

LETTER TO SHAREHOLDERS Q2 2004

Dear shareholders,

Credit Suisse Group recorded net income of CHF 3,318 million for the first six months of 2004, one of the best half-year results in the Group's history. In the second quarter of 2004, the Group reported net income of CHF 1,457 million. This result was driven primarily by good revenue generation across most businesses and the improvement in economic conditions versus the prior year, as well as our continued focus on process efficiency. However, our second quarter results not only underscore the Group's fundamental strengths but also pinpoint the areas we must build on going forward.

Credit Suisse Group reported net income of CHF 3,318 million for the first half of 2004, compared to the loss reported under US GAAP in the first half of 2003. The Group's net income for the second quarter of 2004 amounted to CHF 1,457 million, compared to CHF 1,861 million in the strong first quarter of 2004.

Credit Suisse Financial Services contributed CHF 1,070 million to the Group's second quarter 2004 result, driven primarily by strong revenue generation. Private Banking achieved solid net revenues and attracted CHF 7.9 billion in net new assets. Corporate & Retail Banking delivered a strong quarterly performance, based on good underlying results and benefiting from gains on interest rate derivatives. Both insurance segments recorded a good operating performance as well as solid investment income.

Credit Suisse First Boston contributed CHF 430 million to the Group's second quarter 2004 with Wealth & Asset Management achieving significant gains from private equity investments. However, due to the more challenging market environment, the Institutional Securities Segment reported a decrease in trading revenues and certain other businesses versus the strong first quarter. At the same time, Credit Suisse First Boston's franchise remains strong and I am convinced that we will be able to capture the host of opportunities available to enhance growth and profitability even more effectively going forward.

Credit Suisse Group's return on equity was 16.6% in the second quarter of 2004 and 19.0% for the first half of 2004.

#### Net new assets

The Group reported net new assets of CHF 9.1 billion in the second quarter of 2004, with Private Banking contributing net new assets of CHF 7.9 billion, representing an annualized growth rate of 5.8%. Corporate & Retail Banking reported a net asset outflow of CHF 0.3 billion in the second quarter of 2004. A net asset inflow of CHF 2.0 billion was recorded in Wealth & Asset Management, and Institutional Securities reported a net asset outflow of CHF 0.6 billion.

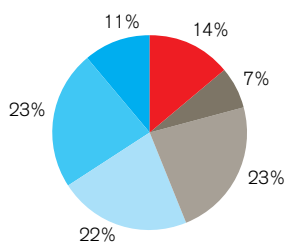
#### Equity capital

Credit Suisse Group's consolidated BIS tier 1 ratio was 11.6% as of June 30, 2004, up from 11.5% as of March 31, 2004. This increase was attributable to strong earnings generation, combined with a slight increase in risk-weighted assets of CHF 1.4 billion. The Group's shareholders' equity as of June 30, 2004, remained stable at CHF 35.3 billion compared to March 31, 2004.

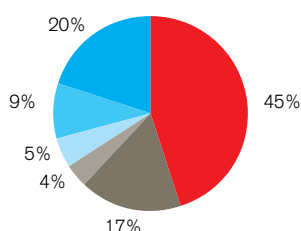
#### Private Banking

Private Banking reported net income of CHF 665 million in the second quarter, practically unchanged compared to the first quarter of 2004. Net revenues decreased 4% compared to the first quarter of 2004, driven mainly by lower brokerage income, offset by the positive change in the fair value of interest rate derivatives. Total operating expenses were virtually unchanged compared to the first quarter of 2004. The cost/income ratio stood at 57.9%, up 2.6 percentage points compared to the first quarter of 2004. Private Banking's gross margin remained high at 139.1 basis points, down 7.2 basis points compared to the first quarter of 2004 but up 14.5 basis points compared to the second quarter of 2003.

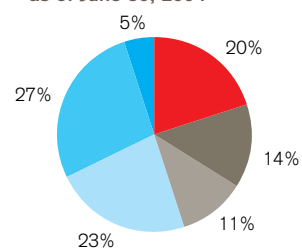
Net revenues contribution by segment in Q2/2004



Net income contribution by segment in Q2/2004



Number of employees by segment as of June 30, 2004



● Private Banking    ● Corporate & Retail Banking    ● Life & Pensions    ● Non-Life    ● Institutional Securities    ● Wealth & Asset Management

## Segment reporting

### Net revenues

in CHF m	2Q2004	1Q2004	2Q2003	6 months	
				2004	2003
Private Banking	<b>1,869</b>	1,940	1,478	<b>3,809</b>	2,965
Corporate & Retail Banking	<b>950</b>	787	789	<b>1,737</b>	1,563
Life & Pensions	<b>3,225</b>	6,028	3,342	<b>9,253</b>	9,381
Non-Life	<b>2,995</b>	3,125	2,761	<b>6,120</b>	5,433
Institutional Securities <sup>1)</sup>	<b>3,134</b>	3,997	3,312	<b>7,131</b>	6,866
Wealth & Asset Management <sup>2)</sup>	<b>1,499</b>	866	648	<b>2,365</b>	1,323
Corporate Center	<b>(162)</b>	(180)	(194)	<b>(342)</b>	(707)
<b>Credit Suisse Group</b>	<b>13,510</b>	16,563	12,136	<b>30,073</b>	26,824

<sup>1)</sup> Including CHF 53 million, CHF 40 million and CHF 93 million in 2Q2004, 1Q2004 and 6 months 2004, respectively, from minority interest revenues relating to the FIN 46R consolidation. <sup>2)</sup> Including CHF 462 million, CHF 68 million and CHF 530 million in 2Q2004, 1Q2004 and 6 months 2004, respectively, from minority interest revenues relating to the FIN 46R consolidation.

### Net income

in CHF m	2Q2004	1Q2004	2Q2003	6 months	
				2004	2003
Private Banking	<b>665</b>	681	401	<b>1,346</b>	797
Corporate & Retail Banking	<b>256</b>	189	163	<b>445</b>	318
Life & Pensions	<b>67</b>	139	(1,301)	<b>206</b>	(1,818)
Non-Life	<b>82</b>	103	91	<b>185</b>	183
Institutional Securities	<b>129</b>	623	155	<b>752</b>	666
Wealth & Asset Management	<b>301</b>	136	47	<b>437</b>	134
Corporate Center	<b>(43)</b>	(10)	(112)	<b>(53)</b>	(557)
<b>Credit Suisse Group</b>	<b>1,457</b>	1,861	(556)	<b>3,318</b>	(277)

#### Corporate & Retail Banking

Corporate & Retail Banking posted strong net income of CHF 256 million in the second quarter of 2004, up 35% versus the prior quarter. Net revenues rose 21% compared to the first quarter of 2004, mainly reflecting the positive change in the fair value of interest rate derivatives. Total operating expenses rose 12% compared to the first quarter of 2004, as efficiency improvements were more than offset by higher incentive-related compensation accruals in line with the improved result. Credit provisions remained moderate in the second quarter given the ongoing favorable risk profile of the lending portfolio. The segment further improved its cost/income ratio to 58.2%, down 4.6 percentage points compared to the first quarter of 2004. The return on average allocated capital increased to 20.4% in the second quarter, compared to 15.1% in the first quarter of 2004.

#### Life & Pensions

Life & Pensions reported net income of CHF 206 million in the first half of 2004, compared to a net loss of CHF 1,818 million in the first half of 2003. This year-on-year improvement was due primarily to a goodwill impairment of CHF 1,510 million and a cumulative effect of a change in accounting for provisions for policyholders and annuities, both of which were recognized in the first half of 2003. The total business volume, which includes deposits from policyholders and gross premiums written on traditional business, increased 1% compared to the

first half of 2003. Administration expenses declined 13% compared to the first half of 2003 due to efficiency gains. Net investment income rose 12% to CHF 2,403 million compared to the first half of 2003 and the net investment return was 5.1%. The return on average allocated capital amounted to 7.9% in the first half of 2004.

#### Non-Life

Non-Life reported net income of CHF 185 million in the first half of 2004, up 1% compared to the first half of 2003, as an improved operating performance and higher investment income were partially offset by provisions relating to discontinued businesses in the UK and France as well as by restructuring charges related primarily to the streamlining of its Spanish operations. Net premiums earned rose 9% in the first half of 2004 compared to the first half of 2003, and the combined ratio improved 1.6 percentage points to 99.0%. The claims ratio rose to 74.0%, essentially unchanged versus the first half of 2003, and the expense ratio fell 1.8 percentage points, as the increase in expenses was contained to 1% compared to net premium growth of 9%. The segment reported net investment income of CHF 599 million, up from CHF 420 million in the first half of 2003, and the net investment return was 4.8% compared to 3.9% in the same period of last year. The return on average allocated capital was 17.9% in the first half of 2004.

### Credit Suisse First Boston

Credit Suisse First Boston reported net income of CHF 1,189 million for the first half of 2004, compared to net income of CHF 800 million in the first half of 2003. For the second quarter of 2004, Credit Suisse First Boston recorded net income of CHF 430 million, down 43% on lower trading results compared to the first quarter but up 113% compared to the second quarter of 2003. Net revenues were down 5% compared to the first quarter and total operating expenses were down 6%. The return on average allocated capital decreased by 13.6 percentage points to 14.5% compared with the first quarter of 2004.

### Institutional Securities

Institutional Securities reported a 79% decrease in net income in the second quarter of 2004 from the strong prior quarter. Compared to the second quarter of 2003, net income was down 17%. The segment's net revenues declined 22% compared to the first quarter of 2004. Total trading revenues were down 38% compared to the first quarter of 2004, primarily reflecting significantly lower fixed income trading results due to lower proprietary trading results, reduced client activity and losses in derivatives used for risk management purposes which do not qualify for hedge accounting. Equity trading revenues declined as results with convertible securities were negatively impacted by lower liquidity and reduced volumes. Investment Banking revenues remained solid, with strong advisory fees and debt underwriting offset by lower equity underwriting compared with the first quarter of 2004. The segment's 2004 revenues were favorably impacted by gains on legacy assets. In aggregate, second quarter 2004 non-compensation expenses were up 11% from the first quarter of 2004, primarily reflecting increased business activity. Compensation and benefits expenses declined 15%, compared to the first quarter of 2004 and decreased 3% versus the second quarter of 2003, with a decline in incentive compensation in line with lower revenues.

### Wealth & Asset Management

At Wealth & Asset Management, net income rose by 121% versus the prior quarter and was up more than 500% compared to the second quarter of 2003, due principally to increased private equity investment gains, asset management and administrative fees, and other revenues. Second quarter 2004 net revenues were up 73% compared to the first quarter of 2004, largely due to the consolidation of certain private equity funds required under a new US GAAP pronouncement, for which offsetting minority interests were recorded, as well as gains on private equity investments. Excluding the consolidation impact, net revenues increased 30% compared to the first quarter of 2004. Total operating expenses increased 2% compared to the first quarter of 2004, reflecting volume-related commission expenses.

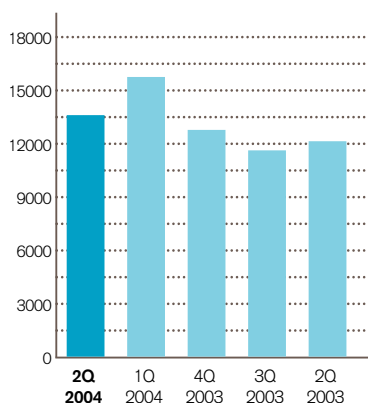
### Outlook

With progress in a number of its core businesses and a solid pipeline of mandates and products, Credit Suisse Group is confident that it can achieve further improvements in its results. However, the Group's results are dependent on economic and market conditions and their impact on client activity as well as transaction volumes. Additionally, the Group is subject to continued cost pressure, particularly in its investment banking business. Going forward, Credit Suisse Group is committed to achieving continued progress in its performance relative to its peers.

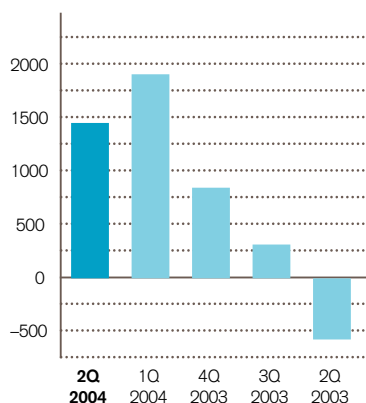
**Oswald J. Grübel**

August 2004

Net revenues Credit Suisse Group  
in CHF m



Net income Credit Suisse Group  
in CHF m



## Consolidated statements of income (unaudited)

in CHF m	202004	1Q2004	2Q2003	Change in % from 1Q2004	Change in % from 2Q2003	6 months		Change in % from 2003
						2004	2003	
Interest and dividend income	<b>7,896</b>	7,742	7,504	2	5	<b>15,638</b>	14,031	11
Interest expense	<b>(4,536)</b>	(4,663)	(4,484)	(3)	1	<b>(9,199)</b>	(8,516)	8
<b>Net interest income</b>	<b>3,360</b>	3,079	3,020	9	11	<b>6,439</b>	5,515	17
Commissions and fees	<b>3,418</b>	3,563	3,171	(4)	8	<b>6,981</b>	6,192	13
Trading revenues	<b>712</b>	1,516	1,214	(53)	(41)	<b>2,228</b>	2,501	(11)
Realized gains/(losses) from investment securities, net	<b>198</b>	528	589	(63)	(66)	<b>726</b>	670	8
Insurance net premiums earned	<b>4,708</b>	7,417	4,618	(37)	2	<b>12,125</b>	12,076	0
Other revenues	<b>1,114</b>	460	(476)	142	-	<b>1,574</b>	(130)	-
<b>Total noninterest revenues</b>	<b>10,150</b>	13,484	9,116	(25)	11	<b>23,634</b>	21,309	11
<b>Net revenues</b>	<b>13,510</b>	16,563	12,136	(18)	11	<b>30,073</b>	26,824	12
Policyholder benefits, claims and dividends	<b>4,623</b>	7,594	4,645	(39)	0	<b>12,217</b>	12,012	2
Provision for credit losses	<b>133</b>	34	114	291	17	<b>167</b>	311	(46)
<b>Total benefits, claims and credit losses</b>	<b>4,756</b>	7,628	4,759	(38)	0	<b>12,384</b>	12,323	0
Insurance underwriting, acquisition and administration expenses	<b>1,117</b>	1,059	1,046	5	7	<b>2,176</b>	2,191	(1)
Banking compensation and benefits	<b>3,087</b>	3,428	3,092	(10)	0	<b>6,515</b>	6,034	8
Other expenses	<b>1,996</b>	1,823	1,901	9	5	<b>3,819</b>	3,825	0
Goodwill impairment	<b>0</b>	0	1,510	-	-	<b>0</b>	1,510	-
Restructuring charges	<b>60</b>	4	35	-	71	<b>64</b>	60	7
<b>Total operating expenses</b>	<b>6,260</b>	6,314	7,584	(1)	(17)	<b>12,574</b>	13,620	(8)
<b>Income/(loss) from continuing operations before taxes, minority interests, extraordinary items and cumulative effect of accounting changes</b>	<b>2,494</b>	2,621	(207)	(5)	-	<b>5,115</b>	881	481
Income tax expense/(benefit)	<b>442</b>	570	357	(22)	24	<b>1,012</b>	677	49
Dividends on preferred securities for consolidated entities	<b>0</b>	0	33	-	-	<b>0</b>	65	-
Minority interests, net of tax	<b>548</b>	119	8	361	-	<b>667</b>	7	-
<b>Income/(loss) from continuing operations before extraordinary items and cumulative effect of accounting changes</b>	<b>1,504</b>	1,932	(605)	(22)	-	<b>3,436</b>	132	-
Income/(loss) from discontinued operations, net of tax	<b>(47)</b>	(65)	60	(28)	-	<b>(112)</b>	127	-
Extraordinary items, net of tax	<b>0</b>	0	1	-	-	<b>0</b>	5	-
Cumulative effect of accounting changes, net of tax	<b>0</b>	(6)	(12)	-	-	<b>(6)</b>	(541)	(99)
<b>Net income/(loss)</b>	<b>1,457</b>	1,861	(556)	(22)	-	<b>3,318</b>	(277)	-
Return on equity	<b>16.6%</b>	21.3%	(6.5%)	-	-	<b>19.0%</b>	(1.6%)	-
<b>Earnings per share in CHF</b>								
Basic earnings per share	<b>1.26</b>	1.56	(0.48)	-	-	<b>2.82</b>	(0.24)	-
Diluted earnings per share	<b>1.18</b>	1.48	(0.48)	-	-	<b>2.67</b>	(0.24)	-

## Key figures

in CHF m, except where indicated	30.06.04	31.03.04	31.12.03	Change in % from 31.03.04	Change in % from 31.12.03
Total assets	<b>1,131,684</b>	1,138,196	1,004,308	(1)	13
Shareholders' equity	<b>35,284</b>	35,338	33,991	0	4
Assets under management in CHF bn	<b>1,227.3</b>	1,241.3	1,181.1	(1)	4
Market price per registered share in CHF	<b>44.50</b>	43.90	45.25	1	(2)
Market capitalization	<b>49,238</b>	49,124	51,149	0	(4)
Book value per share in CHF	<b>31.89</b>	31.58	30.07	1	6
BIS tier 1 ratio	<b>11.6%</b>	11.5%	11.7%	-	-
BIS total capital ratio	<b>16.2%</b>	16.4%	17.4%	-	-

### Additional information

Additional information on the Credit Suisse Group's second quarter 2004 results can be obtained in the Quarterly Report 2/04 and the analysts' presentation, which are available on our website at: [www.credit-suisse.com/results](http://www.credit-suisse.com/results). The Quarterly Report (English only) can be ordered at Credit Suisse, KIDM23, Uetlibergstrasse 231, 8070 Zurich, fax: +41 1 332 7294.

### Cautionary Statement Regarding Forward-Looking Information

This document 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 properly implement procedures; (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 brands; (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 successfully acquired businesses; (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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