893	191,931	178,810	178,866
Financial liabilities (CHF million)				
Due to banks and deposits	311,442	311,436	308,778	308,767
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	168,394	168,394	191,587	191,587
Obligation to return securities received as collateral	42,100	42,100	37,371	37,371
Trading liabilities	133,937	133,937	134,875	134,875
Short-term borrowings	19,516	19,516	6,058	6,058
Long-term debt	171,140	169,942	156,676	156,257
Other financial liabilities ²	122,801	122,801	129,199	129,199

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.

33 Assets pledged or assigned

end of	2010	2009
Assets pledged or assigned (CHF million)		
Book value of assets pledged or assigned as collateral	163,535	220,194
of which assets provided with the right to sell or repledge	112,030	145,032
Fair value of collateral received with the right to sell or repledge	357,618	335,764
of which sold or repledged	308,316	300,807
Other information (CHF million)		
Cash and securities restricted under foreign banking regulations	16,090	13,501
Swiss National Bank required minimum liquidity reserves	1,883	1,617

For further information, refer to *Note 34 – Assets pledged or assigned in V – Consolidated financial statements – Credit Suisse Group*.

34 Capital adequacy

The Bank is subject to regulation by the Swiss Financial Market Supervisory Authority (FINMA). The capital levels of the Bank are subject to qualitative judgments by regulators, including FINMA, about the components of capital, risk weightings and other factors. The Bank operates under the international capital adequacy standards known as Basel II set forth by the Basel Committee on Banking Supervision as implemented by FINMA (Basel II “Swiss Finish”). These standards affect the measurement of both risk-weighted assets and eligible capital. The Bank has based its capital adequacy calculations on US GAAP, as permitted by FINMA Circular

2008/34. FINMA has advised the Bank that it may continue to include as tier 1 capital CHF 3.1 billion and CHF 4.4 billion of equity from SPEs which are deconsolidated under US GAAP as of December 31, 2010 and 2009, respectively.

As of December 31, 2010 and 2009, the Bank was adequately capitalized under the regulatory provisions outlined under both FINMA and the Bank for International Settlements (BIS) guidelines.

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

BIS statistics

end of	2010	2009
Risk-weighted assets (CHF million)		
Credit risk	147,516	154,982
Non-counterparty risk	6,819	6,547
Market risk	18,008	17,011
Operational risk	33,663	32,013
Risk-weighted assets	206,006	210,553
Eligible capital (CHF million)		
Core tier 1 capital	24,721	23,078
Tier 1 capital	35,310	34,695
Tier 2 capital	12,259	11,625
Total eligible capital	47,569	46,320
Capital ratios (%)		
Core tier 1 ratio	12.0	11.0
Tier 1 ratio	17.1	16.5
Total capital ratio	23.1	22.0

Broker-dealer operations

Certain Bank broker-dealer subsidiaries are also subject to capital adequacy requirements. As of December 31, 2010 and 2009, 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, 2010 and 2009, the Bank was not subject to restrictions on its ability to pay the proposed dividends.

35 **Litigation**

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

36 **Significant subsidiaries and equity method investments****Significant subsidiaries**

Equity interest in %	Company name	Domicile	Currency	Nominal capital in million
as of December 31, 2010				
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 (México), S.A.	Mexico City, Mexico	MXN	1,016.7
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	Casa de Bolsa Credit Suisse (México), S.A. de C.V.	Mexico City, Mexico	MXN	274.1
100	CJSC Bank Credit Suisse (Moscow)	Moscow, Russia	USD	37.8
100	Column Financial, Inc.	Salt Lake City, United States	USD	0.0
100	Credit Suisse (Australia) Limited	Sydney, Australia	AUD	34.1
100	Credit Suisse (Brasil) Distribuidora de Títulos e Valores Mobiliários S.A.	São Paulo, Brazil	BRL	5.0
100	Credit Suisse (Brasil) S.A. Corretora de Títulos e Valores Mobiliários	São Paulo, Brazil	BRL	98.4
100	Credit Suisse (Deutschland) Aktiengesellschaft	Frankfurt, Germany	EUR	130.0
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	3,809.9
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 Asset Finance Limited	George Town, Cayman Islands	CHF	0.0
100	Credit Suisse Asset Management (UK) Holding Limited	London, United Kingdom	GBP	144.2
100	Credit Suisse Asset Management Fund Service (Luxembourg) S.A.	Luxembourg, Luxembourg	CHF	1.5
100	Credit Suisse Asset Management Funds (UK) Limited	London, United Kingdom	GBP	15.5
100	Credit Suisse Asset Management Funds AG	Zurich, Switzerland	CHF	7.0
100	Credit Suisse Asset Management Funds S.p.A. S.G.R.	Milan, Italy	EUR	5.0
100	Credit Suisse Asset Management Holding Europe (Luxembourg) S.A.	Luxembourg, Luxembourg	CHF	32.6
100	Credit Suisse Asset Management Immobilien Kapitalanlagegesellschaft mbH	Frankfurt, Germany	EUR	6.1
100	Credit Suisse Asset Management International Holding Ltd	Zurich, Switzerland	CHF	20.0
100	Credit Suisse Asset Management Investments Ltd	Zurich, Switzerland	CHF	0.1
100	Credit Suisse Asset Management Limited	London, United Kingdom	GBP	45.0
100	Credit Suisse Asset Management, LLC	Wilmington, United States	USD	924.9
100	Credit Suisse Capital (Guernsey) I Limited	St. Peter Port, Guernsey	USD	0.0
100	Credit Suisse Capital Funding, Inc.	Wilmington, United States	USD	0.0
100	Credit Suisse Capital LLC	Wilmington, United States	USD	737.6

Significant subsidiaries (continued)

Equity interest in %	Company name	Domicile	Currency	Nominal capital in million
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 Finance (Guernsey) Limited	St. Peter Port, Guernsey	USD	0.2
100	Credit Suisse Finance (India) Private Limited	Mumbai, India	INR	1,050.1
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 Fund Management S.A.	Luxembourg, Luxembourg	CHF	0.3
100	Credit Suisse Holdings (Australia) Limited	Sydney, Australia	AUD	3.0
100	Credit Suisse Holdings (USA), Inc.	Wilmington, United States	USD	4,184.7
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	85.3
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	894.3
100	Credit Suisse Principal Investments Limited	George Town, Cayman Islands	JPY	3,324.0
100	Credit Suisse Private Equity, Inc.	Wilmington, United States	USD	0.0
100	Credit Suisse PSL GmbH	Zurich, Switzerland	CHF	0.0
100	Credit Suisse Securities (Canada), Inc.	Toronto, Canada	CAD	3.4
100	Credit Suisse Securities (Europe) Limited	London, United Kingdom	USD	3,527.3
100	Credit Suisse Securities (Hong Kong) Limited	Hong Kong, China	HKD	530.9
100	Credit Suisse Securities (India) Private Limited	Mumbai, India	INR	2,214.8
100	Credit Suisse Securities (Japan) Limited	Tokyo, Japan	JPY	78,100.0
100	Credit Suisse Securities (Johannesburg) (Proprietary) Limited	Johannesburg, South Africa	ZAR	0.0
100	Credit Suisse Securities (Malaysia) Sdn. Bhd.	Kuala Lumpur, Malaysia	MYR	100.0
100	Credit Suisse Securities (Moscow)	Moscow, Russia	RUB	97.1
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	3,503.4
100	CS Non-Traditional Products Ltd.	Nassau, Bahamas	USD	0.1
100	DLJ Capital Corporation	Wilmington, United States	USD	4.0
100	DLJ Mortgage Capital, Inc.	Wilmington, United States	USD	0.0
100	J O Hambro Investment Management Limited	London, United Kingdom	GBP	22.6
100	Merban Equity AG	Zug, Switzerland	CHF	0.1
100	Pearl Investment Management Limited	Nassau, Bahamas	USD	0.1
100	SPS Holding Corporation	Wilmington, United States	USD	0.1
100	Stanton Equity Trading Delaware LLC	Wilmington, United States	USD	0.8
100	Whist Equity Trading LLC	Wilmington, United States	USD	140.4
99	PT Credit Suisse Securities Indonesia	Jakarta, Indonesia	IDR	235,000.0
94 ²	Credit Suisse International	London, United Kingdom	USD	4,389.6
83	Asset Management Finance LLC	Wilmington, United States	USD	341.6
60	Credit Suisse (Qatar) LLC	Doha, Qatar	USD	10.0
58 ³	Credit Suisse (Luxembourg) S.A.	Luxembourg, Luxembourg	CHF	43.0
55	Credit Suisse Saudi Arabia	Riyadh, Saudi Arabia	SAR	210.0
50 ⁴	Credit Suisse Hedging-Griffo Investimentos S.A.	São Paulo, Brazil	BRL	49.2

¹ 43% of voting rights held by Credit Suisse Group AG, Guernsey Branch. ² Remaining 6% held directly by Credit Suisse Group AG. 80% of voting rights and 94% of equity interest held by Credit Suisse AG. ³ 42% of voting rights held directly by Credit Suisse Group AG. ⁴ Controlling interest.

Significant equity method investments

Equity interest in %	Company name	Domicile
as of December 31, 2010		
8 ¹	Absolute Invest Ltd.	Zug, Switzerland
33	Credit Suisse Founder Securities Limited	Beijing, China
25	E.L. & C. Baillieu Stockbroking (Holdings) Pty Ltd	Melbourne, Australia
25	ICBC Credit Suisse Asset Management Co., Ltd.	Beijing, China
21	Aberdeen Asset Management PLC	Aberdeen, United Kingdom
5 ²	York Capital Management	New York, United States

¹ The Bank retains significant influence through Board of Directors representation. ² The Bank acquired a significant noncontrolling interest.

37 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.*

38 Risk assessment

During the reporting period the Board and its Risk Committee performed risk assessments in accordance with established policies and procedures.

The governance of the Bank and the Group, including risk governance, are fully aligned. Each of the Board and the Executive Board are comprised of the same individuals.

For information in accordance with the Swiss Code of Obligations on the risk assessment process followed by the Board, refer to *Note 42 – Risk assessment 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 Chief Executive Officer (CEO) and Chief Financial Officer (CFO), pursuant to Rule 13(a)-15(a) under the Securities Exchange Act of 1934 (the Exchange Act). There are inherent limitations to the effectiveness of any system of controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective controls and procedures can only provide reasonable assurance of achieving their control objectives.

The CEO and CFO concluded that, as of December 31, 2010, the design and operation of the Bank's disclosure controls and procedures were effective, in all material respects, to ensure that information required to be disclosed in reports filed and submitted under the Exchange Act is recorded, processed, summarized and reported as and when required.

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 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, 2010 using the criteria issued by the Committee of Sponsoring Organizations of the Treadway Commission in "Internal Control – Integrated Framework".

Based upon its review and evaluation, management, including the Bank CEO and CFO, has concluded that the Bank's internal control over financial reporting is effective as of December 31, 2010.

KPMG AG, the Bank's independent auditors, have issued an unqualified opinion on the effectiveness of the Bank's internal control over financial reporting as of December 31, 2010, as stated in their report, which follows.

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.



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Report of the Independent Registered Public Accounting Firm to the General Meeting of

Credit Suisse AG, Zurich

We have audited Credit Suisse AG and subsidiaries' (the "Bank") internal control over financial reporting as of December 31, 2010, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Bank's board of directors and management are responsible for maintaining effective internal control over financial reporting and the Bank's management is responsible 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 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.

In our opinion, the Bank maintained, in all material respects, effective internal control over financial reporting as of December 31, 2010, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

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, 2010 and 2009, and the related consolidated statements of operations, changes in equity, comprehensive income and cash flows, and notes thereto, for each of the years in the three-year period ended December 31, 2010, and our report dated March 24, 2011 expressed an unqualified opinion on those consolidated financial statements.

KPMG AG

Marc Ufer
 Licensed Audit Expert

Simon Ryder
 Licensed Audit Expert

Zurich, Switzerland
 March 24, 2011