

Credit Suisse Swiss Pension Fund Index

3rd Quarter 2010



Performance of Swiss Pension Funds as at September 30, 2010

- Recovery in Q3
- Annualized return since January 1, 2000: 2.03%
- Real estate component reaches a new all-time high

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Performance of Swiss Pension Funds Based on Global Custody Data of Credit Suisse on September 30, 2010

Index versus Mandatory Minimum Rate of Return since January 2000

Recovery in Q3

The Credit Suisse Swiss Pension Fund Index (blue line in chart 1a), which started with a value of 100 at the beginning of 2000, is enjoying beautiful autumn weather. In the reporting quarter, the index rose by 2.48 points, or 2.04%, to 124.05 points as of September 30. Both

July (1.37%) and September (1.41%) contributed to the positive performance, while a negative trend of -0.74% was observed in August. The mandatory minimum rate of return (the red line in chart 1a, which also started with a baseline of 100 as of January 2000) rose by another 0.5% or 0.67 points in the reporting quarter, climbing to 136.04. The gap narrowed to 11.98 points. The overall in-

dex would therefore have to improve by around 12% for this gap to be closed by the end of 2010. The annualized return of the Credit Suisse Swiss Pension Fund Index (table 1c) was 2.03% as at September 30, 2010 as opposed to the annualized BVG mandatory minimum rate of return, which is 2.90%.

Chart 1a: Credit Suisse Swiss Pension Fund Index

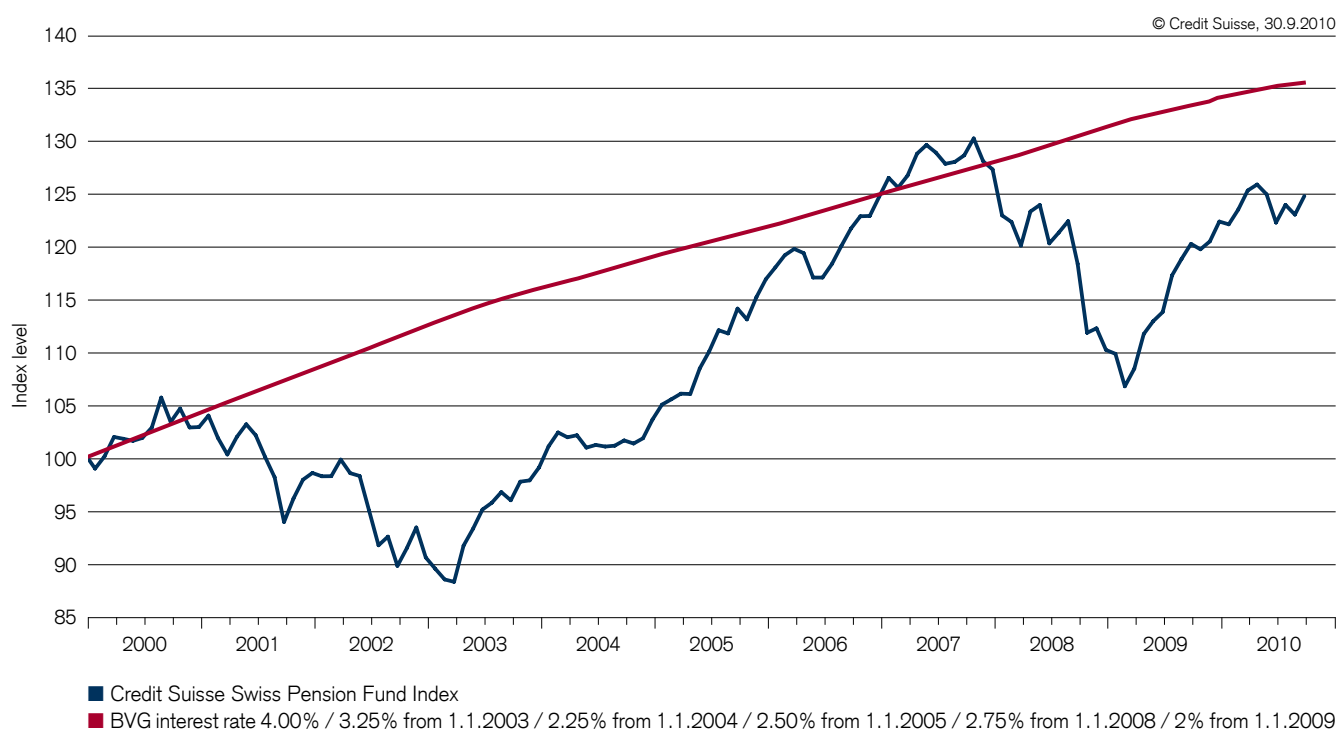


Table 1a

Credit Suisse Swiss Pension Fund Index 1.1.2000–30.9.2010

	Jan	Feb	March	April	May	June	July	Aug	Sep	Oct	Nov	Dec	Annual return
2000	98.74	99.88	101.68	101.51	101.32	101.59	102.55	105.34	103.07	104.32	102.56	102.60	2.60%
2001	103.67	101.59	100.05	101.68	102.86	101.84	99.81	97.94	93.78	95.97	97.71	98.34	-4.15%
2002	98.03	98.04	99.58	98.32	98.06	94.85	91.62	92.43	89.71	91.36	93.28	90.49	-7.98%
2003	89.45	88.45	88.23	91.59	93.15	94.94	95.58	96.56	95.80	97.53	97.65	98.86	9.25%
2004	100.81	102.10	101.65	101.84	100.69	100.94	100.79	100.87	101.36	101.07	101.56	103.30	4.49%
2005	104.68	105.18	105.70	105.67	108.04	109.62	111.59	111.29	113.60	112.59	114.66	116.33	12.62%
2006	117.42	118.55	119.14	118.75	116.48	116.48	117.75	119.43	121.02	122.17	122.20	123.99	6.58%
2007	125.74	124.83	125.95	127.98	128.79	128.08	127.04	127.22	127.83	129.40	127.28	126.52	2.04%
2008	122.25	121.64	119.45	122.61	123.22	119.65	120.65	121.72	117.76	111.35	111.77	109.76	-13.25%
2009	109.40	106.38	108.02	111.24	112.43	113.27	116.69	118.21	119.61	119.10	119.84	121.68	10.86%
2010	121.42	122.79	124.59	125.15	124.24	121.57	123.23	122.32	124.05				1.95%

Table 1b

Performance Contribution (Monthly)

Credit Suisse Swiss Pension Fund Index 1.1.2010–30.9.2010

2010	Jan	Feb	March	April	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD
Liquidity	-0.09%	-0.02%	0.09%	-0.09%	-0.21%	0.31%	-0.02%	0.19%	0.06%				0.21%
CHF bonds	0.24%	0.21%	-0.01%	0.11%	0.34%	-0.04%	0.08%	0.29%	-0.13%				1.09%
Foreign currency bonds	0.07%	0.09%	-0.15%	0.14%	0.17%	-0.48%	0.14%	-0.19%	0.06%				-0.15%
Swiss equities	-0.07%	0.38%	0.57%	-0.27%	-0.58%	-0.30%	0.16%	-0.07%	0.32%				0.14%
Foreign equities	-0.45%	0.40%	0.73%	0.39%	-0.55%	-1.47%	0.73%	-1.01%	0.87%				-0.40%
Alternative investments	-0.02%	0.03%	-0.01%	0.10%	0.00%	-0.15%	-0.01%	-0.06%	0.06%				-0.06%
Real estate	0.10%	0.02%	0.24%	0.05%	0.07%	-0.04%	0.26%	0.07%	0.20%				0.98%
Mortgages	0.01%	0.02%	0.00%	0.01%	0.03%	0.01%	0.00%	0.02%	-0.01%				0.09%
Other	0.00%	0.01%	0.01%	0.01%	0.00%	-0.02%	0.00%	0.00%	0.00%				0.01%
Total	-0.21%	1.14%	1.47%	0.45%	-0.74%	-2.19%	1.37%	-0.75%	1.42%				1.95%

Chart 1b: Credit Suisse Swiss Pension Fund Index Based on Segment Size

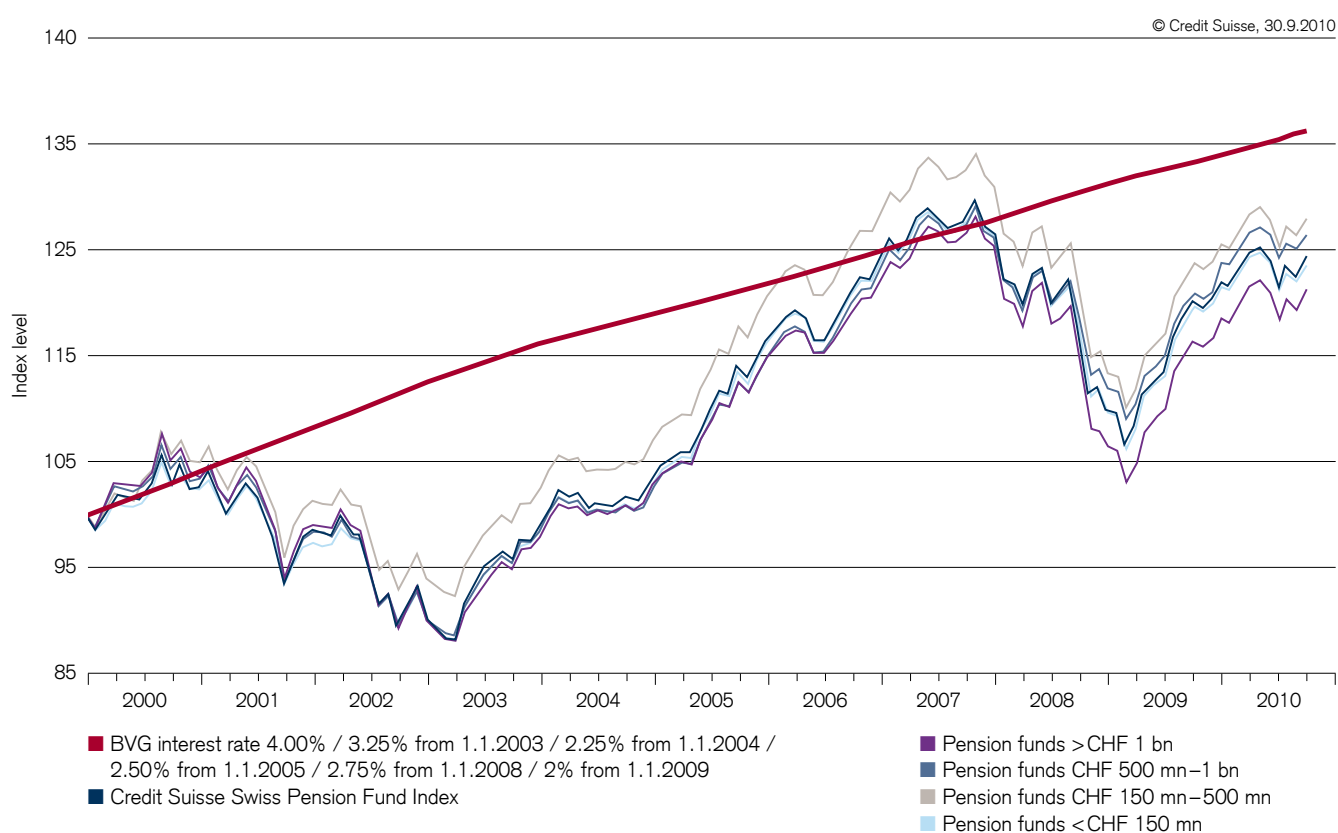


Table 1c

Performance 1.1.2010–30.9.2010													
2010	Jan	Feb	March	April	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD
Credit Suisse Swiss Pension Fund Index	-0.21%	1.13%	1.47%	0.45%	-0.73%	-2.14%	1.36%	-0.74%	1.42%				1.95%
Pension funds > CHF 1 bn	-0.30%	1.12%	1.67%	0.54%	-0.94%	-2.01%	1.57%	-0.82%	1.58%				2.37%
Pension funds CHF 500 mn–1 bn	-0.09%	1.12%	1.29%	0.39%	-0.50%	-1.89%	1.20%	-0.55%	1.12%				2.06%
Pension funds CHF 150 mn–500 mn	-0.21%	1.12%	1.43%	0.38%	-0.80%	-2.02%	1.39%	-0.63%	1.32%				1.95%
Pension funds < CHF 150 mn	-0.21%	1.14%	1.45%	0.47%	-0.67%	-2.29%	1.32%	-0.81%	1.47%				1.81%

**Annualized Return
of 2.03%**

Table 1d

Annualized return 1.1.2000–30.9.2010	Annualized performance since 1.1.2000
Credit Suisse Swiss Pension Fund Index	2.03%
BVG interest rate	2.90%
Pension funds > CHF 1 bn	1.81%
Pension funds CHF 500 mn–1 bn	2.20%
Pension funds CHF 150–500 mn	2.32%
Pension funds < CHF 150 mn	1.99%

Risk/Return Positions

Negative Trend of Five-Year Line

Our risk/return overview shows the rolling five-year and two-year lines. It should be noted that only portfolios that were part of the index for the entire observation period are taken into account. For example, portfolios formed on June 1, 2007, are not taken into account in the five-year rolling observation period (1.10.2005–30.9.2010), but they do form part of the rolling two-year observation period.

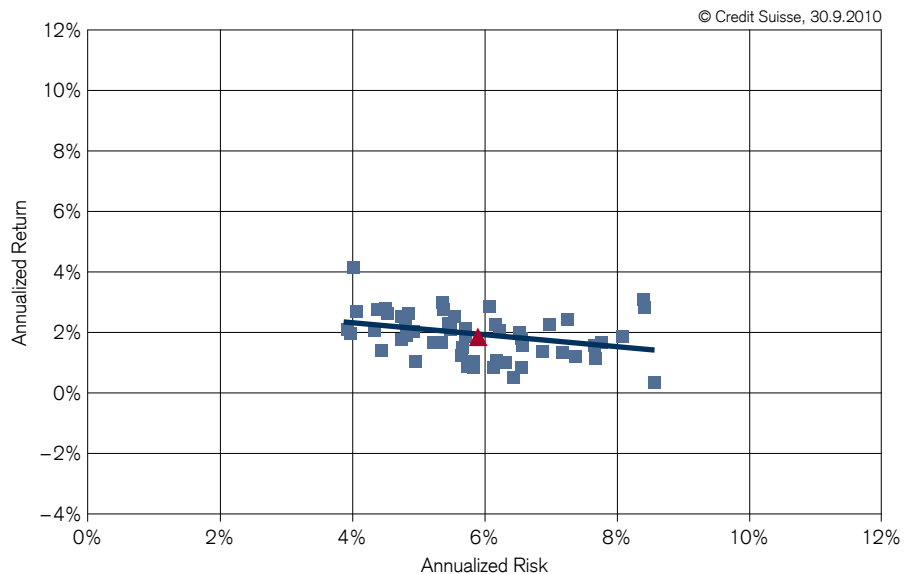
The presentation of the rolling five-year view on the cut-off date of the annualized risk/return positions of the individual pension funds (see chart 2a) has changed considerably since the last index publication. As at September 30, 2010, the regressive curve is negative, showing that one of the premises of modern portfolio theory, which states that higher (systematic, i.e. market-driven) risk is offset by higher returns, may not prove true, depending on the timing of entry seen over a period of several years.

Compared to the previous quarter, the unweighted average annualized return (red triangle) has fallen slightly to 1.90%, as did the unweighted average annualized risk (red triangle) which dropped to 5.88%. Three pension funds remain in the low-risk investment area (annualized risk of 3 to 4%). As in the previous quarter, there are still four pension funds in the high-risk investment area (annualized risk of over 8%). It is pleasing to note that in the third quarter of 2010 all pension funds posted a positive annualized five-year return.

Negative Trend of Two-Year Line Continues

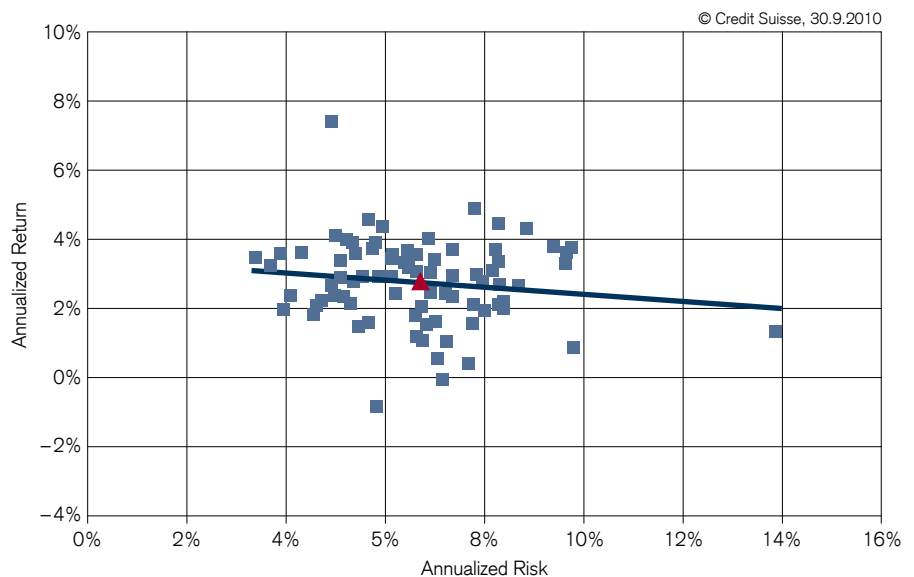
The rolling two-year line (chart 2b, 1.10.2008–30.9.2010), which has a much stronger reaction to changes,

Chart 2a: Annualized Risk/Return Comparison; Rolling Five-Year Review
Monthly Results from October 2005 to September 2010



Database: Monthly results from October 2005 to September 2010

Chart 2b: Annualized Risk/Return Comparison; Rolling Two-Year Review
Monthly Results from October 2008 to September 2010



Database: Monthly results from October 2008 to September 2010

sends a very clear message: The regressive incline is still negative, which leads to the conclusion that, on average, the acceptance of higher fluctuation risks in the past two years has been “penalized” by a decidedly negative performance.

The unweighted average annualized return (red triangle) is 2.77%, while the unweighted average risk (red triangle) is 6.68%. The number of pension funds with a negative annualized return over two years fell to two by September 30, 2010.

Asset Allocation

Real Estate Exposure Continues to Rise

The asset allocation overview shows that the weighting of liquid funds dropped (-0.30%). The exposure to Swiss franc bonds (-0.8%) and foreign currency bonds (-0.2%) was also reduced, while the equities component (+1.1%) and real estate investments (+0.4%), which reached a new all-time high, increased.

Chart 3: Asset Allocation for the Last Eight Quarters

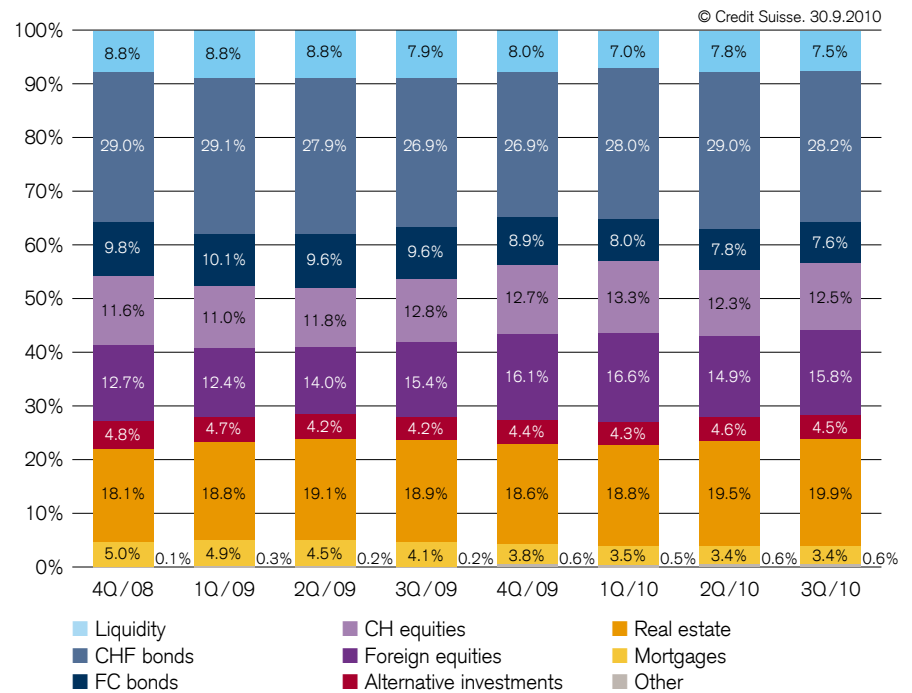
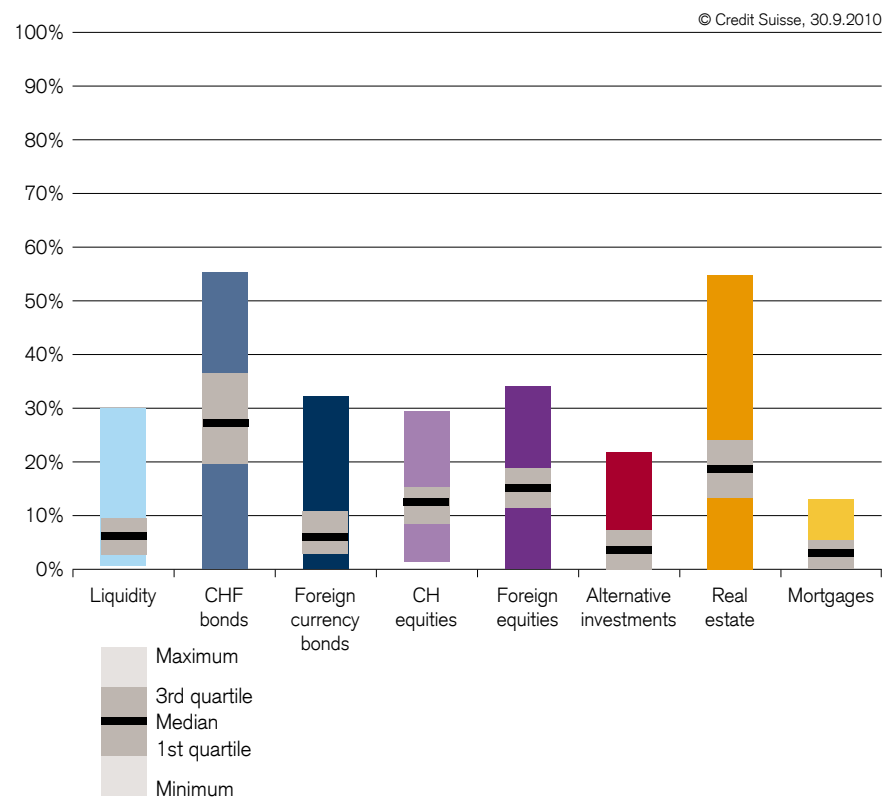


Chart 4: Minimum and Maximum Values 3rd Quarter 2010



Currency Allocation

The Swiss Franc as Safe Haven

The currency allocation overview is almost unchanged, and the Swiss franc is still serving as a safe haven. In the reporting quarter the Swiss franc component increased again by 0.1% to 80.4%.

Chart 5: Development for the Last Eight Quarters

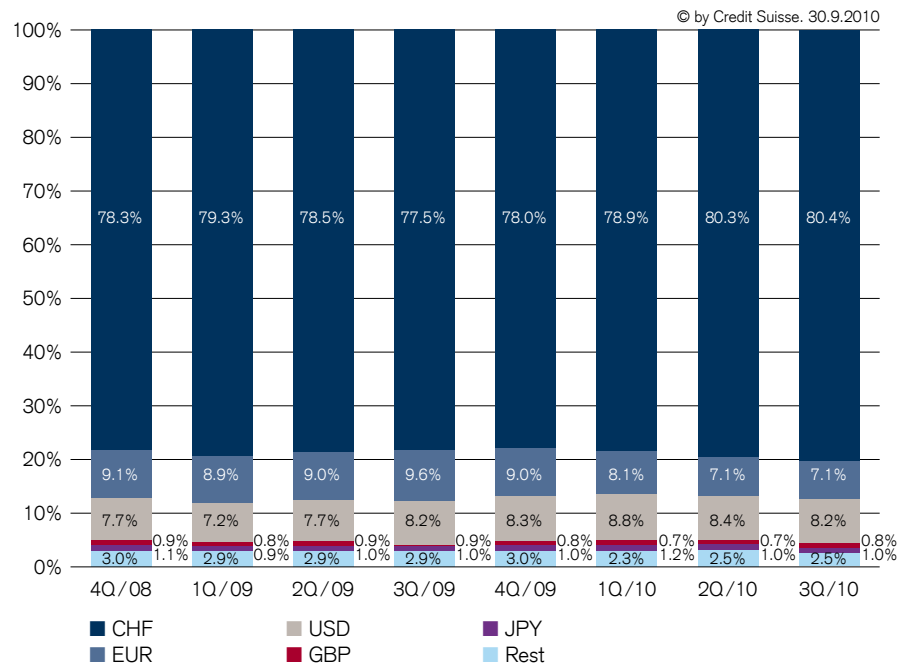
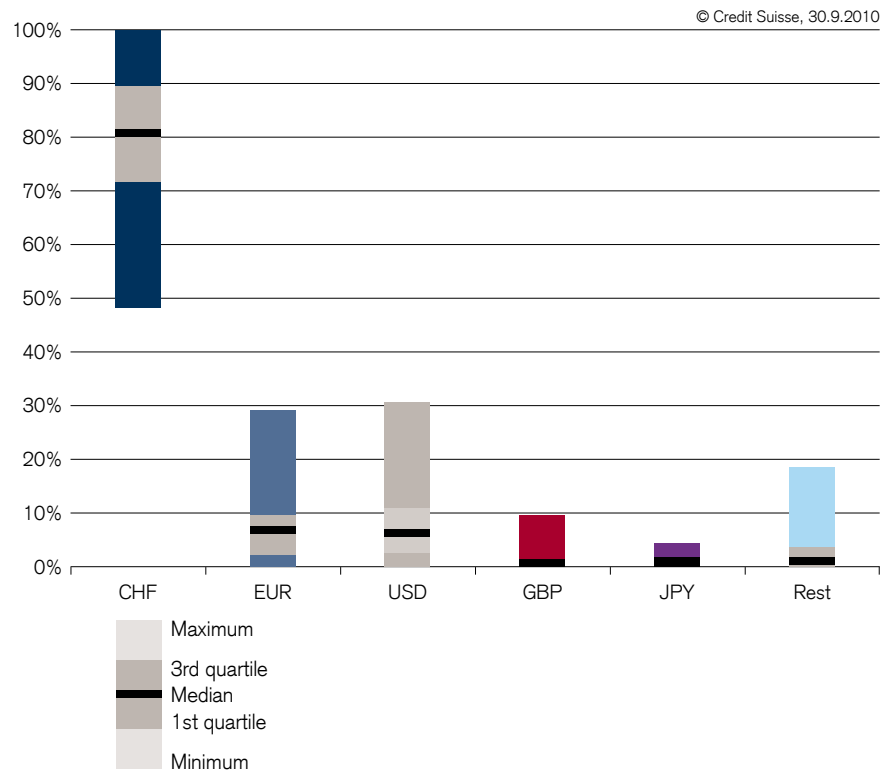


Chart 6: Minimum and Maximum Values 3rd Quarter 2010



Important Information

When interpreting these figures, it must be kept in mind that the Credit Suisse Swiss Pension Fund Index is not an artificially constructed performance index but an index that is based on actual pension fund data. Consequently, the index is “alive,” which significantly increases its informative value regarding the current

investment behavior of Swiss pension funds. On the other hand, the fact that it is constantly revised limits the comparability of data over time. The index is nevertheless an up-to-date indicator, especially as highly accurate pension fund data remains difficult to obtain.

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