

# VI

## **Parent company financial statements – Credit Suisse Group**

<b>295</b>	<b>Report of the Statutory Auditors</b>
<b>297</b>	<b>Statements of income</b>
<b>298</b>	<b>Balance sheets</b>
<b>299</b>	<b>Notes to the financial statements</b> (see the following page for a detailed list)
<b>310</b>	<b>Proposed appropriation of retained earnings</b>
<b>311</b>	<b>Reports of the Capital Increase Auditors</b>

## Notes to the financial statements

299	1	Accounting principles
299	2	Contingent liabilities
299	3	Compensation and loans to members of the Board of Directors and the Executive Board
307	4	Liabilities due to own pension plans and Credit Suisse Group bonds held by pension plans
307	5	Bonds issued
308	6	Principal participations
308	7	Own shares held by the company and by group companies
308	8	Significant shareholders
309	9	Share capital, conditional and authorized capital of Credit Suisse Group
309	10	Risk assessment



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

**Credit Suisse Group AG, Zurich**

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As statutory auditor, we have audited the financial statements of Credit Suisse Group AG (the "Group"), which comprise the balance sheet, income statement and notes for the year ended December 31, 2008.

*Board of Directors' Responsibility*

The board of directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the Group's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of 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 financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. 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 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 financial statements for the year ended December 31, 2008 comply with Swiss law and the Group's articles of incorporation.

**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 financial statements according to the instructions of the board of directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the Group's articles of incorporation. We recommend that the financial statements submitted to you be approved.

KPMG Klynveld Peat Marwick Goerdeler SA

A handwritten signature in black ink, appearing to be 'P. Rickert', written over a horizontal line.

Philipp Rickert  
*Licensed Audit Expert*  
*Auditor in Charge*

A handwritten signature in black ink, appearing to be 'M. Suppan', written over a horizontal line.

Manfred Suppan  
*Licensed Audit Expert*

Zurich, Switzerland  
March 18, 2009

# Statements of income

in	2008	2007
<b>Income (CHF million)</b>		
Dividend income from investments in group companies	3,428	2,048
Other financial income	566	513
Gain on sale of noncurrent assets	0	8
Other income	123	213
<b>Total income</b>	<b>4,117</b>	<b>2,782</b>
<b>Expenses (CHF million)</b>		
Financial expenses	780	685
Compensation and benefits	(183) <sup>1</sup>	82
Other expenses	192	53
Valuation adjustments, write-offs and provisions	3,387 <sup>2</sup>	223
Tax expense	10	11
<b>Total expenses</b>	<b>4,186</b>	<b>1,054</b>
<b>Net income/(loss)</b>	<b>(69)</b>	<b>1,728</b>

<sup>1</sup> Includes the reversal of deferred compensation recorded in prior periods due to declines in the value of the related awards. <sup>2</sup> Mainly represents losses on treasury shares held for the purpose of future settlement of share-based compensation awards.

# Balance sheets

	Reference to notes	2008	end of 2007
<b>Assets (CHF million)</b>			
Cash with group companies		515	507
Receivables from third parties		32	86
Accrued income and prepaid expenses – third parties		3	35
Accrued income and prepaid expenses – group companies		487	220
<b>Current assets</b>		<b>1,037</b>	<b>848</b>
Investments in group companies	6	34,921	35,316
Long-term loans to third parties		1	1
Long-term loans to group companies		8,184	7,925
Financial investments		814	4,552
<b>Noncurrent assets</b>		<b>43,920</b>	<b>47,794</b>
<b>Total assets</b>		<b>44,957</b>	<b>48,642</b>
<b>Liabilities and shareholders' equity (CHF million)</b>			
Payables to third parties		516	518
Payables to group companies		7,651	5,516
Accrued expenses and deferred income – third parties		77	338
Accrued expenses and deferred income – group companies		115	155
<b>Total short-term liabilities</b>		<b>8,359</b>	<b>6,527</b>
Bonds	5	0	500
Long-term loans from group companies		3,337	3,922
Provisions		322	360
<b>Total long-term liabilities</b>		<b>3,659</b>	<b>4,782</b>
<b>Total liabilities</b>		<b>12,018</b>	<b>11,309</b>
Share capital	9	47	46
General legal reserve		15,852	13,275
Reserve for own shares	7	3,929	8,050
Free reserves		10,500	2,500
Retained earnings brought forward		2,680	11,734
Net income/(loss)		(69)	1,728
Retained earnings		2,611	13,462
<b>Total shareholders' equity</b>		<b>32,939</b>	<b>37,333</b>
<b>Total liabilities and shareholders' equity</b>		<b>44,957</b>	<b>48,642</b>

# Notes to the financial statements

## 1 Accounting principles

The financial statements of the Group Parent company are prepared in accordance with the regulations of the Swiss Code of Obligations and are stated in CHF. The financial year ends on December 31.

## 2 Contingent liabilities

end of	2008	2007
<b>CHF million</b>		
Aggregate indemnity liabilities, guarantees and other contingent liabilities (net of exposures recorded as liabilities)	70,378	91,578
of which have been entered into on behalf of subsidiaries	70,281	91,553

The company belongs to the Swiss value-added tax group of Credit Suisse Group, and thus carries joint liability to the Swiss federal tax authority for value-added tax debts of the entire Group.

## 3 Compensation and loans to members of the Board of Directors and the Executive Board

As required by applicable Swiss law (Article 663b bis and Article 663c, par 3 of the Swiss Code of Obligations), the following disclosure describes compensation paid to and equity holdings of the members of the Board of Directors (Board) and the members of the Executive Board as well as loans granted to this group of people and companies related to them.

### Compensation and loans to members of the Board of Directors

Compensation to members of the Board of Directors is set in accordance with the AoA and the Compensation Committee Charter. The annual compensation paid to members of the Board of Directors is set by the Board of Directors based on the recommendation of the Compensation Committee. Compensation for members of the Board of Directors with no functional duties (nine individuals) is in the form of cash (35%) and registered Group shares (65%), which are blocked for a period of four years.

Members of the Board of Directors with functional, non-executive duties (four individuals) receive fixed and variable compensation for their services set by the Board of Directors. With the exception of the Chairman of the Board of Directors, the variable compensation for the other three individuals, as it relates to their services as chairman of a board committee, is not directly dependent on the performance of the Group but on personal performance and time commitment. Such compensation is paid in the form of cash and registered Group shares, blocked for a period of four years.

By compensating Board of Directors members to a significant degree in the form of blocked Group shares, the Group ensures alignment of their interests with the interests of its shareholders. The value of the shares held by the Group's Board of Directors members as of year-end 2008 decreased 58% since the beginning of the year.

## Compensation for the members of the Board of Directors

	Fixed cash compensation	Variable cash compensation	Total cash portion	% of total compensation	Value of share awards	% of total compensation	Other compensation categories <sup>1</sup>	Total compensation	Number of shares <sup>2</sup>
<b>2008/2009 (in CHF)</b>									
Walter B. Kielholz, Chairman <sup>3</sup>	2,000,000	–	2,000,000	99%	–	–	24,000	2,024,000	–
Hans-Ulrich Doerig, Vice-Chairman and Chairman of the Risk Committee <sup>3</sup>	750,000	1,062,500	1,812,500	62%	1,062,500	37%	26,796	2,901,796	38,623
Peter Brabeck-Letmathe, Vice-Chairman <sup>4</sup>	175,000	–	175,000	35%	325,000	65%	–	500,000	5,794
Thomas W. Bechtler <sup>4</sup>	122,500	–	122,500	35%	227,500	65%	–	350,000	4,056
Robert H. Benmosche <sup>4</sup>	122,500	–	122,500	35%	227,500	65%	–	350,000	4,056
Noreen Doyle <sup>4</sup>	140,000	–	140,000	35%	260,000	65%	–	400,000	4,635
Jean Lanier <sup>4</sup>	140,000	–	140,000	35%	260,000	65%	–	400,000	4,635
Anton van Rossum <sup>4</sup>	122,500	–	122,500	35%	227,500	65%	–	350,000	4,056
Aziz R.D. Syriani, Chairman of the Compensation Committee <sup>3</sup>	350,000	172,500	522,500	70%	227,500	30%	–	750,000	8,270
David W. Syz <sup>4</sup>	140,000	–	140,000	35%	260,000	65%	–	400,000	4,635
Ernst Tanner <sup>4</sup>	122,500	–	122,500	35%	227,500	65%	–	350,000	4,056
Richard E. Thornburgh <sup>4</sup>	122,500	–	122,500	35%	227,500	65%	–	350,000	4,056
Peter F. Weibel, Chairman of the Audit Committee <sup>3</sup>	400,000	795,000	1,195,000	66%	600,000	33%	10,000	1,805,000	21,811
<b>Total</b>	<b>4,707,500</b>	<b>2,030,000</b>	<b>6,737,500</b>	<b>62%</b>	<b>4,132,500</b>	<b>38%</b>	<b>60,796</b>	<b>10,930,796</b>	<b>108,683</b>

<sup>1</sup> Other compensation included lump sum expenses and child and health care allowances. <sup>2</sup> The value of the shares is included in total compensation. Shares are subject to a four-year blocking period. <sup>3</sup> Members of the Board with functional duties received a base fee paid in cash. In addition, they may receive variable compensation paid in cash and/or shares as determined by the Board in the course of the regular management compensation process. The applicable Credit Suisse Group share price was CHF 27.51. <sup>4</sup> Members of the Board without functional, non-executive duties are paid an annual fee in advance for the period from one AGM to the other, i.e., from April 25, 2008 to April 24, 2009. The fee is paid in Credit Suisse Group shares (65%) and cash (35%). The applicable Credit Suisse Group share price was CHF 56.10.

	Fixed cash compensation	Variable cash compensation	Total cash portion	% of total compensation	Value of share awards	% of total compensation	Other compensation categories <sup>1</sup>	Total compensation	Number of shares <sup>2</sup>
<b>2007/2008 (in CHF)</b>									
Walter B. Kielholz, Chairman <sup>4</sup>	2,000,000	6,500,000	8,500,000	58%	6,100,000	42%	24,000	14,624,000	104,363
Hans-Ulrich Doerig, Vice-Chairman and Chairman of the Risk Committee <sup>4</sup>	750,000	2,125,000	2,875,000	57%	2,125,000	42%	27,381	5,027,381	36,356
Peter Brabeck-Letmathe, Vice-Chairman <sup>3</sup>	87,500	–	87,500	35%	162,500	65%	–	250,000	1,715
Thomas W. Bechtler <sup>3</sup>	122,500	–	122,500	35%	227,500	65%	–	350,000	2,400
Robert H. Benmosche <sup>3</sup>	122,500	–	122,500	35%	227,500	65%	–	350,000	2,400
Noreen Doyle <sup>3</sup>	140,000	–	140,000	35%	260,000	65%	–	400,000	2,743
Jean Lanier <sup>3</sup>	140,000	–	140,000	35%	260,000	65%	–	400,000	2,743
Anton van Rossum <sup>3</sup>	122,500	–	122,500	35%	227,500	65%	–	350,000	2,400
Aziz R.D. Syriani, Chairman of the Compensation Committee <sup>4</sup>	350,000	172,500	522,500	70%	227,500	30%	–	750,000	3,892
David W. Syz <sup>3</sup>	140,000	–	140,000	35%	260,000	65%	–	400,000	2,743
Ernst Tanner <sup>3</sup>	122,500	–	122,500	35%	227,500	65%	–	350,000	2,400
Richard E. Thornburgh <sup>3</sup>	122,500	–	122,500	35%	227,500	65%	–	350,000	2,400
Peter F. Weibel, Chairman of the Audit Committee <sup>4</sup>	400,000	795,000	1,195,000	66%	600,000	33%	10,000	1,805,000	10,266
<b>Total</b>	<b>4,620,000</b>	<b>9,592,500</b>	<b>14,212,500</b>	<b>56%</b>	<b>11,132,500</b>	<b>44%</b>	<b>61,381</b>	<b>25,406,381</b>	<b>176,821</b>

<sup>1</sup> Other compensation includes lump sum expenses and child and health care allowances. <sup>2</sup> The value of the shares is included in total compensation. <sup>3</sup> Fees for members of the Board without functional, non-executive duties are paid in advance for the period from one AGM to the other, i.e., from May 4, 2007 to April 25, 2008. The applicable Credit Suisse Group share price was CHF 94.80. <sup>4</sup> Variable compensation elements for members of the Board with functional duties are determined by the Board in the course of the regular management compensation process. The applicable Credit Suisse Group share price was CHF 58.45.

### 2008 total compensation of the Chairman of the Board of Directors

In light of the Group's 2008 performance, the Chairman of the Board of Directors was not awarded variable compensation for 2008.

### Additional fees and compensation

Two former members of the Board of Directors are eligible to receive office infrastructure and secretarial support. These services are based on existing resources and are not used on a regular basis.

No additional fees, severance payments or forms of compensation were paid to current or former members of the Board of Directors or related parties during 2008.

### Share and option holdings of members of the Board of Directors

The holdings as disclosed below include the holdings of the respective member of the Board of Directors, their close family members and companies where they have a controlling interest.

#### Share holdings by individual

end of	2008	2007
<b>Number of shares<sup>1</sup></b>		
Walter B. Kielholz, Chairman	451,642	347,279
Hans-Ulrich Doerig, Vice-Chairman and Chairman of the Risk Committee	117,016	137,341
Peter Brabeck-Letmathe, Vice-Chairman	92,951	51,657
Thomas W. Bechtler	36,573	32,517
Robert H. Benmosche	23,321	24,614
Noreen Doyle	19,838	15,203
Jean Lanier	15,927	11,292
Anton van Rossum	26,832	19,376
Aziz R.D. Syriani, Chairman of the Compensation Committee	48,383	44,490
David W. Syz	67,480	62,845
Ernst Tanner	42,389	38,333
Richard E. Thornburgh <sup>2</sup>	92,500	88,444
Peter F. Weibel, Chairman of the Audit Committee	29,215	18,949
<b>Total</b>	<b>1,064,067</b>	<b>892,340</b>

<sup>1</sup> Includes shares that are subject to a blocking period of up to four years. <sup>2</sup> Richard E. Thornburgh was also granted 98,935 PIP I units in his former position as a member of the Executive Board.

#### Option holdings by individual

December 31, 2008 and 2007	Richard E. Thornburgh	Hans-Ulrich Doerig	Expiry date	Exercise price in CHF
<b>Year of grant</b>				
2002	–	75,000	December 3, 2012	34.10
2001	215,116	97,792	January 25, 2011	84.75
2000	100,000	100,000	March 1, 2010	74.00
<b>Total</b>	<b>315,116</b>	<b>272,792</b>	<b>–</b>	<b>–</b>

Credit Suisse's policy is to compensate members of the Board with Credit Suisse Group shares. Option holdings were acquired by the named individuals in their previous capacities as members of senior management. As of December 31, 2008, none of the members of the Board hold options purchased from personal funds.

## Loans to members of the Board of Directors

end of	2008		2007	
	Balance	Whereof loans to related parties <sup>1</sup>	Balance	Whereof loans to related parties <sup>1</sup>
<b>December 31 (in CHF)</b>				
Walter B. Kielholz, Chairman	2,000,000	–	2,000,000	–
Hans-Ulrich Doerig, Vice-Chairman	2,800,000	–	3,000,000	–
Peter Brabeck-Letmathe, Vice-Chairman	5,312,500	–	4,561,700	–
Thomas W. Bechtler	8,450,000	3,950,000	8,450,000	3,950,000
Robert H. Benmosche	–	–	73,863	–
David W. Syz	1,500,000	1,500,000	1,500,000	1,500,000
Ernst Tanner	3,550,000	–	5,050,000	–
Richard E. Thornburgh	121,312	–	70,750	–
<b>Total</b>	<b>23,733,812</b>	<b>5,450,000</b>	<b>24,706,313</b>	<b>5,450,000</b>

<sup>1</sup> Includes loans to close family members and companies where the respective member of the Board has a controlling interest.

A large majority of loans outstanding to members of the Board of Directors are mortgages or loans against securities. Such loans are made on the same terms available to third-party customers. As of December 31, 2008, 2007 and 2006, outstanding loans to the members of the Board of Directors amounted to CHF 24 million, CHF 25 million and CHF 32 million, respectively.

Members of the Board of Directors are not granted employee conditions on any loans extended to them, but such loans are subject to conditions applied to customers with a comparable credit standing. In addition to loans listed above, the Group or any of its banking subsidiaries have entered into financing and other banking agreements with companies in which current members of the Board of Directors have a significant influence as defined by the SEC. As of December 31, 2008, 2007 and 2006, the total exposure to such related parties amounted to CHF 6 million, CHF 8 million and CHF 4 million, respectively, including all advances and contingent liabilities, and was in the ordinary course of business and granted at arm's length. The highest exposure to such related parties for any of the years in the three-year period ended December 31, 2008 did not exceed CHF 10 million in aggregate.

The Group, together with its subsidiaries, is a global financial services provider and, in particular, has major corporate banking operations in Switzerland. The Group, therefore, typically has relationships with many large companies including those in which its Board of Directors members assume management functions or board member responsibilities. All relationships between the Group or its banking subsidiaries and members of the Board of Directors and their affiliated compa-

nies are in the ordinary course of business and at arm's length.

### Executive compensation

#### The Group's approach to executive compensation

In line with the Group's overall approach to compensation, its executive compensation policies are designed to promote a long-term focus by its executives in all their actions, attract executives of the highest quality and foster retention by rewarding them for superior performance and to motivate them for outstanding performance in the future. In addition, compensation should encourage strong teamwork and a meaningful alignment with the Group's strategic goals and the interests of its shareholders.

Furthermore, and in support of the above objectives, the Compensation Committee established a variable compensation pool framework for the Executive Board, including the CEO, which is linked directly to the Group's performance. The variable compensation pool was used to define the total amount available for variable compensation payments, which were then delivered in cash, CRA, deferred share-based compensation and PAF awards. At the beginning of the year, a target variable compensation pool for this executive population was set assuming specific, pre-defined Group financial and non-financial performance goals would be achieved in 2008. At the conclusion of the year, the Compensation Committee performed an assessment versus those goals and then modified the size of the available pool based on actual results. The final variable compensation pool was then distributed to the members of the Executive Board based on business performance, individual contributions and competitive compensation levels.

The performance criteria used in this framework of determining the size of the total variable compensation pool for the Executive Board included the following:

- the financial performance of the Group adjusted for extraordinary items compared to the strategic business plan;
- assessment of delivery of defined non-financial targets in relation to the Group's strategy;
- consideration of the Group's performance against the performance of its peer companies;
- measurement against market information of companies with similar scope and complexity; and
- measurement of shareholder satisfaction, assessed by reviewing objective data regarding the Group's financial performance, with a focus on revenue growth, pre-tax margin growth, return on equity and earnings per share.

This approach is designed to assess performance in relation to the delivery of the strategic plan and satisfaction of the expectations of shareholders.

#### **Executive compensation components**

In line with the Group's overall approach, executive compensation consists of a fixed salary and a variable compensation component. Salaries for members of the Executive Board are reviewed annually. The annual variable compensation component usually represents the most significant part of an executive's total compensation package and varies from year to year, depending on the executive's performance. Part of the variable compensation is awarded in cash and CRA and part in share-based and other awards. As a matter of policy, share-based awards usually represent a material portion of each executive's compensation and are subject to vesting, holding and future service requirements.

#### **The Group's executive compensation in 2008**

Executive compensation for 2008 was based on the general approach set out above. As in previous years, members of the Executive Board participated in the Group-wide share-based compensation plan and received ISUs and, in some cases, PAF awards. This participation is designed to ensure that executive compensation is in line with the Group's overall approach to compensation. The mandatory deferral amount of the total variable compensation was based on the approved share plan deferral schedule.

In 2008, 33% of the compensation paid to members of the Executive Board was paid based on contractual obligations. Across the whole Executive Board (15 individuals including those members who joined or left the Executive Board during 2008 and were accounted for on a pro-rata basis) 10% of total compensation was paid as salaries, 7% as cash, 10% as CRA, 29% as share-based and PAF awards and 11% as other compensation.

Compensation for the individual Executive Board members considers personal contribution in their respective areas of responsibility, but also reflects the negative financial performance in 2008 as well as the negative share price development. While certain commitments were made to individuals who joined the Executive Board, those who served throughout both 2007 and 2008 received no variable unrestricted cash compensation for 2008, and the total value of discretionary awards granted to them in 2008 was 76% lower than comparable awards and variable compensation for 2007. The CEO and the CEO Investment Banking were not awarded any variable compensation or other discretionary awards for 2008. Executive Board members also saw the value of their outstanding equity awards drop by more than 80% over the course of 2008.

## Compensation for the members of the Executive Board

	Base salary	Variable cash compensation	CRA (restricted variable compensation) <sup>1</sup>	Total cash portion	Value of share-based and other awards	Pension and similar benefits and other benefits <sup>2</sup>	Dividend equivalents <sup>3</sup>	Total compensation excluding contractual agreements	Payments and awards due to contractual agreements	Total compensation
<b>2008 (in CHF million, except where indicated)</b>										
15 individuals <sup>4</sup>	10.62	7.00	9.72	<b>27.34</b>	25.50 <sup>5</sup>	3.75	7.56	<b>64.15</b>	42.56 <sup>6</sup>	<b>106.71</b>
% of total compensation	10%	7%	9%	26%	24%			60%	40%	
of which joiners, leavers and Executive Board members with contractual agreements (7 individuals)										
	3.51	7.00	–	<b>10.51</b>	8.00	1.02	1.74	<b>21.27</b>	42.56	<b>63.83</b>
% of total compensation	5%	11%		16%	13%			33%	67%	
of which other Executive Board members (8 individuals)										
	7.11	–	9.72	<b>16.83</b>	17.50	2.73	5.82	<b>42.88</b>	–	<b>42.88</b>
% of total compensation	17%		23%	39%	41%			100%		
of which CEO:										
Brady W. Dougan	1.25	–	–	<b>1.25</b>	–	0.03	1.58	<b>2.86</b>	–	<b>2.86</b>
% of total compensation	44%			44%				100%		
of which highest paid:										
Kai S. Nargolwala <sup>7</sup>	0.72	–	–	<b>0.72</b>	–	0.66	0.41	<b>1.79</b>	19.04	<b>20.83</b>
% of total compensation	3%			3%				9%	91%	

<sup>1</sup> CRA are subject to pro-rata repayment over two years if the recipient voluntarily terminates employment with Credit Suisse. <sup>2</sup> Other benefits consist of housing allowances, lump sum expenses and child allowances. <sup>3</sup> ISUs carry the right to an annual payment equal to the dividend of a registered Credit Suisse Group share. The dividend equivalents disclosed were paid in respect of awards granted in prior years. <sup>4</sup> Includes pro-rata compensation paid to Messrs. Blumer, Körner, Philipp and Sanzone who left Credit Suisse during 2008 and Mr. Meister who joined Credit Suisse during 2008. <sup>5</sup> Share-based and other awards include 0.4 million ISUs, each of which has a base component and a leverage component. The fair value of the base component was CHF 23.70 and the fair value of the leverage component was CHF 6.98. The total fair value of each ISU was CHF 30.68. In addition, they also include 0.1 million other share-based awards and PAF awards with a grant value of CHF 3.9 million. No variable compensation was paid to Messrs. Dougan or Calello. <sup>6</sup> Payments and awards due to contractual agreements with recently hired Executive Board members include cash payments of CHF 14.5 million, CRA of CHF 4.2 million, Credit Suisse Group shares with a fair value at grant of CHF 3.5 million, ISUs with a fair value at grant of CHF 15.8 million and other awards of CHF 4.6 million. Most of the contractually agreed payments and awards compensate the recipients for compensation elements forfeited at previous employers. <sup>7</sup> Details to the compensation paid to Mr. Nargolwala are provided in the text.

	Base salary	Variable cash compensation	Total cash portion	Value of share-based and other awards	Payments and awards due to contractual agreements <sup>1</sup>	Pension and similar benefits and other benefits <sup>2</sup>	Dividend equivalents	Total compensation
<b>2007 (in CHF million, except where indicated)</b>								
13 individuals <sup>3</sup>		10.70	31.30	<b>42.00</b>	93.60 <sup>4</sup>	21.60	1.50	3.40
% of total compensation		7%	19%	26%	58%	13%		
of which highest paid:								
Brady W. Dougan		1.25	2.15	<b>3.40</b>	17.90	–	0.01	0.97
% of total compensation		6%	10%	15%	80%			

<sup>1</sup> Includes Credit Suisse Group shares with a fair value at grant of CHF 3.6 million, ISUs with a fair value at grant of CHF 11.0 million and PIP II awards of CHF 7.0 million. <sup>2</sup> Other benefits consist of housing allowances, lump sum expenses and child allowances. <sup>3</sup> Includes pro-rata compensation paid to Mr. Grübel who left Credit Suisse during 2007 and Mr. Shafir, who joined Credit Suisse during 2007. <sup>4</sup> Share-based awards include 1.4 million ISUs, each of which has a base component and a leverage component. The fair value of the base component was CHF 54.90 and the fair value of the leverage component was CHF 10.69. The total fair value of each ISU was CHF 65.59. The remainder refers to other share based awards.

### 2008 total compensation of the highest paid member of the Executive Board

The highest paid member of the Executive Board in 2008 was Kai S. Nargolwala, CEO Asia Pacific. Mr. Nargolwala was hired from Standard Chartered Bank in 2007 and joined Credit Suisse effective January 1, 2008. His compensation arrangement for 2008 was contractually agreed at the time of his hiring. His total compensation contained a significant element that was directed at compensating him for a part of the share-based awards granted to him by his previous employer and his 2007 variable compensation, which he forfeited upon joining Credit Suisse. Mr. Nargolwala's compensation amounted to CHF 20.8 million and was comprised of his salary of CHF 0.7 million, a cash payment of CHF 13.5 million, Group shares with a grant value of CHF 3.2 million, ISUs with a grant value of CHF 2.2 million, other awards with a grant value of CHF 0.15 million and other compensation (pension and similar ben-

efits, dividend equivalents and other benefits) of CHF 1 million.

### Additional fees and compensation

Two former members of the Group's most senior executive body are eligible to receive office infrastructure and secretarial support. These services are based on existing resources and are not used on a regular basis.

No additional fees, severance payments or forms of compensation were paid to current or former members of the most senior executive body or related parties during 2008.

### ISU, PIP unit, share and share option holdings of members of the Executive Board

The holdings disclosed include the holdings of the respective members of the Executive Board, their close family members and companies where they have a controlling interest.

## Units by individual

	Number of vested shares	Number of unvested shares	Number of ISUs <sup>1</sup>	Number of options	Number of PIP I units	Number of PIP II units
<b>December 31, 2008</b>						
Brady W. Dougan	296,727	99,211	408,154	408,400	271,898	78,102
Walter Berchtold	92,591	26,042	299,297	–	130,401	104,167
Paul Calello	411,856	61,093	316,001	241,184	142,937	57,063
D. Wilson Ervin	44,483	11,127	105,379	–	44,210	66,761
Renato Fassbind	14,496	10,417	96,555	–	20,746	41,667
Tobias Guldemann	67,542	5,209	51,461	31,640	17,782	20,834
Hans-Ulrich Meister	20,000	5,160	27,109	–	–	–
Kai S. Nargolwala	23,192	114,286	8,000	–	–	2,500
Urs Rohner	19,326	13,889	151,642	–	35,564	55,556
Robert Shafir	33,843	22,521	77,306	–	–	71,213
Eric Varvel	17,901	56,958	317,087	–	75,343	56,953
<b>Total</b>	<b>1,041,957</b>	<b>425,913</b>	<b>1,857,991</b>	<b>681,224</b>	<b>738,881</b>	<b>554,816</b>
<b>December 31, 2007</b>						
Brady W. Dougan	191,016	156,673	202,928	408,400	271,898	78,102
Walter Berchtold	181,668	26,042	92,765	–	130,401	104,167
David J. Blumer	36,027	17,362	66,675	–	71,497	69,445
Paul Calello	335,190	95,481	126,830	241,184	142,937	57,063
D. Wilson Ervin	29,158	11,957	43,485	–	44,210	66,671
Renato Fassbind	–	10,417	43,484	–	20,746	41,667
Tobias Guldemann	59,810	5,209	23,192	31,640	17,782	20,834
Ulrich Körner	89,669	16,494	66,675	59,668	77,055	65,973
Michael G. Philipp	38,786	44,035	77,910	–	99,627	44,507
Urs Rohner	–	13,889	57,978	–	35,564	55,556
Thomas J. Sanzone	61,488	17,793	47,109	–	–	44,507
Robert Shafir	–	45,042	115,959	–	–	71,213
<b>Total</b>	<b>1,022,812</b>	<b>460,394</b>	<b>964,990</b>	<b>740,892</b>	<b>911,717</b>	<b>719,705</b>

<sup>1</sup> Reflects the vesting of prior year grants, which were granted in January.

## Option holdings by individual

December 31, 2008 and 2007	Brady W. Dougan	Paul Calello	Tobias Guldimann	Expiry date	Exercise price in CHF
<b>Year of grant</b>					
2002 <sup>1</sup>	–	–	–	January 31, 2012	65.75
2001 <sup>1</sup>	368,400	241,184	15,640	January 25, 2011	84.75
2000 <sup>1</sup>	40,000	–	16,000	March 1, 2010	74.00
<b>Total</b>	<b>408,400</b>	<b>241,184</b>	<b>31,640</b>	–	–

All options on shares were granted as part of the previous years' compensation. As of December 31, 2008 and 2007, none of the members of the Executive Board hold options purchased from personal funds.

<sup>1</sup> Included 15,000, 24,668 and 20,000 options for 2002, 2001 and 2000, respectively, held by Ulrich Körner, who has left the Group.

### Loans to members of the Executive Board

A large majority of loans outstanding to members of the Executive Board are mortgages or loans against securities. Such loans are made on the same terms available to third-party customers or pursuant to widely available employee benefit plans. As of December 31, 2008, 2007 and 2006, outstanding loans to the members of the Executive Board amounted to CHF 24 million, CHF 22 million and CHF 17 million, respectively. The number of individuals with outstanding loans at the beginning and the end of the year was eight and seven, respectively, and the highest loan outstanding was CHF 8.6 million to Walter Berchtold.

All mortgage loans to members of the Executive Board are granted either with variable or fixed interest rates over a certain period. Typically, fixed-rate mortgages are granted for periods of up to ten years. Interest rates applied are based on refinancing costs plus a margin and interest rates and other terms are consistent with those applicable to other employees. Loans against securities are granted at interest rates and on terms applicable to such loans granted to other employees. Interest rates applied are based on refinancing costs plus a margin. When granting a loan to these individuals, the same credit approval and risk assessment procedures apply as for loans to other employees.

## 4 Liabilities due to own pension plans and Credit Suisse Group bonds held by pension plans

end of	2008	2007
<b>CHF million</b>		
Total liabilities	32	0

## 5 Bonds issued

end of	Maturity date	2008	2007
<b>CHF million</b>			
3.5% bonds 1998	September 15, 2008	–	500
3.5% bonds 1999	July 2, 2009	500	500

Bonds with a maturity of less than one year are recorded as payables to third parties.

## 6 Principal participations

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The company's principal participations are shown in Note 38 – Significant subsidiaries and associates in V – Consolidated financial statements – Credit Suisse Group.

## 7 Own shares held by the company and by group companies

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	2008		2007	
	Share equivalents	CHF million	Share equivalents	CHF million
<b>At beginning of financial year</b>				
Physical holdings <sup>1</sup>	141,834,285	10,437	152,394,952	12,451
Holdings, net of pending obligations	46,470,767	3,943	42,515,942	3,084
<b>At end of financial year</b>				
Physical holdings <sup>1</sup>	20,743,620	591	141,834,285	10,437
Holdings, net of pending obligations	(465,500)	(13)	46,470,767	3,943

<sup>1</sup> Representing 1.8%, 12.2% and 12.5% of issued shares as of December 31, 2008, 2007 and 2006, respectively.

## 8 Significant shareholders

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On October 16, 2008, Credit Suisse Group AG announced that it raised additional tier 1 capital from a small group of investors. In connection with this announcement, Qatar Holding LLC, a company controlled by the Qatar Investment Authority, reported on October 22, 2008 that it now holds 99.8 million shares, or 8.90%, of the registered shares in Credit Suisse Group AG.

The Group was informed through disclosure notifications on September 19 and 20, 2006 that AXA S.A.'s holdings was 84.7 million shares, or 6.98%, of the registered shares in Credit Suisse Group AG. No further notification from AXA has been received as of December 31, 2008.

For further information on own shares, refer to Note 7 – Own shares held by the company and by group companies.

## 9 Share capital, conditional and authorized capital of Credit Suisse Group

	No. of registered shares	Par value in CHF	No. of registered shares	Par value in CHF
Share capital as of December 31, 2007			1,162,462,140	46,498,486
<b>Issued capital</b>				
Cancellation of shares			(49,700,000)	(1,988,000)
<b>Conditional capital</b>				
Warrants and convertible bonds				
AGM of May 4, 2007	50,000,000	2,000,000		
Subscriptions in October 2008 <sup>1</sup>	(49,576,036)	(1,983,041)	49,576,036	1,983,041
<b>Remaining capital</b>	423,964	16,959		
Staff shares				
AGM of May 4, 2007	96,509,721	3,860,389		
Subscriptions in 2007	–	–		
Subscriptions in 2008	(13,682,380)	(547,296)	13,682,380	547,296
<b>Remaining capital</b>	82,827,341	3,313,093		
Staff shares (Donaldson, Lufkin & Jenrette option programs)				
AGM of May 4, 2007	7,290,153	291,606		
Subscriptions in 2007	(1,389,127)	(55,565)		
Subscriptions in 2008	(189,885)	(7,595)	189,885	7,595
<b>Remaining capital</b>	5,711,141	228,446		
<b>Authorized capital</b>				
Acquisitions of companies/participations				
AGM of May 4, 2007	45,480,000	1,819,200		
Acquisition Asset Management Finance Corporation in August 2008	(8,425,212)	(337,008)	8,425,212	337,008
<b>Remaining capital</b>	37,054,788	1,482,192		
<b>Share capital as of December 31, 2008</b>			<b>1,184,635,653</b>	<b>47,385,426</b>

<sup>1</sup> In connection with the issuance of mandatory convertible bonds by Credit Suisse Group Finance (Guernsey) Ltd.

## 10 Risk assessment

For information on the company's risk assessment in accordance with the Swiss Code of Obligations, refer to Note 42 – Risk assessment in V – Consolidated financial statements – Credit Suisse Group.

# Proposed appropriation of retained earnings

end of	<b>2008</b>
<b>Retained earnings (CHF million)</b>	
Retained earnings brought forward	2,680
Net loss	(69)
<b>Retained earnings available for appropriation</b>	<b>2,611</b>
Dividend	
CHF 0.10 per registered share of CHF 0.04 par value (1,184,635,653 registered shares eligible for dividend as of December 31, 2008)	118
To be carried forward	2,493
<b>Total</b>	<b>2,611</b>

The number of registered shares eligible for dividend at the dividend payment date may change due to the issuance of new registered shares.



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Confirmation to the Board of Directors relating to the Conditional Capital Increase of

**Credit Suisse Group AG, Zurich**

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We have been engaged to audit the issuance of shares for the period from 1 January 2008 to 31 December 2008 in accordance with the resolutions passed by the General Meetings of Shareholders of 29 September 2000 and 25 April 2003 in accordance with article 653f para. 1 CO.

It is the responsibility of the Board of Directors to execute the issuance of new shares in accordance with the Group's Articles of Association. Our responsibility is to examine whether the issuance of new shares was done in accordance with Swiss law and the Group's Articles of Association. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our examination was conducted in accordance with Swiss Auditing Standards, which require that our examination be planned and performed to obtain reasonable assurance about whether the issuance of new shares is free from material misstatement. We have performed the procedures deemed necessary under the circumstances and believe that our audit provides a reasonable basis for our opinion.

In our opinion the issuance of 63,448,301 registered shares with a nominal value of CHF 0.04 each and a total nominal value of CHF 2,537,932.04, is in agreement with Swiss law and the Group's Articles of Association.

KPMG Klynveld Peat Marwick Goerdeler SA

Philipp Rickert  
*Auditor in Charge*

Manfred Suppan

Zurich, 28 January 2009



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**Confirmation to the Board of Directors relating to the Authorized Increase  
of Share Capital of**

**Credit Suisse Group AG, Zurich**

We have been engaged to audit the share capital increase report submitted by you dated 26 August 2008 in accordance with article 652f para. 1 CO.

This share capital increase report is the responsibility of the board of directors. Our responsibility is to express an opinion whether this share capital increase report is complete and accurate based on our audit. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

Our audit was conducted in accordance with Swiss Auditing Standards, which require that an audit be planned and performed to obtain reasonable assurance about whether the share capital increase report is free of material misstatement. We have performed the procedures deemed necessary under the circumstances and believe that our audit provides a reasonable basis for our opinion.

In our opinion, the share capital increase report is complete and accurate.

Zurich, 26 August 2008

BDO Visura

Markus Eugster

Swiss Certified Accountant

Jürg Caspar

Swiss Certified Accountant