

**Credit Suisse (Bank)  
Financial Statements**

**6M11**

11	Report of Independent Registered Public Accounting Firm
13	Condensed consolidated financial statements – unaudited
20	Notes to the condensed consolidated financial statements – unaudited
20	1 Summary of significant accounting policies
20	2 Recently issued accounting standards
21	3 Business developments and subsequent events
21	4 Discontinued operations
22	5 Segment information
23	6 Net interest income
23	7 Commissions and fees
23	8 Trading revenues
24	9 Other revenues
24	10 Provision for credit losses
24	11 Compensation and benefits
24	12 General and administrative expenses
25	13 Trading assets and liabilities
26	14 Investment securities
28	15 Loans, allowance for loan losses and credit quality
35	16 Other assets and other liabilities
36	17 Long-term debt
36	18 Accumulated other comprehensive income
37	19 Tax
38	20 Employee deferred compensation
40	21 Pension and other post-retirement benefits
40	22 Derivatives and hedging activities
47	23 Guarantees and commitments
50	24 Transfers of financial assets and variable interest entities
57	25 Financial instruments
70	26 Assets pledged or assigned
70	27 Litigation



**KPMG AG**  
**Audit Financial Services**  
Badenerstrasse 172  
CH-8004 Zurich

P.O. Box  
CH-8026 Zurich

Telephone +41 44 249 31 31  
Fax +41 44 249 23 19  
Internet [www.kpmg.ch](http://www.kpmg.ch)

Report of Independent Registered Public Accounting Firm to the Board of Directors of  
**Credit Suisse AG, Zurich**

---

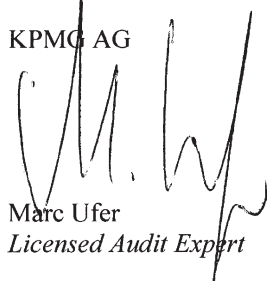
We have reviewed the accompanying condensed consolidated balance sheets of Credit Suisse AG and subsidiaries (the “Bank”) as of June 30, 2011 and the related condensed consolidated statements of operations, changes in equity, comprehensive income and cash flows for the six-month periods ended June 30, 2011 and 2010. These condensed consolidated financial statements are the responsibility of the Bank's management.

We conducted our reviews in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the condensed consolidated financial statements referred to above for them to be in conformity with U.S. generally accepted accounting principles.

We have previously audited, in accordance with standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet of the Bank as of December 31, 2010, and the related consolidated statements of operations, changes in equity, comprehensive income and cash flows for the year then ended (not presented herein); and in our report dated March 24, 2011, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of December 31, 2010, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

KPMG AG



Marc Ufer  
*Licensed Audit Expert*



Simon Ryder  
*Licensed Audit Expert*

Zurich, Switzerland  
August 10, 2011

[THIS PAGE INTENTIONALLY LEFT BLANK]

# Credit Suisse (Bank)

## Condensed consolidated financial statements – unaudited

### Consolidated statements of operations (unaudited)

in	6M11	6M10
<b>Consolidated statements of operations (CHF million)</b>		
Interest and dividend income	12,151	13,509
Interest expense	(9,332)	(10,615)
Net interest income	2,819	2,894
Commissions and fees	6,609	6,502
Trading revenues	3,110	6,941
Other revenues	1,570	297
<b>Net revenues</b>	<b>14,108</b>	<b>16,634</b>
<b>Provision for credit losses</b>	<b>(21)</b>	<b>(41)</b>
Compensation and benefits	6,882	7,664
General and administrative expenses	3,216	3,712
Commission expenses	945	1,006
Total other operating expenses	4,161	4,718
<b>Total operating expenses</b>	<b>11,043</b>	<b>12,382</b>
<b>Income from continuing operations before taxes</b>	<b>3,086</b>	<b>4,293</b>
Income tax expense	670	881
<b>Income from continuing operations</b>	<b>2,416</b>	<b>3,412</b>
Income/(loss) from discontinued operations, net of tax	0	(19)
<b>Net income</b>	<b>2,416</b>	<b>3,393</b>
Net income/(loss) attributable to noncontrolling interests	999	213
<b>Net income attributable to shareholder</b>	<b>1,417</b>	<b>3,180</b>
of which from continuing operations	1,417	3,199
of which from discontinued operations	0	(19)

The accompanying notes to the unaudited condensed consolidated financial statements are an integral part of these statements.

## Consolidated balance sheets (unaudited)

end of	6M11	2010
<b>Assets (CHF million)</b>		
Cash and due from banks	68,560	65,031
of which reported from consolidated VIEs	1,491	1,432
Interest-bearing deposits with banks	4,792	4,457
of which reported at fair value	336	0
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	198,968	220,708
of which reported at fair value	117,340	136,906
Securities received as collateral, at fair value	32,001	42,100
of which encumbered	18,076	21,305
Trading assets, at fair value	298,531	321,256
of which encumbered	85,467	87,554
of which reported from consolidated VIEs	7,479	8,717
Investment securities	4,024	6,331
of which reported at fair value	3,878	6,192
of which reported from consolidated VIEs	45	72
Other investments	13,669	16,055
of which reported at fair value	10,868	13,184
of which reported from consolidated VIEs	2,043	2,334
Net loans	200,330	200,748
of which reported at fair value	19,191	18,552
of which encumbered	347	783
of which reported from consolidated VIEs	4,036	3,745
allowance for loan losses	(715)	(812)
Premises and equipment	6,160	6,220
of which reported from consolidated VIEs	53	33
Goodwill	6,773	7,450
Other intangible assets	274	304
of which reported at fair value	50	66
Brokerage receivables	40,691	38,773
Other assets	76,457	79,305
of which reported at fair value	37,829	39,419
of which encumbered	2,510	2,388
of which reported from consolidated VIEs	16,763	19,569
Assets of discontinued operations held-for-sale	0	23
<b>Total assets</b>	<b>951,230</b>	<b>1,008,761</b>

The accompanying notes to the unaudited condensed consolidated financial statements are an integral part of these statements.

**Consolidated balance sheets (unaudited) (continued)**

end of	6M11	2010
<b>Liabilities and equity (CHF million)</b>		
Due to banks	50,801	47,675
of which reported at fair value	3,974	3,995
Customer deposits	262,809	263,767
of which reported at fair value	2,984	2,855
of which reported from consolidated VIEs	433	54
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	142,245	168,394
of which reported at fair value	109,282	123,697
Obligation to return securities received as collateral, at fair value	32,001	42,100
Trading liabilities, at fair value	119,676	133,937
of which reported from consolidated VIEs	165	188
Short-term borrowings	18,447	19,516
of which reported at fair value	4,046	3,308
of which reported from consolidated VIEs	4,126	4,333
Long-term debt	160,844	171,140
of which reported at fair value	74,686	81,474
of which reported from consolidated VIEs	18,184	19,739
Brokerage payables	67,443	61,862
Other liabilities	60,713	61,206
of which reported at fair value	29,533	29,040
of which reported from consolidated VIEs	819	839
<b>Total liabilities</b>	<b>914,979</b>	<b>969,597</b>
Common shares / Participation certificates	4,400	4,400
Additional paid-in capital	22,906	24,026
Retained earnings	11,373	10,068
Treasury shares, at cost	0	0
Accumulated other comprehensive income/(loss)	(12,683)	(10,711)
<b>Total shareholder's equity</b>	<b>25,996</b>	<b>27,783</b>
Noncontrolling interests	10,255	11,381
<b>Total equity</b>	<b>36,251</b>	<b>39,164</b>
<b>Total liabilities and equity</b>	<b>951,230</b>	<b>1,008,761</b>
<hr/>		
end of	6M11	2010
<b>Additional share information</b>		
Par value (CHF)	100.00	100.00
Issued shares (million)	44.0	44.0
Shares outstanding (million)	44.0	44.0

The accompanying notes to the unaudited condensed consolidated financial statements are an integral part of these statements.

## Consolidated statements of changes in equity (unaudited)

	Attributable to shareholders								Number of common shares outstanding
	Common shares/Participation certificates	Additional paid-in capital	Retained earnings	Treasury shares, at cost <sup>1</sup>	Accumulated other comprehensive income	Total shareholder's equity	Non-controlling interests	Total equity	
<b>6M11 (CHF million)</b>									
<b>Balance at beginning of period</b>	<b>4,400</b>	<b>24,026</b>	<b>10,068</b>	<b>0</b>	<b>(10,711)</b>	<b>27,783</b>	<b>11,381</b>	<b>39,164</b>	<b>43,996,652</b> <sup>2</sup>
Purchase of subsidiary shares from noncontrolling interests, changing ownership	-	(1)	-	-	-	(1)	(1)	(2)	-
Purchase of subsidiary shares from noncontrolling interests, not changing ownership <sup>3,4</sup>	-	-	-	-	-	-	(803)	(803)	-
Sale of subsidiary shares to noncontrolling interests, not changing ownership <sup>4</sup>	-	-	-	-	-	-	260	260	-
Net income	-	-	1,417	-	-	1,417	973 <sup>5</sup>	2,390	-
Gains/(losses) on cash flow hedges	-	-	-	-	(22)	(22)	-	(22)	-
Foreign currency translation	-	-	-	-	(1,931)	(1,931)	(1,121)	(3,052)	-
Unrealized gains/(losses) on securities	-	-	-	-	(37)	(37)	-	(37)	-
Actuarial gains/(losses)	-	-	-	-	19	19	-	19	-
Net prior service cost	-	-	-	-	(1)	(1)	-	(1)	-
Total other comprehensive income/(loss), net of tax	-	-	-	-	(1,972)	(1,972)	(1,121)	(3,093)	-
Sale of treasury shares	-	2	-	612	-	614	-	614	-
Repurchase of treasury shares	-	-	-	(612)	-	(612)	-	(612)	-
Share-based compensation, net of tax	-	(719)	-	-	-	(719)	(4)	(723)	-
Dividends on share-based compensation, net of tax	-	(67)	-	-	-	(67)	-	(67)	-
Cash dividends paid	-	-	(112)	-	-	(112)	(30)	(142)	-
Changes in redeemable noncontrolling interests	-	(335) <sup>6</sup>	-	-	-	(335)	(90)	(425)	-
Changes in scope of consolidation, net	-	-	-	-	-	-	(310)	(310)	-
<b>Balance at end of period</b>	<b>4,400</b>	<b>22,906</b>	<b>11,373</b>	<b>0</b>	<b>(12,683)</b>	<b>25,996</b>	<b>10,255</b>	<b>36,251</b>	<b>43,996,652</b>

<sup>1</sup> Reflects Credit Suisse Group shares which are reported as treasury shares. Those shares are held to economically hedge share award obligations. <sup>2</sup> The Bank's total share capital is fully paid and consists of 43,996,652 registered shares with nominal value of CHF 100 per share. Each share is entitled to one vote. The Bank has no warrants or convertible rights on its own shares outstanding. <sup>3</sup> Distributions to owners in funds include the return of original capital invested and any related dividends. <sup>4</sup> Transactions with and without ownership changes related to fund activity are all displayed under "not changing ownership". <sup>5</sup> Net income attributable to noncontrolling interests excludes CHF 26 million due to redeemable noncontrolling interests. <sup>6</sup> Represents the accrued portion of the redemption value of redeemable noncontrolling interests in Credit Suisse Hedging-Griffo Investimentos S.A.

The accompanying notes to the unaudited condensed consolidated financial statements are an integral part of these statements.



### Consolidated statements of changes in equity (unaudited) (continued)

	Attributable to shareholders								Number of common shares outstanding
	Common shares/Participation certificates	Additional paid-in capital	Retained earnings	Treasury shares, at cost	Accumulated other comprehensive income	Total shareholder's equity	Non-controlling interests	Total equity	
<b>6M10 (CHF million)</b>									
<b>Balance at beginning of period</b>	<b>4,400</b>	<b>24,299</b>	<b>11,422</b>	<b>(487)</b>	<b>(8,406)</b>	<b>31,228</b>	<b>14,523</b>	<b>45,751</b>	<b>43,996,652</b>
Purchase of subsidiary shares from noncontrolling interests, changing ownership	-	-	-	-	-	-	(9)	(9)	-
Purchase of subsidiary shares from noncontrolling interests, not changing ownership	-	-	-	-	-	-	(669)	(669)	-
Sale of subsidiary shares to noncontrolling interests, not changing ownership	-	-	-	-	-	-	224	224	-
Net income/(loss)	-	-	3,180	-	-	3,180	213	3,393	-
Cumulative effect of accounting changes, net of tax	-	-	(2,384)	-	135	(2,249)	-	(2,249)	-
Gains/(losses) on cash flow hedges	-	-	-	-	22	22	-	22	-
Foreign currency translation	-	-	-	-	546	546	655	1,201	-
Unrealized gains/(losses) on securities	-	-	-	-	20	20	-	20	-
Actuarial gains/(losses)	-	-	-	-	7	7	-	7	-
Net prior service cost	-	-	-	-	(1)	(1)	-	(1)	-
Total other comprehensive income/(loss), net of tax	-	-	-	-	594	594	655	1,249	-
Sale of treasury shares	-	(44)	-	1,572	-	1,528	-	1,528	-
Repurchase of treasury shares	-	-	-	(1,281)	-	(1,281)	-	(1,281)	-
Share-based compensation, net of tax	-	(2,356)	-	-	-	(2,356)	-	(2,356)	-
Dividends on share-based compensation, net of tax	-	(84)	-	-	-	(84)	-	(84)	-
Cash dividends paid	-	-	(3,067)	-	-	(3,067)	(92)	(3,159)	-
Changes in scope of consolidation, net	-	-	-	-	-	-	56	56	-
Other	-	-	-	-	-	-	(6)	(6)	-
<b>Balance at end of period</b>	<b>4,400</b>	<b>21,815</b>	<b>9,151</b>	<b>(196)</b>	<b>(7,677)</b>	<b>27,493</b>	<b>14,895</b>	<b>42,388</b>	<b>43,996,652</b>

### Consolidated statements of comprehensive income (unaudited)

in	6M11	6M10
<b>Comprehensive income (CHF million)</b>		
Net income/(loss)	2,416	3,393
Other comprehensive income/(loss), net of tax	(3,093)	1,249
<b>Comprehensive income/(loss)</b>	<b>(677)</b>	<b>4,642</b>
<b>Comprehensive income/(loss) attributable to noncontrolling interests</b>	<b>(122)</b>	<b>868</b>
<b>Comprehensive income/(loss) attributable to shareholders</b>	<b>(555)</b>	<b>3,774</b>

The accompanying notes to the unaudited condensed consolidated financial statements are an integral part of these statements.

## Consolidated statements of cash flows (unaudited)

in	6M11	6M10
<b>Operating activities of continuing operations (CHF million)</b>		
<b>Net income</b>	<b>2,416</b>	<b>3,393</b>
(Income)/loss from discontinued operations, net of tax	0	19
<b>Income/(loss) from continuing operations</b>	<b>2,416</b>	<b>3,412</b>
<b>Adjustments to reconcile net income/(loss) to net cash provided by/(used in) operating activities of continuing operations (CHF million)</b>		
Impairment, depreciation and amortization	528	565
Provision for credit losses	(21)	(41)
Deferred tax provision	489	526
Share of net income from equity method investments	(26)	(62)
Trading assets and liabilities	(9,265)	17,267
(Increase)/decrease in other assets	(10,558)	(2,678)
Increase/(decrease) in other liabilities	16,039	15,707
Other, net	525	1,729
Total adjustments	(2,289)	33,013
<b>Net cash provided by/(used in) operating activities of continuing operations</b>	<b>127</b>	<b>36,425</b>
<b>Investing activities of continuing operations (CHF million)</b>		
(Increase)/decrease in interest-bearing deposits with banks	(562)	(1,602)
(Increase)/decrease in central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	2,320	(30,695)
Purchase of investment securities	(79)	(32)
Proceeds from sale of investment securities	2,096	680
Maturities of investment securities	84	590
Investments in subsidiaries and other investments	(790)	(363)
Proceeds from sale of other investments	2,447	936
(Increase)/decrease in loans	(4,018)	4,349
Proceeds from sales of loans	230	478
Capital expenditures for premises and equipment and other intangible assets	(704)	(757)
Proceeds from sale of premises and equipment and other intangible assets	3	3
Other, net	58	157
<b>Net cash provided by/(used in) investing activities of continuing operations</b>	<b>1,085</b>	<b>(26,256)</b>

The accompanying notes to the unaudited condensed consolidated financial statements are an integral part of these statements.

**Consolidated statements of cash flows (unaudited) (continued)**

in	6M11	6M10
<b>Financing activities of continuing operations (CHF million)</b>		
Increase/(decrease) in due to banks and customer deposits	14,925	7,926
Increase/(decrease) in short-term borrowings	419	8,617
Increase/(decrease) in central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	(10,240)	3,384
Issuances of long-term debt	22,492	29,153
Repayments of long-term debt	(18,416)	(26,830)
Sale of treasury shares	614	1,528
Repurchase of treasury shares	(612)	(1,281)
Dividends paid/capital repayments	(142)	(3,159)
Excess tax benefits related to share-based compensation	0	635
Other, net	(298)	(3,749)
<b>Net cash provided by/(used in) financing activities of continuing operations</b>	<b>8,742</b>	<b>16,224</b>
<b>Effect of exchange rate changes on cash and due from banks (CHF million)</b>		
<b>Effect of exchange rate changes on cash and due from banks</b>	<b>(6,450)</b>	<b>(751)</b>
<b>Net cash provided by/(used in) discontinued operations (CHF million)</b>		
<b>Net cash provided by/(used in) operating activities of discontinued operations</b>	<b>25</b>	<b>(98)</b>
<b>Net increase/(decrease) in cash and due from banks (CHF million)</b>		
<b>Net increase/(decrease) in cash and due from banks</b>	<b>3,529</b>	<b>25,544</b>
Cash and due from banks at beginning of period	65,031	52,535
<b>Cash and due from banks at end of period</b>	<b>68,560</b>	<b>78,079</b>

**Supplemental cash flow information (unaudited)**

in	6M11	6M10
<b>Cash paid for income taxes and interest (CHF million)</b>		
Cash paid for income taxes	549	473
Cash paid for interest	9,232	10,278

The accompanying notes to the unaudited condensed consolidated financial statements are an integral part of these statements.

# Notes to the condensed consolidated financial statements – unaudited

## Note 1 Summary of significant accounting policies

---

### Basis of presentation

The accompanying unaudited condensed consolidated financial statements of Credit Suisse (the Bank) are prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP) and are stated in Swiss francs (CHF). These condensed consolidated financial statements should be read in conjunction with the US GAAP consolidated financial statements and notes thereto for the year ended December 31, 2010, included in the Credit Suisse Annual Report 2010. For a description of the Bank's significant accounting policies, refer to *Note 1 – Summary of significant accounting policies in VII – Consolidated financial statements – Credit Suisse (Bank) in the Credit Suisse Annual Report 2010*.

Certain financial information, which is normally included in annual consolidated financial statements prepared in accordance with US GAAP but not required for interim reporting

purposes has been condensed or omitted. Certain reclassifications have been made to the prior period's consolidated financial statements to conform to the current period's presentation. These condensed consolidated financial statements reflect, in the opinion of management, all adjustments that are necessary for a fair presentation of the condensed consolidated financial statements for the periods presented. The results of operations for interim periods are not indicative of results for the entire year.

In preparing these condensed consolidated financial statements, management is required to make estimates and assumptions, which affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the condensed consolidated balance sheets and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## Note 2 Recently issued accounting standards

---

For a complete description of recently adopted accounting standards, refer to *Note 2 – Recently issued accounting standards in VII – Consolidated financial statements – Credit Suisse (Bank) in the Credit Suisse Annual Report 2010*. For the most recently adopted accounting standards and standards to be adopted in future periods, refer to *Note 1 – Sum-*

*mary of significant accounting policies in V – Condensed consolidated financial statements – unaudited in the Credit Suisse Financial Report 2Q11*. The impact on the Bank's and Group's financial condition, results of operations or cash flows was or is expected to be identical.

**Note 3 Business developments and subsequent events**

---

**Acquisitions and divestitures**

On April 30, 2011, the Group completed the acquisition of ABN AMRO Bank's (formerly Fortis Bank Nederland) PFS hedge fund administration business, a global leader in hedge fund administration services.

**Subsequent events**

In July 2011, the UK enacted a levy attributable to the UK operations of large banks on certain funding. The levy came into effect as of January 1, 2011 at a rate of 7.5 basis points for short-term liabilities and 3.75 basis points for long-term equity and liabilities. The Bank currently estimates an expense of CHF 125 million from this levy in 2011 to be recognized in the second half of 2011.

**Note 4 Discontinued operations**

---

For further information on the sale of the Bank's traditional investment strategies business in Asset Management to Aberdeen Asset Management, refer to *Note 4 – Discontinued*

*operations in V – Condensed consolidated financial statements – unaudited in the Credit Suisse Financial Report 2Q11.*

Note 5 **Segment information**

## Overview

For purpose of presentation of reportable segments, the Bank has included accounts of affiliate entities wholly owned by the same parent which are managed together with the operating segments of the Bank. These affiliate entities include certain bank and trust affiliates, primarily managed by Private Banking. Income from continuing operations before taxes of these non-consolidated affiliate entities included in the segment presentation for 6M11 and 6M10 were CHF 335 million and

CHF 276 million, respectively. For the same periods, net revenues of these non-consolidated affiliate entities included in the segment presentation were CHF 975 million and CHF 883 million, respectively. Total assets of these non-consolidated affiliate entities included in the segment presentation as of June 30, 2011 and December 31, 2010 were CHF 48.8 billion and CHF 47.8 billion, respectively. For further information, refer to *Note 5 – Segment reporting in V – Condensed consolidated financial statements – unaudited in the Credit Suisse Financial Report 2011*.

## Net revenues and income before taxes

in	6M11	6M10
<b>Net revenues (CHF million)</b>		
Private Banking	5,693	5,891
Investment Banking	7,751	9,315
Asset Management	1,220	1,133
Adjustments <sup>1,2</sup>	(556)	295
<b>Net revenues</b>	<b>14,108</b>	<b>16,634</b>
<b>Income from continuing operations before taxes (CHF million)</b>		
Private Banking	1,698	1,766
Investment Banking	1,574	2,578
Asset Management	374	188
Adjustments <sup>1,3</sup>	(560)	(239)
<b>Income from continuing operations before taxes</b>	<b>3,086</b>	<b>4,293</b>

<sup>1</sup> Adjustments represent certain consolidating entries and balances, including those relating to items that are managed but are not legally owned by the Bank and vice-versa and certain expenses that were not allocated to the segments. <sup>2</sup> Includes noncontrolling interest-related revenues of CHF 955 million and CHF 182 million in 6M11 and 6M10, respectively, from the consolidation of certain private equity funds and other entities in which the Bank does not have a significant economic interest in such revenues. <sup>3</sup> Includes noncontrolling interest income of CHF 942 million and CHF 156 million in 6M11 and 6M10, respectively, from the consolidation of certain private equity funds and other entities in which the Bank does not have a significant economic interest in such income.

## Total assets

end of	6M11	2010
<b>Total assets (CHF million)</b>		
Private Banking	335,098	337,496
Investment Banking	741,067	803,613
Asset Management	27,813	27,986
Adjustments <sup>1</sup>	(152,748)	(160,334)
<b>Total assets</b>	<b>951,230</b>	<b>1,008,761</b>

<sup>1</sup> Adjustments represent certain consolidating entries and balances, including those relating to items that are managed but are not legally owned by the Bank and vice-versa and certain expenses that were not allocated to the segments.

Note 6 **Net interest income**

in	6M11	6M10
<b>Net interest income (CHF million)</b>		
Loans	2,149	2,392
Investment securities	42	34
Trading assets	6,790	8,019
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	1,575	1,206
Other	1,595	1,858
Interest and dividend income	12,151	13,509
Deposits	(832)	(760)
Short-term borrowings	(38)	(40)
Trading liabilities	(4,637)	(5,748)
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	(848)	(716)
Long-term debt	(2,816)	(3,208)
Other	(161)	(143)
Interest expense	(9,332)	(10,615)
<b>Net interest income</b>	<b>2,819</b>	<b>2,894</b>

Note 7 **Commissions and fees**

in	6M11	6M10
<b>Commissions and fees (CHF million)</b>		
Lending business	664	567
Investment and portfolio management	1,827	1,830
Other securities business	37	34
Fiduciary	1,864	1,864
Underwriting	1,033	1,051
Brokerage	2,023	1,994
Underwriting and brokerage	3,056	3,045
Other services	1,025	1,026
<b>Commissions and fees</b>	<b>6,609</b>	<b>6,502</b>

Note 8 **Trading revenues**

in	6M11	6M10
<b>Trading revenues (CHF million)</b>		
Interest rate products	2,545	3,082
Foreign exchange products	(987)	1,631
Equity/index-related products	1,205	2,389
Credit products	(157)	(43)
Commodity, emission and energy products	295	(36)
Other products	209	(82)
<b>Total</b>	<b>3,110</b>	<b>6,941</b>

Represents revenues on a product basis which are not representative of business results within segments, as segment results utilize financial instruments across various product types.

Note 9 **Other revenues**

in	6M11	6M10
<b>Other revenues (CHF million)</b>		
Noncontrolling interests without significant economic interest	946	153
Loans held-for-sale	35	(72)
Long-lived assets held-for-sale	(9)	(96)
Equity method investments	60	113
Other investments	261	(114)
Other	277	313
<b>Other revenues</b>	<b>1,570</b>	<b>297</b>

Note 10 **Provision for credit losses**

in	6M11	6M10
<b>Provision for credit losses (CHF million)</b>		
Provision for loan losses	(12)	(29)
Provision for lending-related and other exposures	(9)	(12)
<b>Provision for credit losses</b>	<b>(21)</b>	<b>(41)</b>

Note 11 **Compensation and benefits**

in	6M11	6M10
<b>Compensation and benefits (CHF million)</b>		
Salaries and variable compensation	5,903	6,166
Social security	504	542
Other <sup>1</sup>	475	956
<b>Compensation and benefits</b>	<b>6,882<sup>2</sup></b>	<b>7,664</b>

<sup>1</sup> Includes pension and other post-retirement expenses of CHF 354 million and CHF 364 million in 6M11 and 6M10, respectively, and the UK levy on variable compensation of CHF 447 million in 6M10. <sup>2</sup> Includes CHF 142 million of severance and other compensation expense related to headcount reductions in Investment Banking.

Note 12 **General and administrative expenses**

in	6M11	6M10
<b>General and administrative expenses (CHF million)</b>		
Occupancy expenses	498	556
IT, machinery, etc.	649	658
Provisions and losses	88	344
Travel and entertainment	199	222
Professional services	979	1,019
Amortization and impairment of other intangible assets	14	17
Other	789	896
<b>General and administrative expenses</b>	<b>3,216</b>	<b>3,712</b>



Note 13 **Trading assets and liabilities**

end of	6M11	2010
<b>Trading assets (CHF million)</b>		
Debt securities	153,805	153,228
Equity securities <sup>1</sup>	87,009	101,196
Derivative instruments <sup>2</sup>	40,059	47,776
Other	17,658	19,056
<b>Trading assets</b>	<b>298,531</b>	<b>321,256</b>
<b>Trading liabilities (CHF million)</b>		
Short positions	74,065	76,219
Derivative instruments <sup>2</sup>	45,611	57,718
<b>Trading liabilities</b>	<b>119,676</b>	<b>133,937</b>

<sup>1</sup> Including convertible bonds. <sup>2</sup> Amounts shown net of cash collateral receivables and payables.

**Cash collateral on derivative instruments**

end of	6M11	2010
<b>Cash collateral receivables (CHF million)</b>		
Receivables netted against derivative positions	25,212	28,400
Receivables not netted	13,739	14,987
<b>Total</b>	<b>38,951</b>	<b>43,387</b>
<b>Cash collateral payables (CHF million)</b>		
Payables netted against derivative positions	27,570	29,480
Payables not netted <sup>1</sup>	14,560	14,428
<b>Total</b>	<b>42,130</b>	<b>43,908</b>

<sup>1</sup> Recorded as cash collateral on derivative instruments in Note 16 – Other assets and other liabilities.

Note 14 **Investment securities**

end of	6M11	2010
<b>Investment securities (CHF million)</b>		
Debt securities held-to-maturity	146	139
Securities available-for-sale	3,878	6,192
<b>Total investment securities</b>	<b>4,024</b>	<b>6,331</b>

**Investment securities by type**

end of	Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value
<b>6M11 (CHF million)</b>				
Debt securities issued by foreign governments	146	0	0	146
<b>Debt securities held-to-maturity</b>	<b>146</b>	<b>0</b>	<b>0</b>	<b>146</b>
Debt securities issued by foreign governments	3,306	79	0	3,385
Corporate debt securities	356	0	0	356
Collateralized debt obligations	44	1	0	45
<b>Debt securities available-for-sale</b>	<b>3,706</b>	<b>80</b>	<b>0</b>	<b>3,786</b>
Banks, trust and insurance companies	67	10	0	77
Industry and all other	14	1	0	15
<b>Equity securities available-for-sale</b>	<b>81</b>	<b>11</b>	<b>0</b>	<b>92</b>
<b>Securities available-for-sale</b>	<b>3,787</b>	<b>91</b>	<b>0</b>	<b>3,878</b>
<b>2010 (CHF million)</b>				
Debt securities issued by foreign governments	139	0	0	139
<b>Debt securities held-to-maturity</b>	<b>139</b>	<b>0</b>	<b>0</b>	<b>139</b>
Debt securities issued by foreign governments	5,418	225	0	5,643
Corporate debt securities	387	0	0	387
Collateralized debt obligations	71	2	0	73
<b>Debt securities available-for-sale</b>	<b>5,876</b>	<b>227</b>	<b>0</b>	<b>6,103</b>
Banks, trust and insurance companies	69	10	0	79
<b>Industry and all other</b>	<b>9</b>	<b>1</b>	<b>0</b>	<b>10</b>
<b>Equity securities available-for-sale</b>	<b>78</b>	<b>11</b>	<b>0</b>	<b>89</b>
<b>Securities available-for-sale</b>	<b>5,954</b>	<b>238</b>	<b>0</b>	<b>6,192</b>

There were no unrealized losses on investment securities in 6M11 and 2010. No significant impairment charges were recorded as the Bank does not intend to sell the investments,

nor is it more likely than not that the Bank will be required to sell the investments before the recovery of their amortized cost bases, which may be maturity.

### Proceeds from sales, realized gains and realized losses from available-for-sale securities

	6M11		6M10
in	Debt securities	Equity securities	Debt securities
<b>Additional information (CHF million)</b>			
Proceeds from sales	2,095	1	679
Realized gains	40	0	5
Realized losses	(22)	0	(11)

### Amortized cost, fair value and average yield of debt securities

end of	Debt securities held-to-maturity			Debt securities available-for-sale		
	Amortized cost	Fair value	Average yield (in %)	Amortized cost	Fair value	Average yield (in %)
<b>6M11 (CHF million)</b>						
Due within 1 year	146	146	0	688	688	2.41
Due from 1 to 5 years	0	0	–	2,960	3,036	3.54
Due from 5 to 10 years	0	0	–	0	0	–
Due after 10 years	0	0	–	58	62	5.80
<b>Total debt securities</b>	<b>146</b>	<b>146</b>	<b>0</b>	<b>3,706</b>	<b>3,786</b>	<b>3.37</b>

Note 15 **Loans, allowance for loan losses and credit quality**

For further information, refer to *Note 16 – Loans, allowance for loan losses and credit quality in V – Condensed consolidated financial statements – unaudited in the Credit Suisse Financial Report 2011* and *Note 17 – Loans, allowance for loan losses and credit quality in VII – Consolidated financial statements – Credit Suisse (Bank) in the Credit Suisse Annual Report 2010*.

## Loans

end of	6M11	2010
<b>Loans (CHF million)</b>		
Mortgages	71,319	69,953
Loans collateralized by securities	22,007	21,247
Consumer finance	3,062	2,833
Consumer loans	96,388	94,033
Real estate	20,921	20,115
Commercial and industrial loans	49,701	51,842
Financial institutions	31,998	33,608
Governments and public institutions	2,134	2,059
Corporate and institutional loans	104,754	107,624
<b>Gross loans</b>	<b>201,142</b>	<b>201,657</b>
of which held at amortized cost	181,951	183,105
of which held at fair value	19,191	18,552
Net (unearned income)/deferred expenses	(97)	(97)
Allowance for loan losses	(715)	(812)
<b>Net loans</b>	<b>200,330</b>	<b>200,748</b>
<b>Gross loans by location (CHF million)</b>		
Switzerland	125,301	123,506
Foreign	75,841	78,151
<b>Gross loans</b>	<b>201,142</b>	<b>201,657</b>
<b>Impaired loan portfolio (CHF million)</b>		
Non-performing loans	629	690
Non-interest-earning loans	228	298
Total non-performing and non-interest-earning loans	857	988
Restructured loans	41	52
Potential problem loans	394	438
Total other impaired loans	435	490
<b>Gross impaired loans</b>	<b>1,292</b>	<b>1,478</b>

## Allowance for loan losses

in	6M11			6M10
	Consumer loans	Corporate and institutional loans	Total	
<b>Allowance for loan losses (CHF million)</b>				
<b>Balance at beginning of period</b>	<b>143</b>	<b>669</b>	<b>812</b>	<b>1,184</b>
Net movements recognized in statements of operations	(4)	(8)	(12)	(30)
Gross write-offs	(21)	(53)	(74)	(150)
Recoveries	18	3	21	30
Net write-offs	(3)	(50)	(53)	(120)
Provisions for interest	1	3	4	3
Foreign currency translation impact and other adjustments, net	(3)	(33)	(36)	18
<b>Balance at end of period</b>	<b>134</b>	<b>581</b>	<b>715</b>	<b>1,055</b>

## Allowance for loan losses and gross loans held at amortized cost

end of	6M11			6M10
	Consumer loans	Corporate and institutional loans	Total	
<b>Allowance for loan losses (CHF million)</b>				
<b>Balance at end of period</b>	<b>134</b>	<b>581</b>	<b>715</b>	<b>1,055</b>
of which individually evaluated for impairment	99	423	522	727
of which collectively evaluated for impairment	35	158	193	328
<b>Gross loans held at amortized cost (CHF million)</b>				
<b>Balance at end of period</b>	<b>96,383</b>	<b>85,568</b>	<b>181,951</b>	<b>186,599</b>
of which individually evaluated for impairment	300	740	1,040	1,484
of which collectively evaluated for impairment	96,083	84,828	180,911	185,115

## Loans held at amortized cost – purchases, reclassifications and sales

6M11	Consumer loans	Corporate and institutional loans	Total
<b>Loans held at amortized cost (CHF million)</b>			
Purchases	–	1,560	1,560
Reclassifications to loans held-for-sale	–	638	638
of which subsequently sold	–	465	465

## Gross loans held at amortized cost by internal counterparty rating

end of	AAA	AA	A	BBB	BB	B	CCC	CC	C	D	Total
<b>6M11 (CHF million)</b>											
Mortgages	140	503	6,483	45,008	18,462	557	8	13	0	145	71,319
Loans collateralized by securities	1	15	280	19,684	1,972	23	0	0	0	32	22,007
Consumer finance	0	11	30	2,582	273	18	0	15	18	110	3,057
Consumer loans	141	529	6,793	67,274	20,707	598	8	28	18	287	96,383
Real estate	49	133	1,199	9,797	9,065	407	0	0	0	94	20,744
Commercial and industrial loans	266	322	1,526	19,037	14,739	2,775	114	65	145	561	39,550
Financial institutions	5,628	1,722	7,519	5,873	1,734	1,064	0	42	0	108	23,690
Governments and public institutions	52	69	298	455	145	104	455	0	0	6	1,584
Corporate and institutional loans	5,995	2,246	10,542	35,162	25,683	4,350	569	107	145	769	85,568
<b>Gross loans held at amortized cost</b>	<b>6,136</b>	<b>2,775</b>	<b>17,335</b>	<b>102,436</b>	<b>46,390</b>	<b>4,948</b>	<b>577</b>	<b>135</b>	<b>163</b>	<b>1,056</b>	<b>181,951</b>
Value of collateral <sup>1</sup>	2,436	1,629	10,943	92,040	38,897	2,969	70	57	0	494	149,535
<b>2010 (CHF million)</b>											
Mortgages	137	1,193	9,412	41,393	16,938	699	15	3	0	163	69,953
Loans collateralized by securities	1	66	330	19,681	1,116	9	0	0	0	44	21,247
Consumer finance	0	2	104	2,113	384	18	0	28	1	177	2,827
Consumer loans	138	1,261	9,846	63,187	18,438	726	15	31	1	384	94,027
Real estate	22	269	1,561	8,645	8,894	398	0	0	0	52	19,841
Commercial and industrial loans	350	615	1,891	19,896	14,917	2,863	95	239	159	687	41,712
Financial institutions	2,183	5,492	8,070	7,028	1,850	1,293	0	0	20	88	26,024
Governments and public institutions	57	140	209	425	87	60	517	0	0	6	1,501
Corporate and institutional loans	2,612	6,516	11,731	35,994	25,748	4,614	612	239	179	833	89,078
<b>Gross loans held at amortized cost</b>	<b>2,750</b>	<b>7,777</b>	<b>21,577</b>	<b>99,181</b>	<b>44,186</b>	<b>5,340</b>	<b>627</b>	<b>270</b>	<b>180</b>	<b>1,217</b>	<b>183,105</b>
Value of collateral <sup>1</sup>	2,476	3,645	12,975	91,558	38,036	3,416	66	0	0	545	152,717

<sup>1</sup> Includes the value of collateral up to the amount of the outstanding related loans. For mortgages, collateral values are generally values at the time of granting the loan.

## Gross loans held at amortized cost – aging analysis

end of	Current				Past due		Total	Total
		Up to 30 days	31-60 days	61-90 days	More than 90 days	Total		
<b>6M11 (CHF million)</b>								
Mortgages	71,060	105	20	4	130	259	71,319	
Loans collateralized by securities	21,661	282	11	1	52	346	22,007	
Consumer finance	2,567	424	28	10	28	490	3,057	
Consumer loans	95,288	811	59	15	210	1,095	96,383	
Real estate	20,614	91	6	18	15	130	20,744	
Commercial and industrial loans	38,895	290	43	9	313	655	39,550	
Financial institutions	23,539	121	2	19	9	151	23,690	
Governments and public institutions	1,581	3	0	0	0	3	1,584	
Corporate and institutional loans	84,629	505	51	46	337	939	85,568	
Gross loans held at amortized cost	<b>179,917</b>	<b>1,316</b>	<b>110</b>	<b>61</b>	<b>547</b>	<b>2,034</b>	<b>181,951</b>	
<b>2010 (CHF million)</b>								
Mortgages	69,713	80	14	8	138	240	69,953	
Loans collateralized by securities	21,184	46	2	0	15	63	21,247	
Consumer finance	2,484	267	37	9	30	343	2,827	
Consumer loans	93,381	393	53	17	183	646	94,027	
Real estate	19,780	35	0	1	25	61	19,841	
Commercial and industrial loans	40,493	715	94	42	368	1,219	41,712	
Financial institutions	25,886	125	3	0	10	138	26,024	
Governments and public institutions	1,497	3	1	0	0	4	1,501	
Corporate and institutional loans	87,656	878	98	43	403	1,422	89,078	
Gross loans held at amortized cost	<b>181,037</b>	<b>1,271</b>	<b>151</b>	<b>60</b>	<b>586</b>	<b>2,068</b>	<b>183,105</b>	

## Gross impaired loans by category

end of	Non-performing and non-interest-earning loans			Other impaired loans			Total
	Non-performing loans	Non-interest-earning loans	Total	Restructured loans	Potential problem loans	Total	
<b>6M11 (CHF million)</b>							
Mortgages	117	14	131	0	33	33	164
Loans collateralized by securities	25	9	34	0	0	0	34
Consumer finance	84	32	116	0	21	21	137
Consumer loans	226	55	281	0	54	54	335
Real estate	75	5	80	0	15	15	95
Commercial and industrial loans	286	116	402	41	270	311	713
Financial institutions	42	46	88	0	55	55	143
Governments and public institutions	0	6	6	0	0	0	6
Corporate and institutional loans	403	173	576	41	340	381	957
<b>Gross impaired loans</b>	<b>629</b>	<b>228</b>	<b>857</b>	<b>41</b>	<b>394</b>	<b>435</b>	<b>1,292</b>
<b>2010 (CHF million)</b>							
Mortgages	135	15	150	0	43	43	193
Loans collateralized by securities	37	11	48	0	1	1	49
Consumer finance	146	29	175	0	3	3	178
Consumer loans	318	55	373	0	47	47	420
Real estate	34	10	44	0	14	14	58
Commercial and industrial loans	329	187	516	52	305	357	873
Financial institutions	9	40	49	0	72	72	121
Governments and public institutions	0	6	6	0	0	0	6
Corporate and institutional loans	372	243	615	52	391	443	1,058
<b>Gross impaired loans</b>	<b>690</b>	<b>298</b>	<b>988</b>	<b>52</b>	<b>438</b>	<b>490</b>	<b>1,478</b>



## Gross impaired loan detail

end of	6M11			2010		
	Recorded investment	Unpaid principal balance	Associated specific allowance	Recorded investment	Unpaid principal balance	Associated specific allowance
<b>Gross impaired loan detail (CHF million)</b>						
Mortgages	143	135	18	168	158	26
Loans collateralized by securities	33	29	22	49	45	36
Consumer finance	124	122	59	167	166	48
Consumer loans	300	286	99	384	369	110
Real estate	40	33	20	55	45	29
Commercial and industrial loans	562	511	313	724	667	366
Financial institutions	132	131	84	118	117	89
Governments and public institutions	6	4	6	6	4	6
Corporate and institutional loans	740	679	423	903	833	490
<b>Gross impaired loans with a specific allowance</b>	<b>1,040</b>	<b>965</b>	<b>522</b>	<b>1,287</b>	<b>1,202</b>	<b>600</b>
Mortgages	21	21	–	25	25	–
Loans collateralized by securities	1	1	–	0	0	–
Consumer finance	13	13	–	11	12	–
Consumer loans	35	35	–	36	37	–
Real estate	55	53	–	3	3	–
Commercial and industrial loans	150	149	–	149	146	–
Financial institutions	12	12	–	3	4	–
Corporate and institutional loans	217	214	–	155	153	–
<b>Gross impaired loans without specific allowance</b>	<b>252</b>	<b>249</b>	<b>–</b>	<b>191</b>	<b>190</b>	<b>–</b>
<b>Gross impaired loans</b>	<b>1,292</b>	<b>1,214</b>	<b>522</b>	<b>1,478</b>	<b>1,392</b>	<b>600</b>
of which consumer loans	335	321	99	420	406	110
of which corporate and institutional loans	957	893	423	1,058	986	490

## Gross impaired loan detail (continued)

	6M11		
end of	Average recorded investment	Interest income recognized	Interest income recognized on a cash basis
<b>Gross impaired loan detail (CHF million)</b>			
Mortgages	148	1	0
Loans collateralized by securities	33	0	0
Consumer finance	148	1	0
Consumer loans	329	2	0
Real estate	40	0	0
Commercial and industrial loans	598	3	3
Financial institutions	149	0	0
Governments and public institutions	6	0	0
Corporate and institutional loans	793	3	3
<b>Gross impaired loans with a specific allowance</b>	<b>1,122</b>	<b>5</b>	<b>3</b>
Mortgages	39	0	0
Loans collateralized by securities	1	0	0
Consumer finance	16	0	0
Consumer loans	56	0	0
Real estate	60	3	3
Commercial and industrial loans	180	0	0
Financial institutions	4	0	0
Corporate and institutional loans	244	3	3
<b>Gross impaired loans without specific allowance</b>	<b>300</b>	<b>3</b>	<b>3</b>
<b>Gross impaired loans</b>	<b>1,422</b>	<b>8</b>	<b>6</b>
of which consumer loans	385	2	0
of which corporate and institutional loans	1,037	6	6

Note 16 **Other assets and other liabilities**

end of	6M11	2010
<b>Other assets (CHF million)</b>		
Cash collateral on derivative instruments	13,739	14,987
Cash collateral on non-derivative transactions	1,841	1,792
Derivative instruments used for hedging	2,120	2,682
Assets held-for-sale	25,362	26,886
of which loans	23,816	24,925
of which real estate	1,528	1,946
Assets held for separate accounts	14,712	13,815
Interest and fees receivable	5,658	5,098
Deferred tax assets	7,706	9,350
Prepaid expenses	699	442
Failed purchases	1,245	1,279
Other	3,375	2,974
<b>Other assets</b>	<b>76,457</b>	<b>79,305</b>
<b>Other liabilities (CHF million)</b>		
Cash collateral on derivative instruments	14,560	14,428
Cash collateral on non-derivative transactions	52	20
Derivative instruments used for hedging	839	1,059
Provisions <sup>1</sup>	1,095	1,606
of which off-balance sheet risk	487	551
Liabilities held for separate accounts	14,712	13,815
Interest and fees payable	7,364	6,685
Current tax liabilities	799	1,104
Deferred tax liabilities	238	267
Failed sales	6,963	7,354
Other	14,091	14,868
<b>Other liabilities</b>	<b>60,713</b>	<b>61,206</b>

<sup>1</sup> Includes provisions for bridge commitments.

Note 17 **Long-term debt**

end of	6M11	2010
<b>Long-term debt (CHF million)</b>		
Senior	117,594	126,441
Subordinated	25,066	24,960
Non-recourse liabilities	18,184	19,739
<b>Long-term debt</b>	<b>160,844</b>	<b>171,140</b>
of which reported at fair value	74,686	81,474

Note 18 **Accumulated other comprehensive income**

	Gains/ (losses) on cash flow hedges	Cumulative translation adjustments	Unrealized gains/ (losses) on securities	Actuarial gains/ (losses)	Net prior service cost	Accumu- lated other compre- hensive income
<b>6M11 (CHF million)</b>						
<b>Balance at beginning of period</b>	<b>32</b>	<b>(9,975)</b>	<b>98</b>	<b>(871)</b>	<b>5</b>	<b>(10,711)</b>
Increase/(decrease)	5	(1,938)	(13)	0	0	(1,946)
Reclassification adjustments, included in net income	(27)	7	(24)	19	(1)	(26)
<b>Balance at end of period</b>	<b>10</b>	<b>(11,906)</b>	<b>61</b>	<b>(852)</b>	<b>4</b>	<b>(12,683)</b>
<b>6M10 (CHF million)</b>						
<b>Balance at beginning of period</b>	<b>10</b>	<b>(7,745)</b>	<b>84</b>	<b>(761)</b>	<b>6</b>	<b>(8,406)</b>
Increase/(decrease)	22	544	14	(4)	0	576
Reclassification adjustments, included in net income	0	2	6	11	(1)	18
Cumulative effect of accounting changes, net of tax	0	135	0	0	0	135
<b>Balance at end of period</b>	<b>32</b>	<b>(7,064)</b>	<b>104</b>	<b>(754)</b>	<b>5</b>	<b>(7,677)</b>

Note 19 **Tax****Effective tax rate**

in	6M11	6M10
<b>Effective tax rate (%)</b>		
<b>Effective tax rate</b>	<b>21.7</b>	20.5

The effective tax rate was impacted by the geographical mix of results. The effective tax rate also reflected an increase in the valuation allowance against deferred tax assets mainly in

the UK and an increase in deferred tax asset balances following a re-measurement of deferred tax assets in Switzerland and the US.

**Net deferred tax assets**

end of	6M11	2010	Change
<b>Net deferred tax assets (CHF million)</b>			
Net operating losses	4,494	5,514	(1,020)
Temporary differences	2,974	3,569	(595)
<b>Net deferred tax assets</b>	<b>7,468</b>	<b>9,083</b>	(1,615)

Overall, net deferred tax assets decreased CHF 1,615 million to CHF 7,468 million as of the end of 6M11. The reduction in net deferred tax assets primarily related to foreign exchange translation losses of CHF 841 million and also reflected the recognition of a valuation allowance against deferred tax assets, mainly in the UK, of CHF 180 million and an increase in deferred tax asset balances following a re-measurement of deferred tax assets in Switzerland and the US of CHF 121 million and CHF 132 million, respectively. The split of net deferred tax assets between deferred tax assets related to net operating losses and deferred tax assets on timing differences is in accordance with ASC Topic 740 – Income Taxes guidance to interim reporting.

For disclosure purposes, valuation allowances have been allocated against deferred tax assets on net operating losses first with any remainder allocated to deferred tax assets on temporary differences, which is considered the most accurate

allocation method given the underlying nature of the gross deferred tax assets.

The Bank is currently subject to ongoing tax audits and inquiries with the tax authorities in a number of jurisdictions, including the US, the UK and Switzerland. Although the timing of the completion of these audits is uncertain, it is reasonably possible that some of these audits and inquiries will be resolved within 12 months of the reporting date. It is reasonably possible that there will be a decrease between zero and CHF 49 million in unrecognized tax benefits within 12 months of the reporting date.

The Bank remains open to examination from federal, state, provincial or similar local jurisdictions from the following years onward in these major countries: Switzerland – 2007; Japan – 2005; the Netherlands – 2005; the UK – 2003; and the US – 1999.

Note 20 **Employee deferred compensation**

For further information, refer to *Note 21 – Employee deferred compensation in V – Condensed consolidated financial statements – unaudited in the Credit Suisse Financial Report 2Q11* and *Note 26 – Employee deferred compensation in VII – Consolidated financial statements – Credit Suisse (Bank) in the Credit Suisse Annual Report 2010.*

**Deferred compensation expense**

in	6M11	6M10
<b>Deferred compensation expense (CHF million)</b>		
Share-based awards	418	125
Adjustable Performance Plan awards	676	510
Restricted Cash Awards	148	0
Scaled Incentive Share Units	209	298
Incentive Share Units	81	423
Cash Retention Awards	0	305
Partner Asset Facility <sup>1</sup>	73	(40)
Other cash awards	204	183
<b>Total deferred compensation expense</b>	<b>1,809</b>	<b>1,804</b>
<b>Total shares delivered (million)</b>		
Total shares delivered	22.1	44.8

<sup>1</sup> Compensation expense represents the change in underlying fair value of the indexed assets during the period.

**Additional information**

end of	6M11
<b>Estimated unrecognized compensation expense (CHF million)</b>	
Share-based awards	1,503
Adjustable Performance Plan awards	1,147
Restricted Cash Awards	258
Scaled Incentive Share Units	471
Incentive Share Units	194
Other cash awards	36
<b>Total</b>	<b>3,609</b>
<b>Aggregate remaining weighted-average requisite service period (years)</b>	
Aggregate remaining weighted-average requisite service period	1.5

## Share-based award activities

	6M11		6M10	
	Number of share-based awards in million	Weighted-average grant-date fair value in CHF	Number of share-based awards in million	Weighted-average grant-date fair value in CHF
<b>Share-based award activities</b>				
<b>Balance at beginning of period</b>	<b>17.3</b>	<b>43.86</b>	<b>15.5</b>	<b>45.67</b>
Granted	36.9	42.33	2.8	49.38
Settled	(5.0)	42.58	(3.1)	47.46
Forfeited	(0.5)	43.99	(0.2)	60.92
<b>Balance at end of period</b>	<b>48.7</b>	<b>43.12</b>	<b>15.0</b>	<b>46.24</b>
of which vested	0.9	–	1.1	–
of which unvested	47.8	–	13.9	–

## Scaled Incentive Share Unit activities

	6M11	6M10
<b>Number of awards (million)</b>		
<b>Balance at beginning of period</b>	<b>20.0</b>	<b>–</b>
Granted	0.0	20.7
Settled	(5.0)	0.0
Forfeited	(0.3)	(0.1)
<b>Balance at end of period</b>	<b>14.7</b>	<b>20.6</b>
of which vested	0.5	0.0
of which unvested	14.2	20.6

## Incentive Share Unit activities

	6M11	6M10
<b>Number of awards (million)</b>		
<b>Balance at beginning of period</b>	<b>37.2</b>	<b>40.2</b>
Granted <sup>1</sup>	0.0	6.0
Settled	(23.0)	(7.2)
Forfeited	(0.6)	(0.5)
<b>Balance at end of period</b>	<b>13.6</b>	<b>38.5</b>
of which vested	1.0	3.2
of which unvested	12.6	35.3

<sup>1</sup> Includes Incentive Share Units granted in January and through out the year.

## Note 21 Pension and other post-retirement benefits

For further information, refer to *Note 22 – Pension and other post-retirement benefits in V – Condensed consolidated financial statements – unaudited in the Credit Suisse Financial Report 2Q11* and *Note 28 – Pension and other post-retirement benefits in VII – Consolidated financial statements – Credit Suisse (Bank) in the Credit Suisse Annual Report 2010*.

The Bank expects to contribute CHF 41 million to the international single-employer defined benefit pension plans and other post-retirement defined benefit plans in 2011. As of June 30, 2011, CHF 15 million of contributions have been made.

### Components of total pension costs

in	6M11	6M10
<b>Total pension costs (CHF million)</b>		
Service costs on benefit obligation	17	17
Interest costs on benefit obligation	66	73
Expected return on plan assets	(82)	(84)
Amortization of recognized prior service cost/(credit)	(1)	(1)
Amortization of recognized actuarial losses	31	21
<b>Net periodic pension costs</b>	<b>31</b>	<b>26</b>
Settlement (gains)/losses	0	(2)
Curtailment losses	1	0
<b>Total pension costs</b>	<b>32</b>	<b>24</b>

## Note 22 Derivatives and hedging activities

For further information, refer to *Note 23 – Derivatives and hedging activities in V – Condensed consolidated financial statements – unaudited in the Credit Suisse Financial Report 2Q11* and to *Note 29 – Derivatives and hedging activities in VII – Consolidated financial statements – Credit Suisse (Bank) in the Credit Suisse Annual Report 2010*.

### Fair value of derivative instruments

The tables below present gross derivative replacement values by type of contract and balance sheet location and whether the derivative is used for trading purposes or in a qualifying

hedging relationship. Notional amounts have also been provided as an indication of the volume of derivative activity within the Group.

Information on bifurcated embedded derivatives has not been included in these tables. Under US GAAP, the Bank elected to account for substantially all financial instruments with an embedded derivative that is not considered clearly and closely related to the host contract at fair value.

For further discussion of the fair value of derivatives, refer to *Note 25 – Financial instruments*.



## Fair value of derivative instruments

	Trading			Hedging <sup>1</sup>		
	Notional amount	Positive replacement value (PRV)	Negative replacement value (NRV)	Notional amount	Positive replacement value (PRV)	Negative replacement value (NRV)
<b>end of 6M11</b>						
<b>Derivative instruments (CHF billion)</b>						
Forwards and forward rate agreements	7,873.2	4.0	3.3	0.0	0.0	0.0
Swaps	28,444.7	363.2	358.2	60.1	2.1	1.1
Options bought and sold (OTC)	2,711.6	39.4	40.4	0.0	0.0	0.0
Futures	2,651.5	0.0	0.0	0.0	0.0	0.0
Options bought and sold (exchange-traded)	1,010.6	0.4	0.3	0.0	0.0	0.0
<b>Interest rate products</b>	<b>42,691.6</b>	<b>407.0</b>	<b>402.2</b>	<b>60.1</b>	<b>2.1</b>	<b>1.1</b>
Forwards	2,119.3	34.2	35.3	20.7	0.1	0.1
Swaps	1,095.1	34.2	45.1	0.0	0.0	0.0
Options bought and sold (OTC)	828.8	11.2	11.8	0.0	0.0	0.0
Futures	11.2	0.0	0.0	0.0	0.0	0.0
Options bought and sold (exchange-traded)	16.0	0.1	0.2	0.0	0.0	0.0
<b>Foreign exchange products</b>	<b>4,070.4</b>	<b>79.7</b>	<b>92.4</b>	<b>20.7</b>	<b>0.1</b>	<b>0.1</b>
Forwards	15.2	1.2	1.2	0.0	0.0	0.0
Options bought and sold (OTC)	25.6	0.5	0.4	0.0	0.0	0.0
Futures	0.2	0.0	0.0	0.0	0.0	0.0
<b>Precious metals products</b>	<b>41.0</b>	<b>1.7</b>	<b>1.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Forwards	5.2	0.9	0.0	0.0	0.0	0.0
Swaps	229.9	5.1	6.5	0.0	0.0	0.0
Options bought and sold (OTC)	274.4	12.6	14.3	0.2	0.0	0.0
Futures	69.3	0.0	0.0	0.0	0.0	0.0
Options bought and sold (exchange-traded)	452.5	16.4	17.4	0.0	0.0	0.0
<b>Equity/index-related products</b>	<b>1,031.3</b>	<b>35.0</b>	<b>38.2</b>	<b>0.2</b>	<b>0.0</b>	<b>0.0</b>
<b>Credit derivatives<sup>2</sup></b>	<b>1,971.7</b>	<b>44.3</b>	<b>41.8</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Forwards	24.1	1.1	1.1	0.0	0.0	0.0
Swaps	66.8	7.7	7.2	0.0	0.0	0.0
Options bought and sold (OTC)	39.6	2.5	2.0	0.0	0.0	0.0
Futures	184.0	0.0	0.0	0.0	0.0	0.0
Options bought and sold (exchange-traded)	98.7	4.0	4.1	0.0	0.0	0.0
<b>Other products<sup>3</sup></b>	<b>413.2</b>	<b>15.3</b>	<b>14.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total derivative instruments</b>	<b>50,219.2</b>	<b>583.0</b>	<b>590.6</b>	<b>81.0</b>	<b>2.2</b>	<b>1.2</b>

The notional amount for derivative instruments (trading and hedging) was CHF 50,300.2 billion as of the end of 6M11.

<sup>1</sup> Relates to derivative contracts that qualify for hedge accounting under US GAAP. <sup>2</sup> Primarily credit default swaps. <sup>3</sup> Primarily commodity, energy and emission products.

## Fair value of derivative instruments (continued)

	Trading			Hedging <sup>1</sup>		
	Notional amount	Positive replacement value (PRV)	Negative replacement value (NRV)	Notional amount	Positive replacement value (PRV)	Negative replacement value (NRV)
end of 2010						
<b>Derivative instruments (CHF billion)</b>						
Forwards and forward rate agreements	8,073.9	6.3	5.9	0.0	0.0	0.0
Swaps	24,105.2	429.5	422.4	66.0	2.4	1.6
Options bought and sold (OTC)	2,420.1	44.9	46.1	0.0	0.0	0.0
Futures	2,765.7	0.0	0.0	0.0	0.0	0.0
Options bought and sold (exchange-traded)	1,365.6	0.5	0.3	0.0	0.0	0.0
<b>Interest rate products</b>	<b>38,730.5</b>	<b>481.2</b>	<b>474.7</b>	<b>66.0</b>	<b>2.4</b>	<b>1.6</b>
Forwards	2,053.6	35.2	37.7	19.4	0.4	0.1
Swaps	1,060.7	34.9	46.1	0.0	0.0	0.0
Options bought and sold (OTC)	794.7	14.3	15.0	0.0	0.0	0.0
Futures	13.5	0.0	0.0	0.0	0.0	0.0
Options bought and sold (exchange-traded)	5.6	0.1	0.1	0.0	0.0	0.0
<b>Foreign exchange products</b>	<b>3,928.1</b>	<b>84.5</b>	<b>98.9</b>	<b>19.4</b>	<b>0.4</b>	<b>0.1</b>
Forwards	15.5	1.6	1.4	0.0	0.0	0.0
Swaps	0.1	0.1	0.0	0.0	0.0	0.0
Options bought and sold (OTC)	24.8	0.7	0.8	0.0	0.0	0.0
Futures	0.5	0.0	0.0	0.0	0.0	0.0
<b>Precious metals products</b>	<b>40.9</b>	<b>2.4</b>	<b>2.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Forwards	6.2	1.1	0.1	0.0	0.0	0.0
Swaps	213.5	4.1	7.4	0.0	0.0	0.0
Options bought and sold (OTC)	279.2	15.2	16.5	0.0	0.0	0.0
Futures	77.9	0.0	0.0	0.0	0.0	0.0
Options bought and sold (exchange-traded)	387.1	17.0	17.9	0.0	0.0	0.0
<b>Equity/index-related products</b>	<b>963.9</b>	<b>37.4</b>	<b>41.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Credit derivatives <sup>2</sup></b>	<b>1,989.5</b>	<b>49.5</b>	<b>46.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Forwards	32.0	2.0	1.9	0.0	0.0	0.0
Swaps	100.9	14.1	15.7	0.0	0.0	0.0
Options bought and sold (OTC)	50.1	3.2	2.9	0.0	0.0	0.0
Futures	219.8	0.0	0.0	0.0	0.0	0.0
Options bought and sold (exchange-traded)	128.6	4.8	4.8	0.0	0.0	0.0
<b>Other products <sup>3</sup></b>	<b>531.4</b>	<b>24.1</b>	<b>25.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total derivative instruments</b>	<b>46,184.3</b>	<b>679.1</b>	<b>689.6</b>	<b>85.4</b>	<b>2.8</b>	<b>1.7</b>

The notional amount for derivative instruments (trading and hedging) was CHF 46,269.7 billion as of December 31, 2010.

<sup>1</sup> Relates to derivative contracts that qualify for hedge accounting under US GAAP. <sup>2</sup> Primarily credit default swaps. <sup>3</sup> Primarily commodity, energy and emission products.

## Fair value of derivative instruments (continued)

end of	6M11		2010	
	Positive replacement value (PRV)	Negative replacement value (NRV)	Positive replacement value (PRV)	Negative replacement value (NRV)
<b>Derivative instruments (CHF billion)</b>				
Replacement values (trading and hedging) before netting agreements	585.2	591.8	681.9	691.3
Counterparty netting <sup>1</sup>	(517.8)	(517.8)	(603.0)	(603.0)
Cash collateral netting <sup>1</sup>	(25.2)	(27.6)	(28.4)	(29.5)
Replacement values (trading and hedging) after netting agreements	<b>42.2</b>	<b>46.4</b>	<b>50.5</b>	<b>58.8</b>
of which recorded in trading assets (PRV) and trading liabilities (NRV)	40.1	45.6	47.8	57.7
of which recorded in other assets (PRV) and other liabilities (NRV)	2.1	0.8	2.7	1.1

<sup>1</sup> Netting is based on legally enforceable netting agreements.

## Fair value hedges

in	6M11	6M10
<b>Gains/(losses) recognized in income on derivatives (CHF million)</b>		
Interest rate products		(5) 995
Foreign exchange products		(2) 31
<b>Total</b>	<b>(7)</b>	<b>1,026</b>
<b>Gains/(losses) recognized in income on hedged items (CHF million)</b>		
Interest rate products		(22) (1,010)
Foreign exchange products		2 (32)
<b>Total</b>	<b>(20)</b>	<b>(1,042)</b>
<b>Details of fair value hedges (CHF million)</b>		
Net gains/(losses) on the ineffective portion		(27) (16)

Represents gains/(losses) recognized in trading revenues.

## Cash flow hedges

in	6M11	6M10
<b>Gains/(losses) recognized in AOCI on derivatives (CHF million)</b>		
Foreign exchange products	4	23
<b>Gains/(losses) reclassified from AOCI into income (CHF million)</b>		
Foreign exchange products <sup>1</sup>	31	0

Represents gains/(losses) on effective portion.

<sup>1</sup> Included in commissions and fees.

## Net investment hedges

in	6M11	6M10
<b>Gains/(losses) recognized in AOCI on derivatives (CHF million)</b>		
Interest rate products	0	8
Foreign exchange products	1,000	492
<b>Total</b>	<b>1,000</b>	<b>500</b>
<b>Gains/(losses) reclassified from AOCI into income (CHF million)</b>		
Foreign exchange products <sup>1</sup>	(2)	3
<b>Total</b>	<b>(2)</b>	<b>3</b>

Represents gains/(losses) on effective portion.

<sup>1</sup> Included in other revenues.

The Group includes all derivative instruments not included in hedge accounting relationships in its trading activities. For gains and losses on trading activities by product type, refer to *Note 8 – Trading revenues*.

### Disclosures relating to contingent credit risk

The following table provides the Bank's current net exposure from contingent credit risk relating to derivative contracts with bilateral counterparties and special purpose entities (SPEs) that include credit support agreements, the related collateral posted and the additional collateral required in a one-notch

and in a two-notch downgrade event, respectively. The table also includes derivative contracts with contingent credit risk features without credit support agreements that have accelerated termination event conditions. The current net exposure for derivative contracts with bilateral counterparties and contracts with accelerated termination event conditions is the aggregate fair value of derivative instruments that were in a net liability position. For SPEs, the current net exposure by contract may include amounts other than or in addition to the NRV of derivative instruments with credit-risk-related contingent features.

### Contingent credit risk

end of	Bilateral counterparties	Special purpose entities	Accelerated terminations	Total
<b>6M11 (CHF billion)</b>				
Current net exposure	11.7	1.9	0.6	<b>14.2</b>
Collateral posted	11.6	1.9	–	<b>13.5</b>
Additional collateral required in a one-notch downgrade event	0.1	1.6	0.2	<b>1.9</b>
Additional collateral required in a two-notch downgrade event	0.3	2.9	0.5	<b>3.7</b>
<b>2010 (CHF billion)</b>				
Current net exposure	14.6	2.1	0.8	<b>17.5</b>
Collateral posted	13.0	2.0	–	<b>15.0</b>
Additional collateral required in a one-notch downgrade event	0.2	1.8	0.1	<b>2.1</b>
Additional collateral required in a two-notch downgrade event	0.4	3.2	0.4	<b>4.0</b>

## Credit derivatives

### Fair value of credit protection sold

The following tables do not include all credit derivatives and differ from the credit derivatives in the “Fair value of derivative instruments” tables. This is due to the exclusion of certain credit derivative instruments under US GAAP, which defines a credit derivative as a derivative instrument (a) in which one or more of its underlyings are related to the credit risk of a spec-

ified entity (or a group of entities) or an index based on the credit risk of a group of entities and (b) that exposes the seller to potential loss from credit risk-related events specified in the contract. Total return swaps (TRS) are excluded because a TRS does not expose the seller to potential loss from credit risk-related events specified in the contract. A TRS only provides protection against a loss in asset value and not against additional amounts as a result of specific credit events.

## Credit protection sold/purchased

	Credit protection sold	Credit protection purchased <sup>1</sup>	Net credit protection (sold)/ purchased	Other protection purchased	Fair value of credit protection sold
<b>end of 6M11</b>					
<b>Single-name instruments (CHF million)</b>					
Investment grade <sup>2</sup>	(433,888)	414,475	(19,413)	46,440	2,315
Non-investment grade	(181,138)	158,942	(22,196)	13,923	(3,308)
<b>Total single-name instruments</b>	<b>(615,026)</b>	<b>573,417</b>	<b>(41,609)</b>	<b>60,363</b>	<b>(993)</b>
of which sovereigns	(113,652)	112,392	(1,260)	9,282	(2,162)
of which non-sovereigns	(501,374)	461,025	(40,349)	51,081	1,169
<b>Multi-name instruments (CHF million)</b>					
Investment grade <sup>2</sup>	(272,068)	248,710	(23,358)	21,159	(3,942)
Non-investment grade	(65,009)	61,995	(3,014)	16,342	(1,269)
<b>Total multi-name instruments</b>	<b>(337,077)</b>	<b>310,705</b>	<b>(26,372)</b>	<b>37,501</b>	<b>(5,211)</b>
of which sovereigns	(21,953)	20,941	(1,012)	696	(853)
of which non-sovereigns	(315,124)	289,764	(25,360)	36,805	(4,358)
<b>end of 2010</b>					
<b>Single-name instruments (CHF million)</b>					
Investment grade <sup>2</sup>	(467,419)	450,123	(17,296)	49,008	977
Non-investment grade	(195,341)	169,173	(26,168)	17,161	(2,208)
<b>Total single-name instruments</b>	<b>(662,760)</b>	<b>619,296</b>	<b>(43,464)</b>	<b>66,169</b>	<b>(1,231)</b>
of which sovereigns	(115,191)	113,547	(1,644)	10,305	(2,390)
of which non-sovereigns	(547,569)	505,749	(41,820)	55,864	1,159
<b>Multi-name instruments (CHF million)</b>					
Investment grade <sup>2</sup>	(238,371)	215,052	(23,319)	14,480	(4,765)
Non-investment grade	(60,283)	55,884	(4,399)	16,112	(1,088)
<b>Total multi-name instruments</b>	<b>(298,654)</b>	<b>270,936</b>	<b>(27,718)</b>	<b>30,592</b>	<b>(5,853)</b>
of which sovereigns	(15,424)	14,589	(835)	643	(636)
of which non-sovereigns	(283,230)	256,347	(26,883)	29,949	(5,217)

<sup>1</sup> Represents credit protection purchased with identical underlyings and recoveries. <sup>2</sup> Based on internal ratings of BBB and above.

The segregation of the future payments by maturity range and underlying risk gives an indication of the current status of the potential for performance under the derivative contracts.

### Maturity of credit protection sold

end of	Maturity less than 1 year	Maturity between 1 to 5 years	Maturity greater than 5 years	<b>Total</b>
<b>6M11 (CHF million)</b>				
Single-name instruments	96,525	423,073	95,428	615,026
Multi-name instruments	25,647	265,036	46,394	337,077
<b>Total</b>	<b>122,172</b>	<b>688,109</b>	<b>141,822</b>	<b>952,103</b>
<b>2010 (CHF million)</b>				
Single-name instruments	90,718	468,182	103,859	662,759
Multi-name instruments	27,257	227,007	44,391	298,655
<b>Total</b>	<b>117,975</b>	<b>695,189</b>	<b>148,250</b>	<b>961,414</b>

Note 23 **Guarantees and commitments**

For further information, refer to *Note 24 – Guarantees and commitments in V – Condensed consolidated financial statements – unaudited in the Credit Suisse Financial Report 2Q11* and to *Note 30 – Guarantees and commitments in VII – Consolidated financial statements – Credit Suisse (Bank) in the Credit Suisse Annual Report 2010*.

**Guarantees**

end of	Maturity less than 1 year	Maturity greater than 1 year	<b>Total gross amount</b>	Total net amount <sup>1</sup>	Carrying value	Collateral received
<b>6M11 (CHF million)</b>						
Credit guarantees and similar instruments	1,708	3,671	5,379	4,987	452	2,251
Performance guarantees and similar instruments	5,983	4,759	10,742	9,511	64	4,247
Securities lending indemnifications	17,044	0	17,044	17,044	0	17,044
Derivatives <sup>2</sup>	27,575	24,745	52,320	52,320	2,153	– <sup>3</sup>
Other guarantees	3,535	948	4,483	4,435	6	1,693
<b>Total guarantees</b>	<b>55,845</b>	<b>34,123</b>	<b>89,968</b>	<b>88,297</b>	<b>2,675</b>	<b>25,235</b>
<b>2010 (CHF million)</b>						
Credit guarantees and similar instruments	3,306	3,965	7,271	6,785	512	4,217
Performance guarantees and similar instruments	7,935	3,944	11,879	10,613	97	4,240
Securities lending indemnifications	18,254	0	18,254	18,254	0	18,254
Derivatives <sup>2</sup>	35,743	29,839	65,582	65,582	2,246	– <sup>3</sup>
Other guarantees	4,016	1,057	5,073	5,003	7	2,183
<b>Total guarantees</b>	<b>69,254</b>	<b>38,805</b>	<b>108,059</b>	<b>106,237</b>	<b>2,862</b>	<b>28,894</b>

<sup>1</sup> Total net amount is computed as the gross amount less any participations. <sup>2</sup> Excludes derivative contracts with certain active commercial and investment banks and certain other counterparties, as such contracts can be cash settled and the Group had no basis to conclude it was probable that the counterparties held, at inception, the underlying instruments. <sup>3</sup> Collateral for derivatives accounted for as guarantees is not considered significant.

Deposit-taking banks and securities dealers in Switzerland and certain other European countries are required to ensure the payout of privileged deposits in case of specified restrictions or compulsory liquidation of a deposit-taking bank. In Switzerland, deposit-taking banks and securities dealers jointly guarantee an amount of up to CHF 6 billion. Upon occurrence of a payout event triggered by a specified restriction of business imposed by FINMA or by compulsory liquidation of another deposit taking bank, the Bank's contribution will be calculated

based on its share of privileged deposits in proportion to total privileged deposits. Based on FINMA's estimate for the Bank's banking subsidiaries in Switzerland, the Bank's share in the deposit insurance guarantee scheme for the period July 1, 2010 to June 30, 2011 was CHF 0.6 billion. These deposit insurance guarantees were reflected in other guarantees. For the period July 1, 2011 to June 30, 2010, the Bank's share in the deposit insurance guarantee scheme will be stable at CHF 0.6 billion.

## Representations and warranties on mortgages

### Residential mortgage loans sold

#### Residential mortgage loans sold from January 1, 2004 to June 30, 2011 (USD billion)

Government-sponsored enterprises	8.2
Private investors <sup>1</sup>	21.8
Non-agency securitizations	128.5 <sup>2</sup>
<b>Total</b>	<b>158.5</b>

<sup>1</sup> Primarily banks. <sup>2</sup> The outstanding balance of residential mortgage loans as of the end of 6M11 was USD 33.4 billion. The difference of the total balance of mortgage loans sold and the outstanding balance as of the end of 6M11 is attributable to borrower payments of USD 80.8 billion and losses of USD 14.3 billion due to loan defaults.

### Residential mortgage loans sold – repurchase claims and provisions

end of	6M11	2010
--------	------	------

#### Outstanding repurchase claims (USD million)

Government-sponsored enterprises	60	39
Private investors <sup>1</sup>	487	434
Non-agency securitizations	1,084 <sup>2</sup>	–
<b>Total</b>	<b>1,631</b>	<b>473</b>

#### Provisions related to repurchase claims (USD million)

<b>Total provisions<sup>3</sup></b>	<b>48</b>	<b>29</b>
-------------------------------------	-----------	-----------

<sup>1</sup> Primarily banks. <sup>2</sup> At the end of 2Q11 we received repurchase claims of USD 1,084 million related to certain insured non-agency securitizations, and the Bank is in the process of evaluating those claims. <sup>3</sup> Substantially all related to government-sponsored enterprises.

### Losses from repurchase of residential mortgage loans sold

in	6M11	6M10
----	------	------

#### Losses from repurchase of residential mortgage loans (USD million)

Net losses <sup>1</sup>	3	11
-------------------------	---	----

<sup>1</sup> Primarily related to government-sponsored enterprises.



## Other commitments

end of	Maturity less than 1 year	Maturity greater than 1 year	Total gross amount	Total net amount <sup>1</sup>	Collateral received
<b>6M11 (CHF million)</b>					
Irrevocable commitments under documentary credits	4,794	45	4,839	4,552	2,089
Loan commitments	147,726	53,368	201,094	196,793	129,476
Forward reverse repurchase agreements	45,976	0	45,976	45,976	45,976
Other commitments	1,925	1,993	3,918	3,918	68
<b>Total other commitments</b>	<b>200,421</b>	<b>55,406</b>	<b>255,827</b>	<b>251,239</b>	<b>177,609</b>
<b>2010 (CHF million)</b>					
Irrevocable commitments under documentary credits	4,489	51	4,540	4,151	1,882
Loan commitments	144,297	55,751	200,048	193,494	133,211
Forward reverse repurchase agreements	51,968	0	51,968	51,968	51,968
Other commitments	1,347	2,482	3,829	3,830	53
<b>Total other commitments</b>	<b>202,101</b>	<b>58,284</b>	<b>260,385</b>	<b>253,443</b>	<b>187,114</b>

<sup>1</sup> Total net amount is computed as the gross amount less any participations. <sup>2</sup> Includes CHF 126,462 million and CHF 127,241 million of unused credit limits which were revocable at our sole discretion upon notice to the client at the end of 6M11 and 2010, respectively.

The Bank has redeemable noncontrolling interests in its consolidated Brazilian subsidiary Credit Suisse Hedging-Griffo Investimentos S.A. The minority investors have the right to put their interest at a value that is based on a formula relating to the subsidiary's performance. The put is exercisable December 31, 2011 and, if exercised, would give the Bank full control and ownership in the first quarter of 2012. The Bank cur-

rently estimates the redemption value of the put to be BRL 1,270 million (CHF 685 million). The Bank has elected to accrete the value of the payment over 2011, and the accrued portion is included in the balance of the redeemable noncontrolling interest. In addition, Credit Suisse has a call option to acquire the noncontrolling interests.

Note 24 **Transfers of financial assets and variable interest entities**

For further information, refer to *Note 25 – Transfers of financial assets and variable interest entities in V – Condensed consolidated financial statements – unaudited in the Credit Suisse Financial Report 2011* and to *Note 31 – Transfers of financial assets and variable interest entities in VII – Consolidated financial statements – Credit Suisse (Bank) in the Credit Suisse Annual Report 2010*.

**Transfers of financial assets**

**Securitizations**

The following table provides the gains or losses and proceeds from the transfer of assets relating to 6M11 and 6M10 securitizations of financial assets that qualify for sale accounting and subsequent derecognition, along with cash flows between the Bank and the SPEs used in any securitizations in which the Bank still has continuing involvement as of June 30, 2011 and 2010, regardless of when the securitization occurred.

**Securitizations**

in	6M11	6M10
<b>Gains and cash flows (CHF million)</b>		
<b>CMBS</b>		
Net gain <sup>1</sup>	0	13
Proceeds from transfer of assets	0	523
Cash received on interests that continue to be held	34	83
<b>RMBS</b>		
Net gain <sup>1</sup>	36	109
Proceeds from transfer of assets	19,542	19,373
Servicing fees	2	3
Cash received on interests that continue to be held	220	225
<b>ABS <sup>2</sup></b>		
Cash received on interests that continue to be held	3	4
<b>CDO</b>		
Net gain/(loss) <sup>1</sup>	17	(6)
Proceeds from transfer of assets	482	2,284
Purchases of previously transferred financial assets or its underlying collateral <sup>3</sup>	(157)	(1,258)
Cash received on interests that continue to be held	7	112

<sup>1</sup> Includes underwriting revenues, deferred origination fees, gains or losses on the sale of collateral to the SPE and gains or losses on the sale of newly issued securities to third parties, but excludes net interest income on assets prior to the securitization. The gains or losses on the sale of the collateral is the difference between the fair value on the day prior to the securitization pricing date and the sale price of the loans. <sup>2</sup> Primarily home equity loans. <sup>3</sup> Represents market making activity and voluntary repurchases at fair value where no repurchase obligations were present.

**Other asset-based financing arrangements**

The following table provides the gains or losses and proceeds from the transfer of assets relating to 6M11 and 6M10 transfers (which were not securitizations) treated as sales, along

with cash flows between the Bank and the SPEs used in such transfers in which the Bank had continuing involvement as of June 30, 2011 and 2010, regardless of when the transfer of assets occurred.

**Other asset-backed financing activities**

in	6M11	6M10
<b>Gains and cash flows (CHF million)</b>		
Net gain/(loss) <sup>1</sup>	(6)	17
Proceeds from transfer of assets <sup>2</sup>	109	260
Purchases of previously transferred financial assets or its underlying collateral	(28)	(527)
Servicing fees	1	0
Cash received on interests that continue to be held	368	712

<sup>1</sup> Includes underwriting revenues, deferred origination fees, gains or losses on the sale of collateral to the SPE and gains or losses on the sale of newly issued securities to third parties, but excludes net interest income on assets prior to the other asset-backed financing activity. The gains or losses on the sale of the collateral is the difference between the fair value on the day prior to the other asset-backed financing activity pricing date and the sale price of the loans. <sup>2</sup> Primarily home equity loans.

**Continuing involvement in transferred financial assets**

The following table provides the outstanding principal balance of assets to which the Bank continued to be exposed after the

transfer of the financial assets to any SPE and the total assets of the SPE as of June 30, 2011 and December 31, 2010, regardless of when the transfer of assets occurred.

**Principal amounts outstanding and total assets of SPEs resulting from continuing involvement**

end of	6M11	2010
<b>CHF million</b>		
<b>CMBS</b>		
Principal amount outstanding	37,789 <sup>1</sup>	45,129 <sup>1</sup>
Total assets of SPE	55,789	65,667
<b>RMBS</b>		
Principal amount outstanding	85,297 <sup>1</sup>	79,077 <sup>1</sup>
Total assets of SPE	89,415	85,556
<b>ABS</b>		
Principal amount outstanding	3,479	4,171
Total assets of SPE	3,479	4,171
<b>CDO</b>		
Principal amount outstanding	24,868	29,275 <sup>1</sup>
Total assets of SPE	24,868	29,279
<b>Other asset-backed financing activities</b>		
Principal amount outstanding	8,858	10,770
Total assets of SPE	8,858	10,770

<sup>1</sup> Principal amount outstanding relates to assets transferred from the Bank and does not include principle amounts for assets transferred from third parties.

## Key economic assumptions at the time of transfer

## Key economic assumptions used in measuring fair value of beneficial interests at time of transfer

at time of transfer	RMBS
<b>CHF million, except where indicated</b>	
Fair value of beneficial interests	2,538
of which level 2	2,432
of which level 3	106
Weighted-average life, in years	5.8
Prepayment speed assumption (rate per annum), in % <sup>1</sup>	9.0-23.5
Cash flow discount rate (rate per annum), in % <sup>2</sup>	0.5-71.2
Expected credit losses (rate per annum), in %	0.0-71.0

Transfers of assets in which the Bank does not have beneficial interests are not included in this table.

<sup>1</sup> Prepayment speed assumption (PSA) is an industry standard prepayment speed metric used for projecting prepayments over the life of a residential mortgage loan. PSA utilizes the constant prepayment rate (CPR) assumptions. A 100% prepayment assumption assumes a prepayment rate of 0.2% per annum of the outstanding principal balance of mortgage loans in the first month. This increases by 0.2% thereafter during the term of the mortgage loan, leveling off to a CPR of 6% per annum beginning in the 30th month and each month thereafter during the term of the mortgage loan. 100 PSA equals 6 CPR. <sup>2</sup> The rate was based on the weighted-average yield on the beneficial interests.

**Key economic assumptions as of the reporting date**

The following tables provide the sensitivity analysis of key economic assumptions used in measuring the fair value of benefi-

cial interests held in SPEs as of June 30, 2011 and December 31, 2010.

**Key economic assumptions used in measuring fair value of beneficial interests held in SPEs**

end of 6M11	CMBS <sup>1</sup>	RMBS	ABS	CDO <sup>2</sup>	Other asset-backed financing activities
<b>CHF million, except where indicated</b>					
Fair value of beneficial interests	309	3,575	19	263	1,854
of which non-investment grade	173	1,129	19	28	1,822
Weighted-average life, in years	4.0	5.9	8.6	1.5	2.1
Prepayment speed assumption (rate per annum), in % <sup>3</sup>	–	0.3-31.3	0.8-3.6	–	–
Impact on fair value from 10% adverse change	–	(44.0)	(0.1)	–	–
Impact on fair value from 20% adverse change	–	(87.6)	(0.1)	–	–
Cash flow discount rate (rate per annum), in % <sup>4</sup>	2.0-44.0	1.4-52.0	8.0-26.0	2.0-49.0	0.7-10.0
Impact on fair value from 10% adverse change	(5.7)	(91.4)	(0.5)	(1.7)	(3.2)
Impact on fair value from 20% adverse change	(10.9)	(169.6)	(0.8)	(3.4)	(6.3)
Expected credit losses (rate per annum), in %	1.0-44.0	0.0-49.0	5.0-23.0	0.7-49.0	8.0-12.6
Impact on fair value from 10% adverse change	(4.4)	(64.2)	(0.4)	(1.0)	(3.3)
Impact on fair value from 20% adverse change	(8.5)	(117.4)	(0.7)	(2.1)	(6.6)
<b>end of 2010</b>					
<b>CHF million, except where indicated</b>					
Fair value of beneficial interests	412	1,694	22	262	2,440
of which non-investment grade	25	1,070	22	35	2,397
Weighted-average life, in years	3.4	6.9	11.4	1.8	3.7
Prepayment speed assumption (rate per annum), in % <sup>4</sup>	–	0.2-35.8	0.0-4.1	–	–
Impact on fair value from 10% adverse change	–	(38.8)	(0.1)	–	–
Impact on fair value from 20% adverse change	–	(78.1)	(0.3)	–	–
Cash flow discount rate (rate per annum), in % <sup>5</sup>	2.2-40.3	2.2-52.5	7.5-28.0	0.7-29.2	0.8-7.8
Impact on fair value from 10% adverse change	(13.7)	(61.8)	(1.0)	(1.3)	(4.6)
Impact on fair value from 20% adverse change	(26.6)	(117.6)	(1.8)	(2.6)	(9.3)
Expected credit losses (rate per annum), in %	1.8-40.2	1.5-49.9	3.6-24.9	0.8-27.6	6.6-13.3
Impact on fair value from 10% adverse change	(9.8)	(48.2)	(0.6)	(0.8)	(4.1)
Impact on fair value from 20% adverse change	(19.2)	(92.1)	(1.2)	(1.5)	(8.4)

<sup>1</sup> To deter prepayment, commercial mortgage loans typically have prepayment protection in the form of prepayment lockouts and yield maintenances. <sup>2</sup> CDOs are generally structured to be protected from prepayment risk. <sup>3</sup> PSA is an industry standard prepayment speed metric used for projecting prepayments over the life of a residential mortgage loan. PSA utilizes the CPR assumptions. A 100% prepayment assumption assumes a prepayment rate of 0.2% per annum of the outstanding principal balance of mortgage loans in the first month. This increases by 0.2% thereafter during the term of the mortgage loan, leveling off to a CPR of 6% per annum beginning in the 30th month and each month thereafter during the term of the mortgage loan. 100 PSA equals 6 CPR. <sup>4</sup> The rate was based on the weighted-average yield on the beneficial interests.

### Secured borrowings

The following table provides the carrying amounts of transferred financial assets and the related liabilities where sale treatment was not achieved as of June 30, 2011 and December 31, 2010. For information on assets pledged or assigned, refer to *Note 26 – Assets pledged or assigned*.

end of	6M11	2010
<b>CHF million</b>		
<b>CMBS</b>		
Other assets	625	602
Liability to SPE, included in Other liabilities	(625)	(602)
<b>RMBS</b>		
Other assets	0	58
Liability to SPE, included in Other liabilities	0	(58)
<b>ABS</b>		
Trading assets	79	19
Other assets	1,534	1,341
Liability to SPE, included in Other liabilities	(1,613)	(1,360)
<b>CDO</b>		
Trading assets	47	203
Other assets	194	171
Liability to SPE, included in Other liabilities	(241)	(374)
<b>Other asset-backed financing activities</b>		
Trading assets	1,418	1,381
Other assets	26	29
Liability to SPE, included in Other liabilities	(1,444)	(1,410)

**Variable interest entities****Consolidated VIEs**

The consolidated VIEs tables provide the carrying amounts and classifications of the assets and liabilities of consolidated VIEs as of June 30, 2011 and December 31, 2010.

**Consolidated VIEs in which the Bank was the primary beneficiary**

end of 6M11	Financial intermediation						Total
	CDO	CP Conduit	Securi- tizations	Funds	Loans	Other	
<b>Assets of consolidated VIEs (CHF million)</b>							
Cash and due from banks	1,171	37	57	79	123	24	1,491
Trading assets	1,857	979	23	3,070	474	1,076	7,479
Investment securities	0	45	0	0	0	0	45
Other investments	0	0	0	7	1,589	447	2,043
Net loans	0	2,939	0	0	51	1,046	4,036
Premises and equipment	0	0	0	0	0	53	53
Loans held-for-sale	6,832	0	6,794	0	5	0	13,631
Other assets	42	1,154	1	25	1,812	98	3,132
<b>Total assets of consolidated VIEs</b>	<b>9,902</b>	<b>5,154</b>	<b>6,875</b>	<b>3,181</b>	<b>4,054</b>	<b>2,744</b>	<b>31,910</b>
<b>Liabilities of consolidated VIEs (CHF million)</b>							
Customer deposits	0	0	0	0	0	433	433
Trading liabilities	27	0	0	131	0	7	165
Short-term borrowings	0	4,121	0	5	0	0	4,126
Long-term debt	9,082	25	7,857	479	216	525	18,184
Other liabilities	58	0	61	2	224	474	819
<b>Total liabilities of consolidated VIEs</b>	<b>9,167</b>	<b>4,146</b>	<b>7,918</b>	<b>617</b>	<b>440</b>	<b>1,439</b>	<b>23,727</b>

### Consolidated VIEs in which the Bank was the primary beneficiary (continued)

end of 2010	Financial intermediation						Total
	CDO	CP Conduit	Securi- tizations	Funds	Loans	Other	
<b>Assets of consolidated VIEs (CHF million)</b>							
Cash and due from banks	1,011	24	95	118	129	55	1,432
Trading assets	1,943	1,392	31	3,417	605	1,329	8,717
Investment securities	0	72	0	0	0	0	72
Other investments	0	0	0	46	1,781	507	2,334
Net loans	0	2,521	0	0	60	1,164	3,745
Premises and equipment	0	0	0	0	0	33	33
Loans held-for-sale	7,510	0	7,960	0	0	0	15,470
Other assets	58	1,278	1	65	2,276	421	4,099
<b>Total assets of consolidated VIEs</b>	<b>10,522</b>	<b>5,287</b>	<b>8,087</b>	<b>3,646</b>	<b>4,851</b>	<b>3,509</b>	<b>35,902</b>
<b>Liabilities of consolidated VIEs (CHF million)</b>							
Customer deposits	0	0	0	0	0	54	54
Trading liabilities	33	0	0	149	0	6	188
Short-term borrowings	0	4,307	0	26	0	0	4,333
Long-term debt	9,617	23	9,139	499	221	240	19,739
Other liabilities	54	6	99	32	321	327	839
<b>Total liabilities of consolidated VIEs</b>	<b>9,704</b>	<b>4,336</b>	<b>9,238</b>	<b>706</b>	<b>542</b>	<b>627</b>	<b>25,153</b>



## Non-consolidated VIEs

end of 6M11	Financial intermediation					Total
	CDO	Securi- tizations	Funds	Loans	Other	
<b>Variable interest assets (CHF million)</b>						
Trading assets	100	4,518	644	895	1,893	8,050
Net loans	0	142	1,151	4,815	2,919	9,027
Other assets	0	0	16	0	38	54
<b>Total variable interest assets</b>	<b>100</b>	<b>4,660</b>	<b>1,811</b>	<b>5,710</b>	<b>4,850</b>	<b>17,131</b>
<b>Maximum exposure to loss (CHF million)</b>						
<b>Maximum exposure to loss</b>	<b>492</b>	<b>7,834</b>	<b>1,947</b>	<b>6,293</b>	<b>5,229</b>	<b>21,795</b>
<b>Non-consolidated VIE assets (CHF million)</b>						
<b>Non-consolidated VIE assets</b>	<b>11,358</b>	<b>99,872</b>	<b>47,475</b>	<b>22,630</b>	<b>7,334</b>	<b>188,669</b>

end of 2010	Financial intermediation					Total
	CDO	Securi- tizations	Funds	Loans	Other	
<b>Variable interest assets (CHF million)</b>						
Trading assets	130	3,847	1,423	645	2,905	8,950
Net loans	332	145	1,106	6,520	2,031	10,134
Other assets	0	0	57	0	32	89
<b>Total variable interest assets</b>	<b>462</b>	<b>3,992</b>	<b>2,586</b>	<b>7,165</b>	<b>4,968</b>	<b>19,173</b>
<b>Maximum exposure to loss (CHF million)</b>						
<b>Maximum exposure to loss</b>	<b>634</b>	<b>7,686</b>	<b>2,716</b>	<b>7,936</b>	<b>5,370</b>	<b>24,342</b>
<b>Non-consolidated VIE assets (CHF million)</b>						
<b>Non-consolidated VIE assets</b>	<b>10,491</b>	<b>115,024</b>	<b>52,430</b>	<b>31,006</b>	<b>8,639</b>	<b>217,590</b>

## Note 25 Financial instruments

For further information, refer to *Note 26 – Financial instruments in V – Condensed consolidated financial statements – unaudited in the Credit Suisse Financial Report 2011* and to

*Note 32 – Financial instruments in VII – Consolidated financial statements – Credit Suisse (Bank) in the Credit Suisse Annual Report 2010.*

## Assets and liabilities measured at fair value on a recurring basis

end of 6M11	Level 1	Level 2	Level 3	Netting impact <sup>1</sup>	Total
<b>Assets (CHF million)</b>					
Interest-bearing deposits with banks	0	336	0	0	336
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	0	116,274	1,066	0	117,340
Debt	310	3,672	0	0	3,982
of which corporates	0	3,601	0	0	3,601
Equity	27,934	85	0	0	28,019
Securities received as collateral	28,244	3,757	0	0	32,001
Debt	80,542	63,994	9,269	0	153,805
of which foreign governments	61,777	10,311	312	0	72,400
of which corporates	493	36,087	3,837	0	40,417
of which RMBS	17,847	8,864	2,597	0	29,308
of which CMBS	0	3,245	1,440	0	4,685
of which CDO	0	5,433	699	0	6,132
Equity	76,677	9,728	604	0	87,009
Derivatives	8,964	566,049	8,025	(542,979)	40,059
of which interest rate products	1,417	404,087	1,514	–	–
of which foreign exchange products	1	78,615	1,082	–	–
of which equity/index-related products	5,989	26,697	2,293	–	–
of which credit derivatives	0	41,941	2,390	–	–
Other	6,665	8,970	2,023	0	17,658
Trading assets	172,848	648,741	19,921	(542,979)	298,531
Debt	3,367	311	108	0	3,786
of which foreign governments	3,367	1	17	0	3,385
of which corporates	0	310	46	0	356
Equity	9	83	0	0	92
Investment securities	3,376	394	108	0	3,878
Private equity	0	0	4,047	0	4,047
of which equity funds	0	0	3,000	0	3,000
Hedge funds	0	294	222	0	516
of which debt funds	0	143	144	0	287
Other equity investments	691	67	3,869	0	4,627
of which private	0	18	3,864	0	3,882
Life finance instruments	0	0	1,678	0	1,678
Other investments	691	361	9,816	0	10,868
Loans	0	13,388	5,803	0	19,191
of which commercial and industrial loans	0	6,805	3,349	0	10,154
of which financial institutions	0	5,860	2,447	0	8,307
Other intangible assets (mortgage servicing rights)	0	0	50	0	50
Other assets	5,978	24,241	7,747	(137)	37,829
of which loans held-for-sale	0	15,155	7,275	0	22,430
<b>Total assets at fair value</b>	<b>211,137</b>	<b>807,492</b>	<b>44,511</b>	<b>(543,116)</b>	<b>520,024</b>
Less other investments – equity at fair value attributable to noncontrolling interests	(611)	(118)	(5,047)	0	(5,776)
Less assets consolidated under ASU 2009-17 <sup>2</sup>	0	(11,675)	(5,214)	0	(16,889)
<b>Assets at fair value excluding noncontrolling interests and assets not risk-weighted under Basel II</b>	<b>210,526</b>	<b>795,699</b>	<b>34,250</b>	<b>(543,116)</b>	<b>497,359</b>

<sup>1</sup> Derivative contracts are reported on a gross basis by level. The impact of netting represents legally enforceable counterparty netting agreements. <sup>2</sup> Assets of consolidated VIEs that are not risk-weighted under Basel II.

## Assets and liabilities measured at fair value on a recurring basis (continued)

end of 6M11	Level 1	Level 2	Level 3	Netting impact <sup>1</sup>	Total
<b>Liabilities (CHF million)</b>					
Due to banks	0	3,974	0	0	3,974
Customer deposits	0	2,984	0	0	2,984
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	0	109,282	0	0	109,282
Debt	310	3,672	0	0	3,982
of which corporates	0	3,601	0	0	3,601
Equity	27,934	85	0	0	28,019
Obligations to return securities received as collateral	28,244	3,757	0	0	32,001
Debt	38,600	12,488	16	0	51,104
of which foreign governments	38,066	1,102	1	0	39,169
of which corporates	0	10,406	15	0	10,421
Equity	22,142	746	8	0	22,896
Derivatives	8,247	574,095	8,467	(545,133)	45,676
of which interest rate products	1,224	399,945	992	–	–
of which foreign exchange products	1	89,473	2,965	–	–
of which equity/index-related products	5,408	30,048	2,756	–	–
of which credit derivatives	0	40,594	1,250	–	–
Trading liabilities	68,989	587,329	8,491	(545,133)	119,676
Short-term borrowings	0	3,823	223	0	4,046
Long-term debt	427	61,625	12,634	0	74,686
of which treasury debt over two years	0	16,091	0	0	16,091
of which structured notes over two years	0	20,498	7,995	0	28,493
of which non-recourse liabilities	427	13,023	4,204	0	17,654
Other liabilities	0	26,170	3,704	(341)	29,533
of which failed sales	0	3,723	2,085	0	5,808
<b>Total liabilities at fair value</b>	<b>97,660</b>	<b>798,944</b>	<b>25,052</b>	<b>(545,474)</b>	<b>376,182</b>

<sup>1</sup> Derivative contracts are reported on a gross basis by level. The impact of netting represents legally enforceable counterparty netting agreements.

## Assets and liabilities measured at fair value on a recurring basis (continued)

end of 2010	Level 1	Level 2	Level 3	Netting impact <sup>1</sup>	Total
<b>Assets (CHF million)</b>					
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	0	135,709	1,197	0	136,906
Debt	431	5,781	0	0	6,212
of which corporates	0	5,551	0	0	5,551
Equity	35,872	16	0	0	35,888
Securities received as collateral	36,303	5,797	0	0	42,100
Debt	84,904	57,438	10,886	0	153,228
of which foreign governments	67,766	8,096	373	0	76,235
of which corporates	172	34,429	3,802	0	38,403
of which RMBS	16,233	6,936	3,264	0	26,433
of which CMBS	0	2,220	1,861	0	4,081
of which CDO	0	5,704	1,135	0	6,839
Equity	90,779	9,795	622	0	101,196
Derivatives	6,962	663,164	8,719	(631,069)	47,776
of which interest rate products	3,217	475,688	2,072	–	–
of which foreign exchange products	1	83,663	842	–	–
of which equity/index-related products	2,960	32,127	2,301	–	–
of which credit derivatives	0	46,822	2,725	–	–
Other	6,821	10,218	2,017	0	19,056
Trading assets	189,466	740,615	22,244	(631,069)	321,256
Debt	5,625	399	79	0	6,103
of which foreign governments	5,625	0	18	0	5,643
of which corporates	0	387	0	0	387
of which CDO	0	11	62	0	73
Equity	4	85	0	0	89
Investment securities	5,629	484	79	0	6,192
Private equity	0	0	4,370	0	4,370
of which equity funds	0	0	3,277	0	3,277
Hedge funds	0	575	259	0	834
of which debt funds	0	185	165	0	350
Other equity investments	612	807	4,717	0	6,136
of which private	8	614	4,714	0	5,336
Life finance instruments	0	0	1,844	0	1,844
Other investments	612	1,382	11,190	0	13,184
Loans	0	12,294	6,258	0	18,552
of which commercial and industrial loans	0	6,574	3,558	0	10,132
of which financial institutions	0	5,389	2,195	0	7,584
Other intangible assets (mortgage servicing rights)	0	0	66	0	66
Other assets	5,886	24,475	9,253	(195)	39,419
of which loans held-for-sale	0	14,866	8,932	0	23,798
<b>Total assets at fair value</b>	<b>237,896</b>	<b>920,756</b>	<b>50,287</b>	<b>(631,264)</b>	<b>577,675</b>
Less other investments – equity at fair value attributable to noncontrolling interests	(522)	(870)	(5,163)	0	(6,555)
Less assets consolidated under ASU 2009-17 <sup>2</sup>	0	(11,655)	(7,155)	0	(18,810)
<b>Assets at fair value excluding noncontrolling interests and assets not risk-weighted under Basel II</b>	<b>237,374</b>	<b>908,231</b>	<b>37,969</b>	<b>(631,264)</b>	<b>552,310</b>

<sup>1</sup> Derivative contracts are reported on a gross basis by level. The impact of netting represents an adjustment related to counterparty netting. <sup>2</sup> Assets of consolidated VIEs that are not risk-weighted under Basel II.

## Assets and liabilities measured at fair value on a recurring basis (continued)

end of 2010	Level 1	Level 2	Level 3	Netting impact <sup>1</sup>	Total
<b>Liabilities (CHF million)</b>					
Due to banks	0	3,995	0	0	3,995
Customer deposits	0	2,855	0	0	2,855
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	0	123,190	507	0	123,697
Debt	431	5,781	0	0	6,212
of which corporates	0	5,551	0	0	5,551
Equity	35,872	16	0	0	35,888
Obligation to return securities received as collateral	36,303	5,797	0	0	42,100
Debt	44,635	11,351	65	0	56,051
of which foreign governments	44,466	1,130	0	0	45,596
of which corporates	6	9,426	65	0	9,497
Equity	19,720	394	28	0	20,142
Derivatives	6,693	673,693	9,106	(631,748)	57,744
of which interest rate products	2,980	470,354	1,342	–	–
of which foreign exchange products	16	95,919	2,941	–	–
of which equity/index-related products	2,847	36,098	2,938	–	–
of which credit derivatives	0	45,342	1,256	–	–
Trading liabilities	71,048	685,438	9,199	(631,748)	133,937
Short-term borrowings	0	3,185	123	0	3,308
Long-term debt	402	64,275	16,797	0	81,474
of which treasury debt over two years	0	18,666	0	0	18,666
of which structured notes over two years	0	20,170	9,488	0	29,658
of which non-recourse liabilities	402	12,200	6,825	0	19,427
Other liabilities	0	25,903	3,733	(596)	29,040
of which failed sales	0	3,885	1,849	0	5,734
<b>Total liabilities at fair value</b>	<b>107,753</b>	<b>914,638</b>	<b>30,359</b>	<b>(632,344)</b>	<b>420,406</b>

<sup>1</sup> Derivative contracts are reported on a gross basis by level. The impact of netting represents an adjustment related to counterparty netting.

### Assets and liabilities measured at fair value on a recurring basis for level 3

6M11	Balance at beginning of period	Transfers in	Transfers out	Purchases
<b>Assets (CHF million)</b>				
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	1,197	0	(9)	0
Debt	10,886	1,450	(1,512)	5,293
of which corporates	3,802	378	(205)	2,182
of which RMBS	3,264	792	(769)	2,187
of which CMBS	1,861	68	(159)	324
of which CDO	1,135	175	(343)	305
Equity	622	204	(355)	513
Derivatives	8,719	1,289	(1,040)	0
of which interest rate products	2,072	60	(122)	0
of which equity/index-related products	2,301	109	(153)	0
of which credit derivatives	2,725	845	(717)	0
Other	2,017	105	(199)	1,573
Trading assets	22,244	3,048	(3,106)	7,379
Investment securities	79	2	0	50
Equity	9,346	23	(66)	626
Life finance instruments	1,844	0	0	59
Other investments	11,190	23	(66)	685
Loans	6,258	915	(935)	1,050
of which commercial and industrial loans	3,558	912	(564)	170
of which financial institutions	2,195	3	(127)	876
Other intangible assets	66	0	0	0
Other assets	9,253	2,965	(4,591)	3,185
of which loans held-for-sale	8,932	2,963	(4,588)	2,991
<b>Total assets at fair value</b>	<b>50,287</b>	<b>6,953</b>	<b>(8,707)</b>	<b>12,349</b>
<b>Liabilities (CHF million)</b>				
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	507	0	(263)	0
Trading liabilities	9,199	836	(842)	133
of which interest rate derivatives	1,342	26	(10)	0
of which foreign exchange derivatives	2,941	59	(33)	0
of which equity/index-related derivatives	2,938	94	(231)	0
of which credit derivatives	1,256	623	(507)	0
Short-term borrowings	123	43	(18)	0
Long-term debt	16,797	3,535	(5,630)	0
of which structured notes over two years	9,488	804	(1,121)	0
of which non-recourse liabilities	6,825	2,577	(4,398)	0
Other liabilities	3,733	507	(155)	157
of which failed sales	1,849	499	(131)	124
<b>Total liabilities at fair value</b>	<b>30,359</b>	<b>4,921</b>	<b>(6,908)</b>	<b>290</b>
<b>Net assets/liabilities at fair value</b>	<b>19,928</b>	<b>2,032</b>	<b>(1,799)</b>	<b>12,059</b>

<sup>1</sup> For all transfers to level 3 or out of level 3, the Group determines and discloses as level 3 events only gains or losses through the last day of the reporting period.

			Trading revenues		Other revenues		Foreign currency translation impact	Balance at end of period
Sales	Issuances	Settlements	On transfers in / out <sup>1</sup>	On all other	On transfers in / out <sup>1</sup>	On all other		
0	56	(46)	0	(9)	0	0	(123)	1,066
(6,237)	0	0	98	442	0	1	(1,152)	9,269
(1,853)	0	0	46	33	0	1	(547)	3,837
(2,830)	0	0	35	215	0	0	(297)	2,597
(601)	0	0	4	64	0	0	(121)	1,440
(616)	0	0	12	134	0	0	(103)	699
(424)	0	0	40	32	0	38	(66)	604
0	317	(805)	(51)	474	0	0	(878)	8,025
0	112	(241)	(9)	(171)	0	0	(187)	1,514
0	110	(13)	24	171	0	0	(256)	2,293
0	21	(382)	(65)	222	0	0	(259)	2,390
(1,239)	0	(36)	8	20	0	0	(226)	2,023
(7,900)	317	(841)	95	968	0	39	(2,322)	19,921
(11)	0	(4)	0	0	0	0	(8)	108
(1,871)	0	0	0	35	0	891	(846)	8,138
(90)	0	0	0	56	0	0	(191)	1,678
(1,961)	0	0	0	91	0	891	(1,037)	9,816
(454)	1,163	(1,748)	21	190	0	0	(657)	5,803
(269)	975	(1,192)	5	96	0	0	(342)	3,349
(80)	189	(370)	(1)	42	0	0	(280)	2,447
0	0	0	0	0	0	(10)	(6)	50
(2,874)	1,186	(839)	89	374	0	(1)	(1,000)	7,747
(2,861)	1,185	(833)	89	349	0	0	(952)	7,275
<b>(13,200)</b>	<b>2,722</b>	<b>(3,478)</b>	<b>205</b>	<b>1,614</b>	<b>0</b>	<b>919</b>	<b>(5,153)</b>	<b>44,511</b>
0	0	(204)	(4)	0	0	0	(36)	0
(192)	451	(1,071)	(29)	950	0	0	(944)	8,491
0	11	(103)	(11)	(146)	0	0	(117)	992
0	2	(324)	(1)	640	0	0	(319)	2,965
0	185	(190)	26	252	0	0	(318)	2,756
0	123	(276)	(43)	203	0	0	(129)	1,250
0	226	(137)	1	5	0	0	(20)	223
0	4,007	(4,963)	54	546	0	0	(1,712)	12,634
0	1,761	(2,282)	(9)	337	0	0	(983)	7,995
0	2,043	(2,441)	57	224	0	0	(683)	4,204
(225)	1	(211)	(30)	163	0	129	(365)	3,704
(207)	0	(9)	(5)	159	0	0	(194)	2,085
<b>(417)</b>	<b>4,685</b>	<b>(6,586)</b>	<b>(8)</b>	<b>1,664</b>	<b>0</b>	<b>129</b>	<b>(3,077)</b>	<b>25,052</b>
<b>(12,783)</b>	<b>(1,963)</b>	<b>3,108</b>	<b>213</b>	<b>(50)</b>	<b>0</b>	<b>790</b>	<b>(2,076)</b>	<b>19,459</b>

## Assets and liabilities measured at fair value on a recurring basis for level 3 (continued)

6M10	Balance at beginning of period	Transfers in	Transfers out	Purchases, sales, issuances, settlements <sup>1</sup>
<b>Assets (CHF million)</b>				
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	1,514	0	0	0
Debt	11,975	1,463	(1,540)	(2,761)
of which corporates	4,811	481	(359)	(1,182)
of which RMBS	3,626	548	(731)	(1,229)
of which CMBS	2,461	117	(135)	(669)
of which CDO	559	307	(304)	79
Equity	487	34	(90)	116
Derivatives	11,192	874	(1,151)	(1,002)
of which interest rate products	1,529	173	(150)	296
of which equity/index-related products	3,298	152	(282)	(724)
of which credit derivatives	4,339	489	(582)	(377)
Other	2,310	370	(601)	73
Trading assets	25,964	2,741	(3,382)	(3,574)
Investment securities	86	0	0	356
Equity	11,944	143	(331)	(252)
Life finance instruments	2,048	0	0	(38)
Other investments	13,992	143	(331)	(290)
Loans	11,079	835	(312)	155
of which commercial and industrial loans	8,346	251	(113)	(1,537)
of which financial institutions	2,454	180	(95)	1,598
Other intangible assets	30	0	0	87
Other assets	6,744	1,484	(1,309)	7,772
of which loans held-for-sale	6,220	1,457	(1,287)	7,857
<b>Total assets at fair value</b>	<b>59,409</b>	<b>5,203</b>	<b>(5,334)</b>	<b>4,506</b>
<b>Liabilities (CHF million)</b>				
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	206	0	0	(217)
Trading liabilities	11,951	909	(1,498)	(2,359)
of which interest rate derivatives	1,788	128	(142)	(210)
of which foreign exchange derivatives	2,936	59	(15)	(1,126)
of which equity/index-related derivatives	3,635	253	(468)	(478)
of which credit derivatives	1,996	444	(567)	(351)
Short-term borrowings	164	12	(14)	160
Long-term debt	16,646	1,532	(2,156)	6,514
of which structured notes over two years	14,781	1,086	(1,996)	(1,231)
of which non-recourse liabilities	0	350	(16)	8,928
Other liabilities	3,994	145	(67)	508
of which failed sales	1,932	106	(28)	668
<b>Total liabilities at fair value</b>	<b>32,961</b>	<b>2,598</b>	<b>(3,735)</b>	<b>4,606</b>
<b>Net assets/liabilities at fair value</b>	<b>26,448</b>	<b>2,605</b>	<b>(1,599)</b>	<b>(100)</b>

<sup>1</sup> Includes CHF 10.1 billion of level 3 assets shown as purchases due to the adoption of ASU 2009-17 as of January 1, 2010. For further information, refer to Note 1 – Summary of significant accounting policies. <sup>2</sup> For all transfers to level 3 or out of level 3, the Group determines and discloses as level 3 events only gains or losses through the last day of the reporting period.



	Trading revenues		Other revenues		Foreign currency translation impact	Balance at end of period
	On transfers in / out <sup>2</sup>	On all other	On transfers in / out <sup>2</sup>	On all other		
	0	(1)	0	0	70	1,583
	88	618	0	(1)	605	10,447
	52	(98)	0	(1)	268	3,972
	22	407	0	0	166	2,809
	12	(37)	0	0	122	1,871
	2	398	0	0	25	1,066
	1	18	0	0	19	585
	41	182	0	0	511	10,647
	52	169	0	0	67	2,136
	63	565	0	0	152	3,224
	(70)	(876)	0	0	200	3,123
	(1)	52	0	0	106	2,309
	129	870	0	(1)	1,241	23,988
	0	4	0	0	(3)	443
	0	3	31	164	475	12,177
	0	130	0	0	94	2,234
	0	133	31	164	569	14,411
	7	(42)	0	9	481	12,212
	3	(275)	0	9	366	7,050
	4	231	0	0	103	4,475
	0	0	0	(28)	1	90
	31	899	0	18	273	15,912
	31	931	0	21	250	15,480
	<b>167</b>	<b>1,863</b>	<b>31</b>	<b>162</b>	<b>2,632</b>	<b>68,639</b>
	0	0	0	0	11	0
	234	(529)	0	0	558	9,266
	(16)	273	0	0	82	1,903
	(1)	(84)	0	0	140	1,909
	185	(363)	0	0	170	2,934
	36	(540)	0	0	96	1,114
	0	(40)	0	0	6	288
	(256)	799	0	0	752	23,831
	(126)	(756)	0	0	690	12,448
	(126)	1,558	0	0	(29)	10,665
	(4)	(403)	0	46	174	4,393
	(4)	(373)	0	0	86	2,387
	<b>(26)</b>	<b>(173)</b>	<b>0</b>	<b>46</b>	<b>1,501</b>	<b>37,778</b>
	<b>193</b>	<b>2,036</b>	<b>31</b>	<b>116</b>	<b>1,131</b>	<b>30,861</b>

### Gains and losses on assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (level 3)

in	6M11			6M10		
	Trading revenues	Other revenues	Total revenues	Trading revenues	Other revenues	Total revenues
<b>Gains and losses on assets and liabilities (CHF million)</b>						
Net realized/unrealized gains/(losses) included in net revenues	163	790	953 <sup>1</sup>	2,229	147	2,376 <sup>1</sup>
Whereof:						
Unrealized gains/(losses) relating to assets and liabilities still held as of the reporting date	(2,139)	724	(1,415)	1,897	40	1,937

<sup>1</sup> Excludes net realized/unrealized gains/(losses) attributable to foreign currency translation impact.

### Nonrecurring fair value changes

end of	6M11	2010
<b>Loans recorded at fair value on a nonrecurring basis (CHF billion)</b>		
Loans recorded at fair value on a nonrecurring basis	0.6	0.6
of which level 2	0.0	0.1
of which level 3	0.6	0.5

### Difference between the aggregate fair value and the aggregate unpaid principal balances on loans and financial instruments

end of	6M11			2010		
	Aggregate fair value	Aggregate unpaid principal	Difference	Aggregate fair value	Aggregate unpaid principal	Difference
<b>Loans (CHF million)</b>						
Non-performing loans	82	168	(86)	105	187	(82)
Non-interest-earning loans	479	2,595	(2,116)	653	2,087	(1,434)
<b>Financial instruments (CHF million)</b>						
Interest-bearing deposits with banks	336	337	(1)	0	0	0
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	117,340	116,831	509	136,906	135,939	967
Loans	19,191	19,345	(154)	18,552	18,677	(125)
Other assets	23,661	33,844	(10,183)	25,078	36,195	(11,117)
Due to banks and customer deposits	(720)	(732)	12	(410)	(420)	10
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	(109,282)	(109,202)	(80)	(123,697)	(123,562)	(135)
Short-term borrowings	(4,046)	(4,017)	(29)	(3,308)	(3,262)	(46)
Long-term debt	(74,686)	(80,336)	5,650	(81,474)	(87,977)	6,503
Other liabilities	(5,808)	(6,674)	866	(5,734)	(7,569)	1,835

## Gains and losses on financial instruments

	6M11	6M10
in	Net gains/ (losses)	Net gains/ (losses)
<b>Financial instruments (CHF million)</b>		
Interest-bearing deposits with banks	0	10 <sup>1</sup>
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	713 <sup>1</sup>	998 <sup>1</sup>
Other trading assets	(5) <sup>2</sup>	68 <sup>2</sup>
Other investments	88 <sup>2</sup>	(176) <sup>3</sup>
of which related to credit risk	(2)	(18)
Loans	1,012 <sup>2</sup>	(513) <sup>2</sup>
of which related to credit risk	134	453
Other assets	2,110 <sup>2</sup>	1,755 <sup>1</sup>
of which related to credit risk	269	(50)
Due to banks and customer deposits	(12) <sup>1</sup>	(12) <sup>2</sup>
of which related to credit risk	8	0
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	(81) <sup>1</sup>	30 <sup>2</sup>
Short-term borrowings	(141) <sup>2</sup>	109 <sup>2</sup>
Long-term debt	(3,943) <sup>2</sup>	1,449 <sup>2</sup>
of which related to credit risk <sup>4</sup>	(215)	964
Other liabilities	(738) <sup>2</sup>	46 <sup>3</sup>
of which related to credit risk	(260)	(34)

<sup>1</sup> Primarily recognized in net interest income. <sup>2</sup> Primarily recognized in trading revenues. <sup>3</sup> Primarily recognized in other revenues. <sup>4</sup> Changes in fair value related to credit risk is due to the change in the Bank's own credit spreads. Other changes in fair value are attributable to changes in foreign currency exchange rates and interest rates, as well as movements in the reference price or index for structured notes.

## Fair value, unfunded commitments and term of redemption conditions

end of 6M11	Non-redeemable	Redeemable	Total fair value	Unfunded commitments
<b>Fair value and unfunded commitments (CHF million)</b>				
Debt funds	46	9	55	0
Equity funds	26	5,640 <sup>1</sup>	5,666	0
Equity funds sold short	0	(156)	(156)	0
Total funds held in trading assets and liabilities	72	5,493	5,565	0
Debt funds	38	249	287	195
Equity funds	5	89	94	0
Others	7	128	135	0
Hedge funds	50	466 <sup>2</sup>	516	195
Debt funds	11	0	11	17
Equity funds	3,000	0	3,000	849
Real estate funds	283	0	283	199
Others	753	0	753	211
Private equities	4,047	0	4,047	1,276
Equity method investments	367	0	367	0
Total funds held in other investments	4,464	466	4,930	1,471
<b>Total fair value</b>	<b>4,536 <sup>3</sup></b>	<b>5,959 <sup>4</sup></b>	<b>10,495</b>	<b>1,471 <sup>5</sup></b>

<sup>1</sup> 54% of the redeemable fair value amount of equity funds is redeemable on demand with a notice period of less than 30 days, 17% is redeemable on a quarterly basis with a notice period primarily of more than 30 days and 17% is redeemable on an annual basis with a notice period primarily of more than 60 days. <sup>2</sup> 61% of the redeemable fair value amount of hedge funds is redeemable on a quarterly basis with a notice period primarily of more than 60 days, 17% is redeemable on demand with a notice period primarily of less than 30 days and 15% is redeemable on an annual basis with a notice period of more than 60 days. <sup>3</sup> Includes CHF 2,218 million attributable to noncontrolling interests. <sup>4</sup> Includes CHF 83 million attributable to noncontrolling interests. <sup>5</sup> Includes CHF 521 million attributable to noncontrolling interests.

## Fair value, unfunded commitments and term of redemption conditions (continued)

end of 2010	Non-redeemable	Redeemable	Total fair value	Unfunded commitments
<b>Fair value and unfunded commitments (CHF million)</b>				
Debt funds	0	29	29	0
Equity funds	36	6,340 <sup>1</sup>	6,376	0
Equity funds sold short	0	(109)	(109)	0
Total funds held in trading assets and liabilities	36	6,260	6,296	0
Debt funds	20	330	350	234
Equity funds	8	219	227	0
Others	5	252	257	0
Hedge funds	33	801 <sup>2</sup>	834	234
Debt funds	12	0	12	19
Equity funds	3,277	0	3,277	1,052
Real estate funds	322	0	322	223
Others	759	0	759	214
Private equity	4,370	0	4,370	1,508
Equity method investments	1,183	0	1,183	0
Total funds held in other investments	5,586	801	6,387	1,742
<b>Total fair value</b>	<b>5,622 <sup>3</sup></b>	<b>7,061 <sup>4</sup></b>	<b>12,683</b>	<b>1,742 <sup>5</sup></b>

<sup>1</sup> 47% of the redeemable fair value amount of equity funds is redeemable on demand with a notice period of less than 30 days, 22% is redeemable on a monthly basis with a notice period primarily of less than 30 days and 16% is redeemable on an annual basis with a notice period primarily of more than 60 days. <sup>2</sup> 51% of the redeemable fair value amount of hedge funds is redeemable on a quarterly basis with a notice period primarily of more than 60 days, 22% is redeemable on demand with a notice period of less than 30 days and 17% is redeemable on a monthly basis with a notice period primarily of more than 30 days. <sup>3</sup> Includes CHF 2,399 million attributable to noncontrolling interests. <sup>4</sup> Includes CHF 95 million attributable to noncontrolling interests. <sup>5</sup> Includes CHF 641 million attributable to noncontrolling interests.

## Carrying value and estimated fair values of financial instruments

end of	6M11		2010	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets (CHF million)</b>				
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	198,968	198,968	220,708	220,708
Securities received as collateral	32,001	32,001	42,100	42,100
Trading assets	298,531	298,531	321,256	321,256
Investment securities	4,024	4,024	6,331	6,331
Loans	200,330	202,780	200,748	203,346
Other financial assets <sup>1</sup>	194,505	194,543	191,893	191,931
<b>Financial liabilities (CHF million)</b>				
Due to banks and deposits	313,610	313,607	311,442	311,436
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	142,245	142,245	168,394	168,394
Obligation to return securities received as collateral	32,001	32,001	42,100	42,100
Trading liabilities	119,676	119,676	133,937	133,937
Short-term borrowings	18,447	18,448	19,516	19,516
Long-term debt	160,844	160,208	171,140	169,942
Other financial liabilities <sup>2</sup>	127,918	127,918	122,801	122,801

<sup>1</sup> Primarily includes cash and due from banks, interest-bearing deposits with banks, brokerage receivables, loans held-for-sale, cash collateral on derivative instruments, interest and fee receivables and non-marketable equity securities. <sup>2</sup> Primarily includes brokerage payables, cash collateral on derivative instruments and interest and fee payables.

Note 26 **Assets pledged or assigned**

For further information, refer to *Note 27 – Assets pledged or assigned in V – Condensed consolidated financial statements – unaudited in the Credit Suisse Financial Report 2Q11* and *Note 33 – Assets pledged or assigned in VII – Consolidated financial statements – Credit Suisse (Bank) in the Credit Suisse Annual Report 2010*.

**Assets pledged or assigned**

end of	6M11	2010
<b>Assets pledged or assigned (CHF million)</b>		
Book value of assets pledged or assigned as collateral	147,484	163,535
of which assets provided with the right to sell or repledge	106,400	112,030
Fair value of collateral received with the right to sell or repledge	343,904	357,618
of which sold or repledged	280,918	308,316

Note 27 **Litigation**

For further information, refer to *Note 29 – Litigation in V – Condensed consolidated financial statements – unaudited in the Credit Suisse Financial Report 2Q11*.



**CREDIT SUISSE GROUP AG**

Paradeplatz 8

8070 Zurich

Switzerland

Phone +41 44 212 16 16

[www.credit-suisse.com](http://www.credit-suisse.com)