

United Kingdom
Credit Update

Credit Suisse International

Ratings

Credit Suisse International

Foreign Currency

Long-Term IDR	AA-
Short-Term IDR	F1+
Outlook	Stable

Support	1
---------	---

Sovereign Risk

Foreign Long-Term IDR*	AAA
Local Long-Term IDR*	AAA
Outlook	Stable

* IDR – Issuer Default Rating

Financial Data

Credit Suisse International

	31 Dec 06	31 Dec 05
Total Assets (USDm)	282,165	235,226
Equity (USDm)	2,342	2,443
Net Income (USDm)	-101	81
Operating ROAA (%)	-0.06	0.03
Operating ROAE (%)	-6.52	1.73
Regulatory Total	13.5	13.5
Capital Ratio (%)		

Analysts

Christian Scarafia, Milan
+39 02 87 90 87 212
christian.scarafia@fitchratings.com

Gordon Scott, London
+44 20 7417 4307
gordon.scott@fitchratings.com

Eileen Fahey, Chicago
+1 312 368 5468
eileen.fahey@fitchratings.com

■ Rating Rationale

- The ratings of Credit Suisse International (CSI), formerly Credit Suisse First Boston International (CSFBi), reflect its legal status and ownership structure, and its integrated role within Credit Suisse (CS) and Credit Suisse Group (CSG). Its Long- and Short-Term IDRs are in line with those of CS.
- CSI, together with Credit Suisse (USA) (see separate Credit Update) conducts a significant proportion of CS's trading business. CSI provides comprehensive treasury and risk-management services to its clients, offering a wide range of interest rate, equity, foreign exchange, commodity and credit-related over-the-counter derivatives, and certain securitised products. Its activities are primarily client driven and benefit from a good flow of business from its parent's connections.
- CSI's risk management is integrated into CS's sophisticated and comprehensive risk-management framework. Market risk is assessed using a value-at-risk model that has been recognised by the Financial Services Authority (FSA) and satisfies the requirements of the Swiss regulators for capital adequacy purposes. Market risk is also assessed using scenario analysis and in accordance with the group's economic risk capital methodology. Counterparty risk is mitigated by collateral and netting agreements. Unsecured exposures are predominantly investment grade. Liquidity is readily available from CS.
- The bank's regulatory capital is adequate, with a total capital ratio of 13.5% at end-2006. CSI's end-2006 capital includes USD2.5bn non-cumulative preference shares issued to companies in the CS group. During 2007, a further USD800m preference shares were issued to a CS company.

Support

- CSI is an unlimited company incorporated under the Companies Act 1985. In general, an unlimited company operates under the same corporate governance and structure as a limited company, with the crucial distinction that shareholders in the company have unlimited liability for all its debts if it is wound up. As a result, CS and CSG have joint, several and unlimited liability for CSI's obligations.

■ Rating Outlook and Key Rating Drivers

- CSI's ratings and Outlook are in line with those of its parents, reflecting its legal status and role in the group. Any loosening of CSI's relationship with its parent would be likely to result in a downgrade. Any change in CS's ratings would be followed in CSI's ratings.

■ Profile

- CSI is ultimately fully owned by CSG and is a UK-incorporated bank. It was established in 1990 as Credit Suisse Financial Products and changed its name to CSFBi in 2000. In January 2006 the bank changed its name to CSI, following Credit Suisse First Boston's merger with CS.
- CSI is an authorised institution under the Financial Services and Markets Act 2000 and is supervised by the FSA. Outside the UK, CSI has subsidiaries in the US, the Netherlands and Australia.

23 August 2007

Balance Sheet Analysis
CREDIT SUISSE INTERNATIONAL

	31 Dec 2006				31 Dec 2005	
	Year End	Year End	As % of	Average	Year End	As % of
	USDm	USDm	Assets	USDm	USDm	Assets
	Original	Original	Original	Original	Original	Original
A. LOANS						
1. Private	n.a.	n.a.	-	n.a.	n.a.	-
2. Corporate	9,412.0	9,412.0	3.34	8,070.5	6,729.0	2.86
3. Government	n.a.	n.a.	-	n.a.	407.0	0.17
4. Other	4,018.0	4,018.0	1.42	2,522.5	1,027.0	0.44
5. Loan Impairment	80.0	80.0	0.03	56.0	32.0	0.01
6. Loan Impairment (memo)	n.a.	n.a.	-	n.a.	n.a.	-
7. Less: Loans from the Insurance Business	n.a.	n.a.	-	n.a.	n.a.	-
TOTAL A	13,350.0	13,350.0	4.73	10,740.5	8,131.0	3.46
B. OTHER EARNING ASSETS						
1. Loans and Advances to Banks	17,868.0	17,868.0	6.33	14,750.5	11,633.0	4.95
2. Government Securities	n.a.	n.a.	-	n.a.	n.a.	-
3. Trading Assets	77,004.0	77,004.0	27.29	65,828.0	54,652.0	23.23
4. Derivatives	141,072.0	141,072.0	50.00	137,346.0	133,620.0	56.80
5. Other Securities and Investments	5,736.0	5,736.0	2.03	4,986.5	4,237.0	1.80
6. Equity Investments	316.0	316.0	0.11	447.0	578.0	0.25
7. Insurance	n.a.	n.a.	-	n.a.	n.a.	-
TOTAL B	241,996.0	241,996.0	85.76	223,358.0	204,720.0	87.03
C. TOTAL EARNING ASSETS (A+B)	255,346.0	255,346.0	90.50	234,098.5	212,851.0	90.49
D. TANGIBLE FIXED ASSETS	394.0	394.0	0.14	376.5	359.0	0.15
E. NON-EARNING ASSETS						
1. Cash and Due from Banks	8,296.0	8,296.0	2.94	6,578.0	4,860.0	2.07
2. Other	18,129.0	18,129.0	6.42	17,642.5	17,156.0	7.29
F. TOTAL ASSETS	282,165.0	282,165.0	100.00	258,695.5	235,226.0	100.00
G. DEPOSITS & MONEY MARKET FUNDING						
1. Due to Customers - Current	25,366.0	25,366.0	8.99	20,371.0	15,376.0	6.54
2. Due to Customers - Savings	n.a.	n.a.	-	n.a.	n.a.	-
3. Due to Customers - Term	3,792.0	3,792.0	1.34	3,474.5	3,157.0	1.34
4. Deposits with Banks	n.a.	n.a.	-	n.a.	n.a.	-
5. Other Deposits and Short-term Borrowings	38,633.0	38,633.0	13.69	30,365.0	22,097.0	9.39
TOTAL G	67,791.0	67,791.0	24.03	54,210.5	40,630.0	17.27
H. OTHER LIABILITIES						
1. Derivatives	144,566.0	144,566.0	51.23	139,239.5	133,913.0	56.93
2. Trading Liabilities	11,348.0	11,348.0	4.02	11,623.5	11,899.0	5.06
3. Fair Value Portion of Debt	n.a.	n.a.	-	n.a.	n.a.	-
4. Insurance	n.a.	n.a.	-	n.a.	n.a.	-
TOTAL H	155,914.0	155,914.0	55.26	150,863.0	145,812.0	61.99
I. OTHER FUNDING						
1. Long-term Borrowing	29,837.0	29,837.0	10.57	27,985.0	26,133.0	11.11
2. Subordinated Debt	3,188.0	3,188.0	1.13	2,626.0	2,064.0	0.88
3. Other Funding	n.a.	n.a.	-	n.a.	n.a.	-
TOTAL I	33,025.0	33,025.0	11.70	30,611.0	28,197.0	11.99
J. NON-INTEREST BEARING	20,533.0	20,533.0	7.28	18,701.0	16,869.0	7.17
K. HYBRID CAPITAL						
1. Hybrid capital accounted for as equity	2,560.0	2,560.0	0.91	1,917.5	1,275.0	0.54
2. Hybrid Capital accounted for as debt	n.a.	n.a.	-	n.a.	n.a.	-
L. TOTAL LIABILITIES	279,823.0	279,823.0	99.17	256,303.0	232,783.0	98.96
M. EQUITY						
1. Common Equity	2,342.0	2,342.0	0.83	2,392.5	2,443.0	1.04
2. Minority Interest	n.a.	n.a.	-	n.a.	n.a.	-
3. Revaluation Reserves	n.a.	n.a.	-	n.a.	n.a.	-
TOTAL M	2,342.0	2,342.0	0.83	2,392.5	2,443.0	1.04
MEMO: CORE CAPITAL	2,342.0	2,342.0	0.83	2,392.5	2,443.0	1.04
MEMO: ELIGIBLE CAPITAL	n.a.	n.a.	-	n.a.	n.a.	-
N. TOTAL LIABILITIES & EQUITY	282,165.0	282,165.0	100.00	258,695.5	235,226.0	100.00
Exchange Rate		USD1 = USD 1.0000			USD1 = USD 1.0000	

Income Statement Analysis

CREDIT SUISSE INTERNATIONAL

	31 Dec 2006		31 Dec 2005	
	Income	As % of	Income	As % of
	Expenses	Total AV	Expenses	Total AV
	USDm	Earning Assts	USDm	Earning Assts
	Original	Original	Original	Original
1. Interest Income	1,884.0	0.80	960.0	-
2. Interest Expense	3,114.0	1.33	1,573.0	-
3. NET INTEREST REVENUE	-1,230.0	-0.53	-613.0	-
4. Net Fees & Commissions	-32.0	-0.01	-162.0	-
5. Net Insurance Revenue	n.a.	-	n.a.	-
6. Other Operating Income	2,932.0	1.25	2,236.0	-
7. Personnel Expenses	859.0	0.37	713.0	-
8. Other Operating Expenses	919.0	0.39	763.0	-
9. PRE-IMPAIRMENT OPERATING PROFIT	-108.0	-0.05	-15.0	-
10. Loan Impairment Charge	48.0	0.02	-58.0	-
11. Other Credit Impairment and Provisions	n.a.	-	n.a.	-
12. OPERATING PROFIT	-156.0	-0.07	43.0	-
13. Other Income and Expenses	n.a.	-	n.a.	-
14. PUBLISHED PRE-TAX PROFIT	-156.0	-0.07	43.0	-
15. Taxes	-55.0	-0.02	-38.0	-
16. Profit/(Loss) from Discontinued Operations	n.a.	-	n.a.	-
17. Change in Value of AFS investments	n.a.	-	n.a.	-
18. Currency Translation Differences	n.a.	-	n.a.	-
19. Other Gains/(Losses) not in Published Net Income	n.a.	-	n.a.	-
20. FITCH COMPREHENSIVE INCOME	n.a.	-	n.a.	-
21. Total Gains/(Losses) not in Published Net Income	n.a.	-	n.a.	-
22. IFRS Dividends included in Fitch Interest Expense	n.a.	-	n.a.	-
23. PUBLISHED NET INCOME	-101.0	-0.04	81.0	-

Ratio Analysis

CREDIT SUISSE INTERNATIONAL

		31 Dec 2006	31 Dec 2005
		Year End USDm Original	Year End USDm Original
I. PERFORMANCE			
1. Net Interest Margin	%	-0.53	-0.40
2. Loan Yield	%	3.89	3.79
3. Cost of Funds	%	3.59	2.55
4. Costs/Average Assets	%	0.69	0.87
5. Costs/Income	%	106.47	101.03
6. Pre-Impairment Operating ROAA	%	-0.04	-0.01
7. Operating ROAA	%	-0.06	0.03
8. Pre-impairment Operating ROAE	%	-4.51	-0.60
9. Operating ROAE	%	-6.52	1.73
II. CAPITAL ADEQUACY			
1. Internal Capital Generation	%	n.a.	n.a.
2. Core Capital/Total Assets	%	0.83	1.04
3. Eligible Capital/Regulatory Weighted Risks	%	n.a.	n.a.
4. Eligible Capital+Eligible Revaluation Reserves/Regulatory Weighted Risks	%	n.a.	n.a.
5. Tier 1 Regulatory Capital Ratio	%	n.a.	n.a.
6. Total Regulatory Capital Ratio	%	13.50	13.50
7. Free Capital/Equity	%	77.28	81.74
III. LIQUIDITY (year end)			
1. Liquid Assets/Deposits & Money Mkt Funding	%	69.76	63.29
2. Loans/Deposits	%	45.79	43.87
IV. ASSET QUALITY			
1. Loan Impairment Charge/Gross Loans (av.)	%	0.44	-0.94
2. Total Credit Impairment/Pre-impairment Operating Profit	%	-44.44	386.67
3. Loan Impairment/Gross Impaired Loans	%	n.a.	n.a.
4. Individual Loan Impairment/Gross Impaired Loans	%	n.a.	n.a.
5. Impaired Loans Gross / Loans Gross	%	n.a.	n.a.
6. Impaired Loans Net/Eligible Capital	%	n.a.	n.a.
7. Net Charge-offs/Gross Loans (av.)	%	n.a.	n.a.