

## Goldman Sachs European Financials Conference

Panel: "Adapting the model: The originate and distribute  
model of the future"

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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 first quarter report 2008.

# Earnings Power

Disciplined Approach to Risk Reduction

Strong Capital and Liquidity Position

Adapting the Model: The Originate and Distribute Model of the Future

## Credit Suisse has significant earnings power

Benefit from a diversified and integrated global business

Private Banking continues to deliver good results

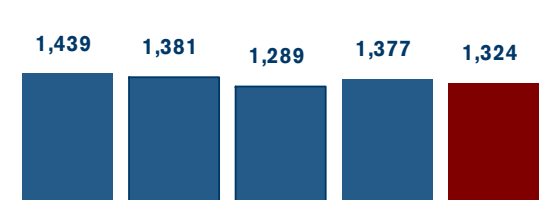
Solid results across most Investment Banking and Asset Management businesses, masked by valuation reductions

Well positioned to create long-term value and seize opportunities that arise from market dislocation

# A diversified earnings mix

## Private Banking

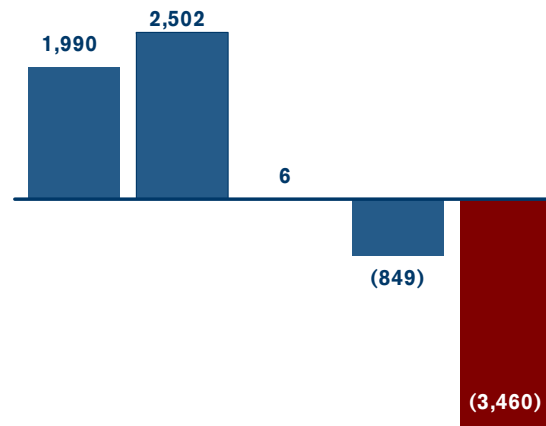
CHF m



1Q07 2Q07 3Q07 4Q07 1Q08

- Stable results in challenging environment
- Good asset inflows and hiring momentum for Relationship Managers
- Continued international expansion

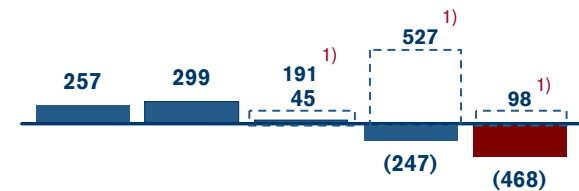
## Investment Banking



1Q07 2Q07 3Q07 4Q07 1Q08

- Most businesses performing well; some at record levels
- Significant writedowns in leveraged finance and structured products

## Asset Management



1Q07 2Q07 3Q07 4Q07 1Q08

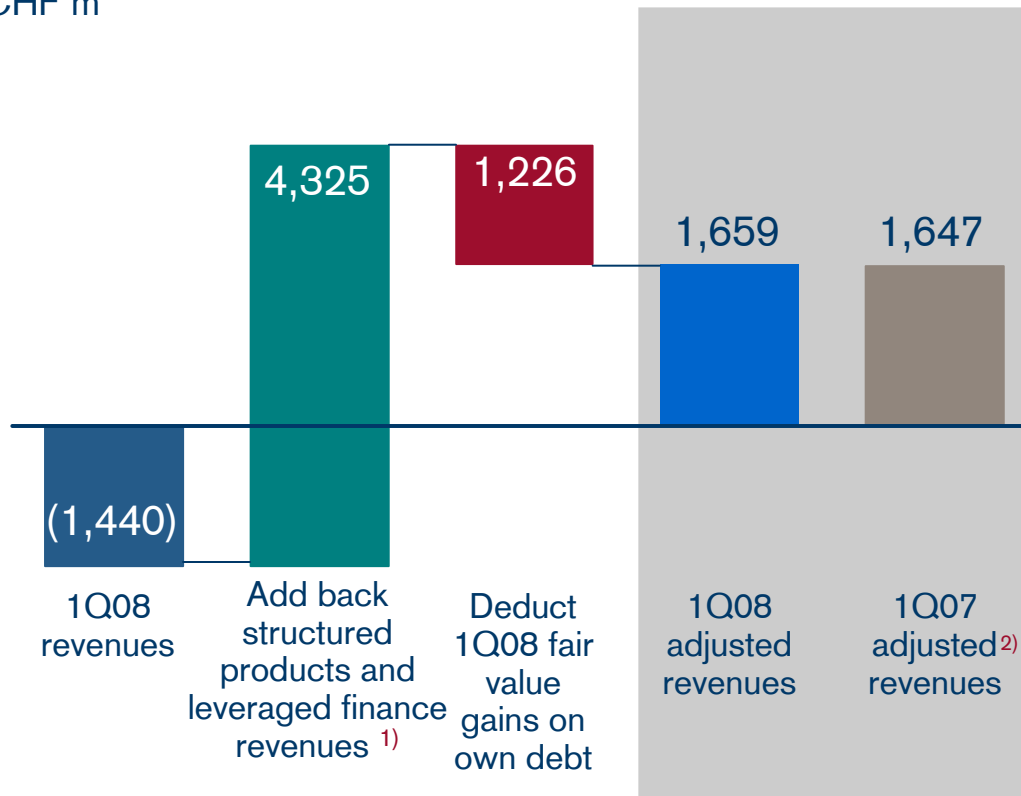
- Stable recurring management fees
- Strong performance across most businesses
- Valuation adjustments on our money market assets

1) Before losses from securities purchased from our money market funds

# Fixed income revenues outside most affected areas at same level as very strong 1Q07

## Fixed income trading and debt underwriting revenues

CHF m



- Negative revenues in 1Q08 driven by valuation reductions in structured products and leveraged finance
- Very strong results in global rates and FX
- Strong results in emerging markets and proprietary trading
- 1Q08 adjusted revenues include fair value reductions of CHF 0.5 bn on corporate loan book

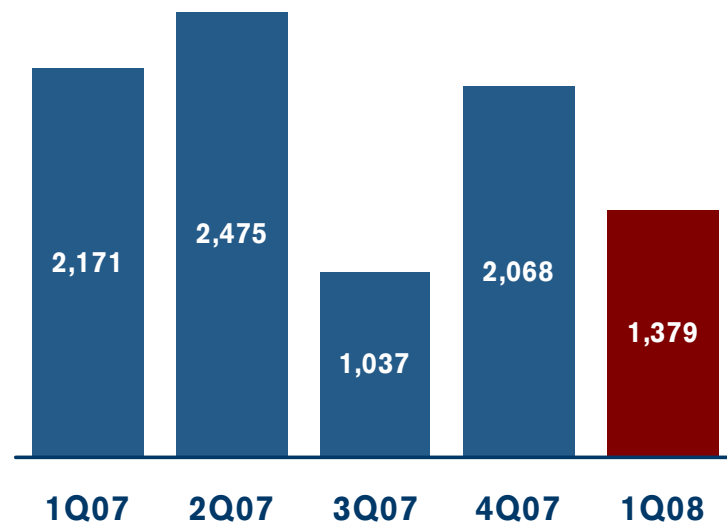
1) Total structured products and leveraged finance revenues excluding valuation adjustments of CHF 709 m reported in 'Other' revenues

2) Excluding revenues from structured products and leveraged finance businesses and converted into Swiss francs applying the 1Q08 average exchange rate to adjust for foreign exchange rate impact

# Equity trading with solid performance in light of market conditions

## Equity trading net revenues

CHF m



- Stable client-related businesses
- Good results in the global cash business driven by higher trading volumes, increased client flows and strong AES performance
- Prime Services achieved record revenues in 1Q08 with strong growth in client balances and new client mandates
- Losses in equity proprietary trading in 1Q08 compared to a strong 1Q07

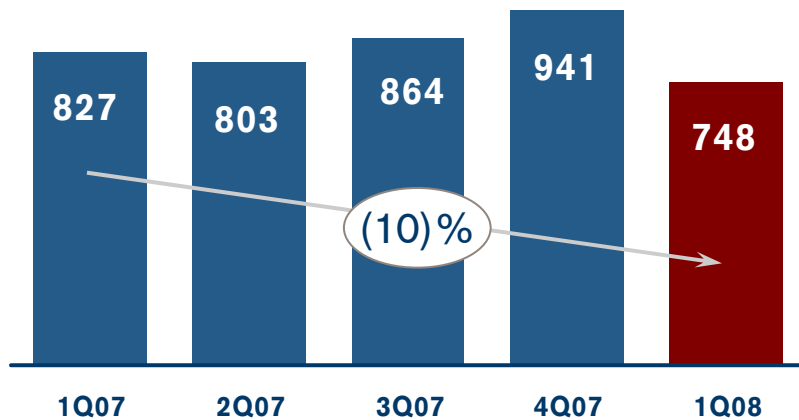
AES = Advanced Execution Services, our electronic trading platform

# Disciplined approach to cost management in Investment Bank

## General & administrative expenses

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CHF m

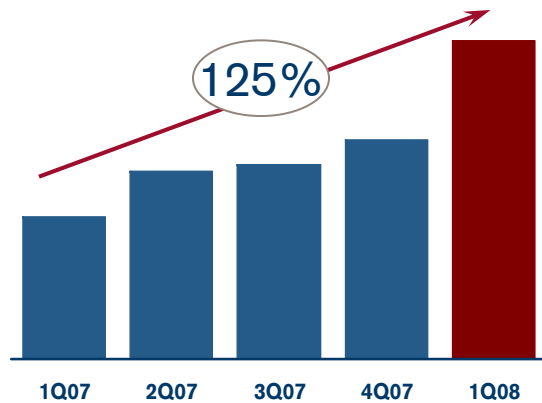


- Flexibility of cost base positions us well in current markets and going forward
- Continued focus on reducing G&A expense
- Despite headcount growth, G&A expense trend shows improvement



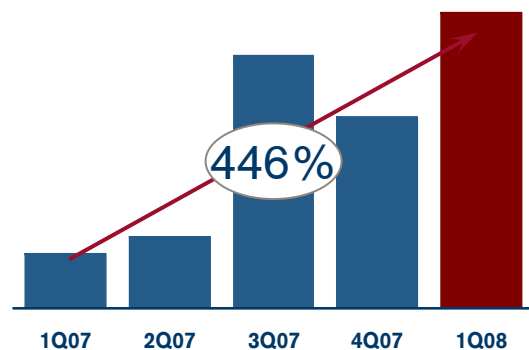
# Continued revenue diversification

## Prime Services Quarterly Revenue Growth



- Record quarter with increased client balances and new client mandates
  - Our chargeable balances are up 59% from the beginning of 2007
- Credit Suisse viewed as a strong counterparty and a “safe haven” in this market given strength and stability of funding and liquidity

## Life Finance Quarterly Revenue Growth

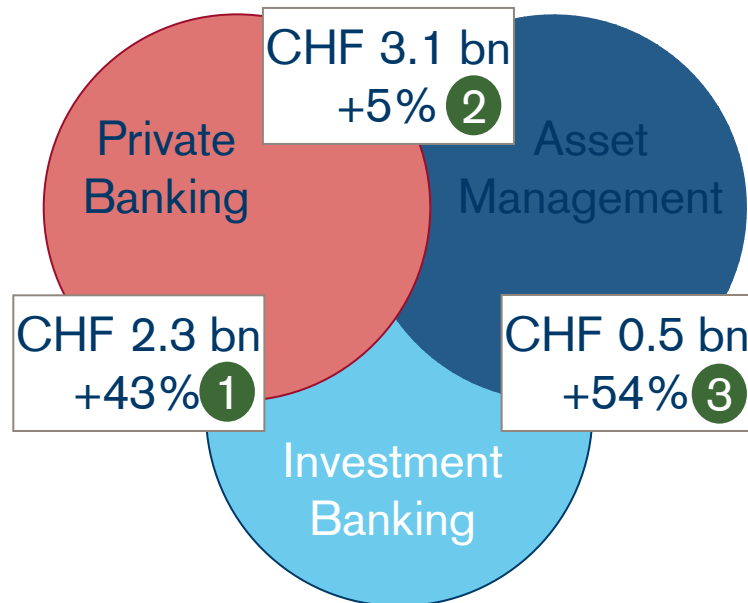


- Dominant market position in trading and distributing both longevity and mortality risk
- Trading in both physical (life settlements, premium finance) and synthetic (swaps, structured notes) forms
- Expanding internationally (Europe in 2008, Asia in 2009)

# Growing collaboration revenues

## 2007 collaboration revenues

in CHF bn and growth % vs. 2006



## Key collaboration initiatives

1

- Asset referrals
- Structured Investment Products
- UHNW client solutions

2

- Increase penetration of Managed Investment Products
- Product innovation
- Private Equity/Hedge Fund distribution

3

- Alternative investments distribution
- Pension / Insurance solutions
- Fund linked products & Hedge Fund referrals

Grow collaboration revenues from CHF 5.9 bn in 2007  
to over CHF 10 bn in 2010 (+20% p.a.)

Earnings Power

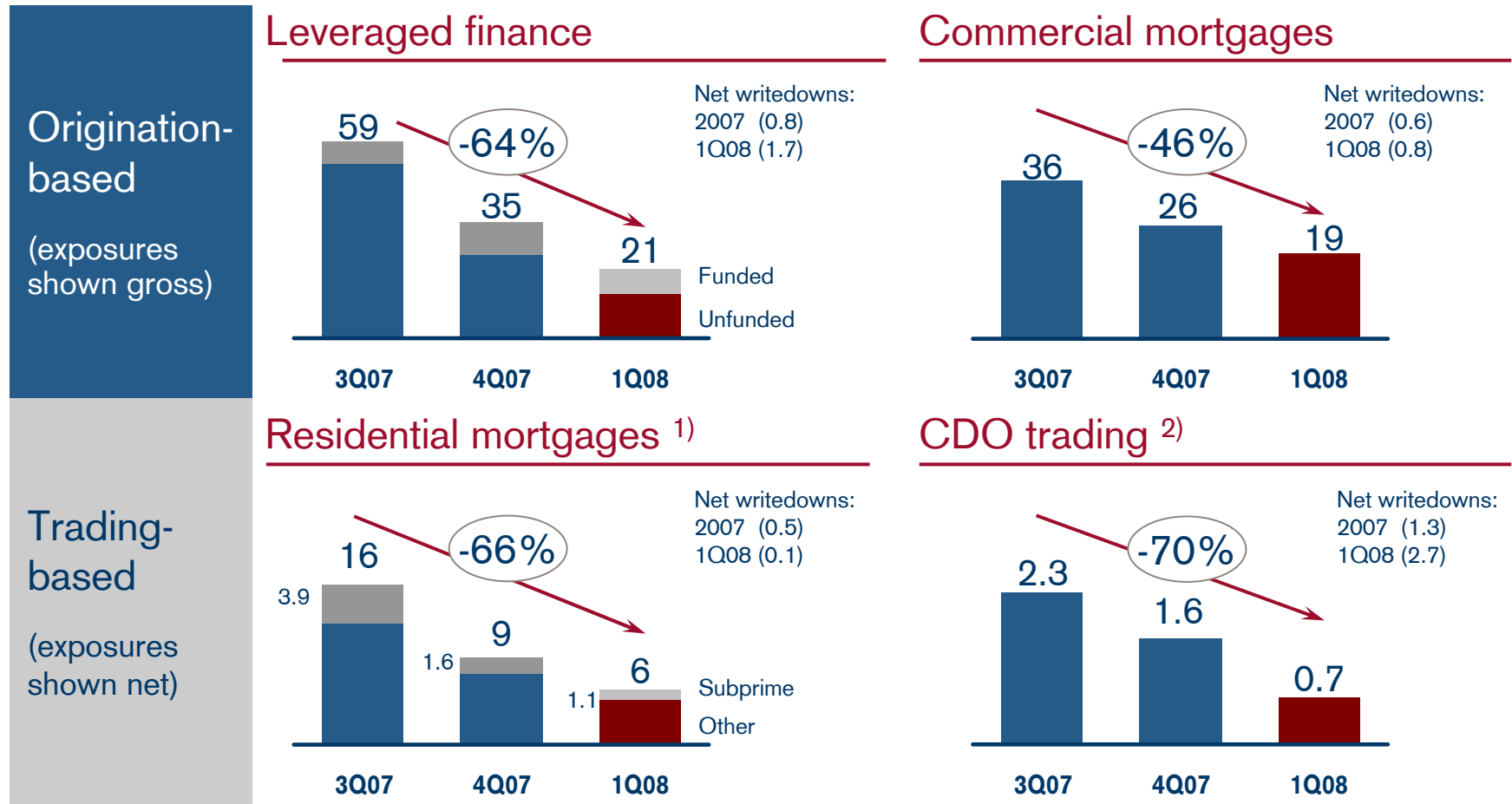
Disciplined Approach to Risk Reduction

Strong Capital and Liquidity Position

Adapting the Model: The Originate and Distribute  
Model of the Future

# Significant progress in reducing risk positions

Exposures and writedowns in CHF bn



1) All non-agency business, including higher quality segments; global total

2) Year-end positions related to US subprime; total IB subprime is CHF 3.2 bn (across RMBS & CDOs)

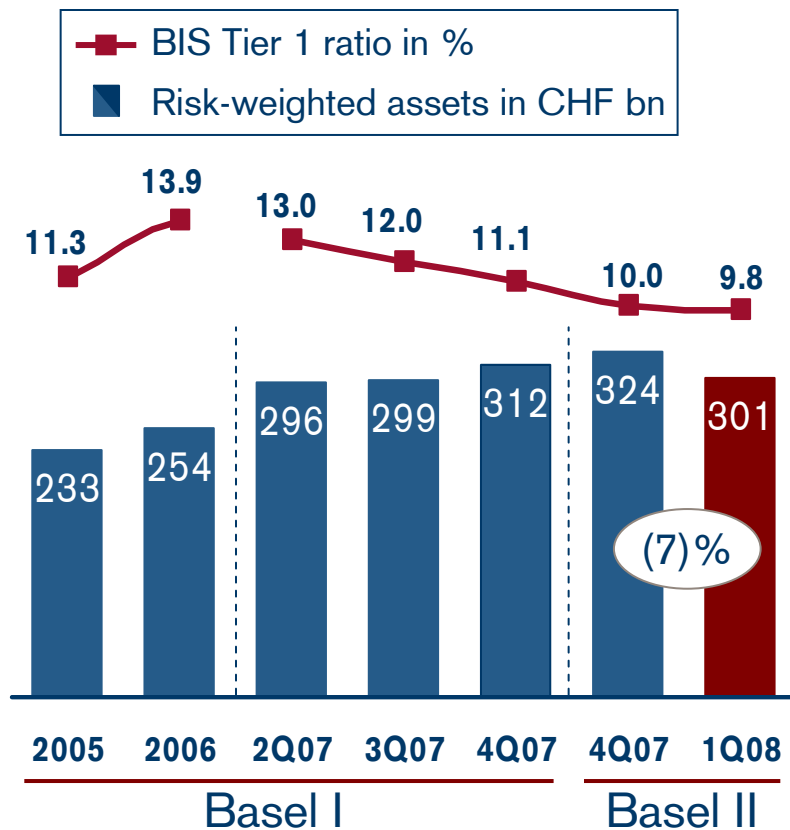
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# Maintained strong capital position following transition to Basel II



- Weakening of US dollar reduces both risk-weighted assets and capital position
- Managed to grow capital without having to dilute existing shareholders
  - Issued CHF 1.5 bn of hybrid tier 1 capital
- Reduced share repurchase activity
- Strong capital base and conservative liquidity position as competitive advantage
- Continue to prudently manage our balance sheet, exposures and capital

Earnings Power

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Model of the Future

## Adapting the model: The originate and distribute model of the future

Changing competitive landscape

Shrinking universe of buyers, particularly in Europe

Reduced market size / simpler deal structures – “Back to the Future”

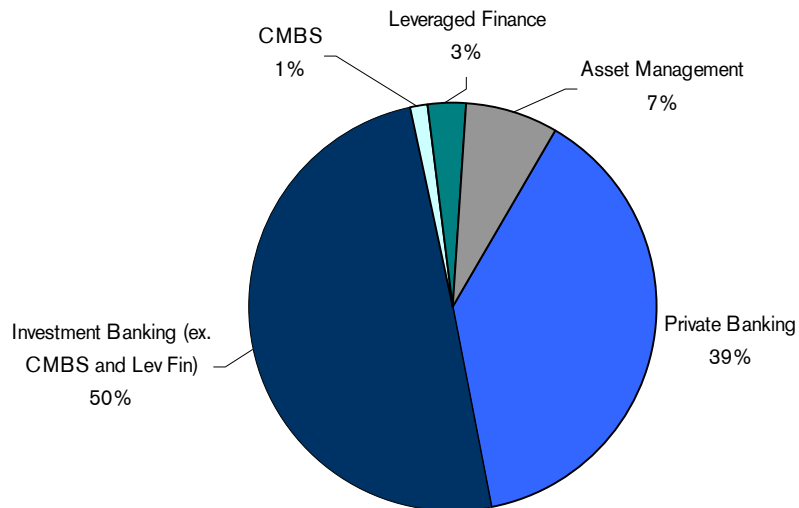
Higher proportion of deals retained → capital cost implications / regulation?

Credit Suisse is well positioned when business recovers due to franchise leadership and world class distribution

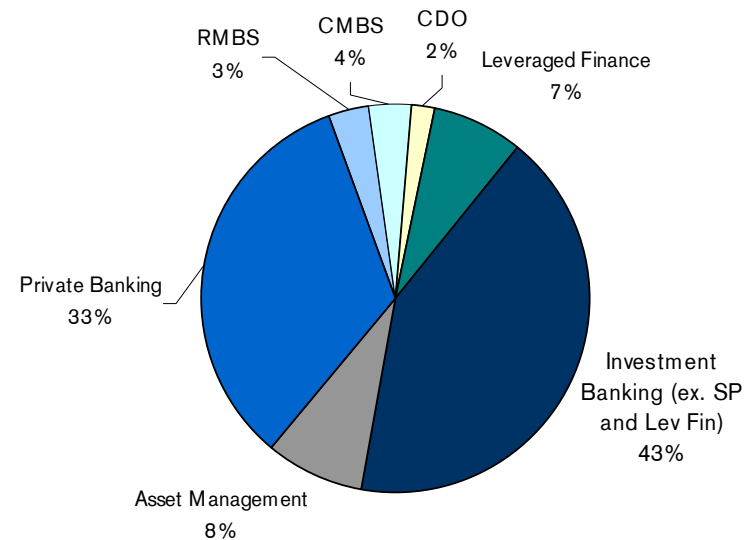


# Revenue by business as a % of Credit Suisse Group revenues

2007 Credit Suisse Revenue<sup>1)</sup>



2006 Credit Suisse Revenue<sup>1)</sup>



- RMBS, CMBS and Leveraged Finance are important businesses for Credit Suisse Group
- However, IB has substantially diversified its business portfolio over the last five years, both broadening its FID franchise and developing the market position, breadth and financial performance of its Equity business

1) Based on Core Results

# Adapting the model: Leveraged finance

## Competitive Landscape

- Fewer competitors, more rational marketplace
- Changing buyer universe

## “Back to the Future”

- Average exposures (and resulting revenues) will come down
- Target portfolio exposure \$15-20bn
- Less aggressive deal structures

## Implications for Credit Suisse Model

## Portfolio Management Orientation

- Time to market / time to exit
- Probability of closing
- Managing distribution

# Adapting the model: CMBS

## Competitive Landscape

- Shrinking investor base
- Significant opportunities in emerging markets, especially in Asia
- Liquidity recovering in US; European markets remain slow

## “Back to the Future”

- Gradual ramp up in origination activity
- Industry-wide focus on credit quality of underlying real estate collateral

## Implications for Credit Suisse Model

## Structural Changes

- Exit strategy: less reliance on securitization, more on syndications, loan sales and private placements
- Possibly need to retain higher percent of capital structure to facilitate transactions with consequent capital implications
- Credit Suisse has the people, industry expertise and distribution in place

# Adapting the model: RMBS

## Competitive Landscape

- Number of competitors down due to higher capital costs of originate to distribute
- Non-agency market collapsed / conduit model (originate to securitize) is gone
- Only portfolio lenders are originating
- Remaining players → distressed trading and agency lending
- Limited buyer universe

## “Back to the Future”

- Late 1990s issuance levels (approximately half 2006 levels)
- Plain vanilla products / LTVs coming down

## Implications for Credit Suisse Model

## Structural Changes

- Securitizations will re-emerge first for portfolio lenders
- Retain a more significant portion of the risk with consequent capital implications

# Current market conditions validate Credit Suisse strategy

Importance of geographic and product diversity

Value of franchise leadership

Use of ERC model and appropriate charging for capital

Integrated Bank as differentiator

Importance of strong capital and liquidity position

Well positioned to create long-term value and seize opportunities that arise from market dislocation

CREDIT SUISSE

