

# Asset Management Credit Suisse Investor Day 2007

Zurich  
January 22, 2007

David Blumer, CEO Asset Management

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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, 2005 filed with the US Securities and Exchange Commission, and in other public filings and press releases.

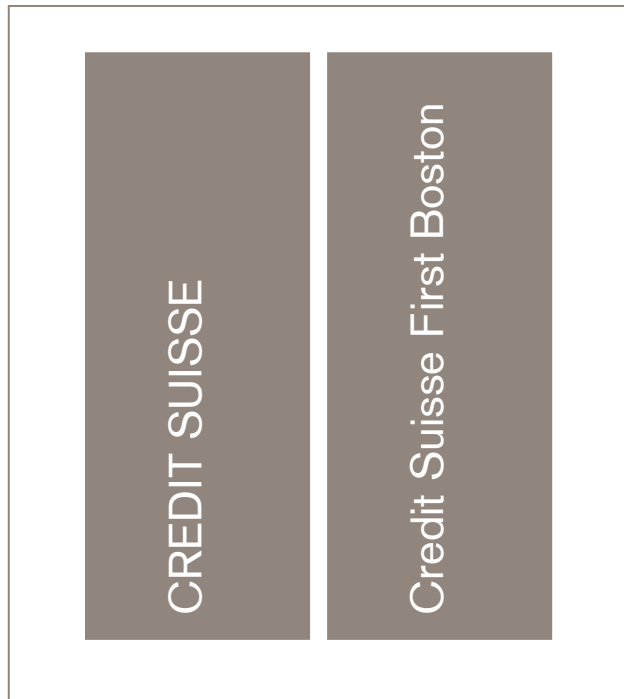
We do not intend to update these forward-looking statements except as may be required by applicable laws.

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 Quarterly Report 2006/Q3.

# Asset Management in the integrated bank

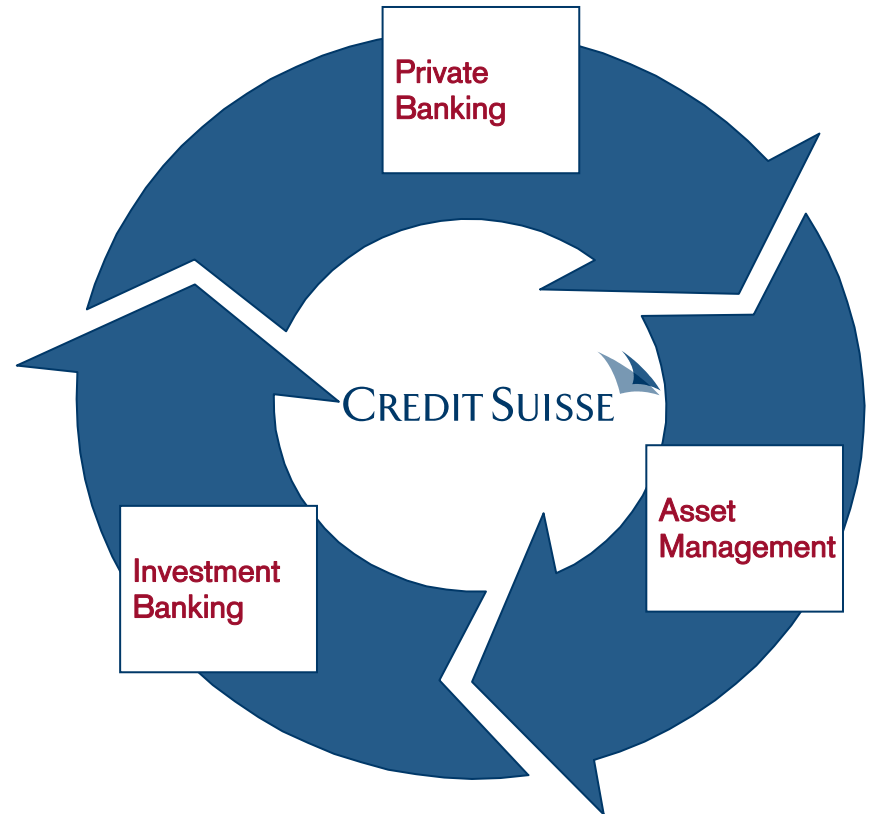
From business segmentation...

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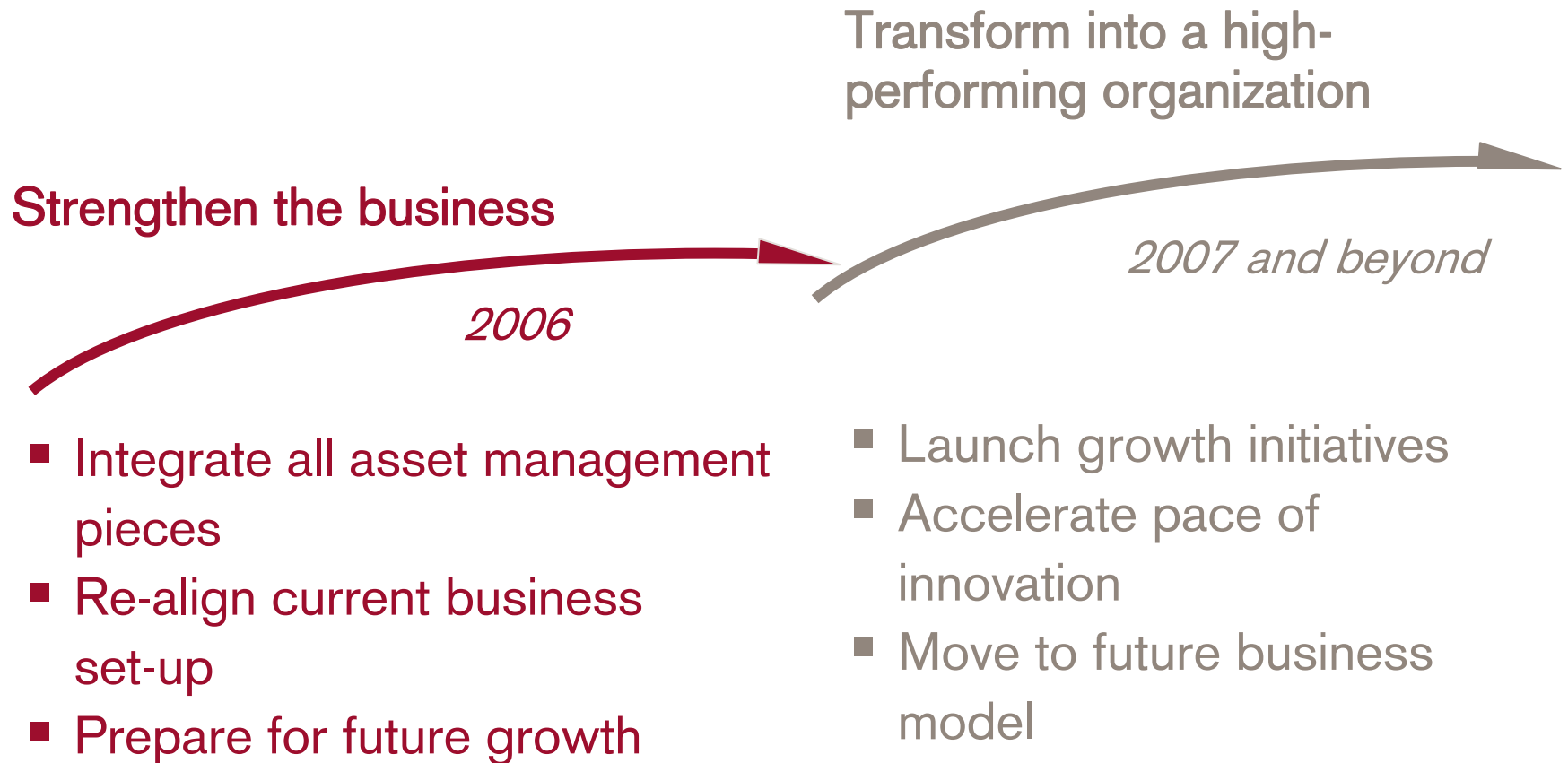


...to client centric solutions

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# The roadmap laid out at Investor Day one year ago



# We formed one integrated division from many pieces

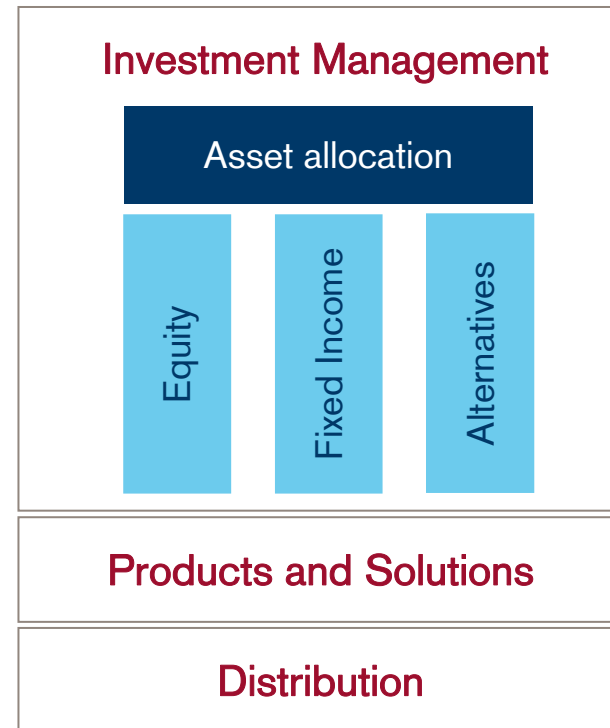
From a fragmented asset manager  
one year ago...

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... to an integrated business model today

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# We realigned existing businesses with an estimated pre-tax impact of CHF 120 million in 2007

## Realignment of existing businesses in 2006

### Refocus of unprofitable US business

- 163 portfolios switched or liquidated; 34 transferred
- 185 FTE reduced in 2006
- AuM increase from CHF 29bn to 38bn

### Exit of subscale strategies in Australia

- 22 FTE reduced in 2006

### Reorganization of Japanese business

- 17 FTE reduced in 2006, mainly in support functions

### Streamlining of product portfolio

- Unprofitable products and clients identified on individual level
- 107 products realigned in 2006

## Ongoing business discipline

### Investment Management

- Create multi-boutique investment approach
- Strengthen investment talent pool

### Products and Solutions

- Continue streamlining of product landscape
- Optimize products on an ongoing basis

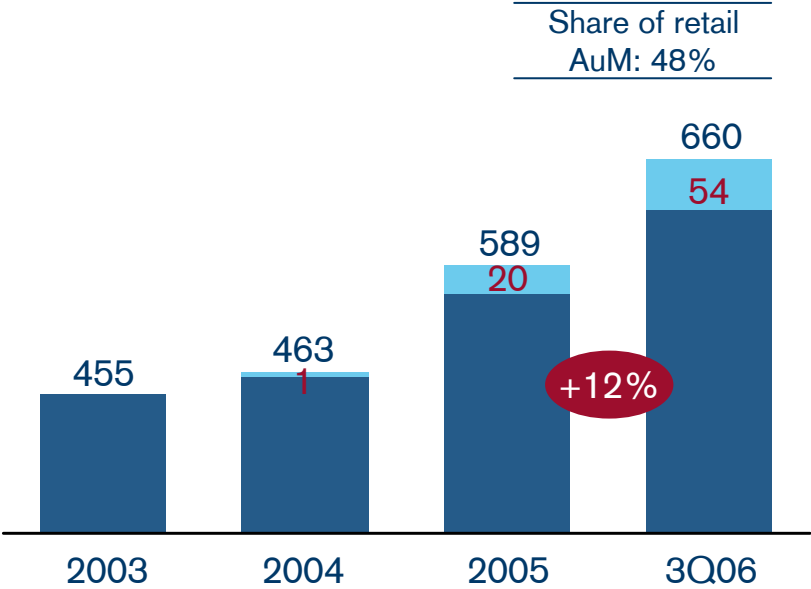
### Distribution

- Improve channel and segment management
- Institutionalize accountability

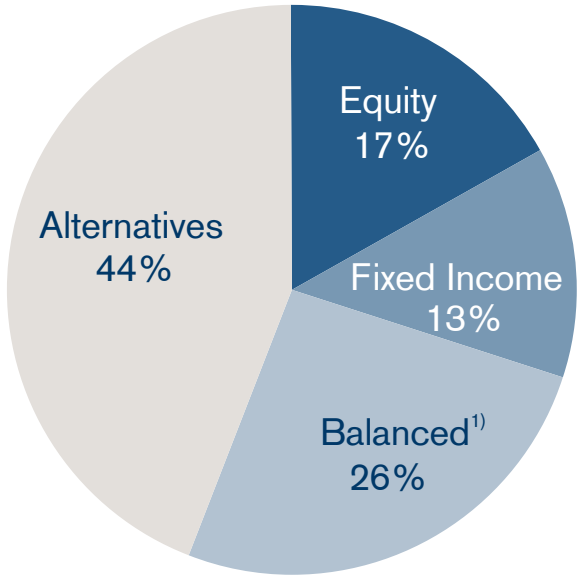
# In the midst of this repositioning, we raised over CHF 50 billion net new assets in the first 9 months...

## Total Assets under Management (AuM)

CHF billion



## Revenue split by asset class



Net new assets (NNA)

1) Asset allocation: Multi Asset Class solutions and Advisory  
 Note: all figures as of September 30, 2006

# We committed more than CHF 1 billion in 2006 to ensure future growth



## Agreement to acquire majority stake in Hedging-Griffo<sup>1)</sup>

- Manages over CHF 9 bn mainly for HNWI
- Focus on Hedge Funds, Fund of Hedge Funds and Equity Funds



## Joint venture with Woori

- 4th largest Asset Manager in Korea with 20 billion AuM
- First joint products launched in November 2006



## Joint venture with ICBC

- ICBC is the largest Chinese commercial bank
- 3<sup>rd</sup> largest asset manager with total AuM CHF ~ 5 billion



## Partnership with Ospraie Management and ADFEC<sup>2)</sup>

- Ospraie manages investments in commodities and basic industries
- ADFEC is focused on alternative energy investments



## General Electric Infrastructure Partners

- Joint venture with General Electric (50%)
- Targeted fund size approx. CHF 5 billion

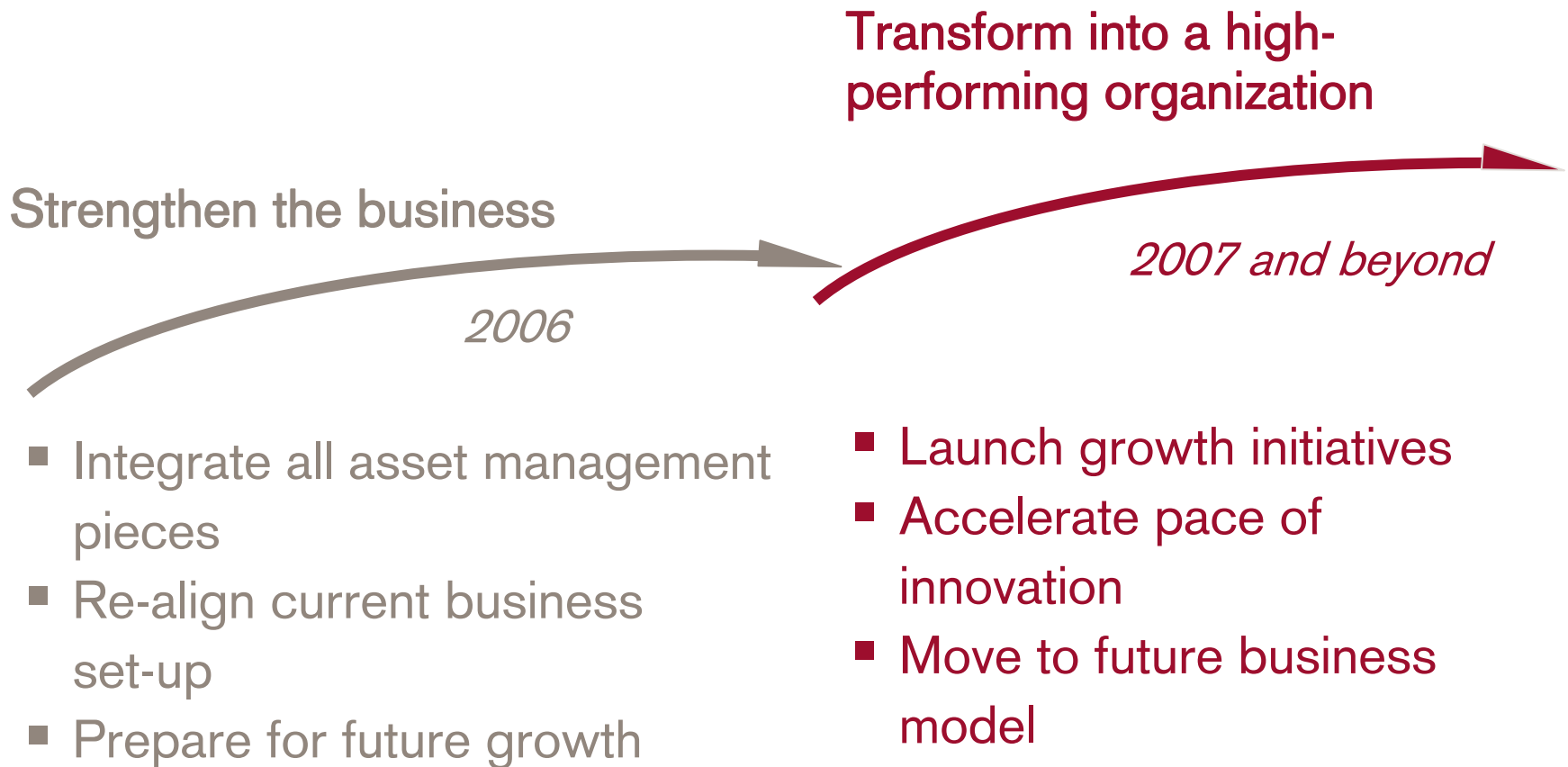
## Expansion of private equity activities

- Credit Suisse partners with China Renaissance Capital Investment
- Strategic alliance with a team of Latin American professionals

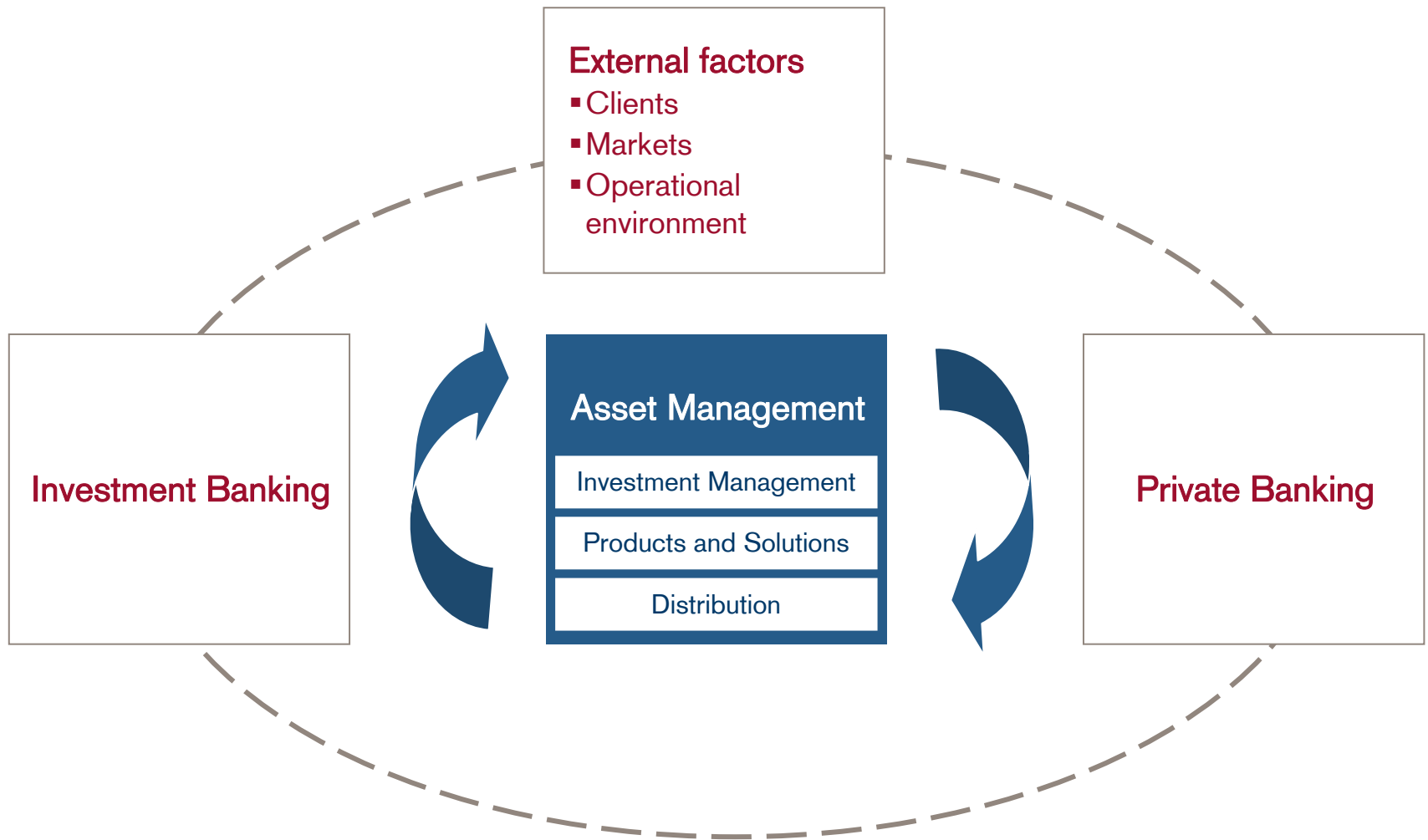
1) Credit Suisse has an option to buy the remaining stake after five years

2) Abu Dhabi Future Energy Company

# 2007 will be about generating profitable growth



# Changing environment affects all aspects of our business



# Key trends in investment management

## Alpha

**'create outperformance'**

- Ongoing alpha-beta separation, but traditional management still bulk of the business
- Convergence of hedge funds and traditional management
- Quantitative strategies to become the new mainstream
- Replication of hedge fund performance
- Consolidation of industry

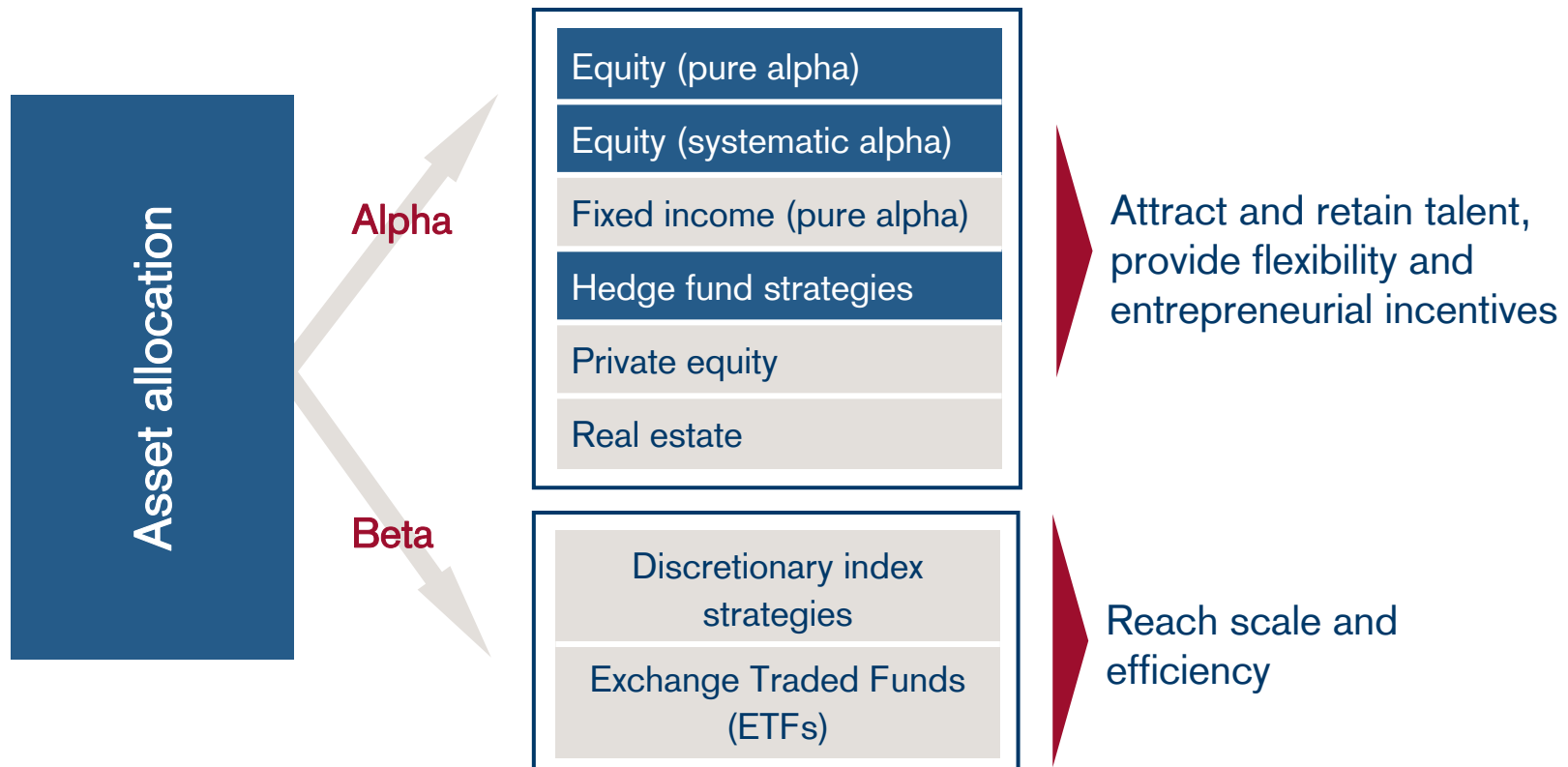
## Beta

**'provide payoff on a given underlying'**

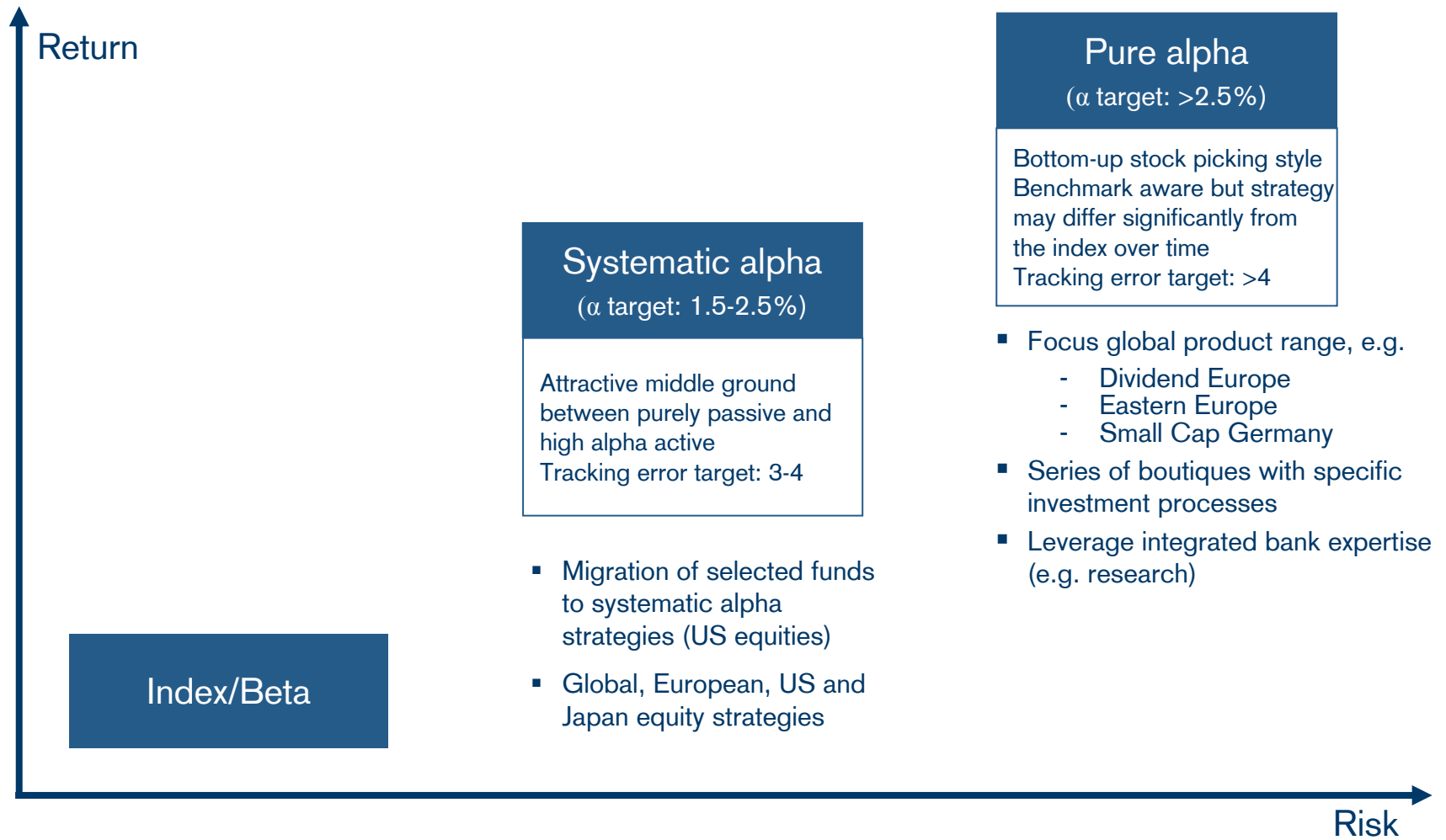
- Growth of index / beta management
- Margin pressure
- Increased competition by structured derivatives

# Core/satellite investment approach

We will therefore apply a core/satellite strategy in our investment management, combined with strong asset allocation skills



# A three-fold offering of equity strategies



# We are dedicated to strengthening our Single Hedge Fund business

	Fund of Hedge Funds (core)	Single Hedge Fund (satellite)
Trends	<ul style="list-style-type: none"><li>▪ Institutional asset flows in hedge funds (15% today, 24% in 2010)</li><li>▪ Alternative beta replication</li><li>▪ Increasing correlation to traditional markets</li></ul>	<ul style="list-style-type: none"><li>▪ Split between single Hedge Fund and Fund of Hedge Fund will increase from 34-66% to 50-50% by 2010*</li><li>▪ Stable margins</li></ul>
Added value	<ul style="list-style-type: none"><li>▪ Key entry point for many investors</li><li>▪ “Window into the market”</li></ul>	<ul style="list-style-type: none"><li>▪ Generation of pure alpha</li><li>▪ Specialized strategies</li></ul>
Strategy	<ul style="list-style-type: none"><li>▪ Customized portfolios</li><li>▪ Fund of Hedge Fund programs</li><li>▪ Tremont indices</li></ul>	<ul style="list-style-type: none"><li>▪ Single hedge fund platform</li><li>▪ Source new managers</li><li>▪ Leverage integrated bank skills</li><li>▪ Future acquisitions</li></ul>

\*Today 66% in Fund of Hedge Fund and 34% in single Hedge Fund, 87% of institutional in Fund of Hedge Fund  
Source: Credit Suisse analysis and Casey, Quirk & Ass. 2006

# Products, Solutions and Distribution in the integrated bank

## Private Banking introduces private client group to Asset Management

### Background

- Private Banking client sold its privately owned business
- Client was looking for a tax-efficient structure to invest the proceeds

### Solution

- 3 Luxembourg SICAV and 2 Guernsey PCC structures have been established

**AuM CHF 900 million**

## Nikko Credit Suisse Global High Yield Equity Fund

### Background

- Investment Banking introduced Nikko to Asset Management which needed an equity strategy with monthly payments to shareholders

### Solution

- Nikko Credit Suisse Global High Yield Equity Fund launched in February 2005

**AuM close to CHF 2 billion**

## Asset Management and Private Banking execute leverage loan transaction

### Background

- Asset Management introduced a client to Private Banking who was seeking to raise new funds

### Solution

- Credit Suisse Solutions Partners acted as an interface
- Joint effort to structure and execute a leveraged loan transaction

**AuM CHF 330 million**

## Asset Management introduces a corporate client to Investment Banking

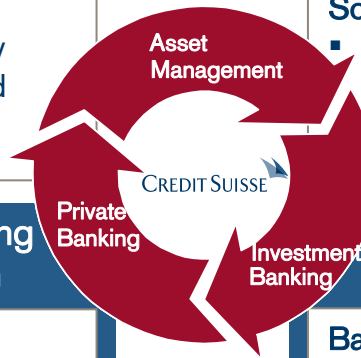
### Background

- An Asset Management needed a structured solution in alternative investments

### Solution

- Asset Management enlisted the services of Investment Banking to provide customized solutions
- Client decided to invest in tailor-made product

**AuM CHF 100 million**



# Asset Management is key to the integrated bank's success

- Integrated bank model creates unique position in marketplace
- Focus on client-centric, customized solutions while utilizing resources of integrated bank is a competitive advantage
- Leading Alternatives business to be expanded
- Global distribution power and relationships can be further leveraged

CREDIT SUISSE

