

Press Release

Global Investor Focus

New Credit Suisse Global Alternative Energy Index

Zurich, January 23, 2007 **Alternative Energy is on its way from being a sub-component of the energy or industrial sector to becoming a fully-fledged sector in most indices in the near future - similarly to software or semiconductors in the early 1990s. In anticipation of this development, Credit Suisse has launched the Credit Suisse Global Alternative Energy Index (CSGAE). This index represents a key innovation as it allows the close observation of developments in the Alternative Energy universe in an innovative way, by tracking all Alternative Energy sources, providing worldwide exposure and regular rebalancing.**

Alternative Energy has increased in popularity over the past years in response to rising oil prices and long term plans to substitute fossil energy. However, stocks in this universe are currently classified in various sectors such as energy or industrials and are not combined in one "Alternative Energy" sector. This situation is comparable to the software or semiconductor stocks in the early 1990s: few listed companies existed at this time and many of them were classified in a "diversified technology" category. Within a few years, strong market growth boosted the size of the existing companies and induced a significant number of IPOs. As a result, the semiconductor and application software sectors emerged in the mid 1990s. The same is likely to happen to the Alternative Energy sector in the coming years: boosted by impressive market growth rates, and the enormous amount of IPOs (like in the solar industry in 2006), the Alternative Energy universe is likely to reach a size justifying its independence as a sector in the coming 3 to 5 years. Significant technological improvements, CO2 neutral energy production, increased independence from oil (decreasing oil reserves), energy supply security and diversification are the main growth drivers in the Alternative Energy segment. In anticipation of this trend, Credit Suisse has launched the Credit Suisse Global Alternative Energy Index with the following advantageous key characteristics:

Tracking of all official Alternative Energy sources

The Alternative Energy market encompasses the official sectors (as defined by the International Energy Agency): Natural Gas, Wind, Solar, Bio-Energy, Geothermal & Hydropower and Hybrids & Batteries. Those sectors are equally weighted in the index. Hence, the CSGAE offers balanced exposure to all new energy sources without bearing the risk of overexposure to any particular sector.

Global coverage

The universe of Alternative Energy stocks includes companies of significant size, trading volume and access to stock exchange. The CSGAE will consist of the largest 30 Alternative Energy companies in this universe - six companies from each sector whose selection is based on a well-defined index rule book, which includes market capitalisation, free float and average daily volume. Thus, the CSGAE shortlists the most liquid and representative stocks in the Alternative Energy universe.

Regular rebalancing

The CSGAE components will be regularly rebalanced by the same rule process on a semi-annual basis. Thanks to this rebalancing, the CSGAE is able to keep up with the changes in the Alternative Energy landscape. The index will include recent IPOs, mergers and takeovers while unsuccessful business models will be excluded. Therefore, the CSGAE is representative of the largest players in the Alternative Energy world.

The CSGAE provides a tradable and investable indicator that reflects the expected impressive growth rates in the Alternative Energy market segment. The International Energy Agency (IEA), Global Wind Energy Council and Solarbuzz expect the annual growth rates of Alternative Energy sub-segments to amount to 30% per annum in the Solar sector, over 15% in the Wind sector and more than 10% in the Geothermal and Bio-Energy sectors by 2010.

Amongst all Alternative Energy sources, the following two sub-sectors should be highlighted:

Strong growth expected in solar sector due to solid demand and conversion efficiencies increases

According to the consultant company Solarbuzz and the European Commission, by 2010, the global solar cell capacity will triple in comparison with 2005 (1.5 GW). While market growth is unlikely to surpass +20% p.a. this year due to supply shortage of silicon materials, solar power capacity is likely to grow by up to 30% p.a. after 2007. This shortage situation is accelerating research efforts and is expected to lead to an improvement in conversion efficiency and lower silicon materials use per cell. While next-generation technologies boast a major reduction in the use of silicon materials, conversion efficiency is expected to double from today's levels by 2010 and further increase the attractiveness of solar energy compared to other energy sources.

Main drivers in the Wind sector will be diversification of energy and security supply combined with improved technologies

The global market for wind power has been expanding at a fast pace. Wind energy facilities rose more than twelve times since 1995 to 59 GW in 2006. The global wind market is currently estimated at over EUR 13 bn. In many countries, the share of electricity generation has increased dramatically. Denmark, for instance, supplies 20% of the total electricity generated by wind while Spain accounts for 8%. In 2005, generating capacity was expanded by over 11,5 GW worldwide, according to the Global Wind Energy Council (GWEC).

In conclusion, the CSGAE can be seen as a global, dynamic and balanced index in a market with significant potential.

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