

**Credit Suisse Group**  
Quarterly Report 2006/Q1



## Credit Suisse Group financial highlights

in CHF m, except where indicated	1Q2006	4Q2005	1Q2005	Change in % from 4Q2005	Change in % from 1Q2005
<b>Consolidated statements of income</b>					
Net revenues	21,779	14,138	16,897	54	29
Income from continuing operations before taxes, minority interests, extraordinary items and cumulative effect of accounting changes	4,781	1,686	2,833	184	69
Net income	2,604	1,103	1,910	136	36
<b>Return on equity</b>					
Return on equity – Group	24.4%	11.2%	20.6%	–	–
Return on equity – Banking	27.4%	10.8%	22.9%	–	–
Return on equity – Insurance	15.0%	11.4%	12.0%	–	–
<b>Earnings per share</b>					
Basic earnings per share, in CHF	2.31	0.98	1.64	–	–
Diluted earnings per share, in CHF	2.21	0.95	1.63	–	–
<b>Cost/income ratio – Banking</b>	<b>68.4%</b>	78.9%	70.9%	–	–
<b>Net new assets, in CHF bn</b>	<b>31.1</b>	7.8	15.4	–	–

in CHF m, except where indicated	31.03.06	31.12.05	Change in % from 31.12.05
<b>Assets under management, in CHF bn</b>			
	1,553.6	1,484.3	4.7
<b>Consolidated balance sheets</b>			
Total assets	1,433,621	1,339,052	7
Shareholders' equity	42,630	42,118	1
<b>Consolidated BIS capital data</b>			
Risk-weighted assets	248,116	232,891	7
Tier 1 ratio	10.8%	11.3%	–
Total capital ratio	13.5%	13.7%	–
<b>Number of employees</b>			
Switzerland – Banking	20,026	20,194	(1)
Switzerland – Insurance	5,878	5,928	(1)
Outside Switzerland – Banking	23,621	24,370	(3)
Outside Switzerland – Insurance	12,994	13,031	0
<b>Number of employees (full-time equivalents)</b>	<b>62,519</b>	63,523	(2)
<b>Stock market data</b>			
Share price per registered share, in CHF	73.15	67.00	9
High (closing price) year-to-date, in CHF	78.45	68.50	15
Low (closing price) year-to-date, in CHF	68.25	46.85	46
Share price per American Depositary Share, in USD	55.86	50.95	10
Market capitalization, in CHF m	80,900	75,399	7
Market capitalization, in USD m	61,778	57,337	8
Book value per share, in CHF	38.55	37.43	3
<b>Share information</b>			
Shares issued	1,247,752,166	1,247,752,166	0
Treasury shares	(141,809,733)	(122,391,983)	16
<b>Shares outstanding</b>	<b>1,105,942,433</b>	1,125,360,183	(2)

## Financial calendar

Second quarter results 2006	Wednesday, August 2, 2006
Third quarter results 2006	Thursday, November 2, 2006

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# Message from the Chief Executive Officer



**Oswald J. Grübel**  
Chief Executive Officer  
Credit Suisse Group

## Dear shareholders, clients and colleagues

The first quarter of 2006 provided an excellent environment in which to start operating as an integrated global bank. Positive market sentiment translated into strong client activity across our Investment Banking, Private Banking and Asset Management segments, and we were well positioned to benefit from favorable trading conditions.

Credit Suisse Group delivered record net income of CHF 2.6 billion in the first quarter, up 36% from the same period of last year. The Group's return on equity was 24.4%, with a return on equity of 27.4% in the banking business and 15.0% in the insurance business.

We realigned our reporting structure following the launch of the integrated global bank on January 1, 2006. Our banking business now comprises three segments: Investment Banking, Private Banking and Asset Management. We are presenting our results according to this new structure for the first time.

In the first quarter we achieved strong growth in terms of both net revenues and net income. To ensure we can sustain this progress, we will focus on the development of our integrated business model, which places our clients at the center of all that we do and enables us to capitalize on our integrated global platform. Our plan is to grow our revenues both by creating synergies between our banking businesses and by expanding our global presence. In addition, we have identified opportunities to improve our productivity and implement a more efficient cost structure.

Investment Banking achieved a record result. This performance reflected a high level of client activity in a favorable market environment. Net revenues grew by 44% and income from continuing operations before taxes increased 68% to CHF 1.6 billion compared to the first quarter of 2005. We saw a strong performance in our emerging markets businesses, particularly in Asia and Latin America. While our focus on clients translated into sound revenue growth, we still see further potential to improve our productivity, increase revenues and reduce expenses. Our strategy is geared towards achieving global growth by further expanding our geographic footprint with a focus on key client segments.

Private Banking produced an excellent result in the first quarter with income from continuing operations before taxes of CHF 1.3 billion, as we benefited from very strong client activity and market momentum. Net revenues grew by 22% compared to the first quarter of 2005, primarily reflecting a significant increase in commissions and fees. Private Banking continued to invest in its international expansion with a particular focus on the dynamic markets in Asia, the Middle East and Eastern Europe, which are experiencing high levels of wealth creation. International growth in Private Banking is of central importance to the overall strategy of Credit Suisse. Private Banking recorded CHF 14.8 billion of net new assets in the first quarter. This strong asset generation was mainly driven by inflows from Switzerland, Europe and the Americas, representing an annualized growth rate of 7.1%.

Asset Management brings together our Group-wide expertise in traditional and alternative asset management. The business includes equity and fixed-income products as well as multi-asset class solution products that provide a range of balanced portfolio investments and services to institutional and private clients. In addition, Asset Management includes private equity, hedge funds, real estate, indexed products and funds of funds. With alternative assets under management of CHF 124.3 billion as of March 31, 2006, we are a global leader in these types of products. During the first quarter of 2006, Asset Management recorded income from continuing operations before taxes of CHF 234 million, representing an increase of 13% from the first quarter of 2005. Net revenues grew by 23%, driven primarily by stronger asset management revenues and higher private equity gains. Net new asset inflows totaled CHF 17.0 billion in the first quarter.

Winterthur, our insurance segment, confirmed the strength of its underlying business, delivering further operational improvements and recording double-digit growth in total business volume, while reducing total operating expenses. Its income from continuing operations before taxes totaled CHF 505 million, up 21% from the same period of last year. Gross premiums written improved 7% to CHF 10,657 million and total business volume rose 11%, driven mainly by the strong development in the Life & Pensions business, which reported an 18% increase in total business volume versus the first quarter of 2005. In the Life & Pensions business, the expense ratio improved by 1.6 percentage points to 4.2%. In the Non-Life business, the combined ratio improved by 3.2 percentage points to 93.5%.

I am very pleased with our performance in the first three months of 2006. However, Credit Suisse is capable of delivering more. In addition to focusing on the needs of our clients, we will exploit revenue synergies, improve productivity and concentrate on cost efficiency in order to deliver sustained profitable growth. Through these targeted efforts, we will continue to build a bank that is committed to providing our clients with the best products and advice and to creating value for our shareholders.

### **Outlook**

Global growth looks set to continue through 2007. We do not expect interest rates to increase substantially before the end of the year. We expect a stable US dollar against major currencies.

Yours sincerely

**Oswald J. Grübel**  
May 2006

# Credit Suisse Group

Credit Suisse Group recorded net income of CHF 2,604 million in the first quarter of 2006, an increase of CHF 694 million, or 36%, from net income of CHF 1,910 million in the first quarter of 2005. All segments reported an improvement in income from continuing operations before taxes compared to the first quarter of 2005, driven largely by positive market conditions, strong trading volume and a continued favorable credit environment.

## Summary of segment results

### Banking

#### Investment Banking

Investment Banking reported income from continuing operations before taxes of CHF 1,564 million in the first quarter of 2006, an increase of CHF 632 million, or 68%, compared to the first quarter of 2005. Net revenues increased 44%, with all key business areas reporting stronger revenues as a result of positive market conditions and continued progress in delivering a more focused franchise. Total operating expenses increased 38%, largely reflecting higher performance-related compensation in line with the improved results.

Investment Banking reported pre-tax income margin of 27.2% compared to 23.3% in the first quarter of 2005, and 7.7% in the fourth quarter of 2005. The compensation/revenue ratio was 53.5% in the first quarter of 2006, a decline from the full-year 2005 level of 55.5%.

#### Private Banking

Private Banking reported income from continuing operations before taxes of CHF 1,308 million in the first quarter of 2006, an increase of CHF 334 million, or 34%, compared to CHF 974 million in the first quarter of 2005. Net revenues increased 22% from the first quarter of 2005 to CHF 3,110 million mainly driven by commissions and fees, which benefited from a high level of brokerage and product-issuing fees, supported by strong client activity.

Operating expenses increased 14% from the first quarter of 2005, primarily as a result of higher performance-related compensation, commission expense and international growth initiatives in the Wealth Management business.

Private Banking's cost/income ratio declined to 58.2% in the first quarter of 2006, compared to 62.3% in the first quarter of 2005, as revenue growth exceeded the increase in expenses. Pre-tax income margin improved to 42.1% in the first quarter of 2006 compared to 38.4% in the first quarter of 2005.

Net new assets amounted to CHF 14.8 billion compared to CHF 14.1 billion in the first quarter of 2005.

#### Asset Management

Asset Management reported income from continuing operations before taxes of CHF 234 million in the first quarter of 2006, an increase of CHF 26 million, or 13%, compared to the first quarter of 2005. The increase of 23% in net revenues compared to the first quarter of 2005 reflected increases in asset management revenues and higher private equity gains.

Operating expenses increased 28% compared to the first quarter of 2005, reflecting higher performance-related compensation and other expenses. Pre-tax income margin was 31.0% in the first quarter of 2006 compared to 33.9% in the first quarter of

2005. Assets under management increased to CHF 619.6 billion as of March 31, 2006 from CHF 589.4 billion as of December 31, 2005, reflecting CHF 17.0 billion in net new assets and CHF 13.2 billion in market and foreign exchange-related movements.

**Insurance**

**Winterthur**

Winterthur continued to improve its performance, reporting income from continuing operations before taxes of CHF 505 million in the first quarter of 2006, an increase of 21% compared to the first quarter of 2005. This growth was the result of stronger operating results in both the Life & Pensions and Non-Life businesses.

Gross premiums written increased 7% and total business volume rose 11% over the first quarter of 2005, primarily as a result of growth in life premiums. The expense ratio for the Life & Pensions business declined to 4.2% in the first quarter of 2006 from 5.8% in the first quarter of 2005 as a result of decreased expenses and increased business volume. The combined ratio for the Non-Life business improved to 93.5%, compared to 96.7% in the first quarter of 2005, due to favorable claims development.

**Credit Suisse Group structure**

Effective January 1, 2006, Credit Suisse Group aligned its organizational structure to its new strategic orientation, which is to focus on banking and to hold its insurance business as a financial investment. As a result of this realignment, the Group's banking business consists of three lines of business: Investment Banking, Private Banking and Asset Management. The newly integrated global bank was launched on January 1, 2006 and operates under a single Credit Suisse brand.

As an integrated bank, Credit Suisse is committed to delivering its combined experience and expertise to clients by drawing on its tradition of innovation across businesses and regions. With global segments dedicated to investment banking, private banking and asset management, Credit Suisse can now provide more comprehensive solutions for its clients, create synergies for revenue growth, increase efficiencies and grow shareholder

value. A new regional structure will enable Credit Suisse to better leverage its resources and to develop cross-segmental strategies that span the Americas, Asia-Pacific, Europe, Middle East and Africa (EMEA) and Switzerland.

The Group's segments are managed and reported on a pre-tax basis. Minority interest-related revenues and expenses resulting from the consolidation of certain private equity funds and other entities in which the Group does not have a significant economic interest in such revenues and expenses are reported in the Corporate Center. Net income is unaffected by the consolidation of these entities due to offsetting minority interests.

Prior period results presented in this Quarterly Report have been revised to reflect the operational and management structure in place during 2006.



The following tables set forth an overview of segment results:

1Q2006, in CHF m	Investment Banking	Private Banking	Asset Management	Total Banking	Winterthur	Corporate Center <sup>1)</sup>	Credit Suisse Group
<b>Net revenues</b>	<b>5,757</b>	<b>3,110</b>	<b>756</b>	<b>9,623</b>	<b>10,915</b>	<b>1,241</b>	<b>21,779</b>
Policyholder benefits, claims and dividends	–	–	–	–	9,358	14	<b>9,372</b>
Provision for credit losses	(55)	(8)	2	<b>(61)</b>	1	0	<b>(60)</b>
<b>Total benefits, claims and credit losses</b>	<b>(55)</b>	<b>(8)</b>	<b>2</b>	<b>(61)</b>	<b>9,359</b>	<b>14</b>	<b>9,312</b>
Insurance underwriting, acquisition and administration expenses	–	–	–	–	998	0	<b>998</b>
Banking compensation and benefits	3,080	1,071	261	<b>4,412</b>	–	60	<b>4,472</b>
Other expenses	1,168	739	259	<b>2,166</b>	48	(3)	<b>2,211</b>
Restructuring charges	0	0	0	<b>0</b>	5	0	<b>5</b>
<b>Total operating expenses</b>	<b>4,248</b>	<b>1,810</b>	<b>520</b>	<b>6,578</b>	<b>1,051</b>	<b>57</b>	<b>7,686</b>
<b>Income from continuing operations before taxes, minority interests, extraordinary items and cumulative effect of accounting changes</b>	<b>1,564</b>	<b>1,308</b>	<b>234</b>	<b>3,106</b>	<b>505</b>	<b>1,170 <sup>2)</sup></b>	<b>4,781</b>

1Q2005, in CHF m	Investment Banking	Private Banking	Asset Management	Total Banking	Winterthur	Corporate Center <sup>1)</sup>	Credit Suisse Group
<b>Net revenues</b>	<b>3,994</b>	<b>2,539</b>	<b>614</b>	<b>7,147</b>	<b>9,485</b>	<b>265</b>	<b>16,897</b>
Policyholder benefits, claims and dividends	–	–	–	–	7,984	0	<b>7,984</b>
Provision for credit losses	(19)	(16)	0	<b>(35)</b>	(2)	1	<b>(36)</b>
<b>Total benefits, claims and credit losses</b>	<b>(19)</b>	<b>(16)</b>	<b>0</b>	<b>(35)</b>	<b>7,982</b>	<b>1</b>	<b>7,948</b>
Insurance underwriting, acquisition and administration expenses	–	–	–	–	1,026	3	<b>1,029</b>
Banking compensation and benefits	2,135	906	225	<b>3,266</b>	–	30	<b>3,296</b>
Other expenses	946	675	181	<b>1,802</b>	58	(69)	<b>1,791</b>
Restructuring charges	0	0	0	<b>0</b>	1	(1)	<b>0</b>
<b>Total operating expenses</b>	<b>3,081</b>	<b>1,581</b>	<b>406</b>	<b>5,068</b>	<b>1,085</b>	<b>(37)</b>	<b>6,116</b>
<b>Income from continuing operations before taxes, minority interests, extraordinary items and cumulative effect of accounting changes</b>	<b>932</b>	<b>974</b>	<b>208</b>	<b>2,114</b>	<b>418</b>	<b>301 <sup>3)</sup></b>	<b>2,833</b>

<sup>1)</sup> Includes consolidation eliminations, revenues and expenses from certain parent company investments and certain other revenues and expenses not allocated to the segments. <sup>2)</sup> Includes minority interest income of CHF 1,275 million from the consolidation of certain private equity funds and other entities in which the Group does not have a significant economic interest in such income. <sup>3)</sup> Includes minority interest income of CHF 272 million from the consolidation of certain private equity funds and other entities in which the Group does not have a significant economic interest in such income.

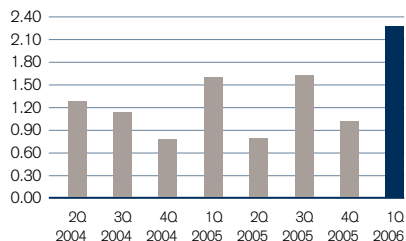
The following table presents the Group's condensed consolidated statement of income:

in CHF m	Credit Suisse Group		
	1Q2006	1Q2005	Change in % from 1Q2005
<b>Net revenues</b>	<b>21,779</b>	16,897	29
Policyholder benefits, claims and dividends	<b>9,372</b>	7,984	17
Provision for credit losses	<b>(60)</b>	(36)	67
<b>Total benefits, claims and credit losses</b>	<b>9,312</b>	7,948	17
Insurance underwriting, acquisition and administration expenses	<b>998</b>	1,029	(3)
Banking compensation and benefits	<b>4,472</b>	3,296	36
Other expenses	<b>2,211</b>	1,791	23
Restructuring charges	<b>5</b>	0	–
<b>Total operating expenses</b>	<b>7,686</b>	6,116	26
<b>Income from continuing operations before taxes, minority interests, extraordinary items and cumulative effect of accounting changes</b>	<b>4,781</b>	2,833	69
Income tax expense/(benefit)	<b>860</b>	627	37
Minority interests	<b>1,316</b>	301	337
<b>Income from continuing operations</b>	<b>2,605</b>	1,905	37
Income/(loss) from discontinued operations, net of tax	<b>23</b>	(9)	–
Extraordinary items, net of tax	<b>(24)</b>	0	–
Cumulative effect of accounting changes, net of tax	<b>0</b>	14	–
<b>Net income</b>	<b>2,604</b>	1,910	36

## Credit Suisse Group consolidated results

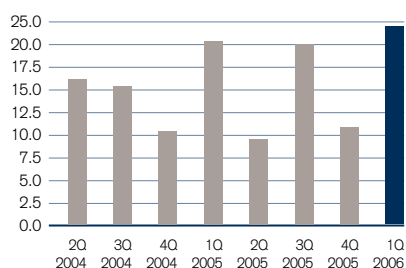
### Basic earnings per share

in CHF



### Return on equity

in %



Credit Suisse Group recorded net income of CHF 2,604 million in the first quarter of 2006, an increase of CHF 694 million, or 36%, from net income of CHF 1,910 million in the first quarter of 2005. Basic earnings per share increased 41% to CHF 2.31 compared to the first quarter of 2005. The return on equity in the first quarter of 2006 was 24.4% compared to 20.6% in the first quarter of 2005.

### Net revenues

The Group reported net revenues of CHF 21,779 million, an increase of CHF 4,882 million, or 29%, compared to the first quarter of 2005.

Net interest income was CHF 2,870 million in the first quarter of 2006, a decrease of CHF 178 million, or 6%, compared to the first quarter of 2005. This was driven largely by a decrease in Investment Banking of CHF 268 million, or 26%, due mainly to higher interest rates on deposits and long-term debt, which was partially offset by increased interest and dividend income in other segments as a result of the improved market environment.

Commissions and fees increased CHF 1,034 million, or 32%, reflecting significant increases in both underwriting and advisory and other fees in Investment Banking due to increased market activity. In addition, Private Banking reported an increase in commission and fees due to increased client activity and higher assets under management.

Trading revenues increased CHF 2,483 million, or 136%, to CHF 4,311 million, reflecting significant increases in both fixed income and equity trading revenues in Investment Banking. In addition, trading revenues in Winterthur were higher primarily due to market appreciation on assets backing unit-linked policies, which was credited to policyholder accounts.

Net realized gains/(losses) from investment securities decreased CHF 63 million, or 15%, to CHF 358 million as a result of lower realized gains at Winterthur.

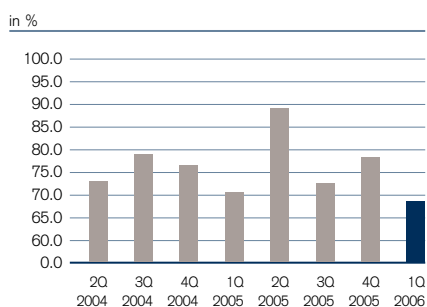
Insurance net premiums earned increased CHF 608 million, or 8%, to CHF 8,204 million, compared to the first quarter of 2005, due primarily to the growth in the group life business in Switzerland.

Other revenues were CHF 1,765 million in the first quarter of 2006 compared to CHF 767 million in the first quarter of 2005. Other revenues in the first quarter of 2006 included CHF 1,284 million of minority interest revenues from consolidated private equity funds and other entities in which the Group does not have a significant economic interest in such revenues.

### Total benefits, claims and credit losses

The Group reported a net release in provisions for credit losses of CHF 60 million in the first quarter of 2006 compared to a net release of CHF 36 million in the first quarter of 2005. This was largely due to a net release of CHF 55 million in Investment Banking, reflecting the continued favorable credit environment.

Compared to the first quarter of 2005, policyholder benefits, claims and dividends increased CHF 1,388 million, or 17%, to CHF 9,372 million. Investment income on unit-linked policies credited to policyholders' accounts increased CHF 731 million. Higher traditional premium income resulted in an increase in provisions for policyholder benefits of CHF 506 million. An increase in dividends to policyholders of CHF 151 million, or 33%, was mainly driven by the improved results in the group life business in Switzerland.

**Cost/income ratio – banking****Total operating expenses**

The Group reported total operating expenses of CHF 7,686 million in the first quarter of 2006, an increase of CHF 1,570 million, or 26%, compared to the first quarter of 2005.

Insurance underwriting, acquisition and administration expenses were CHF 998 million, a decrease of CHF 31 million, or 3%, compared to the first quarter 2005, primarily reflecting lower amortization of deferred policy acquisition costs (DAC) and present value of future profits (PVFP).

Banking compensation and benefits increased CHF 1,176 million, or 36%, to CHF 4,472 million, primarily attributable to higher performance-related compensation, mainly in the Investment Banking and Private Banking segments, in line with the stronger results. For further details on share-based compensation expense, see “Notes to the condensed consolidated financial statements – unaudited – New accounting pronouncements.”

Other expenses amounted to CHF 2,211 million, an increase of CHF 420 million, or 23%, as a result of higher commission expenses due to higher activity levels, and costs associated with the branding implementation and related advertising costs. Compared to the fourth quarter of 2005, other expenses decreased CHF 518 million, or 19%. Other expenses in the fourth quarter of 2005 reflected integration costs associated with the Group’s organizational realignment.

**Income tax expense**

The Group recorded income tax expense of CHF 860 million compared to CHF 627 million in the first quarter of 2005, an increase of CHF 233 million, or 37%, reflecting the Group’s improved results.

The Group tax expense is not impacted by minority interest revenues and expenses from consolidated private equity and other entities in which the Group does not have a significant economic interest in such revenues and expenses. The amount of non-taxable income relating to these entities varies from one period to the next and in the first quarter of 2006 amounted to CHF 1,275 million. The Group’s effective tax rate in the first quarter of 2006 was 18.0%. Excluding the effect of non-taxable income from these investments, the Group’s effective tax rate in the first quarter of 2006 was 24.5%. The Group’s effective tax rate in the first quarter of 2005 was 22.1% and 24.5% excluding the effect of non-taxable income of CHF 272 million.

**Minority interests**

Credit Suisse Group’s net revenues and operating expenses reflect the consolidation of certain private equity funds and other entities in which the Group does not have a significant economic interest in such revenues and expenses. The consolidation of these entities does not affect net income as the amounts recorded in net revenues and expenses are offset by corresponding amounts reported as minority interests. This minority interest income, which amounted to CHF 1,275 million in the first quarter of 2006, is reported in the Corporate Center.

Minority interests were CHF 1,316 million in the first quarter of 2006, an increase of CHF 1,015 million compared to the first quarter of 2005. This increase was primarily due to revenues from certain private equity funds and other entities that were consolidated for the first time during the first quarter of 2006. For further details see “Notes to the condensed consolidated financial statements – unaudited – New accounting pronouncements.”

### Discontinued operations

Income from discontinued operations of CHF 23 million was reported in the first quarter of 2006, resulting mainly from the sale of Winterthur's Canadian subsidiary, Citadel General Assurance Company. In March 2006, Winterthur announced the sale of part of its Swiss health care business to Sanitas, subject to regulatory approval, and this business is included in discontinued operations.

## Factors affecting results of operations

The market environment in the first quarter of 2006 was highly favorable, with improved conditions compared to the fourth quarter of 2005. Global equity markets had a strong quarter amid general investor optimism, despite persistently high energy prices and campaigns to raise interest rates by the central banks of the three largest economies. The Dow Jones Industrial Average recovered from its drop at the end of 2005, breaking a three-year streak of first-quarter declines. The S&P also performed well, while the NASDAQ composite index had its best first quarter since 2000.

European stocks maintained their strong run from 2005 into the quarter, helped by the strengthening Euro and increased merger activity. The Swiss Market Index increased 6% during the quarter. Most Asian markets kept up last year's robust pace, though stocks in Japan declined in the beginning of the year but rebounded toward the end of the quarter.

The US economy did not show any evident signs of slowing, with healthy employment expansion and other economic data indicating continued strength. The US Federal Reserve continued to raise short-term interest rates at a measured pace. Both the Swiss National Bank and the European Central Bank also raised rates in the quarter. The Bank of Japan indicated its intention to increase rates for the first time in five years, creating investor anxiety over the potential ripple effects that stricter monetary policy could have on global markets.

Favorable trading conditions were observed in the quarter with a substantial increase in new issue activity, as well as positive trends in the commodities markets.

Industry-wide volume of announced mergers and acquisitions was higher than the first quarter of 2005, with financial sponsors continuing to play a major role. The volume of announced mergers and acquisitions was nearly triple the quarterly totals reached in 2002, when a cautious business climate brought deal-making to a halt. Europe, which typically trails the US in announced mergers and acquisitions dollar volumes, accounted for 40% of total quarterly volumes, almost double the European deal level in the same period of 2005.

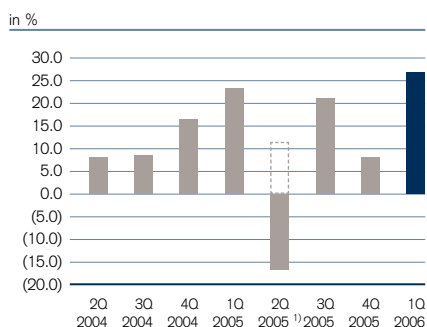
Equity underwriting continued to be strong, with an increase in industry-wide equity capital markets activity compared to the first quarter of 2005 largely driven by financial sponsors and the technology sector. Global initial public offering underwriting volumes marked the best first quarter since 2000 and were generally driven by non-US issuers.

Industry-wide volumes for debt issuance increased compared to the first quarter of 2005 and to the prior quarter. Global investment grade debt underwriting reached record volumes in the quarter, while high-yield debt underwriting recovered from relatively low volumes in the previous three quarters, benefiting from strong global mergers and acquisitions activity.

# Investment Banking

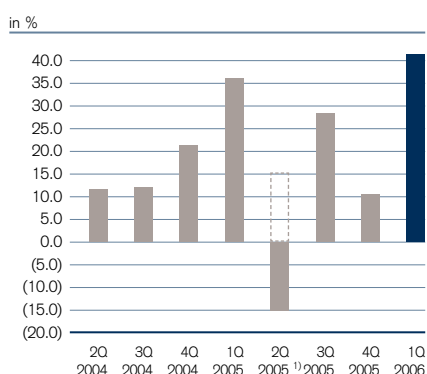
Investment Banking provides financial advisory, lending and capital raising services and sales and trading to institutional, corporate and government clients worldwide.

## Pre-tax income margin



Investment Banking reported record income from continuing operations before taxes of CHF 1,564 million in the first quarter of 2006, an increase of CHF 632 million, or 68%, compared to the first quarter of 2005. Net revenues were at a record level of CHF 5,757 million, up 44% compared to the first quarter of 2005, reflecting higher revenues in all key business areas. Total operating expenses increased 38% compared to the first quarter of 2005, driven primarily by increased compensation accruals in line with improved results. The strengthening of the average rate of the US dollar against the Swiss franc by 11% from the first quarter of 2005 favorably impacted revenues and adversely affected expenses. These strong first quarter results reflect a highly favorable market environment as well as continued progress toward the Investment Banking strategy to deliver a more focused franchise.

## Pre-tax return on average economic risk capital



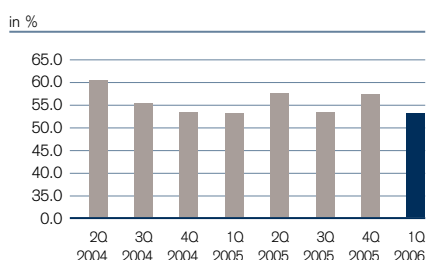
Pre-tax income margin for the first quarter of 2006 increased to 27.2% from 23.3% in the first quarter of 2005 and 7.7% in the fourth quarter of 2005. Pre-tax return on average economic risk capital (ERC) was 42.0% compared to 35.8% in the first quarter of 2005 and 10.3% in the fourth quarter of 2005.

Net revenues were CHF 5,757 million in the first quarter of 2006, up CHF 1,763 million, or 44%, compared to the first quarter of 2005, reflecting a 63% increase in investment banking revenues and a 52% increase in trading revenues. These results reflected the improving franchise and a favorable market environment during the quarter. Net revenues increased 54% from the fourth quarter of 2005, due primarily to significant increases in trading revenues.

Provision for credit losses amounted to a release of CHF 55 million in the first quarter of 2006, reflecting the continued favorable credit environment for lenders. This compares to a credit release of CHF 19 million in the first quarter of 2005. Compared to December 31, 2005, total impaired loans increased CHF 69 million to CHF 581 million but remained stable as a percentage of total loans, and valuation allowances as a percentage of total impaired loans decreased 14.7 percentage points to 76.1% as of March 31, 2006.

<sup>1)</sup> Excluding the charge to increase the reserve for certain private litigation of CHF 960 million.

## Compensation/revenue ratio



Total operating expenses were CHF 4,248 million in the first quarter of 2006, up CHF 1,167 million, or 38%, versus the first quarter of 2005. Compensation and benefits increased CHF 945 million, or 44%, due primarily to increased compensation accruals in line with improved results. Consistent with its commitment to improve the cost/income ratio over time, Investment Banking had a compensation/revenue ratio of 53.5% in the first quarter of 2006, a decline from the full-year 2005 level of 55.5%. For information on share-based compensation expense, see "Notes to the condensed consolidated financial statements – unaudited – New accounting pronouncements." Other expenses increased CHF 222 million, or 23%, from the first quarter of 2005, reflecting higher professional fees and costs associated with the branding implementation and related advertising costs. Total operating expenses increased 23% compared to the fourth quarter of 2005, due primarily to higher compensation accruals. This was offset in part by a CHF 158 million reduction in other expenses compared to the fourth quarter of 2005. The cost/income ratio declined to 73.8% in the first quarter of 2006 from 77.1% in the first quarter of 2005 and 92.7% in the fourth quarter of 2005. Improved productivity and the achievement of sustainable, long-term cost/income ratio reductions remain a priority for Investment Banking.

The following table presents the results of the Investment Banking segment:

in CHF m	1Q2006	4Q2005	1Q2005	Change in % from 4Q2005	Change in % from 1Q2005
<b>Net interest income</b>	<b>748</b>	421	1,016	78	(26)
Commissions and fees	<b>1,942</b>	1,984	1,327	(2)	46
Trading revenues and realized gains/(losses) from investment securities, net	<b>2,943</b>	1,203	1,484	145	98
Other revenues	<b>124</b>	127	167	(2)	(26)
<b>Total noninterest revenues</b>	<b>5,009</b>	3,314	2,978	51	68
<b>Net revenues</b>	<b>5,757</b>	3,735	3,994	54	44
<b>Provision for credit losses</b>	<b>(55)</b>	(13)	(19)	323	189
Compensation and benefits	<b>3,080</b>	2,136	2,135	44	44
Other expenses	<b>1,168</b>	1,326	946	(12)	23
<b>Total operating expenses</b>	<b>4,248</b>	3,462	3,081	23	38
<b>Income from continuing operations before taxes</b>	<b>1,564</b>	286	932	447	68

Total investment banking revenues include debt underwriting, equity underwriting and advisory and other fees. In the first quarter of 2006, investment banking revenues totaled CHF 1,038 million, up CHF 403 million, or 63%, versus the first quarter of 2005, reflecting significant increases in both underwriting and advisory and other fees. In line with its strategy, Investment Banking continued to build on its industry-leading platform in the emerging markets. Among the many awards received in the quarter, Credit Suisse was named "Best Investment Bank in Latin America" by *Latin Finance* and was recognized for its leadership last year across investment banking products, particularly in the competitive equity underwriting market. This award provided further confirmation of Credit Suisse's momentum in the region and commitment to providing best-in-class products throughout the emerging markets and globally.

Debt underwriting revenues in the first quarter of 2006 were CHF 456 million, up CHF 185 million, or 68%, compared to the first quarter of 2005. These results reflect higher revenues in leveraged finance, asset-backed securities and investment grade capital markets, with global industry-wide investment grade debt underwriting reaching record volumes and high-yield debt underwriting recovering from lower volumes in the three previous quarters, benefiting from strong global mergers and acquisitions activity. For the first quarter of 2006, Credit Suisse ranked third in global high-yield securities new issuance volumes. The high-yield market continued to be very competitive among the top firms. The overall leveraged finance franchise remained strong and corporate issuance continued the trend seen in 2005 with the shift from high-yield securities to the syndicated loan market. Investment Banking continued to focus on profitability rather than league table rankings in the investment grade capital markets business, consistent with its strategy to focus on high-margin products.

Equity underwriting revenues in the first quarter of 2006 were CHF 249 million, up CHF 110 million, or 79%, compared to the first quarter of 2005, reflecting higher industry-wide equity issuance activity, including higher convertible securities activity, and improved market share. Equity underwriting revenues decreased 27% compared to the strong fourth quarter of 2005, due primarily to lower global industry-wide equity issuances. Credit Suisse ranked third for the first quarter of 2006 in global initial public offering market share. Credit Suisse participated in a number of key equity transactions in the quarter across a broad range of industries and geographies, including a convertible bond issue for Bayer AG and initial public offerings for QinetiQ Group plc (privatization of a UK provider of defense technology and security solutions) and Partners Group (one of the largest independent global alternative asset managers). In addition, Credit Suisse was the sole global coordinator for the privatization of Grupo Aeroportuario del Pacifico, S.A. de C.V. (a network of 12 national airport assets), Mexico's largest initial public offering in fifteen years.

The following table presents the revenue details of the Investment Banking segment:

in CHF m	1Q2006	4Q2005	1Q2005	Change in % from 4Q2005	Change in % from 1Q2005
Debt underwriting	456	394	271	16	68
Equity underwriting	249	343	139	(27)	79
<b>Underwriting</b>	<b>705</b>	<b>737</b>	<b>410</b>	<b>(4)</b>	<b>72</b>
Advisory and other fees	333	448	225	(26)	48
<b>Total investment banking</b>	<b>1,038</b>	<b>1,185</b>	<b>635</b>	<b>(12)</b>	<b>63</b>
Fixed income	2,767	1,566	2,116	77	31
Equity	2,077	1,021	1,066	103	95
<b>Total trading</b>	<b>4,844</b>	<b>2,587</b>	<b>3,182</b>	<b>87</b>	<b>52</b>
Other (including loan portfolio)	(125)	(37)	177	238	–
<b>Net revenues</b>	<b>5,757</b>	<b>3,735</b>	<b>3,994</b>	<b>54</b>	<b>44</b>

Advisory and other fees of CHF 333 million in the first quarter of 2006 were up CHF 108 million, or 48%, compared to the first quarter of 2005, which was negatively impacted by lower announced transaction volumes in late 2004 and the timing of fees. Advisory and other fees declined 26% compared to the fourth quarter of 2005, due primarily to lower industry-wide completed mergers and acquisitions activity and lower market share. Credit Suisse ranked eleventh in global announced mergers and acquisitions and fourteenth in global completed mergers and acquisitions for the first quarter of 2006. Notable transactions announced in the first quarter of 2006 included Bayer AG's acquisition of Schering AG, the sale of Pixar Animation Studios to the Walt Disney Company and the McClatchy Company's acquisition of Knight-Ridder Inc.

Total trading revenues include results from fixed income and equity sales and trading. Total trading revenues for the first quarter of 2006 were CHF 4,844 million, up CHF 1,662 million, or 52%, versus the first quarter of 2005, due to strength in both fixed income and equity trading revenues and favorable market conditions. Total trading revenues increased 87% compared to the fourth quarter of 2005, reflecting improved results in both equity and fixed income trading.

Investment Banking's average daily VaR in the first quarter of 2006 was CHF 72 million, up from CHF 67 million in the first quarter of 2005 and up from CHF 71 million in the fourth quarter of 2005. Average ERC increased CHF 4.7 billion versus the first quarter of 2005 and CHF 0.8 billion versus the fourth quarter of 2005, in line with the strategy to extend incremental capital to support high-growth and high-margin activities with notable increases in the leveraged finance, structured products and proprietary trading businesses.

Fixed income trading recorded revenues of CHF 2,767 million in the first quarter of 2006. These results were up CHF 651 million, or 31%, compared to the first quarter of 2005, reflecting strong results in leveraged finance, fixed income proprietary trading, Latin America trading and global foreign exchange positioning, partially offset by weaker results in other emerging markets trading, asset-backed securities and commercial mortgage-backed securities. Fixed income markets in the first quarter of 2006 were generally favorable, with narrowing credit spreads and a substantial increase in new issue activity. The results in the first quarter of 2005 reflected a CHF 125 million positive adjustment to the valuation of over-the-counter derivatives in connection with enhancements to bring Credit Suisse's estimates of fair value closer to how the dealer market prices such derivatives. Compared to the fourth quarter of 2005, fixed income trading revenues increased by 77%, due primarily to higher revenues in leveraged finance, residential mortgage-backed securities, emerging markets trading, global foreign exchange positioning and fixed income proprietary trading, partially offset by weaker results in commercial mortgage-backed securities. Interest rate products performed well despite the flat yield curve. Consistent with the strategy to grow the commodities business, Credit Suisse announced during the quarter a strategic alliance

with Glencore International to build a derivatives and structured products trading business in the oil and petroleum products market.

Equity trading revenues increased CHF 1,011 million, or 95%, and CHF 1,056 million, or 103%, to CHF 2,077 million, compared to the first quarter of 2005 and the fourth quarter of 2005, respectively. These significant increases reflected higher revenues across all major business areas amid strong markets. The customer flow businesses in cash and convertibles performed well across all regions. Equity proprietary trading exhibited strong results across most regions and strategies and equity derivatives benefited from increased deal flow and good trading results. Prime services continued to perform well with higher revenues in the quarter. Credit Suisse solidified its position as a Best in Class prime broker in the top tier of the market, according to the 2006 *Global Custodian* Prime Brokerage survey. In line with furthering Credit Suisse's leading global emerging markets franchise, Credit Suisse and Standard Bank in South Africa announced a new joint venture known as Credit Suisse Standard Securities to focus on equities research, sales, trading and capital markets transactions in South Africa. The combination of Credit Suisse's global equity franchise with Standard Bank's local expertise will provide institutional clients with analysis and access to the South African equity market, which is a significant component of many emerging market indices.

Other (including loan portfolio) recorded a loss of CHF 125 million for the first quarter of 2006 compared to revenues of CHF 177 million in the first quarter of 2005, due primarily to lower gains from private equity-related investments not managed as part of Asset Management and credit default swap losses related to the loan portfolio. Investment Banking selectively hedges the loan book using credit default swaps, which recorded weaker performance as a result of tightening credit spreads.

The following tables present key information of the Investment Banking segment:

	1Q2006	4Q2005	1Q2005
Cost/income ratio	<b>73.8%</b>	92.7%	77.1%
Pre-tax income margin	<b>27.2%</b>	7.7%	23.3%
Compensation/revenue ratio	<b>53.5%</b>	57.2%	53.5%
Average economic risk capital, in CHF m	<b>15,871</b>	15,109	11,221
Pre-tax return on average economic risk capital <sup>1)</sup>	<b>42.0%</b>	10.3%	35.8%
Average one-day, 99% VaR, in CHF m	<b>72</b>	71	67

<sup>1)</sup> Calculated using a return excluding funding costs for allocated goodwill.

	31.03.06	31.12.05	Change in % from 31.12.05
Total loans	<b>39,654</b>	34,762	14
Non-performing loans/total loans	<b>0.7%</b>	0.4%	–
Impaired loans/total loans	<b>1.5%</b>	1.5%	–

# Private Banking

Private Banking provides comprehensive advice and a broad range of investment products and services tailored to the complex needs of high-net-worth individuals all over the world through its Wealth Management business. In Switzerland, Private Banking provides banking products and services to business and retail clients through its Corporate & Retail Banking business.

Private Banking reported income from continuing operations before taxes of CHF 1,308 million in the first quarter of 2006, up CHF 334 million, or 34%, from the first quarter of 2005. The excellent 2006 first quarter results for Private Banking reflected significant improvement in net revenues, primarily from growth in commissions and fees and strong trading revenues. This is the result of very strong client activity in a favorable market environment. Private Banking successfully developed investment strategies relating to macro-trends in commodities, emerging markets, infrastructure and globalization using its industry-leading financial product and research expertise in these fields.

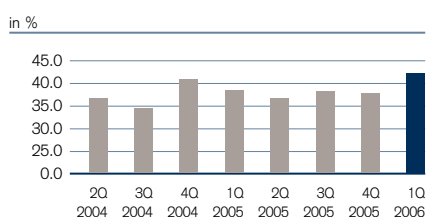
Private Banking net revenues were CHF 3,110 million in the first quarter of 2006, an increase of CHF 571 million, or 22%, compared to the first quarter of 2005, primarily as a result of significant increases in commissions and fees and trading revenues. Private Banking benefited from very strong client activity and capitalized on market momentum across all of its key business areas. Commissions and fees rose CHF 404 million, or 29%, from the first quarter of 2005, driven by revenues relating to considerably higher assets under management, higher brokerage volumes and increased product issuing fees. Private Banking's trading revenues increased CHF 136 million, or 81%, compared to the first quarter of 2005, as a result of high levels of client foreign exchange activity and gains from changes in the fair value of interest rate derivatives. Compared to the first quarter of 2005, net interest income increased CHF 44 million, or 5%, mainly driven by an increase in the liability margin. There was ongoing pressure on the asset margin, reflecting competitive markets. Interest rate-related assets and liabilities volumes rose during the first quarter of 2006, with a strong annualized growth rate of approximately 10% in Swiss residential mortgage volume.

Provision for credit losses in the first quarter of 2006 resulted in net releases of CHF 8 million compared to net releases of CHF 16 million in the first quarter of 2005, reflecting the continued favorable credit environment.

Private Banking's total operating expenses amounted to CHF 1,810 million for the first quarter of 2006, an increase of CHF 229 million, or 14%, compared to the first quarter of 2005. The main driver of the increase in expenses was higher compensation and benefits, which increased CHF 165 million, or 18%, compared to the first quarter of 2005. This increase primarily reflected higher performance-related compensation accruals in line with the strong quarterly performance and higher personnel expenses related to ongoing strategic growth in the Wealth Management business. This strategic growth included front office recruiting with a net increase of approximately 200 relationship managers since the beginning of 2005, predominantly outside Switzerland. Other expenses increased CHF 64 million, or 9%, mainly driven by costs associated with the branding implementation and related advertising costs and higher commission expenses related to the increase in commissions and fees.

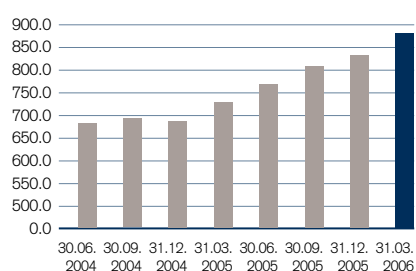
Private Banking reported pre-tax income margin of 42.1% in the first quarter of 2006, 3.7 percentage points above the first quarter of 2005, with net revenue growth of 22% compared to a 14% increase in total operating expenses.

Pre-tax income margin



## Assets under management

in CHF bn



Assets under management increased from CHF 837.6 billion as of December 31, 2005 to CHF 882.7 billion as of March 31, 2006, reflecting net asset inflows of CHF 14.8 billion as well as market and foreign exchange-related movements of CHF 30.3 billion.

In April 2006, the Group announced the merger of its four independent private banks, Clariden Bank, BGP Banca di Gestione Patrimoniale, Bank Hofmann and Bank Leu as well as the securities dealer, Credit Suisse Fides, subject to regulatory and other approvals. This merger, which is expected to be effective as of the beginning of 2007, will create a single independently-operated bank named Clariden Leu, which will combine existing complementary product ranges to help achieve growth in Switzerland and selected international markets.

The following table presents the results of the Private Banking segment:

in CHF m	1Q2006	4Q2005	1Q2005	Change in % from 4Q2005	Change in % from 1Q2005
<b>Net interest income</b>	<b>966</b>	924	922	5	5
Commissions and fees	<b>1,807</b>	1,535	1,403	18	29
Trading revenues and realized gains/(losses) from investment securities, net	<b>303</b>	236	167	28	81
Other revenues	<b>34</b>	21	47	62	(28)
<b>Total noninterest revenues</b>	<b>2,144</b>	1,792	1,617	20	33
<b>Net revenues</b>	<b>3,110</b>	2,716	2,539	15	22
<b>Provision for credit losses</b>	<b>(8)</b>	(21)	(16)	(62)	(50)
Compensation and benefits	<b>1,071</b>	888	906	21	18
Other expenses	<b>739</b>	823	675	(10)	9
<b>Total operating expenses</b>	<b>1,810</b>	1,711	1,581	6	14
<b>Income from continuing operations before taxes</b>	<b>1,308</b>	1,026	974	27	34

The following tables present key information of the Private Banking segment:

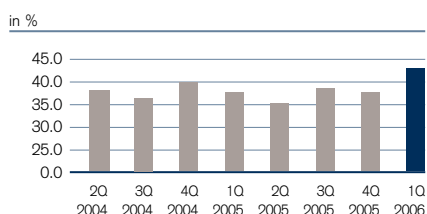
	1Q2006	4Q2005	1Q2005
Cost/income ratio	<b>58.2%</b>	63.0%	62.3%
Pre-tax income margin	<b>42.1%</b>	37.8%	38.4%
Net new assets, in CHF bn	<b>14.8</b>	8.9	14.1
Average economic risk capital, in CHF m	<b>4,778</b>	4,743	4,655
Pre-tax return on average economic risk capital <sup>1)</sup>	<b>111.1%</b>	88.2%	84.8%

<sup>1)</sup> Calculated using a return excluding funding costs for allocated goodwill.

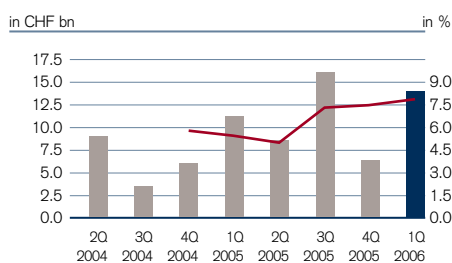
	31.03.06	31.12.05	Change in % from 31.12.05
Assets under management, in CHF bn	<b>882.7</b>	837.6	5.4

## Wealth Management

## Pre-tax income margin



## Net new assets



— Net new asset growth (rolling four quarter average in %)

Income from continuing operations before taxes for the Wealth Management business was CHF 963 million, an increase of 50% compared to the first quarter of 2005. Net revenues totaled CHF 2,227 million in the first quarter of 2006, an increase of CHF 522 million, or 31%, compared to the first quarter of 2005. This increase was mainly due to high brokerage volumes, product sales, foreign exchange transaction activity from clients and revenues related to higher assets under management. Total operating expenses were CHF 1,264 million in the first quarter of 2006, an increase of CHF 205 million, or 19%, compared to the first quarter of 2005. The main drivers of the increase were higher performance-related compensation accruals in line with the strong quarterly performance and higher expenses related to strategic growth initiatives.

Pre-tax income margin was 43.2% in the first quarter of 2006, 5.5 percentage points above the first quarter of 2005. This increase reflected strong net revenue growth of 31% compared to an increase in operating expenses of 19%. For the first quarter of 2006, net new assets were CHF 14.5 billion, an increase of CHF 3.4 billion compared to the first quarter of 2005, representing an annualized growth rate of 8.4% and a rolling four quarter average of 7.8%. Net new assets in this business particularly benefited from strong inflows from Switzerland, Europe and the Americas. Gross margin on assets under management increased 7.4 basis points to 124.6 basis points compared to the first quarter of 2005. The transaction-based margin increased 12.1 basis points, benefiting from very strong client activity. The asset-based margin decreased 4.7 basis points, as average assets under management increased 23%, whereas interest income increased only 11% compared to the first quarter of 2005. In addition, the asset-based margin decreased due to the temporary dilution effect from the strong growth in net new assets in the first quarter of 2006.

The following table presents the results of the Wealth Management business:

in CHF m	1Q2006	4Q2005	1Q2005	Change in % from 4Q2005	Change in % from 1Q2005
Net interest income	458	396	411	16	11
Total noninterest revenues	1,769	1,472	1,294	20	37
<b>Net revenues</b>	<b>2,227</b>	<b>1,868</b>	<b>1,705</b>	<b>19</b>	<b>31</b>
<b>Provision for credit losses</b>	<b>0</b>	<b>2</b>	<b>3</b>	<b>-</b>	<b>-</b>
Compensation and benefits	735	596	589	23	25
Other expenses	529	567	470	(7)	13
<b>Total operating expenses</b>	<b>1,264</b>	<b>1,163</b>	<b>1,059</b>	<b>9</b>	<b>19</b>
<b>Income from continuing operations before taxes</b>	<b>963</b>	<b>703</b>	<b>643</b>	<b>37</b>	<b>50</b>

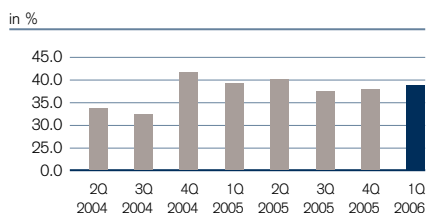
The following tables present key information of the Wealth Management business:

	1Q2006	4Q2005	1Q2005
Cost/income ratio	56.8%	62.3%	62.1%
Pre-tax income margin	43.2%	37.6%	37.7%
Net new assets, in CHF bn	14.5	6.8	11.1
Net new asset growth (rolling four quarter average)	7.8%	7.5%	5.3%
Net new asset growth	8.4%	4.0%	7.8%
Gross margin on assets under management	124.6 bp	109.4 bp	117.2 bp
of which asset-based	73.1 bp	70.3 bp	77.8 bp
of which transaction-based	51.5 bp	39.1 bp	39.4 bp
Net margin (pre-tax) on assets under management	53.9 bp	41.2 bp	44.2 bp

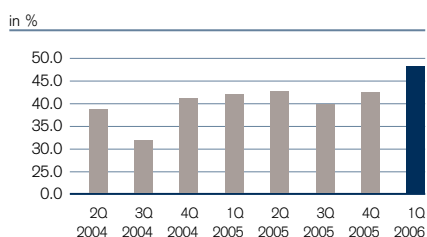
	31.03.06	31.12.05	Change in % from 31.12.05
Assets under management, in CHF bn	733.7	693.3	5.8

## Corporate & Retail Banking

### Pre-tax income margin



### Pre-tax return on average economic risk capital



Income from continuing operations before taxes for the Corporate & Retail Banking business was CHF 345 million, an increase of 4% compared to the first quarter of 2005. Net revenues totaled CHF 883 million in the first quarter of 2006, an increase of CHF 48 million, or 6%, compared to the first quarter of 2005. This increase mainly resulted from strong commissions and fees and increased trading revenues. Provision for credit losses in the first quarter of 2006 resulted in net releases of CHF 8 million, compared to net releases of CHF 19 million in the first quarter of 2005.

Pre-tax income margin was 39.1% in the first quarter of 2006, a decrease of 0.5 percentage points compared to the first quarter of 2005. This decrease was attributable to lower releases of credit provisions. The pre-tax return on average economic risk capital for the first quarter of 2006 was 48.4%, an increase of 6.6 percentage points compared to the first quarter of 2005. Average economic risk capital in the first quarter of 2006 was CHF 2,858 million, a decrease of 10% compared to the first quarter of 2005, which was primarily a result of the continued improvement in the risk profile of the lending portfolio.

The following table presents the results of the Corporate & Retail Banking business:

in CHF m	1Q2006	4Q2005	1Q2005	Change in % from 4Q2005	Change in % from 1Q2005
Net interest income	508	528	512	(4)	(1)
Total noninterest revenues	375	319	323	18	16
<b>Net revenues</b>	<b>883</b>	<b>847</b>	<b>835</b>	<b>4</b>	<b>6</b>
<b>Provision for credit losses</b>	<b>(8)</b>	<b>(23)</b>	<b>(19)</b>	<b>(65)</b>	<b>(58)</b>
Compensation and benefits	336	291	318	15	6
Other expenses	210	257	205	(18)	2
<b>Total operating expenses</b>	<b>546</b>	<b>548</b>	<b>523</b>	<b>0</b>	<b>4</b>
<b>Income from continuing operations before taxes</b>	<b>345</b>	<b>322</b>	<b>331</b>	<b>7</b>	<b>4</b>

The following tables present key information of the Corporate & Retail Banking business:

	1Q2006	4Q2005	1Q2005
Cost/income ratio	61.8%	64.7%	62.6%
Pre-tax income margin	39.1%	38.0%	39.6%
Net new assets, in CHF bn	0.3	2.1	3.0
Average economic risk capital, in CHF m	2,858	3,041	3,168
Pre-tax return on average economic risk capital <sup>1)</sup>	48.4%	42.4%	41.8%

<sup>1)</sup> Calculated using a return excluding funding costs for allocated goodwill.

	31.03.06	31.12.05	Change in % from 31.12.05
Assets under management, in CHF bn	149.0	144.3	3.3
Mortgage loans, in CHF bn	67.2	66.3	1.4
Other loans, in CHF bn	31.7	28.3	12.0
Non-performing loans/total loans	1.6%	1.9%	(15.8)
Impaired loans/total loans	2.2%	2.6%	(15.4)
Number of branches	215	215	0.0

# Asset Management

Asset Management combines the discretionary investment management functions of Credit Suisse and offers products across a broad range of investment classes, from equity, fixed income and multi-asset class products to alternative investments such as real estate, hedge funds, private equity and volatility management. Asset Management manages portfolios, mutual funds and other investment vehicles for government, institutional and private clients. Products are offered through both proprietary and third party distribution channels as well as through other channels within Credit Suisse.

Asset Management's income from continuing operations before taxes was CHF 234 million in the first quarter of 2006, an increase of CHF 26 million, or 13%, compared to the first quarter of 2005, reflecting a slight increase in commission and fee income and strong private equity gains partly offset by higher total operating expenses.

First quarter 2006 net revenues were CHF 756 million, a 23% increase from the first quarter of 2005. Asset management revenues, which consist primarily of fees from asset management and fund administration services provided to clients, increased CHF 22 million, or 5%, compared to the first quarter of 2005, mainly driven by higher assets under management, which increased 29%, reflecting the inclusion of more than CHF 40 billion in low margin money market products in the fourth quarter of 2005. Asset management revenues were negatively impacted by lower trading revenues as a result of changes in the fair value of interest rate derivatives. Asset management revenues decreased slightly versus the fourth quarter of 2005 also due primarily to lower trading revenues. Private equity commissions and fees, which include private equity fund management fees, were stable compared to the first quarter of 2005.

In the first quarter of 2006, Asset Management recorded private equity gains of CHF 206 million, an increase of CHF 121 million, or 142%, compared to the first quarter of 2005. Private equity gains, which include gains on investments and performance-related carried interest, are cyclical in nature and in 2005 were considered to be at the high-end of the private equity cycle. The first quarter 2006 gains included CHF 85 million arising from the sale of assets in an emerging market investment fund.

The following table presents the results of the Asset Management segment:

in CHF m	1Q2006	4Q2005	1Q2005	Change in % from 4Q2005	Change in % from 1Q2005
<b>Net interest income</b>	<b>(19)</b>	(22)	(13)	(14)	46
Commissions and fees	561	539	524	4	7
Trading revenues and realized gains/(losses) from investment securities, net	(11)	10	7	–	–
Other revenues	225	230	96	(2)	134
<b>Total noninterest revenues</b>	<b>775</b>	779	627	(1)	24
<b>Net revenues</b>	<b>756</b>	757	614	0	23
<b>Provision for credit losses</b>	<b>2</b>	0	0	–	–
Compensation and benefits	261	252	225	4	16
Other expenses	259	264	181	(2)	43
of which commission expenses	84	86	63	(2)	33
<b>Total operating expenses</b>	<b>520</b>	516	406	1	28
<b>Income from continuing operations before taxes</b>	<b>234</b>	241	208	(3)	13

The following table presents the revenue details of the Asset Management segment:

in CHF m	1Q2006	4Q2005	1Q2005	Change in % from 4Q2005	Change in % from 1Q2005
Asset management revenues	494	502	472	(2)	5
Private equity commissions and fees	56	47	57	19	(2)
<b>Net revenues before private equity gains</b>	<b>550</b>	549	529	0	4
Private equity gains	206	208	85	(1)	142
<b>Net revenues</b>	<b>756</b>	757	614	0	23

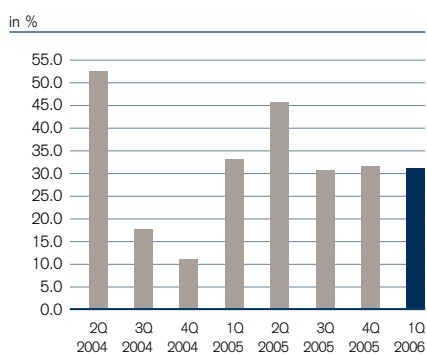
The following tables present key information of the Asset Management segment:

	1Q2006	4Q2005	1Q2005
Cost/income ratio	68.8%	68.2%	66.1%
Pre-tax income margin	31.0%	31.8%	33.9%
Net new assets	17.0	(0.8)	3.9
of which private equity	2.4	1.3	0.1
of which advisory assets	1.0	3.2	1.1
Gross margin on assets under management	49.8 bp	54.0 bp	52.1 bp
Net margin (pre-tax) on assets under management	15.4 bp	17.2 bp	17.6 bp
Average economic risk capital, in CHF m	1,345	1,311	939
Pre-tax return on average economic risk capital <sup>1)</sup>	77.7%	82.1%	97.1%

<sup>1)</sup> Calculated using a return excluding funding costs for allocated goodwill.

in CHF bn	31.03.06	31.12.05	Change in % from 31.12.05
Assets under management	619.6	589.4	5.1
Private equity investments	2.0	1.4	42.9

### Pre-tax income margin



Total operating expenses were CHF 520 million, an increase of CHF 114 million, or 28%, compared to the first quarter of 2005, reflecting higher performance-related compensation, higher commission expenses, costs associated with the realignment of the Asset Management business and costs associated with the branding implementation and related advertising costs.

Pre-tax income margin for the first quarter of 2006 was 31.0%, down 2.9 percentage points from the first quarter of 2005, with a 23% increase in net revenues offset by a 28% increase in total operating expenses. Compared to the fourth quarter of 2005, pre-tax income margin decreased 0.8 percentage points, reflecting stable net revenues and a slight increase in total operating expenses. Asset Management maintained its pre-tax income margin over the past year at a generally constant level, with the exception of the second quarter of 2005 which included exceptional private equity gains.

Gross margin on assets under management amounted to 49.8 basis points in the first quarter of 2006, down 2.3 basis points from the first quarter of 2005, due to the inclusion of more than CHF 40 billion in low margin money market products in the fourth quarter of 2005 and the decrease in trading revenues.

Pre-tax return on average economic risk capital was 77.7%, down 19.4 percentage points versus the first quarter of 2005. Average economic risk capital was higher in the first quarter of 2006, partly due to increased direct investments in alternative products.

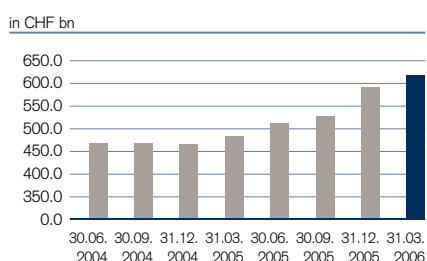
Asset Management has launched a number of initiatives to increase profitability. These initiatives will focus on improving client orientation, reducing the overall cost base and specifically targeting geographic regions with low profitability.

The following table presents total assets under management of the Asset Management segment by asset class:

in CHF bn	31.03.06	31.12.05	Change in % from 31.12.05
Money market	71.4	64.1	11.4
Fixed income	116.5	110.0	5.9
Balanced	255.6	254.6	0.4
Equities	51.8	47.7	8.6
Alternative <sup>1)</sup>	124.3	113.0	10.0
of which private equity	28.1	25.5	10.2
<b>Total assets under management</b>	<b>619.6</b>	<b>589.4</b>	<b>5.1</b>
of which discretionary assets	<b>527.9</b>	<b>500.3</b>	<b>5.5</b>
of which advisory assets	<b>91.7</b>	<b>89.1</b>	<b>2.9</b>

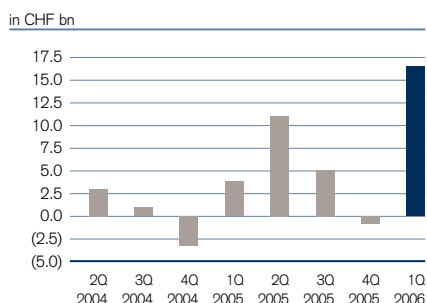
<sup>1)</sup> Alternative include private equity, funds of hedge funds, real estate and indexed products.

### Assets under management



Assets under management increased from CHF 589.4 billion as of December 31, 2005, to CHF 619.6 billion as of March 31, 2006, reflecting market and foreign exchange-related movements of CHF 13.2 billion and net new assets of CHF 17.0 billion. Net asset inflows of CHF 18.3 billion were partly offset by outflows of CHF 1.3 billion related to movements in the German real estate market. Net inflows were mainly from money market products, fixed income, multi-asset class solution products and alternative investments and originated mainly in the US and Europe. Of the net new assets recorded in the first quarter, approximately a third related to the reinvestment in the US of money market outflows in the fourth quarter of 2005.

### Net new assets



Asset Management expects to benefit significantly from the integration of the banking businesses through focused collaboration within Credit Suisse. As a result of this focused collaboration, Asset Management won mandates with the help of the Investment Banking and Private Banking segments. In addition, Asset Management launched initiatives together with Private Banking to increase penetration of the private client base with discretionary mandates, which is expected to provide additional high-margin returns for Credit Suisse.

As part of its strategy to develop its presence in Asia, Credit Suisse announced an agreement to form a joint venture in South Korea with Woori Asset Management, in which Credit Suisse will acquire a 30% stake. The venture combines Woori Asset Management's strong onshore distribution network with Credit Suisse's expertise and knowledge of global markets.

In addition to proprietary channels in the US, registered funds of hedge funds are now being sold through third party retail channels, representing a significant growth opportunity for this product.

Winterthur provides life, pension and non-life insurance products to private customers and small and medium-sized enterprises. The Life & Pensions business includes life insurance, savings, pensions and annuity products in Europe and Asia and the German health business. The Non-Life business includes motor, property, liability, accident and health insurance in Europe and in the US. Other Activities include centrally managed closed portfolios and related reinsurance.

In the first quarter of 2006, Winterthur showed strong operating performance, increasing its income from continuing operations before taxes 21% and recording double-digit growth in total business volume, while reducing total operating expenses compared to the first quarter of 2005. The announcement of the sale of part of its Swiss health business and the changes in its operational structure in Switzerland, including a partial restructuring of its administration and back-office functions and an increase in the number of its sales agents, reflected Winterthur's commitment to further optimize its business portfolio while strengthening its operating platforms.

Winterthur reported an increase in income from continuing operations before taxes of CHF 87 million, or 21%, to CHF 505 million, compared to CHF 418 million in the first quarter of 2005. The result reflected continued operating improvement, with a lower expense ratio in the Life & Pensions business and a lower combined ratio in the Non-Life business.

Gross premiums written amounted to CHF 10,657 million, an increase of CHF 702 million, or 7%, compared to the first quarter of 2005. Total business volume was CHF 12,737 million in the first quarter of 2006, an increase of CHF 1,287 million, or 11%, compared to the first quarter of 2005.

The following table presents the results of the Winterthur segment:

in CHF m	1Q2006	4Q2005	1Q2005	Change in % from 4Q2005	Change in % from 1Q2005
<b>Gross premiums written</b>	<b>10,657</b>	3,657	9,955	191	7
<b>Net premiums earned</b>	<b>8,204</b>	4,478	7,489	83	10
Net current investment income and net realized gains/(losses)	<b>2,540</b>	1,723	1,852	47	37
Other revenues, including fees	<b>171</b>	180	144	(5)	19
<b>Net revenues</b>	<b>10,915</b>	6,381	9,485	71	15
Policyholder benefits incurred	<b>7,702</b>	4,113	7,196	87	7
Investment income credited to policyholder account balances	<b>1,041</b>	351	324	197	221
Dividends to policyholders incurred	<b>615</b>	328	464	88	33
Provisions for credit losses	<b>1</b>	8	(2)	(88)	-
<b>Total benefits, claims, dividends and credit losses</b>	<b>9,359</b>	4,800	7,982	95	17
Insurance underwriting and acquisition expenses	<b>461</b>	458	497	1	(7)
Administration expenses	<b>537</b>	519	529	3	2
Other expenses	<b>48</b>	118	58	(59)	(17)
Restructuring charges	<b>5</b>	4	1	25	400
<b>Total operating expenses</b>	<b>1,051</b>	1,099	1,085	(4)	(3)
<b>Income from continuing operations before taxes</b>	<b>505</b>	482	418	5	21

The growth in total business volume was driven by the Life & Pensions business, which increased 18% to CHF 8,179 million as a result of a CHF 681 million, or 13%, growth in traditional business and a CHF 578 million, or 39%, growth in investment-type products. A strong increase in traditional single premiums in the group life business in Switzerland resulted from new contracts, transfers of vested benefits and additional contributions from individuals. The growth in traditional business was further driven by premium growth in the German life and health business as well as by an increase in annual premiums in Japan. The strong growth in investment-type products was mainly driven by the UK, reflecting both strong new business performance and an increased investment inflow in anticipation of UK tax law changes that will impact treatment of pension contributions effective in the second quarter of 2006. In addition, the growth in investment-type products reflected increased contributions from Asia and Central and Eastern Europe.

Gross premiums written in the Non-Life business remained stable at CHF 4,544 million, while net premiums earned grew 2% to CHF 2,107 million, benefiting from the strengthening of the US dollar. Premium growth was mainly achieved in Switzerland due to tariff increases and in Spain due to volume increases in the non-motor business. This growth was offset by a decline in Germany, resulting from both selective re-underwriting in the non-motor business and market pressure in the motor business. Management continues to take measures to address this market pressure, including the introduction of a new competitively priced product line in October 2005 and other product initiatives.

Net current investment income and net realized gains/(losses) in the first quarter of 2006 increased CHF 688 million, or 37%, compared to the first quarter of 2005, primarily reflecting the market appreciation on the underlying assets backing the unit-linked policies, which was credited to policyholders' accounts. Net investment return backing traditional life policies and non-life policies decreased 0.5 percentage points to 4.8% compared to the first quarter of 2005, reflecting a lower level of realized gains.

In the first quarter of 2006, total benefits, claims, dividends and credit losses increased CHF 1,377 million, or 17%, to CHF 9,359 million, compared to the first quarter of 2005. The increase in investment income credited to policyholder account balances amounted to CHF 717 million, primarily reflecting market appreciation. The higher traditional life premium income resulted in an increase in the change in provisions for policyholders' benefits incurred by CHF 506 million, or 7%. The increase in dividends to policyholders of CHF 151 million, or 33%, was mainly driven by the improved results in the group life business in Switzerland.

Total operating expenses in the first quarter of 2006 decreased CHF 34 million, or 3%, compared to the first quarter of 2005. Insurance underwriting and acquisition expenses decreased CHF 36 million, or 7%, reflecting lower amortization of deferred policy acquisition costs (DAC) and present value of future profits (PVFP). Administration expenses increased 2%, a lower rate than total business volume, reflecting sustained strict cost management, with efficiency improvements in mature markets offsetting increased expenses in growth markets.

The following table presents an overview of Winterthur's results by business:

1Q2006 ,in CHF m	Life & Pensions	Non-Life	Other Activities	Corporate Center / Eliminations <sup>1)</sup>	Winterthur		Change in % from 1Q2005
					1Q2006	1Q2005	
<b>Total business volume</b>	8,179	4,544	194	(180)	<b>12,737</b>	11,450	11
Gross premiums written	6,109	4,544	180	(176)	<b>10,657</b>	9,955	7
Net premiums earned	6,071	2,107	27	(1)	<b>8,204</b>	7,489	10
<b>Net revenues</b>	8,602	2,313	17	(17)	<b>10,915</b>	9,485	15
Total benefits, claims, dividends and credit losses	7,913	1,403	43	0	<b>9,359</b>	7,982	17
Total operating expenses	374	611	16	50	<b>1,051</b>	1,085	(3)
<b>Income from continuing operations before taxes and minority interests</b>	315	299	(42)	(67)	<b>505</b>	418	21
Income tax expense					<b>145</b>	132	10
Minority interests					<b>26</b>	25	4
<b>Income from continuing operations</b>					<b>334</b>	261	28
Income/(loss) from discontinued operations, net of tax					<b>23</b>	(10)	-
<b>Net income</b>					<b>357</b>	251	42

<sup>1)</sup> Includes Corporate Center expenses, certain financing costs and eliminations.

The following tables present key information of the Winterthur segment:

in CHF m, except where indicated	1Q2006	4Q2005	1Q2005
Total business volume <sup>1)</sup>	<b>12,737</b>	5,683	11,450
Return on equity <sup>2)</sup>	<b>15.0%</b>	11.4%	12.0%

<sup>1)</sup> Gross premiums written from non-life and traditional life business and policyholder deposits on investment-type products. <sup>2)</sup> Net income/(loss) divided by average shareholder's equity.

in CHF bn, except where indicated	31.03.06	31.12.05	Change in % from 31.12.05
Assets under management <sup>1)</sup>	<b>159.8</b>	153.3	4.2
Technical provisions	<b>152.2</b>	145.1	4.9
Shareholder's equity, in CHF m	<b>9,401</b>	9,695	(3)

<sup>1)</sup> Based upon savings-related provisions for policyholders plus off-balance sheet assets for life, pension and health businesses and investment assets for non-life business.

Income from discontinued operations, net of tax, was CHF 23 million in the first quarter of 2006, compared to a loss of CHF 10 million in the first quarter of 2005. This increase was mainly driven by a gain on the sale of the Canadian subsidiary, Citadel General Assurance Company.

In March 2006, Winterthur announced the sale of part of its Swiss health insurance business to Sanitas, subject to regulatory approval. This business is reported as discontinued operations.

Net income for Winterthur in the first quarter of 2006 was CHF 357 million, an increase of 42% compared to the first quarter of 2005, representing a return on equity of 15.0%, up 3.0 percentage points.

## Life & Pensions

The following table presents the results of the Life & Pensions business:

in CHF m	1Q2006	4Q2005	1Q2005	Change in % from 4Q2005	Change in % from 1Q2005
<b>Gross premiums written</b>	<b>6,109</b>	2,333	5,428	162	13
<b>Net premiums earned</b>	<b>6,071</b>	2,333	5,391	160	13
Net current investment income and net realized gains/(losses)	<b>2,363</b>	1,568	1,666	51	42
Other revenues, including fees	<b>168</b>	144	138	17	22
<b>Net revenues</b>	<b>8,602</b>	4,045	7,195	113	20
<b>Total benefits, claims, dividends and credit losses</b>	<b>7,913</b>	3,410	6,494	132	22
Insurance underwriting and acquisition expenses	<b>97</b>	101	149	(4)	(35)
Administration expenses	<b>249</b>	275	255	(9)	(2)
Other expenses	<b>28</b>	44	22	(36)	27
<b>Total operating expenses</b>	<b>374</b>	420	426	(11)	(12)
<b>Income from continuing operations before taxes</b>	<b>315</b>	215	275	47	15

The following tables present key information of the Life & Pensions business:

in CHF m, except where indicated	1Q2006	4Q2005	1Q2005
Total business volume <sup>1)</sup>	<b>8,179</b>	4,352	6,920
Expense ratio <sup>2)</sup>	<b>4.2%</b>	8.6%	5.8%

<sup>1)</sup> Gross premiums written from traditional business and policyholder deposits from investment-type products. <sup>2)</sup> Insurance underwriting, acquisition and administration expenses as a percentage of total business volume.

in CHF bn	31.03.06	31.12.05	Change in % from 31.12.05
Assets under management	<b>139.1</b>	131.9	5.5
Technical provisions	<b>132.0</b>	126.8	4.1

Life & Pensions reported income from continuing operations before taxes of CHF 315 million in the first quarter of 2006, up 15% versus CHF 275 million in the first quarter of 2005. The expense ratio for the Life & Pensions business was 4.2% in the first quarter of 2006, an improvement of 1.6 percentage points compared to 5.8% in the first quarter of 2005, as total business volume grew and expenses decreased. The expense ratio in the first quarter typically reflects the seasonally higher business volume from the group life business in Switzerland.

## Non-Life

The following table presents the results of the Non-Life business:

in CHF m	1Q2006	4Q2005	1Q2005	Change in % from 4Q2005	Change in % from 1Q2005
<b>Gross premiums written</b>	<b>4,544</b>	1,335	4,522	240	0
<b>Net premiums earned</b>	<b>2,107</b>	2,114	2,067	0	2
Net current investment income and net realized gains/(losses)	<b>188</b>	143	203	31	(7)
Other revenues, including fees	<b>18</b>	39	16	(54)	13
<b>Net revenues</b>	<b>2,313</b>	2,296	2,286	1	1
<b>Total benefits, claims, dividends and credit losses</b>	<b>1,403</b>	1,383	1,447	1	(3)
Insurance underwriting and acquisition expenses	<b>362</b>	337	348	7	4
Administration expenses	<b>226</b>	228	223	(1)	1
Other expenses	<b>23</b>	42	(4)	(45)	–
<b>Total operating expenses</b>	<b>611</b>	607	567	1	8
<b>Income from continuing operations before taxes</b>	<b>299</b>	306	272	(2)	10

The following tables present key information of the Non-Life business:

in %	1Q2006	4Q2005	1Q2005
Combined ratio <sup>1)</sup>	<b>93.5%</b>	90.5%	96.7%
Claims ratio <sup>2)</sup>	<b>65.6%</b>	63.8%	69.1%
Expense ratio <sup>3)</sup>	<b>27.9%</b>	26.7%	27.6%

<sup>1)</sup> Claims and annuities incurred and insurance underwriting, acquisition and administration expenses as a percentage of net premiums earned. <sup>2)</sup> Claims and annuities incurred as a percentage of net premiums earned. <sup>3)</sup> Insurance underwriting, acquisition and administration expenses as a percentage of net premiums earned.

	31.03.06	31.12.05	Change in % from 31.12.05
Technical provisions, in CHF bn	<b>19.4</b>	17.5	10.9

Non-Life reported income from continuing operations before taxes of CHF 299 million in the first quarter of 2006, up 10% versus CHF 272 million in the first quarter of 2005. The Non-Life business combined ratio was 93.5%, an improvement of 3.2 percentage points compared to the first quarter of 2005. The claims ratio decreased 3.5 percentage points to 65.6%, due to generally favorable claims development. The expense ratio increased 0.3 percentage points to 27.9%, driven by increased underwriting and acquisition expenses.

## Other Activities

The following table presents the results of the Other Activities business:

in CHF m	1Q2006	4Q2005	1Q2005	Change in % from 4Q2005	Change in % from 1Q2005
Gross premiums written	180	1	192	–	(6)
Net premiums earned	27	29	31	(7)	(13)
Net revenues	17	49	32	(65)	(47)
Total benefits, claims, dividends and credit losses	43	6	42	–	2
Total operating expenses	16	64	49	(75)	(67)
<b>Income from continuing operations before taxes</b>	<b>(42)</b>	<b>(21)</b>	<b>(59)</b>	<b>100</b>	<b>(29)</b>

Other Activities reported a loss from continuing operations before taxes of CHF 42 million in the first quarter of 2006, compared to a loss of CHF 59 million in the first quarter of 2005, as a result of lower project costs related to closed portfolio management.

## Investment results

The following table presents the investment income of the Winterthur segment:

in CHF m	1Q2006	4Q2005	1Q2005	Change in % from 4Q2005	Change in % from 1Q2005
Net current investment income	1,251	1,102	1,219	14	3
of which backing traditional life policies and non-life policies	1,165	1,075	1,136	8	3
of which Life & Pensions	1,005	935	995	7	1
of which Non-Life	157	136	139	15	13
of which backing unit-linked liabilities general account	86	27	83	219	4
of which Life & Pensions	86	27	83	219	4
Realized gains/(losses), net	1,289	620	633	108	104
of which backing traditional life policies and non-life policies	384	341	460	13	(17)
of which Life & Pensions	368	327	413	13	(11)
of which Non-Life	32	6	64	433	(50)
of which backing unit-linked liabilities general account	905	279	173	224	423
of which Life & Pensions	905	279	173	224	423
<b>Net current investment income and net realized gains/(losses)</b>	<b>2,540</b>	<b>1,722</b>	<b>1,852</b>	<b>48</b>	<b>37</b>
of which backing traditional life policies and non-life policies	1,549	1,416	1,596	9	(3)
of which backing unit-linked liabilities general account	991	306	256	224	287
<b>Investment income separate account</b>	<b>311</b>	<b>149</b>	<b>137</b>	<b>109</b>	<b>127</b>

The following table presents the investment return of the Winterthur segment:

	1Q2006	4Q2005	1Q2005	Change in % from 4Q2005	Change in % from 1Q2005
Net current investment return backing traditional life policies and non-life policies	3.6%	3.4%	3.8%	–	–
Realized gains/(losses) backing traditional life policies and non-life policies	1.2%	1.0%	1.5%	–	–
<b>Net investment return backing traditional life and non-life policies</b>	<b>4.8%</b>	<b>4.4%</b>	<b>5.3%</b>	<b>–</b>	<b>–</b>
of which Life & Pensions	5.0%	4.6%	5.5%	–	–
of which Non-Life	4.0%	3.0%	4.8%	–	–

The following table presents Winterthur's investment portfolio:

in CHF m	31.03.06		31.12.05	
	Book value	Fair value	Book value	Fair value
Debt securities – held-to-maturity	10,010	10,187	10,052	10,523
Debt securities – available-for-sale	77,679	77,679	78,431	78,431
Equity securities – available-for-sale	11,198	11,198	8,885	8,885
Debt securities – trading	1,589	1,589	1,670	1,670
Equity securities – trading	19,872	19,872	17,988	17,988
Mortgage loans	10,192	10,465	10,027	10,540
Other loans	5,570	5,798	5,320	5,775
Real estate	8,777	9,095	8,700	8,940
Other investments	993	993	1,421	1,421
<b>Investments, general account</b>	<b>145,880</b>	<b>146,876</b>	142,494	144,173
Investments, separate account	6,417	6,417	5,920	5,920
<b>Total investments</b>	<b>152,297</b>	<b>153,293</b>	148,414	150,093
of which Life & Pensions	133,050	133,768	129,298	130,597
of which Non-Life	18,357	18,651	18,307	18,759
of which Other Activities	890	874	809	737

Debt and equity securities – trading and loans – include CHF 18,705 million (December 31, 2005: CHF 17,109 million) held backing unit-linked liabilities in the general account.

The following table presents detail of held-to-maturity and available-for-sale securities of the Winterthur investment portfolio:

in CHF m	31.03.06				31.12.05			
	Amortized cost <sup>1)</sup>	Gross unrealized gains	Gross unrealized losses	Fair value	Amortized cost <sup>2)</sup>	Gross unrealized gains	Gross unrealized losses	Fair value
<b>Debt securities – held-to-maturity</b>	<b>10,010</b>	<b>214</b>	<b>37</b>	<b>10,187</b>	10,052	477	6	10,523
Debt securities – available-for-sale	76,755	1,969	1,045	77,679	75,274	3,521	364	78,431
Equity securities – available-for-sale	9,596	1,670	68	11,198	7,731	1,200	46	8,885
<b>Securities – available-for-sale</b>	<b>86,351</b>	<b>3,639</b>	<b>1,113</b>	<b>88,877</b>	83,005	4,721	410	87,316

<sup>1)</sup> Includes an increase of CHF 308 million to amortized cost due to hedge accounting basis adjustments.

<sup>2)</sup> Includes an increase of CHF 262 million to amortized cost due to hedge accounting basis adjustments.

# Assets under management

## Assets under management

Assets under management include assets which are placed with Group entities for investment purposes or, in the case of the insurance business, underlie insurance contracts. Assets under management include discretionary and advisory counterparty assets.

Discretionary assets are assets for which the customer fully transfers the discretionary power to a Group entity with a management mandate. Advisory assets include assets placed with the Group where the client is provided access to investment advice but retains discretion over investment decisions.

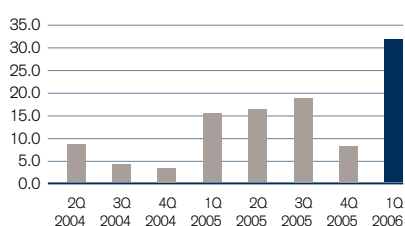
As of March 31, 2006, the Group's assets under management amounted to CHF 1,553.6 billion, an increase of CHF 69.3 billion, or 4.7%, compared to December 31, 2005. Private Banking assets under management increased CHF 45.1 billion in the first quarter of 2006, while assets under management in Asset Management increased CHF 30.2 billion. This reflected strong growth in net new assets and positive market performance in both segments.

The following table sets forth information on assets under management:

in CHF bn	31.03.06	31.12.05	Change in % from 31.12.05
Investment Banking	14.3	14.5	(1.4)
Private Banking	882.7	837.6	5.4
Asset Management	619.6	589.4	5.1
Winterthur	159.8	153.3	4.2
Less assets managed on behalf of other segments	(122.8)	(110.5)	11.1
<b>Credit Suisse Group</b>	<b>1,553.6</b>	<b>1,484.3</b>	<b>4.7</b>
of which discretionary	772.9	742.5	4.1
of which advisory	780.7	741.8	5.2

## Net new assets

in CHF bn



## Net new assets

Net new assets include individual cash and securities transactions and new or repaid loans. Interest and dividend income credited to clients, commissions, interest and fees charged for banking services are not considered as they do not reflect success in acquiring assets under management. Changes due to currency and market movements as well as asset inflows and outflows due to the acquisition or divestiture of businesses are not part of net new assets.

Net new assets were CHF 31.1 billion in the first quarter of 2006, an increase of CHF 23.3 billion compared to the fourth quarter of 2005. Strong growth rates in Switzerland, Europe and the Americas contributed to net new assets of CHF 14.8 billion in Private Banking. The Asset Management segment reported net new assets of CHF 17.0 billion, mainly in money market products, fixed income, multi-asset class solution products and alternative investments, and originated primarily from the US and Europe.

The following table sets forth information on net new assets:

in CHF bn	1Q2006	4Q2005	1Q2005
Investment Banking	0.2	0.0	(0.5)
Private Banking	14.8	8.9	14.1
Asset Management	17.0	(0.8)	3.9
Winterthur	3.7	(0.2)	2.8
Less net new assets managed on behalf of other segments	(4.6)	(0.1)	(4.9)
<b>Credit Suisse Group</b>	<b>31.1</b>	7.8	15.4

### Client assets

Client assets is a broader measure than assets under management as it includes transactional and custody accounts (assets held solely for transaction-related or safekeeping/custody purposes) and assets of corporate clients and public institutions used primarily for cash management or transaction-related purposes.

The following table sets forth information on client assets:

in CHF bn	31.03.06	31.12.05	Change in % from 31.12.05
Investment Banking	73.6	69.6	5.7
Private Banking	1,000.4	951.9	5.1
Asset Management	626.1	596.0	5.1
Winterthur	159.8	153.3	4.2
Less client assets managed on behalf of other segments	(122.8)	(110.5)	11.1
<b>Credit Suisse Group</b>	<b>1,737.1</b>	1,660.3	4.6

# Capital

## Credit Suisse Group

The Group's consolidated BIS tier 1 ratio was 10.8% as of March 31, 2006, down from 11.3% as of December 31, 2005. The Group continued the share buyback program approved by the Annual General Meeting in 2005, repurchasing 34.1 million common shares in the amount of CHF 1.9 billion since the initiation of the program through March 31, 2006. In the first quarter of 2006, 7.9 million common shares in the amount of CHF 580 million were repurchased. Risk-weighted assets increased compared to the fourth quarter of 2005, primarily reflecting increased commercial and private lending as well as securitization activities in the first quarter of 2006. Tier 1 capital increased CHF 430 million with the contribution of first quarter net income offset by the deduction for shares repurchased through the Group's share buyback program, dividend accruals and disallowed unrealized gains. The Group's shareholders' equity of CHF 42.1 billion as of December 31, 2005 increased to CHF 42.6 billion as of March 31, 2006.

Winterthur's capital position decreased slightly with shareholder's equity of CHF 9.4 billion as of March 31, 2006 compared to CHF 9.7 billion as of December 31, 2005. Winterthur's consolidated EU solvency ratio as of December 31, 2005 was 229% compared to 192% as of December 31, 2004.

## Credit Suisse

Credit Suisse's consolidated BIS tier 1 ratio was 9.4% as of March 31, 2006, down from 9.6% as of December 31, 2005. Risk-weighted assets increased compared to the fourth quarter of 2005, primarily reflecting increased commercial and private lending as well as securitization activities in the first quarter of 2006. Tier 1 capital increased CHF 1,173 million with the contribution of first quarter net income, partially offset by dividend accruals. The shareholder's equity of Credit Suisse decreased from CHF 25.8 billion as of December 31, 2005, to CHF 25.6 billion as of March 31, 2006.

The following table sets forth details of BIS data (risk-weighted assets, capital and ratios):

in CHF m, except where indicated	Credit Suisse Group		Credit Suisse	
	31.03.06	31.12.05	31.03.06	31.12.05
Risk-weighted positions	233,649	218,899	217,215	200,904
Market risk equivalents	14,467	13,992	13,287	12,499
<b>Risk-weighted assets</b>	<b>248,116</b>	<b>232,891</b>	<b>230,502</b>	<b>213,403</b>
<b>Total shareholders' equity</b>	<b>42,630</b>	<b>42,118</b>	<b>25,638</b>	<b>25,788</b>
Reconciliation to Tier 1 capital:				
Non-cumulative perpetual preferred securities	2,179	2,170	1,049	1,044
Investment in insurance entities	(4,056)	(4,179)	(12)	(12)
Adjustments for goodwill, minority interests, disallowed unrealized gains on fair value measurement, own shares and dividend accruals	(13,975)	(13,761)	(4,939)	(6,257)
<b>Tier 1 capital</b>	<b>26,778</b>	<b>26,348</b>	<b>21,736</b>	<b>20,563</b>
Tier 1 ratio	10.8%	11.3%	9.4%	9.6%
Total capital	33,609	31,918	32,041	29,815
Total capital ratio	13.5%	13.7%	13.9%	14.0%

The Swiss Federal Banking Commission (EBK) has advised that Credit Suisse Group and Credit Suisse may continue to include as Tier 1 capital CHF 2.2 billion and CHF 6.5 billion, respectively, as of March 31, 2006 (December 31, 2005: CHF 2.2 billion and CHF 6.5 billion, respectively) of equity from special purpose entities that are deconsolidated under FIN 46R.

# Risk management

Credit Suisse Group's overall position risk, measured on the basis of Economic Risk Capital (ERC), increased 10% in the first quarter of 2006 compared with the previous quarter. The more narrowly defined average Value-at-Risk (VaR) for the Group's trading books increased 6% in the first quarter of 2006 to CHF 73 million due to an increase in equity and credit spread exposures. Loan portfolios across the Group continued to benefit from a favorable credit environment, resulting in a net release of credit provisions of CHF 60 million in the first quarter of 2006.

## Economic Risk Capital trends

The Group assesses risk and economic capital adequacy using its Economic Risk Capital (ERC) model. ERC is designed to measure all quantifiable risks associated with the Group's activities on a consistent and comprehensive basis. The Group assigns ERC for position risk, operational risk and expense risk. Position risk measures the potential annual economic loss associated with market, credit and insurance exposures that is exceeded with a given, small probability (1% for risk management purposes, 0.03% for capital management purposes). It is not a measure of the potential impact on reported earnings, since non-trading activities are generally not marked-to-market through earnings.

In the first quarter of 2006, the Group's one-year, 99% position risk ERC increased 10% compared to the fourth quarter of 2005, mainly due to increased equity investments and increased credit spread ERC.

In the first quarter of 2006, the contribution of the banking segments (Investment Banking, Private Banking and Asset Management) to the Group's ERC decreased from 69% to 67%. The contribution of the Corporate Center remained 2% and Winterthur's contribution increased from 29% to 31%.

The following table sets forth the Group's risk profile, using ERC as the common risk measure:

in CHF m	31.03.06	Change in % from 31.12.05	Change analysis: brief summary
Interest Rate ERC, Credit Spread ERC & Foreign Exchange Rate ERC	5,316	13%	Higher credit spread risk in Investment Banking and Winterthur.
Equity Investment ERC	4,435	25%	Higher equity exposures in Winterthur from portfolio changes and favorable market conditions.
Swiss & Retail Lending ERC	2,421	(2%)	Lower exposures in Private Banking.
International Lending ERC & Counterparty ERC	3,314	12%	Increase in Investment Banking due to syndications.
Emerging Markets ERC	1,945	1%	Higher exposures in Investment Banking partially offset by lower Winterthur exposures from reduced FX exposure and higher country ratings.
Real Estate ERC & Structured Asset ERC <sup>1)</sup>	4,055	4%	Increase due to increased commercial real estate risk in Investment Banking.
Insurance Underwriting ERC	1,143	3%	Higher due to life insurance exposure in Investment Banking.
<b>Simple sum across risk categories</b>	<b>22,629</b>	10%	
Diversification benefit	(7,292)	8%	
<b>Total Position Risk ERC</b>	<b>15,337</b>	10%	

One-year, 99% position risk ERC, excluding foreign exchange translation risk. For an assessment of the total risk profile, operational risk ERC and business risk ERC must be considered. For a more detailed description of the Group's ERC model, please refer to Credit Suisse Group's Annual Report 2005, which is available on the website: [www.credit-suisse.com/annualreport2005](http://www.credit-suisse.com/annualreport2005). Prior period balances have been restated for methodology changes in order to maintain consistency over time.

<sup>1)</sup> This category comprises the commercial and residential real estate and asset-backed securities exposure of the Investment Banking segment, real estate acquired at auction, real estate for own use in Switzerland and Winterthur's real estate investments.

The following table sets forth the trading-related market risk exposure for Credit Suisse Group and Investment Banking, as measured by scaled one-day, 99% VaR:

in CHF m	1Q2006				4Q2005			
	Minimum	Maximum	Average	31.03.06	Minimum	Maximum	Average	31.12.05
<b>Credit Suisse Group <sup>1)</sup></b>								
Interest rate & credit spread	43.0	81.7	62.2	<b>71.9</b>	35.9	73.5	56.8	68.6
Foreign exchange rate	11.3	25.9	16.2	<b>15.9</b>	6.1	19.4	11.3	11.3
Equity	45.9	64.4	53.3	<b>59.7</b>	40.0	62.6	49.1	56.7
Commodity	6.9	20.0	10.6	<b>7.1</b>	4.9	15.3	9.7	10.6
Diversification benefit	– <sup>2)</sup>	– <sup>2)</sup>	(68.9)	<b>(62.4)</b>	– <sup>2)</sup>	– <sup>2)</sup>	(57.6)	(59.7)
<b>Total</b>	<b>58.7</b>	<b>93.5</b>	<b>73.4</b>	<b>92.2</b>	<b>50.9</b>	<b>87.6</b>	<b>69.3</b>	<b>87.5</b>
<b>Investment Banking</b>								
Interest rate & credit spread	42.6	77.3	59.7	<b>71.7</b>	48.9	73.3	59.9	68.4
Foreign exchange rate	11.3	26.2	16.3	<b>16.8</b>	6.2	19.7	11.4	11.4
Equity	45.8	64.1	53.2	<b>59.6</b>	39.9	62.6	49.0	56.7
Commodity	6.9	20.1	10.6	<b>7.1</b>	3.8	14.5	9.4	10.6
Diversification benefit	– <sup>2)</sup>	– <sup>2)</sup>	(68.2)	<b>(63.2)</b>	– <sup>2)</sup>	– <sup>2)</sup>	(58.3)	(59.7)
<b>Total</b>	<b>55.6</b>	<b>92.8</b>	<b>71.6</b>	<b>92.0</b>	<b>57.3</b>	<b>87.8</b>	<b>71.4</b>	<b>87.4</b>

Represents 10-day VaR scaled to a one-day holding period.

<sup>1)</sup> The VaR estimates for Credit Suisse Group are performed on a monthly basis and the VaR statistics for Credit Suisse Group therefore refer to monthly numbers. <sup>2)</sup> As the minimum and maximum occur on different days for different risk types, it is not meaningful to calculate a portfolio diversification benefit.

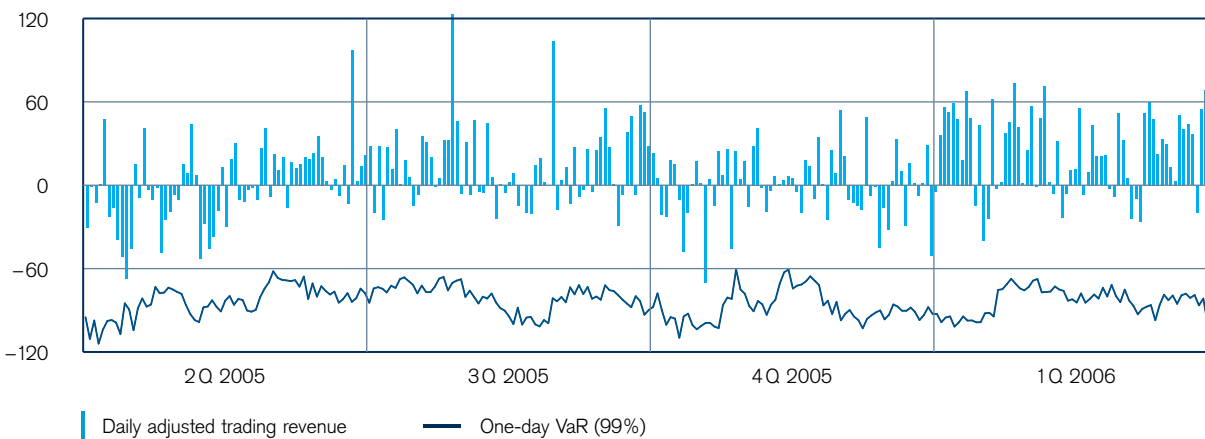
### Trading risks

The Group primarily assumes trading risks through the trading activities of the Investment Banking segment and, to a much lesser extent, trading activities of the other segments. Trading risks are measured using VaR as one of a range of risk measurement tools. VaR is the potential loss in fair value of trading positions due to adverse market movements over a defined time horizon and for a specified confidence level. In order to show the aggregate market risk in the Group's trading books, the table above shows the trading-related market risk on a consolidated basis, as measured by a 10-day VaR scaled to a one-day holding period and based on a 99% confidence level. This means that there is a one in 100 chance of incurring a daily mark-to-market trading loss that is at least as large as the reported VaR.

Credit Suisse Group's average one-day, 99% VaR in the first quarter of 2006 was CHF 73 million, compared to CHF 69 million in the fourth quarter of 2005, due to an increase in equity and credit spread exposures. In early 2006, the Group introduced a revised VaR methodology that categorizes residential mortgage positions into a series of

### Credit Suisse Group backtesting

in CHF m



Excludes Neue Aargauer Bank and independent private banks.

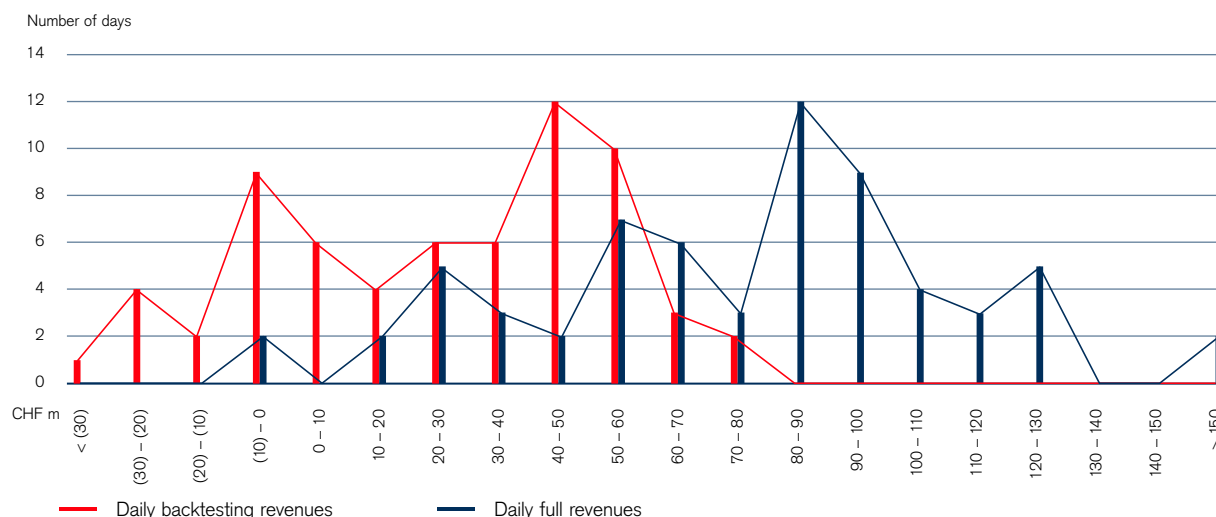
1Q2005			
Minimum	Maximum	Average	31.03.05
43.3	77.9	63.5	58.9
10.5	30.0	20.3	12.2
23.4	47.8	33.2	37.5
0.8	3.1	1.5	2.5
- 2)	- 2)	(51.8)	(42.1)
57.7	77.1	66.7	69.0
<hr/>			
43.4	77.8	63.5	58.8
10.4	29.7	20.1	12.3
23.4	47.8	33.2	37.4
0.4	3.1	1.1	2.2
- 2)	- 2)	(51.1)	(41.2)
57.1	77.2	66.8	69.5

key risk types to improve the measurement of mortgage-related sensitivities. If this revised methodology had been in place during 2005, VaR as of December 31, 2005, would have been CHF 82 million rather than CHF 88 million.

The segments with trading portfolios use backtesting to assess the accuracy of the VaR model. Daily backtesting profit and loss is compared with VaR calculated using a one-day holding period. Backtesting profit and loss is a subset of actual trading revenue and includes only the profit and loss effects due to movements in financial market variables such as interest rates, equity prices and foreign exchange rates on the previous night's positions. On average, an accurate one-day, 99% VaR model should have no more than four backtesting exceptions per year. A backtesting exception occurs when the daily loss exceeds the daily VaR estimate.

The Group experienced no backtesting exceptions in the first quarter of 2006 and no backtesting exceptions in the last twelve months. The histogram entitled "Credit Suisse Group trading revenue" compares the distribution of daily backtesting profit and loss in the first quarter of 2006 with the distribution of actual trading revenues, which includes fees, commissions, provisions and the profit and loss effects associated with any trading subsequent to the previous night's positions.

### Credit Suisse Group trading revenue



Excludes Neue Aargauer Bank and independent private banks.

### Loan exposure

The Group's total loan exposure grew 5% to CHF 215.5 billion as of March 31, 2006, compared to December 31, 2005, primarily due to an increase in commercial and industrial loans in both the Private Banking and Investment Banking segments.

Compared to December 31, 2005, the Group's total non-performing loans declined 6% to CHF 2.0 billion and total impaired loans declined 8% to CHF 3.1 billion as of March 31, 2006, reflecting the continued favorable credit cycle.

In the first quarter of 2006, the Group recorded a net release of provisions for credit losses of CHF 60 million, compared to a net release of CHF 27 million in the fourth quarter of 2005. The additions, releases and recoveries included in determining the allowance for loan losses are presented in the following tables.

Coverage of total impaired loans by valuation allowances at the Group remained stable at 67% at the end of the first quarter of 2006. Coverage of total non-performing loans and total impaired loans improved in the Private Banking segment, but declined in the Investment Banking segment.

The following table sets forth the gross loan exposure for the Group and its primary lending segments:

in CHF m	Investment Banking		Private Banking		Credit Suisse Group	
	31.03.06	31.12.05	31.03.06	31.12.05	31.03.06	31.12.05
<b>Consumer loans:</b>						
Mortgages	0	0	76,348	75,122	82,203	80,779
Loans collateralized by securities	0	0	17,094	17,203	17,097	17,207
Other	969	816	3,182	2,960	4,151	3,787
<b>Consumer loans</b>	<b>969</b>	<b>816</b>	<b>96,624</b>	<b>95,285</b>	<b>103,451</b>	<b>101,773</b>
<b>Corporate loans:</b>						
Real estate	434	508	24,896	24,728	26,610	26,597
Commercial & industrial loans	19,592	16,204	40,504	37,747	61,888	55,295
Loans to financial institutions	18,344	16,979	543	615	21,189	19,794
Governments and public institutions	826	784	1,375	1,380	4,368	4,389
<b>Corporate loans</b>	<b>39,196</b>	<b>34,475</b>	<b>67,318</b>	<b>64,470</b>	<b>114,055</b>	<b>106,075</b>
<b>Loans, gross</b>	<b>40,165</b>	<b>35,291</b>	<b>163,942</b>	<b>159,755</b>	<b>217,506</b>	<b>207,848</b>
(Unearned income)/deferred expenses, net	(69)	(64)	104	118	44	64
Allowance for loan losses	(442)	(465)	(1,561)	(1,726)	(2,054)	(2,241)
<b>Total loans, net</b>	<b>39,654</b>	<b>34,762</b>	<b>162,485</b>	<b>158,147</b>	<b>215,496</b>	<b>205,671</b>

This disclosure presents the lending exposure of the Group from a risk management perspective. This presentation differs from other disclosures in this document.

The following table sets forth the impaired loan portfolio for the Group and its primary lending segments:

in CHF m	Investment Banking		Private Banking		Credit Suisse Group	
	31.03.06	31.12.05	31.03.06	31.12.05	31.03.06	31.12.05
Non-performing loans	279	143	1,007	1,157	1,296	1,323
Non-interest earning loans	10	11	735	830	748	845
<b>Total non-performing loans</b>	<b>289</b>	<b>154</b>	<b>1,742</b>	<b>1,987</b>	<b>2,044</b>	<b>2,168</b>
Restructured loans	15	55	2	21	18	77
Potential problem loans	277	303	689	726	1,004	1,074
<b>Total other impaired loans</b>	<b>292</b>	<b>358</b>	<b>691</b>	<b>747</b>	<b>1,022</b>	<b>1,151</b>
<b>Total impaired loans, gross</b>	<b>581</b>	<b>512</b>	<b>2,433</b>	<b>2,734</b>	<b>3,066</b>	<b>3,319</b>
<b>Valuation allowances as % of</b>						
Total non-performing loans	152.9%	301.9%	89.6%	86.9%	100.5%	103.4%
Total impaired loans	76.1%	90.8%	64.2%	63.1%	67.0%	67.5%

The following table sets forth the movements in the allowance for loan losses for the Group and its primary lending segments:

in CHF m	Investment Banking			Private Banking			Credit Suisse Group		
	1Q2006	4Q2005	1Q2005	1Q2006	4Q2005	1Q2005	1Q2006	4Q2005	1Q2005
<b>Balance beginning of period</b>	<b>465</b>	418	536	<b>1,726</b>	1,976	2,435	<b>2,241</b>	2,445	3,038
New provisions	<b>53</b>	116	19	<b>93</b>	73	65	<b>155</b>	205	85
Releases of provisions	<b>(100)</b>	(111)	(41)	<b>(98)</b>	(93)	(81)	<b>(204)</b>	(214)	(125)
<b>Net additions charged to income statement</b>	<b>(47)</b>	5	(22)	<b>(5)</b>	(20)	(16)	<b>(49)</b>	(9)	(40)
Gross write-offs	<b>(15)</b>	(58)	(30)	<b>(170)</b>	(239)	(193)	<b>(189)</b>	(307)	(223)
Recoveries	<b>34</b>	81	14	<b>8</b>	6	9	<b>42</b>	86	23
<b>Net write-offs</b>	<b>19</b>	23	(16)	<b>(162)</b>	(233)	(184)	<b>(147)</b>	(221)	(200)
Allowances acquired/(deconsolidated) and provisions for interest	<b>9</b>	13	19	<b>2</b>	0	(2)	<b>11</b>	9	17
Foreign currency translation impact and other adjustments, net	<b>(4)</b>	6	32	<b>0</b>	3	6	<b>(2)</b>	17	36
<b>Balance end of period</b>	<b>442</b>	465	549	<b>1,561</b>	1,726	2,239	<b>2,054</b>	2,241	2,851

Provision for credit losses disclosed in the Credit Suisse Group unaudited condensed consolidated statements of income also includes provisions for lending-related exposure of CHF -11 million, CHF -18 million and CHF 4 million for 1Q2006, 4Q2005 and 1Q2005, respectively.

# Condensed consolidated financial statements

## Consolidated statements of income (unaudited)

in CHF m	1Q2006	4Q2005	1Q2005	Change in % from 4Q2005	Change in % from 1Q2005
Interest and dividend income	12,555	11,560	8,808	9	43
Interest expense	(9,685)	(9,132)	(5,760)	6	68
<b>Net interest income</b>	<b>2,870</b>	<b>2,428</b>	<b>3,048</b>	<b>18</b>	<b>(6)</b>
Commissions and fees	4,271	4,096	3,237	4	32
Trading revenues	4,311	1,814	1,828	138	136
Realized gains/(losses) from investment securities, net	358	261	421	37	(15)
Insurance net premiums earned	8,204	4,478	7,596	83	8
Other revenues	1,765	1,061	767	66	130
<b>Total noninterest revenues</b>	<b>18,909</b>	<b>11,710</b>	<b>13,849</b>	<b>61</b>	<b>37</b>
<b>Net revenues</b>	<b>21,779</b>	<b>14,138</b>	<b>16,897</b>	<b>54</b>	<b>29</b>
Policyholder benefits, claims and dividends	9,372	4,786	7,984	96	17
Provision for credit losses	(60)	(27)	(36)	122	67
<b>Total benefits, claims and credit losses</b>	<b>9,312</b>	<b>4,759</b>	<b>7,948</b>	<b>96</b>	<b>17</b>
Insurance underwriting, acquisition and administration expenses	998	979	1,029	2	(3)
Banking compensation and benefits	4,472	3,982	3,296	12	36
Other expenses	2,211	2,729	1,791	(19)	23
Restructuring charges	5	3	0	67	–
<b>Total operating expenses</b>	<b>7,686</b>	<b>7,693</b>	<b>6,116</b>	<b>0</b>	<b>26</b>
<b>Income from continuing operations before taxes, minority interests, extraordinary items and cumulative effect of accounting changes</b>	<b>4,781</b>	<b>1,686</b>	<b>2,833</b>	<b>184</b>	<b>69</b>
Income tax expense	860	85	627	–	37
Minority interests	1,316	511	301	158	337
<b>Income from continuing operations before extraordinary items and cumulative effect of accounting changes</b>	<b>2,605</b>	<b>1,090</b>	<b>1,905</b>	<b>139</b>	<b>37</b>
Income/(loss) from discontinued operations, net of tax	23	13	(9)	77	–
Extraordinary items, net of tax	(24)	0	0	–	–
Cumulative effect of accounting changes, net of tax	0	0	14	–	–
<b>Net income</b>	<b>2,604</b>	<b>1,103</b>	<b>1,910</b>	<b>136</b>	<b>36</b>

in CHF m	1Q2006	4Q2005	1Q2005
<b>Basic earnings per share, in CHF</b>			
Income from continuing operations before cumulative effect of accounting changes	2.31	0.97	1.64
Income/(loss) from discontinued operations, net of tax	0.02	0.01	(0.01)
Extraordinary items, net of tax	(0.02)	0.00	0.00
Cumulative effect of accounting changes, net of tax	0.00	0.00	0.01
<b>Net income available for common shares</b>	<b>2.31</b>	<b>0.98</b>	<b>1.64</b>
<b>Diluted earnings per share, in CHF</b>			
Income from continuing operations before cumulative effect of accounting changes	2.21	0.94	1.63
Income/(loss) from discontinued operations, net of tax	0.02	0.01	(0.01)
Extraordinary items, net of tax	(0.02)	0.00	0.00
Cumulative effect of accounting changes, net of tax	0.00	0.00	0.01
<b>Net income available for common shares</b>	<b>2.21</b>	<b>0.95</b>	<b>1.63</b>

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

## Consolidated balance sheets (unaudited)

in CHF m	31.03.06	31.12.05	Change in % from 31.12.05
<b>Assets</b>			
Cash and due from banks	34,789	27,577	26
Interest-bearing deposits with banks	6,722	6,143	9
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	344,475	352,281	(2)
Securities received as collateral	30,377	23,950	27
Trading assets (of which CHF 153,512 m and CHF 151,793 m encumbered)	460,847	435,250	6
Investment securities (of which CHF 2,371 m and CHF 2,456 m encumbered)	120,931	121,565	(1)
Other investments	28,474	20,736	37
Loans, net of allowance for loan losses of CHF 2,054 m and CHF 2,241 m	215,496	205,671	5
Premises and equipment	7,430	7,427	0
Goodwill	12,830	12,932	(1)
Other intangible assets	3,419	3,091	11
Assets held for separate accounts	13,544	11,875	14
Other assets (of which CHF 29,418 m and CHF 4,860 m encumbered)	154,287	110,554	40
<b>Total assets</b>	<b>1,433,621</b>	<b>1,339,052</b>	<b>7</b>
<b>Liabilities and shareholders' equity</b>			
Deposits	383,361	364,238	5
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	302,780	309,803	(2)
Obligation to return securities received as collateral	30,377	23,950	27
Trading liabilities	219,523	194,225	13
Short-term borrowings (of which CHF 2,078 m reported at fair value as of March 31, 2006)	20,981	19,472	8
Provisions from the insurance business	155,713	148,414	5
Long-term debt (of which CHF 40,461 m reported at fair value as of March 31, 2006)	141,509	132,975	6
Liabilities held for separate accounts	13,544	11,875	14
Other liabilities	107,133	84,135	27
Minority interests	16,070	7,847	105
<b>Total liabilities</b>	<b>1,390,991</b>	<b>1,296,934</b>	<b>7</b>
Common shares	624	624	0
Additional paid-in capital	24,716	24,639	0
Retained earnings	27,248	24,584	11
Treasury shares, at cost	(7,349)	(5,823)	26
Accumulated other comprehensive income/(loss)	(2,609)	(1,906)	37
<b>Total shareholders' equity</b>	<b>42,630</b>	<b>42,118</b>	<b>1</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,433,621</b>	<b>1,339,052</b>	<b>7</b>

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

## Consolidated statements of changes in shareholders' equity (unaudited)

3 months, in CHF m, except common shares outstanding	Common shares outstanding	Common shares	Additional paid-in capital	Retained earnings	Common shares in treasury at cost	Accumulated other comprehensive income/(loss)	Total
Balance January 1, 2005	1,110,819,481	607	23,435	20,501	(4,547)	(3,723)	36,273
Net income				1,910			1,910
Other comprehensive income, net of tax						508	508
Issuance of common shares	171,374		4				4
Issuance of treasury shares	70,434,306		(9)		3,524		3,515
Repurchase of treasury shares	(81,276,612)				(4,066)		(4,066)
Share-based compensation	15,600,901		(558)		938		380
Balance March 31, 2005	1,115,749,450	607	22,872	22,411	(4,151)	(3,215)	38,524
Balance January 1, 2006	1,125,360,183 <sup>1)</sup>	624	24,639	24,584	(5,823)	(1,906)	42,118
Net income				2,604			2,604
Cumulative effect of accounting changes, net of tax				60			60
Other comprehensive income, net of tax						(703)	(703)
Issuance of treasury shares	63,044,115		(121)		4,607		4,486
Repurchase of treasury shares	(88,338,500) <sup>2)</sup>				(6,395)		(6,395)
Share-based compensation	5,876,635		198		262		460
<b>Balance March 31, 2006</b>	<b>1,105,942,433 <sup>3)</sup></b>	<b>624</b>	<b>24,716</b>	<b>27,248</b>	<b>(7,349)</b>	<b>(2,609)</b>	<b>42,630</b>

<sup>1)</sup> At par value CHF 0.50 each, fully paid, net of 122,391,983 treasury shares. In addition to the treasury shares, a maximum of 217,698,047 unissued shares (conditional and authorized capital) were available for issuance without further approval of the shareholders. <sup>2)</sup> Includes 7,947,800 shares repurchased in connection with Credit Suisse Group's share buyback program. <sup>3)</sup> At par value CHF 0.50 each, fully paid, net of 141,809,733 treasury shares. In addition to the treasury shares, a maximum of 200,171,663 unissued shares (conditional and authorized capital) were available for issuance without further approval of the shareholders.

## Comprehensive income (unaudited)

in CHF m	1Q2006	4Q2005	1Q2005
Net income	2,604	1,103	1,910
Other comprehensive income/(loss)	(703)	75	508
<b>Comprehensive income</b>	<b>1,901</b>	<b>1,178</b>	<b>2,418</b>

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

## Consolidated statements of cash flows (unaudited)

in CHF m	3 months	
	2006	2005
<b>Operating activities of continuing operations</b>		
Net income	2,604	1,910
(Income)/loss from discontinued operations, net of tax	(23)	9
<b>Income from continuing operations</b>	<b>2,581</b>	<b>1,919</b>
<b>Adjustments to reconcile net income to net cash provided by/(used in) operating activities of continuing operations</b>		
Impairment, depreciation and amortization	305	330
Provision for credit losses	(60)	(36)
Deferred tax provision	230	170
Restructuring charges	5	0
Change in technical provisions from the insurance business	7,390	6,316
(Gain)/loss from investment securities	(358)	(421)
Share of net income from equity method investments	(44)	(125)
Cumulative effect of accounting changes, net of tax	0	(14)
Receivables from the insurance business	(208)	(1,630)
Payables from the insurance business	(2,591)	(1,111)
Trading assets and liabilities	2,294	14,619
Deferred policy acquisition costs	(299)	(261)
(Increase)/decrease in accrued interest, fees receivable and other assets	(27,514)	(19,956)
Increase/(decrease) in accrued expenses and other liabilities	6,177	(3,473)
Other, net	(972)	(483)
<b>Total adjustments</b>	<b>(15,645)</b>	<b>(6,075)</b>
<b>Net cash provided by/(used in) operating activities of continuing operations</b>	<b>(13,064)</b>	<b>(4,156)</b>
<b>Investing activities of continuing operations</b>		
(Increase)/decrease in interest-bearing deposits with banks	(689)	175
(Increase)/decrease in central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	5,901	488
Purchase of investment securities	(15,042)	(17,456)
Proceeds from sale of investment securities	11,586	11,045
Maturities of investment securities	3,066	5,645
Investments in subsidiaries and other investments	(31)	(261)
Proceeds from sale of other investments	756	241
(Increase)/decrease in loans	(10,910)	(8,051)
Proceeds from sales of loans	1,134	602
Capital expenditures for premises and equipment and other intangible assets	(545)	(175)
Proceeds from sale of premises and equipment and other intangible assets	1	265
Other, net	(19)	431
<b>Net cash provided by/(used in) investing activities of continuing operations</b>	<b>(4,792)</b>	<b>(7,051)</b>

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

## Consolidated statements of cash flows – continued (unaudited)

in CHF m	3 months	
	2006	2005
<b>Financing activities of continuing operations</b>		
Increase/(decrease) in deposits	19,591	13,224
Increase/(decrease) in short-term borrowings	1,396	(2,269)
Increase/(decrease) in central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	(5,599)	(685)
Issuances of long-term debt	27,976	9,749
Repayments of long-term debt	(17,487)	(7,525)
Issuances of common shares	0	4
Issuances of treasury shares	4,486	3,515
Repurchase of treasury shares	(6,395)	(4,066)
Dividends paid/capital repayments (including minority interests and trust preferred securities)	(16)	(15)
Other, net	772	28
<b>Net cash provided by/(used in) financing activities of continuing operations</b>	<b>24,724</b>	<b>11,960</b>
Effect of exchange rate changes on cash and due from banks	(6)	2,778
<b>Discontinued operations</b>		
Net cash provided by/(used in) operating activities of discontinued operations	0	1
Net cash provided by/(used in) investing activities of discontinued operations	0	1
Net cash provided by/(used in) financing activities of discontinued operations	0	2
Proceeds from sale of stock by subsidiaries	350	0
<b>Net increase/(decrease) in cash and due from banks</b>	<b>7,212</b>	<b>3,535</b>
Cash and due from banks at beginning of period	27,577	25,648
<b>Cash and due from banks at end of period</b>	<b>34,789</b>	<b>29,183</b>

## Supplemental disclosures of cash flow information (unaudited)

in CHF m	3 months	
	2006	2005
Cash paid during the year for income taxes	646	557
Cash paid during the year for interest	9,498	5,500
<b>Assets acquired and liabilities assumed in business acquisitions</b>		
Fair value of assets acquired	0	7
<b>Assets and liabilities sold in business divestitures</b>		
Assets sold	864	0
Liabilities sold	514	0

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

# Notes to the condensed consolidated financial statements – unaudited

## Summary of significant accounting policies

### **Basis of presentation**

The accompanying unaudited condensed consolidated financial statements of Credit Suisse Group (the Group) are prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP) and are stated in Swiss francs (CHF). These condensed consolidated financial statements should be read in conjunction with the US GAAP consolidated financial statements and notes thereto for the year ended December 31, 2005, included in Credit Suisse Group's Annual Report 2005. For a description of the Group's significant accounting policies, see note 1 of the aforementioned consolidated financial statements.

Certain financial information, which is normally included in annual financial statements prepared in accordance with US GAAP but not required for interim reporting purposes has been condensed or omitted. Certain reclassifications have been made to the prior period's financial statements to conform to the current period's presentation. These condensed consolidated financial statements reflect, in the opinion of management, all adjustments that are necessary for a fair presentation of the condensed consolidated financial statements for the interim periods presented.

The results of operations for interim periods are not necessarily indicative of results for the entire year.

In preparing these condensed consolidated financial statements, management is required to make estimates and assumptions, which affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed consolidated balance sheets and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### **New accounting pronouncements**

#### **EITF 04-5, FSP SOP 78-9-1 and EITF 96-16**

In June 2005, the Financial Accounting Standards Board (FASB) ratified Emerging Issues Task Force (EITF) Issue No. 04-5, "Determining Whether a General Partner, or the General Partners as a Group, Controls a Limited Partnership or Similar Entity When the Limited Partners Have Certain Rights" (EITF 04-5). EITF 04-5 provides a framework for evaluating whether a general partner or a group of general partners controls a limited partnership and therefore should consolidate it. EITF 04-5 states that the presumption of general partner control is overcome only when the limited partners have substantive "kick-out rights" or "participating rights." These rights would allow a simple majority of the limited partners to dissolve or liquidate the partnership or otherwise remove the general partner "without cause" or effectively participate in significant decisions made in the ordinary course of the partnership business. EITF 04-5 was effective upon ratification for all newly formed limited partnerships and for existing limited partnership agreements that have been modified. This guidance was effective for the Group with respect to existing unmodified partnerships as of January 1, 2006.

As a result of the ratification of EITF 04-5, EITF Issue No. 96-16, "Investor's Accounting for an Investee When the Investor Has a Majority of the Voting Interest but the Minority Shareholder or Shareholders Have Certain Approval or Veto Rights" (EITF 96-16) was updated and FASB Staff Position (FSP) No. SOP 78-9-1, "Interaction of AICPA Statement of Position (SOP) 78-9 and EITF Issue No. 04-5" (FSP SOP 78-9-1) was issued. The amendments to EITF 96-16 were effective on a prospective basis upon issuance, whereas, similar to EITF 04-5, FSP SOP 78-9-1 was effective upon issuance for all new partnerships formed and for existing partnership agreements modified after June 29, 2005, and was effective for the Group with respect to existing unmodified partnerships as of January 1, 2006.

The changes to EITF 96-16 and the provisions of EITF 04-5 and FSP SOP 78-9-1 in effect during 2005 did not have a material impact on the Group's financial condition, results of operations or cash flows. As of January 1, 2006, the Group increased its assets and liabilities by CHF 8.2 billion, primarily due to the consolidation of certain unmodified private equity partnerships which existed prior to June 29, 2005.

#### **SFAS 123R**

In December 2004, the FASB issued Statement of Financial Accounting Standards (SFAS) No. 123 (Revised 2004), "Share-Based Payment" (SFAS 123R). SFAS 123R was effective for annual reporting periods beginning after June 15, 2005. The Group early adopted SFAS 123R as of January 1, 2005, applying the modified prospective method. The Group's policy is to expense share-based awards over the requisite service period.

The most significant accounting implications of the adoption of SFAS 123R for the Group were as follows: (i) inclusion of forfeitures in the estimate of compensation expense determined at the grant date rather than as they occur. The Group recorded a cumulative adjustment of approximately CHF 14 million during the first quarter of 2005 to reverse the expense previously recognized on all outstanding unvested awards expected to be forfeited. For new grants after January 1, 2005, forfeitures have been included in the initial estimation of the compensation expense at the grant date; (ii) recognition of compensation cost for all outstanding unvested awards as of January 1, 2005, that were previously accounted for under APB 25 and for which no expense was previously recognized, based on the original grant-date fair value of each award over the remaining requisite service period of the respective award (the recognition of this expense was not material); and (iii) adoption of changes to the presentation of the statement of cash flows in accordance with the revised standard.

In a December 2005 speech, the US Securities and Exchange Commission (SEC) staff provided further guidance on SFAS 123R, relating to accounting for share-based compensation awards subject to a non-competition provision that have scheduled vesting beyond an employee's eligibility for early retirement. The SEC staff noted that such share-based awards should generally be expensed over the period from the grant date to the date an employee becomes eligible for early retirement, rather than over the entire vesting, or stated service, period, unless the non-competition provision and other factors establish an in-substance requisite service period that extends beyond the early retirement date. As a result of the December 2005 guidance, and based on subsequent discussions with the SEC staff, the Group recorded in the fourth quarter of 2005 an incremental expense to reflect the full-year cost of its 2005 share-based awards. This incremental expense reflected the attribution of the total cost of these awards over the period from the grant date to the date the employee becomes eligible for early retirement rather than over the vesting period that ranged from three to five years.

The impact of the Group's change in accounting was to increase fourth-quarter and full-year 2005 banking compensation and benefits by CHF 630 million, and to decrease fourth-quarter and full-year 2005 net income by CHF 421 million. This non-cash charge, recorded in the Corporate Center, represented the recognition of compensation expense for share-based awards granted in 2005 that otherwise would have been recorded in the segments, principally Investment Banking, generally over vesting periods of three to five years.

The share-based awards granted in March 2006 provide for early retirement eligibility no earlier than two years after the award grant date. These awards will be recorded as compensation expense in the Group's operating segments over the period from the grant date of March 2006 to the date an employee becomes eligible for early retirement if earlier than the three to five year vesting period.

**SFAS 154**

In May 2005, the FASB issued SFAS No. 154, "Accounting Changes and Error Corrections, a replacement of APB Opinion No. 20, 'Accounting Changes' (APB 20) and FASB Statement No. 3, 'Reporting Accounting Changes in Interim Financial Statements (an Amendment of APB Opinion No. 28, 'Interim Financial Reporting')'" (SFAS 154). SFAS 154 requires retrospective application, unless impracticable, to prior periods' financial statements for voluntary changes in accounting principles and changes required by an accounting pronouncement in the unusual circumstances in which the pronouncement does not include specific transition provisions. This statement also requires that a change in depreciation, amortization or depletion method for long-lived, non-financial assets should be accounted for as a change in accounting estimate effected by a change in accounting principle (i.e., as a retrospective application). The guidance for reporting the correction of an error in previously issued financial statements and the change of an accounting estimate does not change from APB 20. SFAS 154 was effective for the Group as of January 1, 2006. The adoption of SFAS 154 did not have a material impact on the Group's financial condition, results of operations or cash flows.

**SFAS 155**

In February 2006, the FASB issued SFAS No. 155, "Accounting for Certain Hybrid Financial Instruments" (SFAS 155), which amends SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities" (SFAS 133) and SFAS No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities" (SFAS 140). Under SFAS 155, hybrid financial instruments which contain embedded derivatives that would otherwise require bifurcation may be accounted for at fair value, with changes in fair value recognized in the statement of income. The fair value designation may be applied on an instrument-by-instrument basis; however, the election to apply fair value accounting is irrevocable. SFAS 155 will be effective for those instruments acquired or issued on or after an entity's fiscal year beginning after September 15, 2006, but early adoption is permitted as of the beginning of a fiscal year for which an entity has not previously issued interim financial statements. SFAS 155 allows limited retrospective application for existing bifurcated hybrid financial instruments. The Group elected to early adopt SFAS 155 as of January 1, 2006, and the impact of adoption was an increase to the Group's consolidated retained earnings of CHF 33 million, which included gross gains after tax of CHF 119 million and gross losses after tax of CHF 86 million and a corresponding decrease to the Group's consolidated liabilities of CHF 33 million as of January 1, 2006. Pre-tax income for the first quarter of 2006 increased CHF 92 million as a result of this change in accounting policy.

**SFAS 156**

In March 2006, the FASB issued SFAS No. 156, "Accounting for Servicing of Financial Assets" (SFAS 156), which amended SFAS 140. SFAS 156 requires that all separately recognized servicing rights after the effective date be initially measured at fair value and permits separately recognized servicing rights to be accounted for at fair value in subsequent periods, with changes in fair value recognized in the statement of income. SFAS 156 permits an irrevocable election to apply fair value accounting for classes of servicing rights based on the different valuation and risk characteristics of the underlying assets and the way the economic risks are managed. SFAS 156 will be effective on a prospective basis for fiscal years beginning after September 15, 2006, however early adoption is permitted as of the beginning of a fiscal year for which an entity has not previously issued interim financial statements. SFAS 156 allows limited retrospective application for existing separately recognized servicing rights. The Group elected to early adopt SFAS 156 as of January 1, 2006. The adoption of SFAS 156 did not have a material impact on the Group's financial condition, results of operations or cash flows.

#### **FSP FTB 85-4-1**

In March 2006, the FASB issued FSP No. FTB 85-4-1, "Accounting for Life Settlement Contracts by Investors" (FSP FTB 85-4-1). FSP FTB 85-4-1 provides a contract-by-contract election to account for life settlement contracts on either a fair value basis, with changes in fair value recognized in the statement of income, or through use of the investment method. Under the investment method, the initial investment and continuing costs are capitalized; no income is recognized until death of the insured party. The guidance of FSP FTB 85-4-1 will be effective for fiscal years beginning after June 15, 2006, and will permit early adoption; however, upon adoption, limited retrospective application of the measurement guidance is required. The Group elected to early adopt FSP FTB 85-4-1 as of January 1, 2006, and the impact of adoption was an increase to the Group's consolidated assets and retained earnings of CHF 27 million net of tax.

#### **Standards to be adopted in future periods**

##### **SOP 05-1**

In September 2005, the AICPA issued SOP 05-1, "Accounting by Insurance Enterprises for Deferred Acquisition Costs in Connection with Modifications or Exchanges of Insurance Contracts" (SOP 05-1). SOP 05-1 provides guidance on accounting by insurance enterprises for deferred acquisition costs on internal replacements of insurance and investment contracts other than those specifically described in SFAS No. 97, "Accounting and Reporting by Insurance Enterprises for Certain Long-Duration Contracts and for Realized Gains and Losses from the Sale of Investments" (SFAS 97). SOP 05-1 defines an internal replacement as a modification in product benefits, features, rights or coverages that occur by the exchange of a contract for a new contract, or by amendment, endorsement or rider to a contract. Modifications that result from the election by the contract holder that were within the original contract are not internal replacements subject to SOP 05-1. SOP 05-1 is effective for internal replacements occurring in fiscal years beginning after December 15, 2006. The Group is currently evaluating the impact of adopting SOP 05-1.

##### **FSP FIN 46(R)-6**

In April 2006, the FASB issued FSP No. FIN 46(R)-6, "Determining the Variability to Be Considered in Applying FASB Interpretation No. 46(R)" (FSP FIN 46(R)-6). FSP FIN 46(R)-6 provides guidance regarding how contracts or arrangements that create or reduce variability should be considered when determining whether entities qualify as variable interest entities (VIEs) and when assessing the need for consolidation of VIEs. FSP FIN 46(R)-6 requires that evaluations of the variability created or absorbed in an entity from its contracts or arrangements be based on an analysis of the entity's design. In evaluating the design of an entity, an analysis must be performed as to the potential risks to which the entity is exposed as well as the risks that the entity was designed to create and pass along to its interest holders based on the purpose for which the entity was formed. The guidance of FSP FIN 46(R)-6 must be applied on a prospective basis in reporting periods beginning after June 15, 2006, but need not be applied to existing entities unless a reconsideration event occurs. The Group is currently evaluating the impact of adopting FSP FIN 46(R)-6.

## Segment reporting

### Net revenues

in CHF m	1Q2006	4Q2005	1Q2005
Investment Banking	5,757	3,735	3,994
Private Banking	3,110	2,716	2,539
Asset Management	756	757	614
Winterthur	10,915	6,381	9,485
Corporate Center <sup>1)</sup>	1,241	549	265
<b>Credit Suisse Group</b>	<b>21,779</b>	<b>14,138</b>	<b>16,897</b>

<sup>1)</sup> Includes minority interest revenues of CHF 1,284 million, CHF 554 million and CHF 275 million in 1Q2006, 4Q2005 and 1Q2005, respectively, from the consolidation of certain private equity funds and other entities in which the Group does not have a significant economic interest in such revenues.

### Income from continuing operations before taxes, minority interests, extraordinary items and cumulative effect of accounting changes

in CHF m	1Q2006	4Q2005	1Q2005
Investment Banking	1,564	286	932
Private Banking	1,308	1,026	974
Asset Management	234	241	208
Winterthur	505	482	418
Corporate Center <sup>1)</sup>	1,170	(349)	301
<b>Credit Suisse Group</b>	<b>4,781</b>	<b>1,686</b>	<b>2,833</b>

<sup>1)</sup> Includes minority interest income of CHF 1,275 million, CHF 539 million and CHF 272 million in 1Q2006, 4Q2005 and 1Q2005, respectively, from the consolidation of certain private equity funds and other entities in which the Group does not have a significant economic interest in such income.

### Total assets

in CHF m	31.03.06	31.12.05
Investment Banking	1,035,601	957,513
Private Banking	313,463	298,117
Asset Management	21,319	21,572
Winterthur	182,955	178,722
Corporate Center	(119,717)	(116,872)
<b>Credit Suisse Group</b>	<b>1,433,621</b>	<b>1,339,052</b>

## Interest and dividend income and interest expense

The following table sets forth the details of interest and dividend income and interest expense:

in CHF m	1Q2006	4Q2005	1Q2005
Interest income on loans	1,889	1,836	1,568
Interest income on investment securities	1,001	1,002	921
Dividend income from investment securities	72	52	44
Interest and dividend income on trading assets	4,150	3,713	3,261
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	4,345	3,955	2,448
Other	1,098	1,002	566
<b>Total interest and dividend income</b>	<b>12,555</b>	<b>11,560</b>	<b>8,808</b>
Interest expense on deposits	(2,643)	(2,414)	(1,375)
Interest expense on short-term borrowings	(120)	(104)	(115)
Interest expense on trading liabilities	(1,424)	(1,268)	(1,143)
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	(4,065)	(3,811)	(2,119)
Interest expense on long-term debt	(1,104)	(1,194)	(841)
Other	(329)	(341)	(167)
<b>Total interest expense</b>	<b>(9,685)</b>	<b>(9,132)</b>	<b>(5,760)</b>
<b>Net interest income</b>	<b>2,870</b>	<b>2,428</b>	<b>3,048</b>

## Trading activities

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

in CHF m	1Q2006	4Q2005	1Q2005
Interest rate products	1,036	578	884
Equity/index-related products	2,459	848	632
Foreign exchange products	618	347	362
Other	198	41	(50)
<b>Trading revenues</b>	<b>4,311</b>	1,814	1,828
Interest and dividend income on trading assets	4,150	3,713	3,261
Interest expense on trading liabilities	(1,424)	(1,268)	(1,143)
<b>Trading interest income, net</b>	<b>2,726</b>	2,445	2,118
<b>Total trading-related revenues</b>	<b>7,037</b>	4,259	3,946

The following table sets forth the details of trading assets and liabilities:

in CHF m	31.03.06	31.12.05
<b>Trading assets</b>		
Debt securities	210,046	198,815
Equity securities <sup>1)</sup>	171,358	156,559
Derivative instruments	54,628	55,192
Other	24,815	24,684
<b>Total trading assets</b>	<b>460,847</b>	435,250
<b>Trading liabilities</b>		
Short positions	157,891	137,618
Derivative instruments	61,632	56,607
<b>Total trading liabilities</b>	<b>219,523</b>	194,225

<sup>1)</sup> Includes convertible bonds.

## Commissions and fees

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

in CHF m	1Q2006	4Q2005	1Q2005
<b>Commissions from lending business</b>	<b>329</b>	284	187
Investment and portfolio management fees	1,261	1,212	1,124
Commissions for other securities business	60	24	43
<b>Commissions and fees from fiduciary activities</b>	<b>1,321</b>	1,236	1,167
Underwriting fees	601	781	517
Brokerage fees	1,432	1,004	904
<b>Commissions, brokerage securities underwriting and other securities activities</b>	<b>2,033</b>	1,785	1,421
Fees for other customer services	588	791	462
<b>Commissions and fees</b>	<b>4,271</b>	4,096	3,237

## Loans

The following table sets forth details of the domestic (Switzerland) and foreign loan portfolio:

in CHF m	31.03.06	31.12.05
Banks	1,926	1,801
Commercial	45,889	43,972
Consumer	83,338	81,388
Public authorities	3,610	3,481
Lease financings	2,995	2,979
<b>Switzerland</b>	<b>137,758</b>	<b>133,621</b>
Banks	8,187	8,555
Commercial	51,996	46,110
Consumer	18,433	18,398
Public authorities	997	1,026
Lease financings	135	138
<b>Foreign</b>	<b>79,748</b>	<b>74,227</b>
<b>Loans, gross</b>	<b>217,506</b>	<b>207,848</b>
Deferred expenses, net	44	64
Allowance for loan losses	(2,054)	(2,241)
<b>Total loans, net</b>	<b>215,496</b>	<b>205,671</b>

As of March 31, 2006, the Group held CHF 21.1 billion in restricted loans, which represented collateral on secured borrowings. These loans are reported in *Other assets* and the related obligations are recorded in *Other liabilities*.

The following table sets forth the movements in the allowance for loan losses:

in CHF m	1Q2006	4Q2005	1Q2005
<b>Balance beginning of period</b>	<b>2,241</b>	2,445	3,038
New provisions	155	205	85
Releases of provisions	(204)	(214)	(125)
<b>Net additions charged to income statement</b>	<b>(49)</b>	(9)	(40)
Gross write-offs	(189)	(307)	(223)
Recoveries	42	86	23
<b>Net write-offs</b>	<b>(147)</b>	(221)	(200)
Provisions for interest	11	9	17
Foreign currency translation impact and other adjustments, net	(2)	17	36
<b>Balance end of period</b>	<b>2,054</b>	2,241	2,851

Provision for credit losses disclosed in the income statement also includes provisions for lending-related exposure.

The following table sets forth details of impaired loans, with or without a specific allowance. Loans are considered impaired when it is considered probable that the Group will not collect all amounts due under the loan terms.

in CHF m	31.03.06	31.12.05
With a specific allowance	2,493	2,803
Without a specific allowance	573	516
<b>Total impaired loans, gross</b>	<b>3,066</b>	<b>3,319</b>
Specific allowance for impaired loans <sup>1)</sup>	1,669	1,847

<sup>1)</sup> Included in the allowances for loan losses.

## Life settlement contracts

The following table sets forth the expected realization dates for life settlement contracts held by the Group as of March 31, 2006:

	within 1 year	within 1-2 years	within 2-3 years	within 3-4 years	within 4-5 years	Thereafter	Total
<b>Contracts accounted for under the fair value method</b>							
Number of contracts	309	177	218	163	151	2,855	<b>3,873</b>
Carrying value, in CHF m	15	8	12	8	10	245	<b>298</b>
Face value, in CHF m	15	9	14	9	17	951	<b>1,015</b>
<b>Contracts accounted for under the investment method</b>							
Number of contracts	-	-	-	-	1	129	<b>130</b>
Carrying value, in CHF m	-	-	-	-	1	157	<b>158</b>
Face value, in CHF m	-	-	-	-	6	1,232	<b>1,238</b>

The following table sets forth the life insurance premiums anticipated to be paid for those contracts accounted for under the investment method by the Group as of March 31, 2006, for each of the next five years:

in CHF m	within 1 year	within 1-2 years	within 2-3 years	within 3-4 years	within 4-5 years
Anticipated life insurance premium payments	12	63	63	63	63

Central to the calculation of fair value for life settlement contracts is the estimation of mortality rates. Individual mortality rates are typically obtained by multiplying a base mortality curve for the general insured population provided by a professional actuarial organization together with an individual-specific multiplier. Individual-specific multipliers are calculated based on data obtained from third party life expectancy providers, which examine each insured individual's medical conditions, family history, and other factors to arrive at a life expectancy estimate.

## Restructuring liabilities

The following table sets forth the movements of restructuring liabilities:

in CHF m	2006			2005		
	Personnel	Other	Total	Personnel	Other	Total
<b>Balance January 1</b>	<b>14</b>	<b>6</b>	<b>20</b>	27	22	49
Net additions charged to income statement	0	5	5	0	0	0
Write-offs/recoveries, net <sup>1)</sup>	(5)	(5)	(10)	(11)	(7)	(18)
Transfers, foreign exchange	0	0	0	0	1	1
<b>Balance March 31</b>	<b>9</b>	<b>6</b>	<b>15</b>	16	16	32

<sup>1)</sup> Includes cash paid or otherwise settled.

## Accumulated other comprehensive income

The following table sets forth the movements of accumulated other comprehensive income, net of tax:

in CHF m	Gains/(losses) cash flow hedge	Cumulative translation adjustment	Unrealized gains/ (losses) on securities <sup>1)</sup>	Minimum pension liability adjustment	Accumulated other com- prehensive income/(loss)
Balance January 1, 2005	27	(3,998)	1,068	(820)	(3,723)
Increase/(decrease)	(7)	640	22	0	655
Reclassification adjustments, included in net profit	(9)	0	(138)	0	(147)
Balance March 31, 2005	11	(3,358)	952	(820)	(3,215)
Balance January 1, 2006	77	(2,497)	1,156	(642)	<b>(1,906)</b>
Increase/(decrease)	(109)	(15)	(529)	0	<b>(653)</b>
Reclassification adjustments, included in net profit	0	(28)	(22)	0	<b>(50)</b>
<b>Balance March 31, 2006</b>	<b>(32)</b>	<b>(2,540)</b>	<b>605</b>	<b>(642)</b>	<b>(2,609)</b>

<sup>1)</sup> Presented net of shadow adjustments.

## Earnings per share

The following table sets forth details of the calculation of earnings per share:

in CHF m	1Q2006	4Q2005	1Q2005
Income from continuing operations before cumulative effect of accounting changes	<b>2,605</b>	1,090	1,905
Income/(loss) from discontinued operations, net of tax	<b>23</b>	13	(9)
Extraordinary items, net of tax	<b>(24)</b>	0	0
Cumulative effect of accounting changes, net of tax	<b>0</b>	0	14
<b>Net income – as reported</b>	<b>2,604</b>	1,103	1,910
<b>Net income available for common shares for basic EPS <sup>1)</sup></b>	<b>2,604</b>	1,073	1,864
<b>Net income available for common shares for diluted EPS <sup>2)</sup></b>	<b>2,604</b>	1,120	1,948
<b>Weighted-average common shares outstanding for basic EPS, in m</b>	<b>1,128.0</b>	1,090.2	1,134.9
Effect of dilutive securities			
Convertible securities	<b>0.0</b>	30.7	40.4
Share options and warrants	<b>17.7</b>	13.5	8.2
Share awards	<b>33.5</b>	48.5	14.4
<b>Adjusted weighted-average common shares for diluted EPS <sup>3)</sup></b>	<b>1,179.2</b>	1,182.9	1,197.9
<b>Basic earnings per share, in CHF</b>			
Income from continuing operations before cumulative effect of accounting changes	<b>2.31</b>	0.97	1.64
Income/(loss) from discontinued operations, net of tax	<b>0.02</b>	0.01	(0.01)
Extraordinary items, net of tax	<b>(0.02)</b>	0.00	0.00
Cumulative effect of accounting changes, net of tax	<b>0.00</b>	0.00	0.01
<b>Net income available for common shares</b>	<b>2.31</b>	0.98	1.64
<b>Diluted earnings per share, in CHF</b>			
Income from continuing operations before cumulative effect of accounting changes	<b>2.21</b>	0.94	1.63
Income/(loss) from discontinued operations, net of tax	<b>0.02</b>	0.01	(0.01)
Extraordinary items, net of tax	<b>(0.02)</b>	0.00	0.00
Cumulative effect of accounting changes, net of tax	<b>0.00</b>	0.00	0.01
<b>Net income available for common shares</b>	<b>2.21</b>	0.95	1.63

<sup>1)</sup> The allocation of undistributed income related to the mandatory convertible securities is a reduction to the net income available to common shareholders for the purposes of the basic earnings per share calculation. <sup>2)</sup> Under the if-converted method for calculating diluted earnings per share, the interest on the mandatory convertible securities is included when the effect is dilutive. <sup>3)</sup> Weighted-average potential common shares relating to instruments that were not dilutive for the respective periods (and therefore not included in the EPS-calculation above), but could potentially dilute earnings per share in the future were 32.5 million, 51.3 million and 53.5 million for 1Q2006, 4Q2005 and 1Q2005, respectively.

## Pension

The following table sets forth details of the net periodic pension cost for the Swiss and international defined benefit pension and other post-retirement defined benefit plans:

in CHF m	1Q2006	4Q2005	1Q2005
Service costs on benefit obligation	107	104	100
Interest costs on benefit obligation	173	184	184
Expected return on plan assets	(227)	(223)	(224)
Amortization of			
Prior service cost	9	9	10
Unrecognized (gains)/losses	36	17	13
<b>Net periodic pension costs</b>	<b>98</b>	<b>91</b>	<b>83</b>
Curtailment (gains)/losses	(8)	1	(1)
Termination losses	2	3	6
<b>Total pension costs</b>	<b>92</b>	<b>95</b>	<b>88</b>

Credit Suisse Group previously disclosed in its financial statements for the year ended December 31, 2005, that it expected to contribute CHF 508 million to the pension plans in 2006. As of March 31, 2006, CHF 189 million of contributions have been made.

## Guarantees and commitments

### Guarantees

The following tables set forth details of contingent liabilities associated with guarantees:

As of March 31, 2006, in CHF m	Total gross amount	Total net amount <sup>1)</sup>	Carrying value	Collateral received
Credit guarantees and similar instruments	9,701	7,994	13	3,919
Performance guarantees and similar instruments	10,652	9,724	211	3,658
Securities lending indemnifications	37,720	37,720	0	37,720
Derivatives	492,295	492,295	3,090	1,590
Other guarantees <sup>2)</sup>	3,999	3,999	23	1,518
<b>Total guarantees</b>	<b>554,367</b>	<b>551,732</b>	<b>3,337</b>	<b>48,405</b>

As of December 31, 2005, in CHF m	Total gross amount	Total net amount <sup>1)</sup>	Carrying value	Collateral received
Credit guarantees and similar instruments	9,976	7,616	11	3,484
Performance guarantees and similar instruments	8,275	7,425	233	3,737
Securities lending indemnifications	35,456	35,456	0	35,456
Derivatives	437,399	437,399	4,238	1,612
Other guarantees <sup>2)</sup>	3,552	3,552	25	1,691
<b>Total guarantees</b>	<b>494,658</b>	<b>491,448</b>	<b>4,507</b>	<b>45,980</b>

<sup>1)</sup> Total net amount equals gross amount less any participations. <sup>2)</sup> Contingent considerations in business combinations, residual value guarantees and other indemnifications.

Guarantees provided by the Group are broadly classified as follows: Credit guarantees, Performance guarantees and similar instruments, Securities lending indemnifications, Derivatives and Other guarantees. Readers are referred to note 34 "Guarantees and commitments" in the Credit Suisse Group Annual Report 2005 for a detailed description of guarantees.

Effective January 1, 2006, all deposit-taking banks in Switzerland are required to ensure the payout of privileged deposits up to a total amount of CHF 4 billion in case of specified restrictions or compulsory liquidation of a deposit-taking bank. Upon

occurrence of a payout event, the Group's contribution will be calculated based on its share of privileged deposits in proportion to the total privileged deposits. Currently, the regulator estimates the maximum payout amount for the Group to be CHF 588 million, which is reflected in *Other guarantees* in the table above. The Group believes that the likelihood of having to pay under this agreement is remote.

### **Disposal-related contingencies and other indemnifications**

The Group has certain guarantees for which its maximum contingent liability cannot be quantified. These guarantees are not reflected in the table above and are discussed below.

#### **Disposal-related contingencies**

In connection with the sale of assets or businesses, the Group sometimes provides the acquirer with certain indemnification provisions. These indemnification provisions vary by counterparty in scope and duration and depend upon the type of assets or businesses sold. These indemnification provisions generally shift the potential risk of certain unquantifiable and unknowable loss contingencies (e.g., relating to litigation, tax, intellectual property matters and adequacy of claims reserves) from the acquirer to the seller. The Group closely monitors all such contractual agreements to ensure that indemnification provisions are adequately provided for in the Group's consolidated financial statements.

The Group has certain agreements, including retrocession agreements, with XL Insurance (Bermuda) Limited (XL), which could result in payments to XL. Furthermore, in the fourth quarter of 2004 and the second and third quarters of 2005, XL submitted details of its claims relating to alleged breaches of warranties in connection with the 2001 sale of Winterthur International. With the assistance of outside counsel, the Group continues to evaluate these claims and, on the basis of facts known, believes that the currently recorded provisions for these matters are adequate to cover the contingencies related to this litigation and any other agreements with XL.

The Group believes, based on currently available information and advice of outside counsel, that the results of such proceedings, in the aggregate, will not have a material adverse effect on the Group's financial condition but might be material to operating results for any particular period, depending, in part, upon the operating results for such period.

The Group entered into a profit and loss sharing agreement with the purchaser of Churchill Insurance Group plc (Churchill). In accordance with the terms of this agreement, the Group is required to reimburse the purchaser for a proportion of any losses in one line of business. Profits in this one line of business are shared under similar terms. The amount payable or receivable under the provisions of the Churchill profit and loss sharing agreement is determined based primarily on actuarial valuations, which are updated and settled quarterly, with an independent actuarial valuation of the provisions being performed regularly as agreed by the Group and the purchaser. This process will continue until both parties agree to cease the regular reviews but might continue for more than five years.

Furthermore, the Group has a continuing involvement in disposed businesses through reinsurance agreements, which could continue for more than five years.

#### **Other indemnifications**

The Group provides indemnifications to certain counterparties in connection with its normal operating activities, for which it is not possible to estimate the maximum amount it could be obligated to pay. As a normal part of issuing its own securities, the Group typically agrees to reimburse holders for additional tax withholding charges or assessments resulting from changes in applicable tax laws or the interpretation of those laws. Securities that include these agreements to pay additional amounts generally also include a related redemption or call provision if the obligation to pay the additional

amounts results from a change in law or its interpretation and the obligation cannot be avoided by the issuer taking reasonable steps to avoid the payment of additional amounts. Since such potential obligations are dependent on future changes in tax laws, the related liabilities the Group may incur as a result of such changes cannot be reasonably estimated. In light of the related call provisions typically included, the Group does not expect any potential liabilities in respect of tax gross-ups to be material.

The Group is a member of numerous securities exchanges and clearing houses and may, as a result of its membership arrangements, be required to perform if another member defaults. The Group has determined that it is not possible to estimate the maximum amount of these obligations and believes that any potential requirement to make payments under these arrangements is remote.

### Other commitments

The following table sets forth details of other commitments:

As of March 31, 2006, in CHF m	Total gross amount	Total net amount <sup>1)</sup>	Collateral received
Irrevocable commitments under documentary credits	4,911	4,623	2,405
Loan commitments	205,465	205,155	132,126
Forward reverse repurchase agreements	21,929	21,929	21,929
Other	5,533	5,533	576
<b>Total other commitments</b>	<b>237,838</b>	<b>237,240</b>	<b>157,036</b>

As of December 31, 2005, in CHF m	Total gross amount	Total net amount <sup>1)</sup>	Collateral received
Irrevocable commitments under documentary credits	5,345	5,042	2,761
Loan commitments	199,825	199,555	126,385
Forward reverse repurchase agreements	15,472	15,472	15,472
Other	4,360	4,360	582
<b>Total other commitments</b>	<b>225,002</b>	<b>224,429</b>	<b>145,200</b>

<sup>1)</sup> Total net amount equals gross amount less any participations.

Other commitments of the Group are broadly classified as follows: Irrevocable commitments under documentary credits, Loan commitments, Forward reverse repurchase agreements and Other commitments. Readers are referred to note 34 "Guarantees and commitments" of the Credit Suisse Group Annual Report 2005 for a detailed description of other off-balance sheet commitments.

## Variable interest entities

FIN 46R “Consolidation of Variable Interest Entities – An Interpretation of ARB No. 51”, requires the Group to consolidate all variable interest entities (VIEs) for which it is the primary beneficiary, defined as the entity that will absorb a majority of expected losses, receive a majority of the expected residual returns, or both. The Group consolidates all VIEs for which it is the primary beneficiary.

As a normal part of its business, the Group engages in transactions with entities that are considered VIEs. These transactions include selling or purchasing assets, acting as a counterparty in derivatives transactions and providing liquidity, credit or other support. Transactions with VIEs are generally executed to facilitate securitization activities or to meet specific client needs, such as providing liquidity or investment opportunities, and as part of these activities, the Group may retain interests in VIEs. In general, investors in consolidated VIEs do not have recourse to the Group in the event of a default, except where a guarantee was provided to the investors or where the Group is the counterparty to a derivative transaction involving VIEs.

The Group’s involvement with VIEs may be broadly grouped into three primary categories: Collateralized debt obligations (CDOs), Commercial paper conduits and Financial intermediation. Further details are available in notes 1, 2 and 36 of Credit Suisse Group’s Annual Report 2005 regarding the Group’s policy on consolidation of VIEs and the nature of the Group’s involvement with these entities.

The following table sets forth the total assets by category related to non-consolidated VIEs:

	Carrying value of VIEs’ total assets	
in CHF m	<b>31.03.06</b>	31.12.05
Collateralized debt obligations	<b>20,549</b>	20,515
Commercial paper conduits	<b>8,606</b>	8,528
Financial intermediation	<b>98,806</b>	78,909
<b>Total</b>	<b>127,961</b>	107,952

The following table sets forth the total assets by category related to VIEs consolidated as a result of the Group being the primary beneficiary:

	VIEs’ total assets	
in CHF m	<b>31.03.06</b>	31.12.05
Collateralized debt obligations	<b>3,911</b>	3,365
Commercial paper conduits	<b>1</b>	1
Financial intermediation	<b>15,864</b>	14,032
<b>Total assets consolidated pursuant to FIN 46R</b>	<b>19,776</b>	17,398

### Collateralized debt obligations

As part of its structured finance business, the Group purchases loans and other debt obligations from and on behalf of clients for the purpose of securitization.

The Group has consolidated all CDO VIEs for which it is the primary beneficiary resulting in the inclusion by the Group of approximately CHF 3.9 billion and CHF 3.4 billion of assets and liabilities of these VIEs as of March 31, 2006 and December 31, 2005, respectively. The beneficial interests issued by these VIEs are payable solely from the cash flows of the related collateral, and the creditors of these VIEs do not have recourse to the Group in the event of default.

The Group also retains certain debt and equity interests in open CDO VIEs that are not consolidated because the Group is not the primary beneficiary. The Group’s exposure in these CDO transactions typically consists of the interests retained in connection with its underwriting or market-making activities. The Group’s maximum loss exposure is equal

to the carrying value of these retained interests, which are reported as trading assets and carried at fair value and totaled CHF 0.7 billion and CHF 1.0 billion as of March 31, 2006 and December 31, 2005, respectively.

### **Commercial paper conduits**

The Group continues to act as the administrator and provider of liquidity and credit enhancement facilities for several commercial paper conduit vehicles (CP conduits). The Group does not sell assets to the CP conduits and does not have any ownership interest in the CP conduits.

The Group's commitments to CP conduits consist of obligations under liquidity and credit enhancement agreements.

As of March 31, 2006 and December 31, 2005, the Group's maximum loss exposure to non-consolidated CP conduits was CHF 13.9 billion, which consisted of CHF 8.4 billion of funded assets and the CP conduits' commitments to purchase CHF 5.5 billion of additional assets. As of December 31, 2005, the Group's maximum loss exposure was CHF 14.2 billion.

The Group believes that the likelihood of incurring a loss equal to this maximum exposure is remote because the assets held by the CP conduits, after giving effect to related asset-specific credit enhancements primarily provided by the clients, must be classified as investment grade when acquired by the CP conduits.

### **Financial intermediation**

The Group has significant involvement with VIEs in its role as a financial intermediary on behalf of clients. The investors typically retain the risk of loss on such transactions but the Group may provide principal protection on the securities to limit the investors' exposure to downside risk.

As a financial intermediary, the Group may administer or sponsor the VIE, transfer assets to the VIE, provide collateralized financing, act as a derivatives counterparty, advise on the transaction, act as investment advisor or investment manager, act as underwriter or placement agent or provide credit enhancement, liquidity or other support to the VIE. The Group also owns securities issued by the VIEs structured to provide clients with investment opportunities, for market-making purposes and as investments. The Group's maximum loss exposure to VIEs related to financial intermediation activities was CHF 14.4 billion and CHF 12.8 billion as of March 31, 2006 and December 31, 2005, respectively, which represents the notional amount of any guarantees and the fair value of all other interests held. Further, the Group considers the likelihood of incurring a loss equal to the maximum exposure to be remote because of the Group's risk mitigation efforts, including hedging strategies and the risk of loss that is retained by investors.

## **Litigation**

The Group has provided reserves for litigation, claims and proceedings in accordance with SFAS No. 5, "Accounting for Contingencies." The Group recorded in the second quarter of 2005 a CHF 960 million (USD 750 million) charge before tax, CHF 624 million after tax, in Investment Banking, to increase the reserve for private litigation involving Enron, certain IPO allocation practices, research analyst independence and other related litigation. The charge was in addition to the reserve for these private litigation matters of CHF 702 million (USD 450 million) before tax originally established in 2002 and brings the total reserve for these private litigation matters as of March 31, 2006, to CHF 1.4 billion (USD 1.1 billion) after deductions for settlements that have since taken place.

The Group is involved in a number of other judicial, regulatory and arbitration proceedings concerning the matters arising in connection with the conduct of its businesses. These actions have been brought on behalf of various classes of claimants and, unless specified, seek damages of material and/or indeterminate amounts. The Group believes, based on currently available information and advice of counsel, that the results of such proceedings, in the aggregate, are not likely to have a material adverse effect on its financial condition but might be material to operating results for any particular period, depending, in part, upon the operating results for such period.

It is inherently difficult to predict the outcome of many of these matters. In presenting the condensed consolidated financial statements, management makes estimates regarding the outcome of these matters and records a reserve and takes a charge to income when losses with respect to such matters are probable and can be reasonably estimated. Estimates, by their nature, are based on judgment and currently available information and involve a variety of factors, including, but not limited to, the type and nature of the litigation, claim or proceeding, the progress of the matter, the advice of legal counsel, the Group's defenses and its experience in similar cases or proceedings as well as its assessment of matters, including settlements, involving other defendants in similar or related cases or proceedings.

Further charges or releases of litigation reserves may be necessary in the future as developments in such litigation, claims or proceedings warrant.

## Subsequent events

In April 2006, the Group and certain of its subsidiaries reached an agreement with a number of professional liability insurers to resolve insurance obligations relating to certain litigation and related costs involving the Investment Banking segment. This agreement provides for the Group to receive in the second quarter of 2006 up to CHF 392 million (USD 300 million). The Group expects to reflect any amounts received in the second quarter of 2006 as a reduction in Investment Banking's operating expenses.

# Information for investors

## Ticker symbols / Stock exchange listings

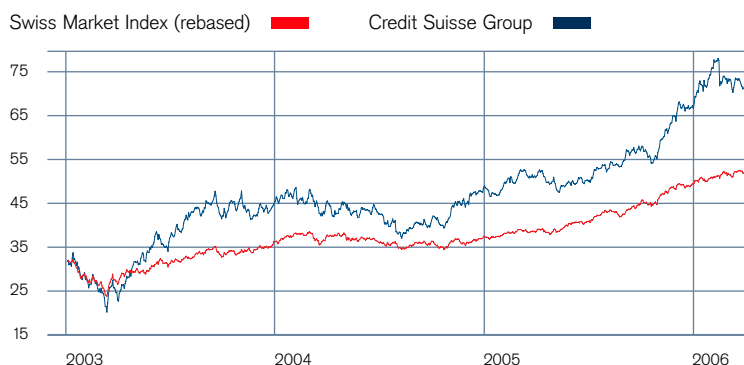
	Bloomberg	Reuters	Telekurs
SWX Swiss Exchange/virt-x	CSGN VX	CSGN.VX	CSGN,380
New York Stock Exchange (ADS) <sup>1)</sup>	CSR US	CSR.N	CSR,065
	CSG share	ADS	
Swiss security number	1213853	570660	
ISIN number	CH0012138530	US2254011081	
CUSIP number		225 401 108	

<sup>1)</sup> One ADS represents one registered share.

Credit Suisse Group's ordinary shares are registered shares with a par value of CHF 0.50 per share and are listed on the Swiss Exchange/virt-x. In addition, Credit Suisse Group has a sponsored level II American Depositary Shares (ADS) program listed on the New York Stock Exchange for which Deutsche Bank Trust Company Americas acts as depository. Each ADS represents one registered share of the Group.

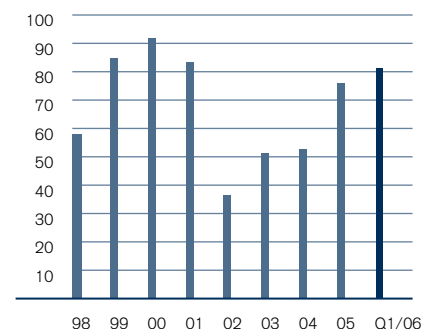
Further information about historic share prices and other share-related statistics can be found within the Credit Suisse Group financial highlights section of this document and at [www.credit-suisse.com/investors](http://www.credit-suisse.com/investors).

## Share performance



## Market capitalization

As of end of reporting period (in CHF bn)



## Ratings

		Moody's	Standard & Poor's	Fitch Ratings
<b>Credit Suisse Group</b>	Short term	–	A-1	F1+
	Long term	Aa3	A	AA-
	Outlook	Stable	Positive	Stable
<b>Credit Suisse</b>	Short term	P-1	A-1	F1+
	Long term	Aa3	A+	AA-
	Outlook	Stable	Positive	Stable
<b>Winterthur</b>	Insurer financial strength	A1	A-	A+
	Outlook	Negative	Stable	Stable

## Foreign currency translation rates

The following table sets forth principal Swiss franc foreign exchange rates:

in CHF	Average rate			Closing rate	
	1Q2006	4Q2005	1Q2005	31.03.06	31.12.05
1 USD	<b>1.30</b>	1.30	1.17	<b>1.3069</b>	1.3137
1 EUR	<b>1.56</b>	1.55	1.55	<b>1.5815</b>	1.5572
1 GBP	<b>2.28</b>	2.28	2.23	<b>2.2668</b>	2.2692
100 JPY	<b>1.11</b>	1.12	1.12	<b>1.1076</b>	1.1190

## **Cautionary statement regarding forward-looking information**

This Quarterly Report contains statements that constitute forward-looking statements. In addition, in the future we, and others on our behalf, may make statements that constitute forward-looking statements. Such forward-looking statements may include, without limitation, statements relating to our plans, objectives or goals; our future economic performance or prospects; the potential effect on our future performance of certain contingencies; and assumptions underlying any such statements.

Words such as "believes," "anticipates," "expects," "intends" and "plans" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. We do not intend to update these forward-looking statements except as may be required by applicable laws.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other outcomes described or implied in forward-looking statements will not be achieved. We caution you that a number of important factors could cause results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include (i) market and interest rate fluctuations; (ii) the strength of the global economy in general and the strength of the economies of the countries in which we conduct our operations in particular; (iii) the ability of counterparties to meet their obligations to us; (iv) the effects of, and changes in, fiscal, monetary, trade and tax policies, and currency fluctuations; (v) political and social developments, including war, civil unrest or terrorist activity; (vi) the possibility of foreign exchange controls, expropriation, nationalization or confiscation of assets in countries in which we conduct our operations; (vii) the ability to maintain sufficient liquidity and access capital markets; (viii) operational factors such as systems failure, human error, or the failure to implement procedures properly; (ix) actions taken by regulators with respect to our business and practices in one or more of the countries in which we conduct our operations; (x) the effects of changes in laws, regulations or accounting policies or practices; (xi) competition in geographic and business areas in which we conduct our operations; (xii) the ability to retain and recruit qualified personnel; (xiii) the ability to maintain our reputation and promote our brand; (xiv) the ability to increase market share and control expenses; (xv) technological changes; (xvi) the timely development and acceptance of our new products and services and the perceived overall value of these products and services by users; (xvii) acquisitions, including the ability to integrate acquired businesses successfully, and divestitures, including the ability to sell non-core assets; (xviii) the adverse resolution of litigation and other contingencies; and (xix) our success at managing the risks involved in the foregoing.

We caution you that the foregoing list of important factors is not exclusive; when evaluating forward-looking statements, you should carefully consider the foregoing factors and other uncertainties and events, as well as the risks identified in our most recently filed Form 20-F and reports on Form 6-K furnished to the US Securities and Exchange Commission.

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