

CS INVESTMENT FUNDS 3

Investment Company with Variable Capital
under Luxembourg Law
5, rue Jean Monnet, L-2180 Luxembourg
R.C.S. Luxembourg B 89.370
(the "Company")

Notice to Shareholders

CS INVESTMENT FUNDS 3

Notice to the Shareholders of CS Investment Funds 3 – **Credit Suisse (Lux) European Corporate Opportunities Bond Fund**

Notice is hereby given to the Shareholders of CS Investment Funds 3 – Credit Suisse (Lux) European Corporate Opportunities Bond Fund (the "Subfund") that the Board of Directors of the Company has decided to effect a series of corporate actions leading ultimately to the liquidation of the Subfund, which can be summarised as follows:

In a first step, the Subfund will be converted into a feeder fund and will therefore invest via a subscription in kind at least 85% of its total assets in Credit Suisse (Lux) Global Value Bond Fund, a subfund of CS Investment Funds 1 (the "Target Fund").

In a second step, immediately upon the completion of the first step, the Subfund will be liquidated in kind. As a consequence of such liquidation, the Shareholders of the Subfund will receive shares of the Target Fund.

The full details of these amendments are set out below:

1. Amendment to the Investment Objective and Investment Policy of the Subfund

The Board Directors of the Company has decided to amend the Investment Objective and Investment Policy of the Subfund. Pursuant to these changes, the Subfund will pursue a master-feeder strategy by investing at least 85% of its total assets in the Target Fund.

The Target Fund is a subfund of CS Investment Funds 1, an investment company with variable capital (*société d'investissement à capital variable* or "SICAV") with multiple ring-fenced subfunds, incorporated in Luxembourg and authorised by the *Commission de Surveillance du Secteur Financier* as an undertaking for collective investment in transferable securities under part I of the law of 17 December 2010 on undertakings for collective investment, as amended from time to time. The Company and CS Investment Funds 1 are both managed by Credit Suisse Fund Management S.A. and have appointed Credit Suisse (Luxembourg) S.A. as their custodian bank and Credit Suisse Fund Services (Luxembourg) S.A. as their central administration.

The amended Investment Objective and Principles of the Subfund and the Investment Objective and Principles of the Target Fund read as follows:

Investment Objective of the Subfund and the Target Fund

The objective of the Subfund and the Target Fund is primarily to achieve income and capital appreciation from bonds and other debt securities, denominated in any currency, issued by any type of issuer globally by means of active sector rotation in the fixed-income area, while preserving the value of the assets.

Investment Principles of the Subfund

In order to realize its investment objective, the Subfund pursues a master-feeder strategy. At least 85% of the Subfund's total assets shall be invested in Credit Suisse (Lux) Global Value Bond Fund, a subfund of CS Investment Funds 1.

CS Investment Funds 1 is an undertaking for collective investment in transferable securities in the legal form of an investment company with variable capital (*société d'investissement à capital variable* or SICAV), subject to Part I of the Law of December 17, 2010. It has appointed Credit Suisse Fund Management S.A. as its management company.

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The Subfund may hold up to 15% of its total net assets in liquid assets in the form of sight and time deposits with first-class financial institutions and money-market instruments which do not qualify as transferable securities and have a term to maturity not exceeding 12 months, in any convertible currency.

Investment Principles of the Target Fund

To achieve this, the Target Fund will allocate its investments across various fixed-income asset classes (including fixed rate bonds, zero-coupon bonds, government bonds, semi-government bonds, corporate bonds, inflation-indexed debt securities, bonds of emerging market issuers, bonds of supranational organizations, high-interest and convertible bonds and notes, zero-coupon bonds, subordinated bonds, covered bonds, perpetual bonds and collateralized debt obligations) but also in floating rate notes, while investing across the full spectrum of credit ratings (at least on average "BBB-" by Standard & Poor's or Baa3 by Moody's, and with an individual rating of at least "CCC-" by Standard & Poor's or Caa3 by Moody's at the time the investment is made, or debt instruments which exhibit similar credit quality in the view of the Management Company) in order to utilize attractive investment opportunities in light of the business cycle and the corresponding development of interest rates and credit spreads.

The strategy of sector rotation is being used for the sake of anticipating economic recovery and contractions in different sectors of the economy, as the global economy moves in cycles. The phases of this cycle – Overheating, Slowdown, Contraction, Recovery – do not always develop in the same way, or in the same timeframe. However, certain parameters of the economy are typical for each phase as is the performance of asset classes and sub-asset classes.

The Target Fund will seek, by using various return-enhancing strategies such as duration management and credit management, to generate sustained value added. In particular, it aims to profit from interest rate rises and falls as well as any widening or narrowing of credit spreads. To this end, the Target Fund intends to apply a diversified long-short strategy entailing the use of financial derivatives such as futures, swaps, options and credit derivatives. With regard to the total exposure associated with the use of derivatives, this diversified long-short strategy is subject to the provisions of Chapter 6, "Investment Restrictions", in conjunction with Article 42 (3) of the Law of December 17, 2010. The total exposure resulting from the use of financial derivative instruments must not exceed 100% of the total assets of the Target Fund. In accordance with its investment objective and the investment instruments set out below, the Target Fund will be predominantly oriented, either directly or indirectly, to fixed income investment classes.

The Shares of the Subfund will be invested in the following Share classes of the Target Fund:

SUBFUND					TARGET FUND				
CS Investment Funds 3 Credit Suisse (Lux) European Corporate Opportunities Bond Fund					CS Investment Funds 1 Credit Suisse (Lux) Global Value Bond Fund				
Class (Currency)	Maximum Management Fee (p.a.)	Ongoing charge (as per the KIID)	Synthetic Risk and Reward Indicator	Performance Fee	Share Class (Currency)	Maximum Management Fee (p.a.)	Ongoing charge (as per the KIID)*	Synthetic Risk and Reward Indicator	Performance Fee
Class A EUR	1.20%	1.20%	4	n/a	Class AH EUR	1.00%	1.04%	3	n/a
Class B EUR	1.20%	1.20%	4	n/a	Class BH EUR	1.00%	1.05%	3	n/a
Class BH CHF	1.20%	1.20%	4	n/a	Class BH CHF	1.00%	1.05%	3	n/a
Class BH USD	1.20%	1.20%	4	n/a	Class B USD	1.00%	1.05%	3	n/a

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Class UA EUR	0.90%	0.84%	4	n/a	Class UAH EUR	0.75%	0.79%	3	n/a
Class UB EUR	0.90%	0.82%	4	n/a	Class UBH EUR	0.75%	0.79%	3	n/a
Class UBH CHF	0.90%	0.85%	4	n/a	Class UBH CHF	0.75%	0.79%	3	n/a
Class UBH USD	0.90%	0.85%	4	n/a	Class UB USD	0.75%	0.79%	3	n/a

* The ongoing charge figure is based on estimated expenses.

The Target Fund is suitable for investors who would like an exposure to the fixed-income segment and want to link the development of this investment class to the economic cycle, while also wishing to participate in the added value arising from the use of various derivative investment strategies in the bond Markets.

Shareholders should note that the indicated management fee and ongoing charges of the Subfund reflect the situation prior to the subscription in kind. For the duration of the master-feeder structure, no management fee will be charged at the level of the Subfund in addition to the management fee charged at the level of the Target Fund. Furthermore, neither the Subfund nor the Target Fund charges a performance fee.

PricewaterhouseCoopers, Société coopérative, 2, rue Gerhard Mercator, L-2182 Luxembourg has been appointed by CS Investment Funds 1 as the independent auditor in charge of issuing an opinion on the subscription in kind and the number of shares issued in counterpart of this subscription.

The Luxembourg supervisory commission for the financial sector, the *Commission de Surveillance du Secteur Financier* or CSSF has approved the investment of the Subfund in the Target Fund.

The amendments made to the Prospectus will enter into force as of 6 April 2016. As of this date, the Subfund will invest almost exclusively in shares of the Target Fund.

Shareholders who do not agree with these amendments may redeem their Shares in the Subfund free of charge until 31 March 2016.

- Liquidation in kind of CS Investment Funds 3 – Credit Suisse (Lux) European Corporate Opportunities Bond Fund.

The liquidation process of the Subfund will start on 6 April 2016.

No further Shares of the Subfund will be issued after 3.00 p.m. CET on 31 March 2016. Moreover, Shares may only be redeemed until the same date and time. A provision of all outstanding debits and any debits that will occur in relation to the liquidation will be made in the Subfund.

PricewaterhouseCoopers, Société coopérative, 2, rue Gerhard Mercator, L-2182 Luxembourg has been appointed by the Company as independent auditor in charge of issuing an opinion on the Shares of the Subfund that will be cancelled as a result of the liquidation of the Subfund.

The net liquidation proceeds of the Subfund will be distributed in kind to the Shareholders on 6 April 2016.

After closure of the liquidation, the accounts and the books of the Subfund shall be filed with Credit Suisse Fund Services (Luxembourg) S.A. during a period of five years.

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Any legal, advisory or administrative costs associated with the preparation and the completion of the changes under points (1) and (2) above will be borne by Credit Suisse Fund Management S.A., except the auditor fees which will be charged to the Subfund.

As a result of the changes under points (1) and (2) above, the Shareholders of the Subfund will be allocated shares in the Target Fund and become shareholders of the Target Fund, and consequently obtain voting rights in the Target Fund. Shareholders should note the resulting differences in terms of ongoing charges (as indicated in the above table). Shareholders should inform themselves as to the possible tax implications of the aforementioned changes in their respective country of citizenship, residence or domicile.

In addition, Shareholders should note that the number of shares in the Target Fund they will receive further to the liquidation in kind will not necessarily correspond to the number of Shares they held in the Subfund, but will depend on the number of shares in the Target Fund held by the Subfund at the time of its liquidation. Further to the liquidation, the Shares in the Subfund will no longer entitle the Shareholders to any rights in the Subfund or the Company.

Following the above mentioned liquidation in kind, the Subfund "CS Investment Funds 3 – Credit Suisse (Lux) European Corporate Opportunities Bond Fund" will cease to exist.

Shareholders should note that, once the above changes enter into effect, the new prospectus of the Company, the latest annual and semi-annual reports as well as the articles of incorporation may be obtained in accordance with the provisions of the prospectus at the registered office of the Company. In addition, the prospectus of the Target Fund, the relevant Key Investor Information Document (KIIDs), the latest annual and semi-annual reports as well as the articles of incorporation may also be obtained from the Management Company in accordance with the provisions of the prospectus. The documents are also available on www.credit-suisse.com.

Luxembourg, 1 March 2016

The Board of Directors