

2Q10 Letter to shareholders

Dear shareholders

Our results for the second quarter of 2010 provide further evidence that our client-focused, capital-efficient strategy and reduced-risk business model can generate sustainable earnings even in more challenging markets. Despite continued volatility and subdued client activity, we were able to continue acquiring strong net new assets in Private Banking and maintain market share momentum, particularly in Investment Banking. We achieved net income of CHF 1.6 billion, a return on equity of 17.8% and an industry-leading capital position: our tier 1 ratio was 16.3% at the end of the second quarter.

Performance of our businesses

Private Banking delivered solid pre-tax income of CHF 874 million and attracted net new assets of CHF 13.8 billion, with strong inflows in our international businesses. The results were achieved despite continuing concerns about the macro-economic environment. This uncertainty caused clients to reduce risk exposures and avoid investments in more complex products. Long term, the prospects for the wealth management industry remain attractive, as economic development – especially the potential for wealth generation in emerging markets and the ongoing generational transfer of wealth – creates opportunities for Credit Suisse. The quarter saw a strong performance from our Corporate & Institutional Clients business in Switzerland with market share gains in our institutional business and good net new assets.

Investment Banking has shown its resilience in a difficult market environment, recording pre-tax income of CHF 784 million. Total revenues declined due to weaker fixed income sales and trading revenues but we saw a strong performance from our equity business with continued market share gains, and a solid performance from our advisory and underwriting business. During the quarter we maintained our focus on the disciplined allocation of capital and investment in client businesses. For example, we entered into an agreement to acquire a prime fund solutions business, which will further strengthen our prime services franchise by enabling us to offer a more complete product suite to our hedge fund clients. We maintained market share momentum across most products and regions and made significant progress in expanding our distribution capabilities in our securities business. In addition, we extended our strong position in equities, strengthened our advisory and underwriting franchises and continued to focus on growing our leading emerging markets platform.

Asset Management reported pre-tax income of CHF 22 million and maintained a positive trend in asset inflows for the



Brady W. Dougan, Chief Executive Officer (left) and Hans-Ulrich Doerig, Chairman of the Board of Directors

fourth quarter in succession, with net new assets of CHF 1.3 billion in the second quarter. We will focus on building on this encouraging trend and on growing this core business.

Positioned to succeed in new industry landscape

As a testament to the successful execution of our strategy and to our ability to generate high returns on a reduced-risk business model, Credit Suisse was recognized as Best Global Bank in 2010 by *Euromoney* magazine. We were also named Best Emerging Markets Investment Bank and received a further 14 regional and country awards in the Switzerland, Europe, Middle East and Africa, Americas and Asia Pacific regions, which underscores the depth and breadth of our global footprint.

Credit Suisse's strong position, including its solid capital and liquidity base, reflects the decisive steps we took in response to the new operating environment. We anticipated many of the regulatory changes at an early stage and took prompt and aggressive action to realign our strategy and busi-

ness model. This included cutting risk exposures, moving out of a variety of capital-intensive areas and developing leading approaches to compliance, cross-border business and investor protection. We are focused on performance, products and client solutions that only a global, integrated bank can offer. Net new asset trends in the second quarter have confirmed the effectiveness of our international multi-shore platform, which serves clients with multiple domiciles – whose needs are best met by a blend of onshore and offshore capabilities – as well as clients who are focused on geographical risk diversification. We are actively contributing to industry efforts to build a more robust and stable financial system by helping clients in adverse market conditions and engaging in an open and constructive dialog with regulators to promote a coordinated global approach to banking supervision.

Outlook

Despite the continuing macroeconomic uncertainty, in the first half of 2010 we achieved a return on equity of 20% while making further substantial progress developing our businesses. We remain confident that our strategy is appropriate and resilient in the face of an uncertain and challenging economic and market environment.

Yours sincerely

Hans-Ulrich Doerig
July 2010

Brady W. Dougan

Financial highlights

			in / end of		% change		in / end of		% change	
	2Q10	1Q10	2Q09	QoQ	YoY	6M10	6M09	YoY		
Net income (CHF million)										
Net income attributable to shareholders	1,593	2,055	1,571	(22)	1	3,648	3,577	2		
of which from continuing operations	1,593	2,074	1,558	(23)	2	3,667	3,596	2		
Earnings per share (CHF)										
Basic earnings per share from continuing operations	1.15	1.66	1.19	(31)	(3)	2.84	2.82	1		
Basic earnings per share	1.15	1.64	1.20	(30)	(4)	2.82	2.80	1		
Diluted earnings per share from continuing operations	1.15	1.65	1.17	(30)	(2)	2.83	2.79	1		
Diluted earnings per share	1.15	1.63	1.18	(29)	(3)	2.81	2.77	1		
Return on equity (%)										
Return on equity attributable to shareholders (annualized)	17.8	22.3	17.5	–	–	20.1	20.1	–		
Core Results (CHF million)										
Net revenues	8,420	8,961	8,610	(6)	(2)	17,381	18,167	(4)		
Provision for credit losses	20	(50)	310	–	(94)	(30)	493	–		
Total operating expenses	6,594	6,077	6,736	9	(2)	12,671	13,056	(3)		
Income from continuing operations before taxes	1,806	2,934	1,564	(38)	15	4,740	4,618	3		
Core Results statement of operations metrics (%)										
Cost/income ratio	78.3	67.8	78.2	–	–	72.9	71.9	–		
Pre-tax income margin	21.4	32.7	18.2	–	–	27.3	25.4	–		
Effective tax rate	10.4	28.6	(2.2)	–	–	21.6	20.5	–		
Net income margin ¹	18.9	22.9	18.2	–	–	21.0	19.7	–		
Assets under management and net new assets (CHF billion)										
Assets under management from continuing operations	1,242.6	1,270.9	1,175.2	(2.2)	5.7	1,242.6	1,175.2	5.7		
Net new assets	14.5	26.0	6.2	–	–	40.5	15.0	–		
Balance sheet statistics (CHF million)										
Total assets	1,137,948	1,073,803	1,092,904	6	4	1,137,948	1,092,904	4		
Net loans	227,205	228,741	243,191	(1)	(7)	227,205	243,191	(7)		
Total shareholders' equity	35,633	36,815	36,348	(3)	(2)	35,633	36,348	(2)		
Tangible shareholders' equity ²	25,674	27,018	26,356	(5)	(3)	25,674	26,356	(3)		
Book value per share outstanding (CHF)										
Total book value per share	30.04	31.88	31.02	(6)	(3)	30.04	31.02	(3)		
Shares outstanding (million)										
Common shares issued	1,186.1	1,185.8	1,184.8	0	0	1,186.1	1,184.8	0		
Treasury shares	0.0	(30.9)	(13.2)	100	100	0.0	(13.2)	100		
Shares outstanding	1,186.1	1,154.9	1,171.6	3	1	1,186.1	1,171.6	1		
Market capitalization										
Market capitalization (CHF million)	48,535	64,450	58,765	(25)	(17)	48,535	58,765	(17)		
Market capitalization (USD million)	44,395	60,928	54,180	(27)	(18)	44,395	54,180	(18)		
BIS statistics										
Risk-weighted assets (CHF million)	232,964	229,111	234,884	2	(1)	232,964	234,884	(1)		
Tier 1 ratio (%)	16.3	16.4	15.5	–	–	16.3	15.5	–		
Total capital ratio (%)	21.8	21.6	20.0	–	–	21.8	20.0	–		
Number of employees (full-time equivalents)										
Number of employees	49,200	48,300	46,700	2	5	49,200	46,700	5		

¹ Based on amounts attributable to shareholders. ² Tangible shareholders' equity attributable to shareholders is calculated by deducting goodwill and other intangible assets from total shareholders' equity attributable to shareholders.

Financial calendar and information sources

Financial calendar

Third quarter 2010 results	Thursday, October 21, 2010
Fourth quarter /	
full year 2010 results	Thursday, February 10, 2011

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Results and financial information	www.credit-suisse.com/results
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Cautionary statement regarding forward-looking information

This report contains statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act. 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 the following:

- 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 securities 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:

- the ability to maintain sufficient liquidity and access capital markets;
- market and interest rate fluctuations;
- 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 the risk of a continued US or global economic downturn in 2010 and beyond;
- the direct and indirect impacts of continuing deterioration of subprime and other real estate markets;
- further adverse rating actions by credit rating agencies in respect of structured credit products or other credit-related exposures or of monoline insurers;

- the ability of counterparties to meet their obligations to us;
- the effects of, and changes in, fiscal, monetary, trade and tax policies, and currency fluctuations;
- political and social developments, including war, civil unrest or terrorist activity;
- the possibility of foreign exchange controls, expropriation, nationalization or confiscation of assets in countries in which we conduct our operations;
- operational factors such as systems failure, human error, or the failure to implement procedures properly;
- actions taken by regulators with respect to our business and practices in one or more of the countries in which we conduct our operations;
- the effects of changes in laws, regulations or accounting policies or practices;
- competition in geographic and business areas in which we conduct our operations;
- the ability to retain and recruit qualified personnel;
- the ability to maintain our reputation and promote our brand;
- the ability to increase market share and control expenses;
- technological changes;
- the timely development and acceptance of our new products and services and the perceived overall value of these products and services by users;
- acquisitions, including the ability to integrate acquired businesses successfully, and divestitures, including the ability to sell non-core assets;
- the adverse resolution of litigation and other contingencies;
- the ability to achieve our cost efficiency goals and other cost targets; and
- 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 information set forth in our Annual Report 2009 under IX – Additional Information – Risk Factors.