

# Re-pricing of certain asset-backed securities positions in CDO trading business

Zurich

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# Cautionary statement

## Cautionary statement regarding forward-looking and non-GAAP information

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995.

Forward-looking statements involve inherent risks and uncertainties, and we might not be able to achieve the predictions, forecasts, projections and other outcomes we describe or imply in forward-looking statements.

A number of important factors could cause results to differ materially from the plans, objectives, expectations, estimates and intentions we express in these forward-looking statements, including those we identify in "Risk Factors" in our Annual Report on Form 20-F for the fiscal year ended December 31, 2007 filed with the US Securities and Exchange Commission, and in other public filings and press releases.

We do not intend to update these forward-looking statements except as may be required by applicable laws.

This presentation contains non-GAAP financial information. Information needed to reconcile such non-GAAP financial information to the most directly comparable measures under GAAP can be found in Credit Suisse Group's revised fourth quarter report 2007 and in our Annual Report on Form 20-F for the fiscal year ended December 31, 2007.

# Summary

- Final valuation reductions of CHF 2.86 bn or USD 2.65 bn (vs. USD 2.85 bn estimate announced on February 19)
- Valuation reductions of CHF 1.18 bn relating to 4Q07 and CHF 1.68 bn relating to first six weeks of 1Q08
- Revised net income for 2007 of CHF 7.8 bn, down 6% from record income from continuing operations in 2006
- Pricing errors on certain CDO positions were in part due to intentional trader misconduct
- Sound overall control framework, but controls in place to detect this misconduct were not effective in this case
- Re-pricing limited to CDO trading business

# Financial impact of valuation reductions

CHF m	Valuation reduction impact	4Q07		2007	
		As presented on February 12	Revised	As presented on February 12	Revised
<b>Investment Banking</b>					
Net revenues	(1,177)	3,918	2,741	20,135	18,958
Pre-tax income	(1,177)	328	(849)	4,826	3,649
<b>Group (Core Results)</b>					
Pre-tax income	(1,177)	1,380	203	10,325	9,148
Income taxes	(388)	(15)	(403)	1,638	1,250
Net income	(789)	1,329	540	8,549	7,760
Tier 1 ratio in %	(0.3)	11.4	11.1	11.4	11.1
ROE in %	nm	12.4	5.1	19.8	18.0

nm = not meaningful

# CDO gross and net exposures

Exposure (CHF bn)	Long	Short	Net
YE2007 as presented on Feb.12	14.7	(12.0)	2.7
<i>Valuation changes</i>			
ABS & indices	(0.5)	–	(0.5)
Synthetic ABS CDOs	(0.1)	–	(0.1)
Cash CDOs	(0.5)	–	(0.5)
YE2007 revised	13.6	(12.0)	1.6
<i>Valuation changes</i>			
ABS & indices	(0.7)	–	(0.7)
Synthetic ABS CDOs	(0.3)	(0.4)	(0.7)
Cash CDOs	0.0	–	0.0
<i>Sensitivity changes</i>	3.1	(0.9)	2.2
As of February 2008	15.7	(13.3)	2.4

## Valuation changes in 2007

- ABS & indices marked down largely in higher-rated structured assets
- Synthetic ABS CDOs marked down for spread consistency with ABS bonds
- Cash CDOs marked down to reflect declines in underlying collateral; valuation changed to a distressed/net asset value approach

## Valuation changes in 2008

- Lower values for ABS & indices from market declines and basis risks
- Lower synthetic CDO valuations based on calibration to current market conditions; reflects wider market spreads, recovery rates near 0% and correlations near 100%

Note: Positions related to US subprime. Sensitivity changes include impacts from model parameter, duration and FX changes as well as position changes from trading activities post year-end.

# Remedial action and consequences

- Reassign trading responsibility for the impacted CDO trading business and enhance related control processes
- Improve the effectiveness of supervisory reviews and formalizing escalation procedures
- Improve the co-ordination among trading, product control and risk management

# Outlook

- Managing positions more conservatively than most
- Although profitable through to the end of February, in light of difficult market conditions in March, we believe we are unlikely to be profitable in 1Q08
- Benefiting from diverse business mix and global reach
- Seeing strong client momentum in a number of our businesses
- Integrated banking model provides opportunities to drive growth and enhance efficiency

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