CREDIT SUISSE GROUP
Form 6-K
August 03, 2005

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Private Issuer

Dated August 3, 2005

Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934

For the month of August 3, 2005

Commission File Number 001-15244

CREDIT SUISSE GROUP

(Translation of registrant's name into English)

Paradeplatz 8, P.O. Box 1, CH-8070 Zurich, Switzerland
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):____

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):____

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-____

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Media Relations

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Credit Suisse Group reports net income of CHF 919 million for the second quarter of 2005

Result includes a charge for litigation provisions in Institutional Securities in the amount of CHF 624 million after tax

Private Banking: net income of CHF 581 million; net new assets of CHF 12.8 billion

Corporate & Retail Banking: net income of CHF 277 million; record result; return on average allocated capital of 21.4%

Institutional Securities: net loss of CHF 408 million, reflecting the charge for litigation provisions; trading impacted by slowdown in market activity in April and May; strong investment banking revenues

Wealth & Asset Management: net income of CHF 245 million; good performance in Alternative Capital

Winterthur: continuing improvements in operational performance; net income of CHF 116 million in Life & Pensions and CHF 137 million in Non-Life

BIS tier 1 ratio of 10.9%

Financial Highlights

in CHF million	**2Q2005**	1Q2005	2Q2004	Change in % vs 1Q2005	Change in % vs 2Q2004
Net revenues	**14,101**	17,062	13,733	(17)	3
Total operating expenses	**7,178**	6,146	6,254	17	15
Net income	**919**	1,910	1,457	(52)	(37)

Group return on equity	**9.8%**	20.6%	16.6%
Basic earnings per share (in CHF)	**0.82**	1.64	1.26
BIS tier 1 ratio	**10.9%**	12.1%	

Zurich, August 3, 2005 – **Credit Suisse Group today reported net income of CHF 919 million for the second quarter of 2005, compared to CHF 1,910 million in the previous quarter and CHF 1,457 million in the second quarter of 2004. The result for the second quarter of 2005 includes a charge for litigation provisions in Institutional Securities in the amount of CHF 624 million after tax.**

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Credit Suisse Group's return on equity for the second quarter was 9.8%, with a return on equity of 9.1% for the banking business and 11.3% for Winterthur. Basic earnings per share were CHF 0.82.

The Group's net income for the first half of 2005 amounted to CHF 2,829 million, compared to CHF 3,318 million for the corresponding period of 2004.

Oswald J. Grübel, CEO of Credit Suisse Group, said, "Following a strong start to 2005, the second quarter was impacted by the anticipated slowdown in market activity and our banking businesses experienced low levels of client activity in April and May. Benefiting from significant improvements in June, the Group generated a respectable second-quarter result, driven by good net revenues and effective cost management."

He added, "Our half-year results demonstrate that we are making good progress in advancing our business but still have some way to go before we deliver the full potential of Credit Suisse Group. We therefore remain committed to further improving on this performance as part of our efforts to build a powerful integrated banking organization. With that, I am convinced we will create compelling new opportunities for revenue growth and improved efficiency."

Banking Segments

Credit Suisse Group Banking Segment Results

in CHF million		**2Q2005**	1Q2005	2Q2004	Change in % vs 1Q2005	Change in % vs 2Q2004
Private Banking	Net revenues	**1,810**	1,912	1,869	(5)	(3)
	Total op. expenses	**1,084**	1,060	1,083	2	0
	Net income	**581**	685	665	(15)	(13)
Corporate & Retail Banking	Net revenues	**858**	860	950	0	(10)
	Total op. expenses	**548**	529	553	4	(1)
	Net income	**277**	274	256	1	8
Institutional Securities	Net revenues	**3,335**	3,842	3,134	(13)	6
	Total op. expenses	**3,891**	3,006	2,858	29	36
	Net income	**(408)**	540	129	-	-
Wealth & Asset Management	Net revenues	**1,570**	936	1,499	68	5
	Total op. expenses	**623**	598	636	4	(2)
	Net income	**245**	135	301	81	(19)

Private Banking reported net income of CHF 581 million in the second quarter of 2005, reflecting stable lending, deposit and commission income. Compared to the strong first quarter of 2005, net income declined 15%, due primarily to a reduction in overall trading revenues as a result of lower income from trading execution. The 13% decrease in net income versus the second quarter of last year was mainly attributable to small losses during the quarter in the fair value of interest rate derivatives used for risk management purposes which did not qualify for hedge accounting, compared to large gains in the second quarter of 2004. The gross margin was 125.6 basis points for the second quarter and 131.5 basis points for the first half of 2005, achieving the segment's mid-term target of 130 basis points. The cost/income ratio was 59.9% for the second quarter, up 4.5 percentage points versus the prior quarter and up 2.0 percentage points versus the second quarter of 2004. This reflects seasonally higher expenses compared to the first quarter of 2005, strategic investments in key growth markets and lower net revenues.

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Corporate & Retail Banking generated net income of CHF 277 million for the second quarter of 2005, up slightly versus the previous quarter and up 8% compared to the second quarter of 2004. Strong revenue generation and a net release of provisions for credit losses were the main drivers of this result. The cost/income ratio of 63.9% in the second quarter of 2005 was up 2.4 percentage points from the prior quarter, which was characterized by seasonally lower expenses, and up 5.7 percentage points from the second quarter of 2004, which benefited from positive changes in the fair value of interest rate derivatives used for risk management purposes which did not qualify for hedge accounting. The segment achieved a strong return on average allocated capital of 21.4% in the second quarter.

Institutional Securities recorded a CHF 960 million charge before tax, CHF 624 million after tax, in the second quarter of 2005 to increase the reserve for private litigation involving Enron, certain IPO allocation practices, research analyst independence and other related litigation. The charge was in addition to the reserve for these private litigation matters of CHF 702 million (USD 450 million) before tax originally established in 2002 and brings the total reserve for these private litigation matters to CHF 1.4 billion (USD 1.1 billion) after deductions for settlements that have since taken place. We believe that with this measure, the litigation reserves of Credit Suisse Group adequately reflect our current assessment of the probable and reasonably estimable litigation exposure.

For the second quarter of 2005, Institutional Securities reported a net loss of CHF 408 million, including the above-mentioned charge for litigation provisions. Excluding this charge, Institutional Securities would have reported net income of CHF 216 million in the second quarter, an increase of 67% compared to the same period of last year, reflecting higher revenues and lower compensation and benefits. Compared to the first quarter of 2005, net income decreased from CHF 540 million, reflecting higher other expenses due to the litigation charge as well as a decline in net revenues resulting from the considerable slowdown in market activity in April and May. Trading revenues, particularly in fixed income, compared favorably to the second quarter of 2004 but were down from the first quarter of this year. Investment banking net revenues rose significantly versus the first quarter of 2005, with improved performances in advisory fees versus both prior periods and in debt and equity underwriting versus the first quarter of 2005. Total operating expenses increased compared to the previous quarter and the same period of 2004 due to the litigation charge. Compensation and benefits decreased slightly versus both prior periods.

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Wealth & Asset Management reported net income of CHF 245 million for the second quarter of 2005, up 81% from the previous quarter and down 19% from the second quarter of 2004, which included particularly high levels of investment-related gains in Alternative Capital. Second-quarter 2005 net revenues benefited from investment gains from private equity realizations. Total operating expenses rose 4% compared to the previous quarter and were slightly lower compared to the same period of last year.

Insurance Segments

Credit Suisse Group Insurance Segment Results

in CHF million		**2Q2005**	1Q2005	2Q2004	Change in % vs 1Q2005	Change in % vs 2Q2004
Life & Pensions	Net revenues	**3,714**	6,610	3,466	(44)	7
	Total op. expenses	**428**	427	481	0	(11)
	Net income	**116**	126	67	(8)	73
Non-Life	Net revenues	**2,979**	3,049	2,977	(2)	0
	Total op. expenses	**713**	698	783	2	(9)
	Net income	**137**	125	82	10	67

Life & Pensions' net income rose substantially to CHF 116 million in the second quarter of 2005, an increase of 73% compared to the same period of 2004. Year-to-date, net income totaled CHF 242 million, up CHF 36 million, or 17%, from the first half of 2004. The main drivers behind this result were the focus on productivity and selected areas of growth and, to a lesser extent, the slightly higher net investment income on investments backing traditional life policies. Total business volume grew by 2% compared to the second quarter of 2004 and was up 5% year-to-date. This encompasses deposits from investment-type products as well as gross premiums written from traditional insurance policies. The net investment return backing traditional life policies amounted to 4.7%, compared to 4.6% in the corresponding quarter of the previous year. Insurance underwriting and acquisition expenses decreased 5% and administration expenses were down 8% compared to the second quarter of 2004, reflecting further benefits from the ongoing implementation of cost control measures. The expense ratio consequently improved by 1.0 percentage points to 10.9%.

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Non-Life reported second-quarter 2005 net income of CHF 137 million, up 67% compared to the second quarter of 2004. For the first half of 2005, net income amounted to CHF 262 million, representing an increase of CHF 77 million, or 42%, compared to the same period of 2004. This progress was achieved despite a challenging underwriting environment, the adverse impacts of foreign exchange rates and lower net investment income. Net premiums earned decreased slightly to CHF 2,643 million versus the same period of last year. Net investment return in the second quarter was 4.2%, compared to 4.5% in the second quarter of 2004. Net current investment return increased slightly to 3.7% from 3.6%, and net realized gains decreased by 0.4 percentage points to 0.5% versus the second quarter of 2004. The combined ratio decreased by a further 2.6 percentage points to 95.1% in the second quarter of 2005 compared to the same period of 2004, and it was down by 1.8 percentage points to 97.3% for the first half of 2005. The claims ratio improved by 0.9 percentage points to 70.4% from the second quarter of 2004 due to a low level of large-scale losses and improvements in claims management. The expense ratio decreased by 1.7 percentage points to 24.7%. Administration expenses decreased 15% to CHF 273 million and insurance underwriting and acquisition expenses remained relatively stable, decreasing 1% to CHF 379 million in line with net premiums earned.

Net New Assets

Net New Assets and Assets under Management (AuM)

in CHF billion	**Net New Assets** **2Q2005**	**Total AuM** **30.6.05**	Change in AuM % vs 31.03.05
Private Banking	**12.8**	**602.3**	6.7
Corporate & Retail Banking	**0.4**	**54.9**	0.7
Institutional Securities	**(1.5)**	**14.2**	(11.8)
Wealth & Asset Management 1)	**4.2**	**519.9**	5.7
Life & Pensions	**0.3**	**122.5**	2.5
Non-Life	**n/ a**	**27.4**	8.7
Credit Suisse Group	**16.2**	**1,341.2**	5.5

1) Excluding assets managed on behalf of other entities within Credit Suisse Group n/ a: not applicable

Private Banking generated CHF 12.8 billion of net new assets in the second quarter of 2005. The segment reported a net new asset growth rate of 7.3% for the first half of the year, with strong asset inflows from strategic key markets. Wealth & Asset Management recorded CHF 4.2 billion of net new assets, driven primarily by new fund commitments in Alternative Capital. Overall, Credit Suisse Group reported CHF 16.2 billion of net new assets in the second quarter. The Group's total assets under management stood at CHF 1,341.2 billion as of June 30, 2005, up 5.5% from March 31, 2005.

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Outlook

We expect the recovery in client activity in the banking business, which started in June, to continue. We believe that equity markets will improve in the second half of the year after a short-term correction of the recent uptrend. Interest rates will most likely move in a narrow range. Credit Suisse Group is well positioned to benefit from this economic environment.

Enquiries

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For additional information on Credit Suisse Groups results for the second quarter of 2005, please refer to the Groups Quarterly Report Q2 2005, as well as the Groups slide presentation for analysts and the press, which are available on the Internet at: www.credit-suisse.com/results

Credit Suisse Group

Credit Suisse Group is a leading global financial services company headquartered in Zurich. It provides private clients and small and medium-sized companies with private banking and financial advisory services, and pension and insurance solutions from Winterthur. In the area of investment banking, it serves global institutional, corporate, government and individual clients in its role as a financial intermediary. Credit Suisse Group's registered shares (CSGN) are listed in Switzerland and in the form of American Depositary Shares (CSR) in New York. The Group employs around 60,000 staff worldwide. As of June 30, 2005, it reported assets under management of CHF 1,341.2 billion.

Cautionary Statement Regarding Forward-Looking Information

This press release contains statements that constitute forward-looking statements. In addition, in the future we, and others on our behalf, may make statements that constitute forward-looking statements. Such forward-looking statements may include, without limitation, statements relating to our plans, objectives or goals; our future economic performance or prospects; the potential effect on our future performance of certain contingencies; and assumptions underlying any such statements. Words such as believes, anticipates, expects, "intends and plans and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. We do not intend to update these forward-looking statements except as may be required by applicable laws. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other outcomes described or implied in forward-looking statements will not be achieved. We caution you that a number of important factors could cause results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include (i) market and interest rate fluctuations; (ii) the strength of the global economy in general and the strength of the economies of the countries in which we conduct our operations in particular; (iii) the ability of counterparties to meet their obligations to us; (iv) the effects of, and changes in, fiscal, monetary, trade and tax policies, and currency fluctuations; (v) political and social developments, including war, civil unrest or terrorist activity; (vi) the possibility of foreign exchange controls, expropriation, nationalization or confiscation of assets in countries in which we conduct our operations; (vii) the ability to maintain sufficient liquidity and access capital markets; (viii) operational factors such as systems failure, human error, or the failure to properly implement procedures; (ix) actions taken by regulators with respect to our business and practices in one or more of the countries in which we conduct our operations; (x) the effects of changes in laws, regulations or accounting policies or practices; (xi) competition in geographic and business areas in which we conduct our operations; (xii) the ability to retain and recruit qualified personnel; (xiii) the ability to maintain our reputation and promote our brands; (xiv) the ability to increase market share and control expenses; (xv) technological changes; (xvi) the timely development and acceptance of our new products and services and the perceived overall value of these products and services by users; (xvii) acquisitions, including the ability to integrate successfully acquired businesses; (xviii) the adverse resolution of litigation and other contingencies; and (xix) our success at managing the risks involved in the foregoing. We caution you that the foregoing list of important factors is not exclusive; when evaluating forward-looking statements, you should carefully consider the foregoing factors and other uncertainties and events, as well as the risks identified in our most recently filed Form 20-F and reports on Form 6-K furnished to the US Securities and Exchange Commission.

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Presentation of Credit Suisse Groups Second-Quarter 2005 Results via Webcast and Telephone Conference

Date	Wednesday, August 3, 2005
Time	10.00 CEST / 09.00 BST / 04.00 EST
Speakers	Oswald J. Grübel, Chief Executive Officer of Credit Suisse Group Renato Fassbind, Chief Financial Officer of Credit Suisse Group The presentation will be held in English (with simultaneous interpreting into German)
Webcast	www.credit-suisse.com/results
Telephone	Europe: +41 91 610 5600 UK: +44 207 107 0611 US: +1 866 291 4166 Reference: Credit Suisse Group quarterly results
Q&A	You will have the opportunity to ask questions during the conference following the presentation.
Playback	Video playback available approximately three hours after the event at: www.credit-suisse.com/results Telephone replay available approximately one hour after the event; please dial: Europe: +41 91 612 4330 UK: +44 207 108 6233 US: +1 866 416 2558 Analyst & media conference ID: Q&A Analysts English661# Q&A Analysts German 309# Q&A Media English 728# Q&A Media German 699#
Note	We recommend that you dial in approximately ten minutes before the start of the presentation for the webcast and telephone conference. Further instructions and technical test functions are now available on our website.

Letter to Shareholders 2005 Q2

Dear shareholders

During the second quarter of 2005, we made good progress in improving the operating performance of Credit Suisse Group and took important steps towards the implementation of our strategy to build an integrated global bank.

Our One Bank strategy

Our industry is increasingly influenced by globalization and technological change. As a result, our clients' requirements are growing more complex each day and the way we operate as a bank is changing fundamentally. We need to respond to these developments and, above all, to our clients' changing needs. In order to remain at the forefront of our industry, we must strive to continuously improve our products and services and we must place our clients at the center of all that we do. This can only be achieved if we make the best possible use of the skills and expertise of our people as well as our global presence. Over the coming months, we will therefore continue to build an integrated global bank focusing on investment banking, private banking and asset management.

During the second quarter, we took important steps towards the realization of this goal. In May 2005, we completed the merger of our two legal entities in Switzerland: Credit Suisse and Credit Suisse First Boston. The creation of a single legal entity was the prerequisite for the integration of our banking businesses. In late June, the Board of Directors appointed the members of the new Executive Board for the bank. We were able to put together an excellent team with experienced executives from across our banking businesses. The new management team will lead the bank as of January 1, 2006, when the new organization will become operational.

In June, we also announced that we will move to one Credit Suisse brand. We believe that by uniting our businesses under one brand, we will create a clearer and more consistent presence in the market. We will thus be more visible to our stakeholders and we will be able to communicate more effectively with one voice in all our markets around the world.

We are pleased with the progress we have made over the past few months. Our strategy has been well received by shareholders, clients and employees and its implementation is well on track.

The Board of Directors and the management team are convinced that combining our banking businesses will provide us with the necessary foundation for the future growth of our bank. From our experience in the financial services industry, we believe that the steps we are taking to build an integrated global bank will create synergies for revenue growth, improve efficiency and ultimately increase shareholder value.

Result for the second quarter of 2005

While we were preparing Credit Suisse Group for future growth, we were also mindful of our daily commitment to providing our clients with advice, services and products, and we remained focused on improving our operating performance.

For the second quarter of 2005, we reported net income of CHF 919 million, including a charge for litigation provisions in Institutional Securities in the amount of CHF 624 million after tax. For the first half of the year, our net income was CHF 2,829 million. Credit Suisse Group's return on equity for the second quarter was 9.8% and basic earnings per share were CHF 0.82.

Our operating environment in the second quarter was characterized by an anticipated slowdown in market activity. As a result, client activity in our banking business was significantly lower in April and May than in previous months. Although we saw a market rebound in June and were well positioned to benefit from the exceptionally strong levels of client activity during that month, this did not entirely compensate for the weak net revenues in April and May. Equally, our continued and effective cost management was only partially able to offset the negative impact of lower net revenues on our net income in the second quarter.

Private Banking provides high-net-worth individuals in Switzerland and in numerous other markets around the world with wealth management products and services.

Private Banking delivered net income of CHF 581 million in the second quarter. This result was lower than the strong levels achieved in both the first quarter of 2005 and the same quarter of last year.

Although we continued to invest in key growth markets in Asia, the Middle East and Europe, total operating expenses remained virtually unchanged compared with the second quarter of the previous year.

Private Banking recorded strong asset inflows from strategic key markets. They contributed to net new assets – a key measure of our operating performance – of CHF 12.8 billion in the second quarter, compared with CHF 7.0 billion in the first quarter. This represents an annualized year-to-date growth rate of 7.3%, exceeding our mid-term target of 5% growth. Combined with a positive market performance, our strong asset inflows resulted in assets under management of over CHF 600 billion.

During the second quarter, Private Banking continued to expand its presence in key growth markets. We opened a representative office in Guangzhou, providing access to southern China. We also opened a representative office in St. Petersburg, serving clients in the rapidly developing northern Russian region.

Corporate & Retail Banking offers banking products and services to corporate and retail clients in Switzerland.

The segment reported net income of CHF 277 million for the second quarter. Strong revenue generation and the release of provisions due to the ongoing favorable credit environment were the main drivers behind this result.

Total operating expenses were virtually unchanged from the same period of last year but increased compared with the seasonally low levels experienced in the first quarter of this year.

The strategic objective of Corporate & Retail Banking is to gain market share in the high-end retail business, particularly with investment products. With this in mind, Credit Suisse launched a new investment product – Credit Suisse Triamant – in the second quarter. This product offers actively managed asset allocation, broad diversification and transparent reporting and combines the advantages of professional asset management with those of an investment fund.

Institutional Securities provides securities and investment banking services to institutional, corporate and government clients worldwide.

Institutional Securities reported a net loss of CHF 408 million for the second quarter, including the above-mentioned charge for litigation provisions in the amount of CHF 624 million after tax. In addition to the impact of this charge, the result was negatively affected by the slowdown in market and client activity in April and May referred to previously.

Investment banking net revenues increased significantly versus the first quarter of 2005. Advisory fees, which include fees from mergers and acquisitions, increased compared to both the second quarter of 2004 and first quarter of 2005. Notable M&A transactions in Europe and the Americas that were announced during the quarter include the acquisition of Allied Domecq by Fortune Brands and Pernod Ricard; the BASF AG and Shell International Ltd. sale of their joint venture Basell NV; and the acquisition of Neiman Marcus Group Inc by Texas Pacific Group and Warburg Pincus LLC.

Debt and equity underwriting increased compared to the first quarter of 2005. In equity underwriting, Institutional Securities ranked third in global IPO market share and first in Americas IPO market share for the second quarter of 2005. Key transactions for the quarter reflected the geographic and industrial breadth of the equity franchise and included IPOs for Deerfield Triarc Capital Corp. (a US real estate-related specialty finance company); Pyaterochka Holding (a Russian grocery retailer); Shanghai Electric Group Company Ltd. (the largest non-Japan Asia IPO in 2005 to date); and Lojas Renner (a Brazilian department store) for JC Penney.

Trading revenues, particularly in fixed income, compared favorably to the second quarter of 2004. In comparison with the first quarter of 2005, however, trading revenues declined.

Total operating expenses at Institutional Securities increased compared to the previous quarter and the same period of 2004 due to the charge for litigation provisions.

Wealth & Asset Management offers international asset management services – including a broad range of investment funds – to institutional and private investors, as well as providing financial advisory services to wealthy individuals and corporate clients.

Wealth & Asset Management recorded net income of CHF 245 million in the second quarter. This is a good result and represents a strong increase compared to the first quarter of this year. However, while operating expenses were slightly lower than in the second quarter of last year, net income was below the exceptional level recorded in this period, when the Alternative Capital division reported particularly high gains from private equity investments.

Net revenues benefited from a high level of investment gains from private equity in the second quarter of 2005. Furthermore, Alternative Capital recorded a solid increase in placement fees compared to the second quarter of last year. This positive effect was offset by lower fee income at Credit Suisse Asset Management, our institutional business, and at Private Client Services, our North American business serving private clients.

Net new asset inflows amounted to CHF 2.8 billion for the quarter. Assets under management stood at CHF 529.3 billion as of June 30, 2005.

In the second quarter, Wealth & Asset Management launched two initiatives aimed at advancing its international growth. In May 2005, we announced the creation of a strategic partnership, China Renaissance Capital Investment Inc. This partnership will focus on private equity investment opportunities in China. In addition, in July 2005, Credit Suisse Asset Management acquired a 25% interest in a fund management joint venture in China with Industrial and Commercial Bank of China and China Ocean Shipping Group Company Ltd.

Winterthur , Credit Suisse Group’s insurance unit, comprises two business lines. The **Life & Pensions** business line is a leading provider of life insurance and pension solutions for private and corporate clients. The **Non-Life** business line provides insurance products for private clients and small and medium-sized corporate clients.

In the second quarter Winterthur further improved its result. Net income for Life & Pensions was CHF 116 million. Non-Life reported net income of CHF 137 million for the period. Overall, our insurance business is now benefiting from the efficiency measures we have implemented over the last two years. These measures have led to improvements in insurance underwriting and acquisition expenses and lower administration expenses at Life & Pensions and to an improved combined ratio at Non-Life.

Strong capitalization basis for share buyback

Credit Suisse Group remains among the best-capitalized financial services providers worldwide. This is underscored by the fact that as of June 30, 2005, our BIS tier 1 ratio was 10.9%. In view of our strong capitalization, the Board of Directors proposed the approval of a share buyback program in the amount of up to CHF 6 billion to the Annual General Meeting on April 29, 2005. Following shareholder approval, we launched our share buyback program on May 9, 2005. As of August 3, 2005, we had repurchased 14.9 million shares with an aggregate value of CHF 742 million via a second trading line on virt-x.

We believe that our overall performance in the second quarter and first half of 2005 reflects the fundamental strength of our core businesses. Our results also show that we need to further drive our profitable growth and improve on our financial performance. Our goal is to build a global integrated bank to enable us to realize our full potential and to create the foundation for the future growth of Credit Suisse Group.

On behalf of the Board of Directors and the management team, we would like to take this opportunity to thank our shareholders for the trust they have placed in us. We also wish to thank all our employees for their relentless hard work and commitment.

Yours sincerely

Walter B. Kielholz Oswald J. Grübel
Chairman of the Board of Directors Chief Executive Officer
August 2005

For a detailed presentation of Credit Suisse Group's second quarter 2005 results please refer to the quarterly report.

Quarterly Report 2005 Q2

Credit Suisse Group financial highlights

in CHF m, except where indicated	2Q2005	1Q2005	2Q2004	Change in % from 1Q2005	Change in % from 2Q2004	6 months 2005	6 months 2004	Change in % from 2004
Consolidated income statement								
Net revenues	**14,101**	17,062	13,733	(17)	3	**31,163**	30,547	2
Income from continuing operations before cumulative effect of accounting changes	**920**	1,916	1,500	(52)	(39)	**2,836**	3,431	(17)
Net income	**919**	1,910	1,457	(52)	(37)	**2,829**	3,318	(15)
Return on equity								
Return on equity - Group	**9.8%**	20.6%	16.6%	–	–	**15.2%**	19.0%	–
Return on equity - Banking	**9.1%**	22.9%	19.0%	–	–	**15.9%**	21.6%	–
Return on equity - Winterthur	**11.3%**	12.0%	7.7%	–	–	**11.6%**	10.0%	–
Earnings per share								
Basic earnings per share in CHF	**0.82**	1.64	1.26	–	–	**2.49**	2.82	–
Diluted earnings per share in CHF	**0.79**	1.63	1.22	–	–	**2.41**	2.76	–
Net new assets in CHF bn	**16.2**	15.4	9.1	–	–	**31.6**	24.7	–

in CHF m, except where indicated	30.06.05	31.03.05	31.12.04	Change in % from 31.03.05	Change in % from 31.12.04
Assets under management in CHF bn	**1,341.2**	1,271.6	1,220.7	5.5	9.9
Consolidated balance sheet					
Total assets	**1,287,169**	1,159,711	1,089,485	11	18
Shareholders' equity	**38,154**	38,524	36,273	(1)	5
Consolidated BIS capital data					
Risk-weighted assets	**238,181**	215,279	199,249	11	20
Tier 1 ratio	**10.9%**	12.1%	12.3%	–	–
Total capital ratio	**14.0%**	15.7%	16.6%	–	–
Number of employees					
Switzerland - banking segments	**19,773**	19,676	19,558	0	1
Switzerland - insurance segments	**5,953**	6,002	6,147	(1)	(3)
Outside Switzerland - banking segments	**22,358**	21,910	21,606	2	3
Outside Switzerland - insurance segments	**13,497**	13,177	13,221	2	2
Number of employees (full-time equivalents)	**61,581**	60,765	60,532	1	2
Stock market data					
Market price per registered share in CHF	**50.55**	51.35	47.80	(2)	6
Market price per American Depositary Share in USD	**39.14**	42.80	42.19	(9)	(7)
Market capitalization	**55,443**	57,294	53,097	(3)	4
Market capitalization in USD m	**42,929**	47,754	46,865	(10)	(8)
Book value per share in CHF	**34.79**	34.53	32.65	1	7
Shares outstanding	**1,096,802,759**	1,115,749,450	1,110,819,481	(2)	(1)

Cover photo: Joseph C.H. Chu, Greater China Controllers, Allen Kwan, Information Technology Client Services and Thuy–Anh Nguyen, Structuring Group, Credit Suisse First Boston, all based in Hong Kong.

Cover photograph
The renowned Swiss photographic artist Beat Streuli (born 1957) captured images of Credit Suisse Group employees at various international locations during January and February 2005. The Group's financial publications for 2005 are illustrated with the work that resulted from this project.

Message from the Chief Executive Officer

Oswald J. Grübel
Chief Executive Officer
Credit Suisse Group

Dear shareholders, clients and colleagues

For the second quarter of 2005, Credit Suisse Group reported net income of CHF 919 million. This includes a charge for provisions for certain litigation in Institutional Securities in the amount of CHF 624 million after tax. For the first half of 2005, net income was CHF 2,829 million.

Private Banking delivered net income of CHF 581 million in the second quarter, which was lower than the strong levels achieved in both the first quarter of 2005 and the second quarter of last year. Private Banking's second quarter 2005 result reflects stable income from lending, deposits and commissions. Total operating expenses remained virtually unchanged compared to the previous year despite continued investments in key growth markets in Asia, the Middle East and Europe. Strong asset inflows from strategic key markets contributed to net new assets of CHF 12.8 billion in the second quarter, compared to CHF 7.0 billion in the first quarter.

Corporate & Retail Banking reported net income of CHF 277 million as it benefited from strong revenue generation and from the net release of provisions for credit losses due to the ongoing favorable credit environment. Total operating expenses were virtually unchanged from the same period of last year, but increased compared to the seasonally low levels experienced in the first quarter of this year.

Institutional Securities reported a net loss of CHF 408 million for the second quarter. This result reflects the above-mentioned charge for provisions for certain litigation in the amount of CHF 624 million after tax. In addition to the impact of this charge, net income was negatively affected by the anticipated slowdown in market and client activity in April and May. Trading revenues, particularly in fixed income, compared favorably to the second quarter of 2004 but were down from the first quarter of 2005, reflecting the weaker markets. Investment banking net revenues rose significantly versus the first quarter of 2005, with improved performances in advisory fees versus both prior periods and in debt and equity underwriting versus the first quarter of 2005.

Wealth & Asset Management delivered good results, with net income of CHF 245 million. This represents a strong increase compared to the first quarter of this year, although net income was below the exceptional level recorded in the second quarter of 2004. Net revenues benefited from a high level of investment gains from private equity realizations. Net new asset inflows amounted to CHF 2.8 billion.

Winterthur delivered an improved performance in the second quarter of 2005. Net income for Life & Pensions was CHF 116 million, with progress in insurance underwriting and acquisition expenses as well as lower administration expenses. Non-Life reported net income of CHF 137 million for the second quarter, reflecting an improved combined ratio.

On May 9, 2005, following approval by the Annual General Meeting, Credit Suisse Group launched its share buyback program in the amount of up to CHF 6 billion. As at August 3, shares with an aggregate value of CHF 742 million had been repurchased via a second trading line on Virt-x.

In the second quarter of 2005, we took significant steps towards building an integrated bank offering investment banking, private banking and asset management services on a global basis. In May, we completed the merger of the two bank legal entities in Switzerland, and in late June, the members of our new bank Executive Board were appointed. In addition, we announced that our integrated bank will operate under the new Credit Suisse brand from the beginning of next year.

My management team and I are convinced that the measures we are introducing to enhance cooperation between our banking businesses will capture synergies for revenue growth, improve efficiency and ultimately benefit our clients, shareholders and employees.

Outlook

We expect the recovery in client activity in the banking business, which started in June, to continue. We believe that equity markets will improve in the second half of the year after a short-term correction of the recent uptrend. Interest rates will most likely move in a narrow range. Credit Suisse Group is well positioned to benefit from this economic environment.

Yours sincerely

Oswald J. Grübel
August 2005

Credit Suisse Group

Credit Suisse Group recorded net income of CHF 919 million in the second quarter of 2005 versus CHF 1,457 million in the second quarter of 2004, a decrease of CHF 538 million, or 37%. In the first half of 2005, net income amounted to CHF 2,829 million compared to CHF 3,318 million in the first half of 2004, a decrease of CHF 489 million, or 15%. Net income in the second quarter was impacted by a charge of CHF 624 million after tax (CHF 960 million before tax) in Institutional Securities to increase the reserve for certain private litigation. Second quarter results included increased net income in Corporate & Retail Banking and the insurance segments, offset in part by lower results in Institutional Securities, Private Banking and Wealth & Asset Management, compared to the second quarter of 2004.

Factors affecting results of operations

Across all segments, the second quarter business environment was generally challenging, with client activity in April and May substantially below the levels seen in the first quarter, but with marked improvements as the quarter came to a close.

The broad US equity markets showed minor increases during the second quarter, major European markets, including Switzerland, saw greater advances than the US, and Asian markets continued their mixed performance. Most markets globally peaked at the end of the second quarter and closed slightly below their quarterly highs. Investors found market conditions challenging due to concerns about inflation, the pace of short-term interest rate hikes by the US Federal Reserve Board, uncertainty regarding central bank target rates in Europe and significant volatility in oil prices.

The European Central Bank and Bank of England continued to hold their benchmark rates steady at 2% and 4.75%, respectively. The US Federal Reserve raised interest rates by 50 basis points for the second quarter in a row, while the price of 10-year US treasury notes increased, lowering long-term bond yields. This flattening of the yield curve provided a challenging environment in both the banking and insurance segments. In the US, negative developments in the auto, airline and insurance sectors led to risk aversion and the widening of credit spreads in the first part of the quarter. Credit spreads then narrowed beginning in mid-May, although not fully returning to previous levels, resulting in a more positive environment by the end of the quarter. Prompted by an interest rate differential between the US and Europe, the US dollar surged, closing more than 7% higher at the end of the period against both the Swiss Franc and the Euro than at the beginning of the second quarter.

The global credit environment remained positive with low default rates and an increased number of upgrades and a reduced number of downgrades by rating agencies, although the gap between upgrades and downgrades showed some signs of narrowing. This continued to have a favorable impact on the Group’s provision for credit losses.

Industry-wide announced mergers and acquisitions activity increased compared to the second quarter of 2004 and the prior quarter. Industry-wide volumes for investment grade debt increased, volumes for high-yield debt declined and volumes for equity issuances were flat compared to the second quarter of 2004.

Summary of segment results

Private Banking reported net income of CHF 581 million in the second quarter of 2005, a decrease of CHF 84 million, or 13%, compared to the second quarter of 2004. Lending, deposit and commission income remained stable, however this was offset by a decrease in the fair value of interest rate derivatives used for risk management purposes that do not qualify for hedge accounting, with a small loss being recorded in the second quarter of 2005 versus a large gain in the same period of 2004. During the second quarter of 2005, Private Banking continued to expand its presence in key growth markets, with the opening of representative offices in Guangzhou, China and St. Petersburg, Russia.

Corporate & Retail Banking reported net income of CHF 277 million in the second quarter of 2005, an increase of CHF 21 million, or 8%, compared to the second quarter of 2004. Strong revenue contribution and a net release of credit provisions contributed to this result. To support its strategic aim of gaining market share in high-end retail business, particularly in investment products, a new innovative investment product for retail clients was launched in the second quarter.

Institutional Securities had a net loss of CHF 408 million in the second quarter of 2005, compared to net income of CHF 129 million in the second quarter of 2004, driven by a charge of CHF 624 million after tax (CHF 960 million before tax) to increase the reserve for certain private litigation, partially offset by higher revenues and lower compensation and benefits.

Wealth & Asset Management reported net income of CHF 245 million in the second quarter of 2005, a decrease of CHF 56 million, or 19%, compared to the strong second quarter of 2004, which included an exceptionally high level of private equity investment-related gains in the Alternative Capital business.

Both Institutional Securities and Wealth & Asset Management maintained a disciplined approach to compensation expenses, with the compensation to revenue ratio for the combined segments (excluding minority interest revenues) at 51.9% in the second quarter of 2005 compared to 53.2% in the second quarter of 2004.

Life & Pensions reported net income of CHF 116 million in the second quarter of 2005, an increase of CHF 49 million, or 73%, compared to the second quarter of 2004. The main drivers were a focus on productivity and selected areas of growth and, to a lesser extent, slightly higher net investment income on investments backing traditional life policies.

Non-Life reported net income of CHF 137 million in the second quarter of 2005, an increase of CHF 55 million, or 67%, compared to the second quarter of 2004. Non-Life's net income rose primarily due to improved underwriting results and reduced charges for discontinued operations and restructuring.

Credit Suisse Group consolidated results

Net revenues

The Group reported net revenues of CHF 14,101 million, an increase of CHF 368 million, or 3%, compared to the second quarter of 2004.

Net interest income remained largely unchanged at CHF 3,302 million. Private Banking reported a decrease of CHF 135 million with stable lending and deposit income, offset by lower dividends received on the own equity trading portfolio in the second quarter of 2005 compared to the second quarter of 2004. In 2004 most dividends were received in the second quarter, whereas during 2005 receipt of dividends was spread evenly over the first two quarters. The decrease in Private Banking was partially offset by increases in both insurance segments due to an increased asset base and higher dividend income from equity securities.

Commissions and fees remained flat at CHF 3,483 million with all segments largely unchanged compared to the second quarter of 2004.

Trading revenues increased CHF 203 million, or 29%, to CHF 915 million, driven mainly by an increase in fixed income trading revenues in Institutional Securities as well as market appreciation of investment securities backing unit-linked policies in Life & Pensions. This was partially offset by lower results in Corporate & Retail Banking which were due to large gains in the second quarter of 2004 from positive changes in the fair value of interest rate derivatives used for risk management purposes that did not qualify for hedge accounting, compared to a small loss in the second quarter of 2005.

Net realized gains/(losses) from investment securities increased by CHF 243 million, or 123%, to CHF 441 million, due mainly to an increase in Life & Pensions as a result of an increase in the net investment return on investments backing traditional life policies.

Insurance net premiums earned decreased CHF 318 million, or 7%, to CHF 4,373 million, compared to the second quarter of 2004, primarily driven by lower premiums for vested benefits within the Swiss group life business, which was partially offset by growth in Germany and Japan.

Other revenues were CHF 1,587 million compared to CHF 1,354 million in the second quarter of 2004. Wealth & Asset Management reported an increase of CHF 143 million resulting mainly from minority interests arising on consolidated investments, as discussed under Minority interests below. Additionally, Life & Pensions recorded an increase of CHF 87 million, related largely to higher net realized gains on other invested assets, which was partially offset by a decrease in Institutional Securities due to decreased gains on private equity-related investments.

Total benefits, claims and credit losses

The Group reported a net release in provisions for credit losses of CHF 29 million in the second quarter of 2005, compared to a net expense of CHF 133 million in the second quarter of 2004, largely reflecting an ongoing favorable credit environment.

Compared to the second quarter of 2004, policyholder benefits, claims and dividends increased by CHF 254 million, or 5%, to CHF 5,111 million. Life & Pensions reported a decrease of CHF 313 million in policyholder claims and benefits mainly reflecting lower costs for disability coverage. This was partially offset by an increase in dividends to policyholders of CHF 172 million, reflecting improved performance, which in most major markets is legally required to be passed on to policyholders. Investment income credited to policyholder account balances, reported by Life & Pensions, increased by CHF 420 million, or 174%, to CHF 661 million, due mainly to stronger market appreciation of investments backing unit-linked policies in the general account and, to a lesser extent, traditional life policies.

Total operating expenses

The Group reported total operating expenses of CHF 7,178 million in the second quarter of 2005, an increase of CHF 924 million, or 15%, compared to the second quarter of 2004, reflecting a significant increase in litigation provisions in the amount of CHF 960 million.

Insurance underwriting, acquisition and administration expenses were CHF 1,038 million, a decrease of CHF 73 million, or 7%, compared to the second quarter of 2004 reflecting improvements in most market units within both insurance segments.

Banking compensation and benefits remained essentially flat at CHF 3,098 million. A modest increase was recorded in Private Banking in connection with its strategic investments in international markets, which was partially offset by generally lower performance-related compensation within most segments.

Other expenses amounted to CHF 3,041 million, an increase of CHF 1,045 million, or 52%, primarily reflecting a significant increase in litigation provisions, as discussed below under Loss contingencies, as well as higher commission expenses and professional fees in Institutional Securities.

Loss contingencies

Based upon the applicable accounting standards and the most recent information available, the Group recorded a charge of CHF 960 million (USD 750 million) before tax, CHF 624 million after tax, in the second quarter of 2005 in Institutional Securities to increase the current reserve for private litigation involving Enron, certain IPO allocation practices, research analyst independence and other related litigation. The charge was in addition to the reserve of CHF 702 million (USD 450 million) before tax originally established in 2002 and brings the total reserve for these private litigation matters to CHF 1.4 billion (USD 1.1 billion), after deductions for settlements that have since taken place. On the basis of facts known, Credit Suisse Group believes that the currently recorded provision is adequate to cover the probable and reasonably estimable contingencies related to these matters. However, estimates are, by their nature, based on subjective judgments, and additional provisions, or releases of such provisions, may be required in the future based on a variety of factors, including, among other things, developments in or settlements of such litigation.

Income tax expense

The Group recorded income tax expense of CHF 213 million compared to CHF 441 million in the second quarter of 2004, a decrease of CHF 228 million, or 52%. Institutional Securities recorded an income tax benefit of CHF 239 million compared to an expense of CHF 14 million due mainly to the impact of the significant charge relating to private litigation in the second quarter of 2005. This was partially offset by an increase of CHF 92 million in Non-Life which was driven by higher pre-tax profits in most markets as well as taxes on dividends from consolidated participations.

The Group tax expense is not impacted by investments that are required to be consolidated under the relevant accounting rules as income from these investments is non-taxable. The amount of non-taxable income relating to these investments varies from one period to the next and in the second quarter of 2005 amounted to CHF 714 million. Due mainly to this effect, the Group's effective tax rate in the second quarter of 2005 was 12% compared to the Swiss statutory rate of 22%.

Minority interests

Credit Suisse Group's net revenues and operating expenses include the consolidation of certain entities and private equity funds primarily under Financial Accounting Standards Board Interpretation No. 46 Revised (FIN 46R). Consolidation of these entities does not impact net income as the amounts recorded in net revenues and expenses are offset by equivalent amounts recorded in minority interests.

Minority interests of CHF 708 million were reported in the second quarter 2005, an increase of CHF 160 million, or 29%, compared to the second quarter of 2004, due to significant investment-related gains in the current quarter. This also resulted in an increase of CHF 407 million, or 135%, compared to the previous quarter.

Equity capital

Credit Suisse Group's consolidated BIS tier 1 ratio was 10.9% as of June 30, 2005, down from 12.1% as of March 31, 2005. Following approval by the Annual General Meeting, the Group launched a share buyback program and during the second quarter own shares in the amount of CHF 523 million was repurchased. While tier 1 capital remained stable, risk weighted assets increased by approximately 10%, due largely to generally increased activity and was evenly impacted by balance sheet and off-balance sheet positions. In addition, approximately one quarter of the increase was related to fluctuations in the US dollar. The Group's shareholders' equity as of June 30, 2005 decreased slightly to CHF 38.2 billion from CHF 38.5 billion as of March 31, 2005.

Compared to March 31, 2005 Winterthur continued to improve its capital position, reporting shareholders' equity of CHF 9.4 billion, an increase of CHF 0.9 billion.

Net new assets

The Group reported net new assets of CHF 16.2 billion in the second quarter of 2005, an increase of CHF 0.8 billion compared to the first quarter of 2005.

Private Banking reported strong net new asset inflow of CHF 12.8 billion for the second quarter of 2005, with key markets in Asia and Europe continuing to report strong growth rates. Wealth & Asset Management recorded net new assets of CHF 4.2 billion, driven mainly by new fund commitments in Alternative Capital.

As of June 30, 2005, the Group's total assets under management amounted to CHF 1,341.2 billion, an increase of 5.5% compared to March 31, 2005, benefiting from strong asset inflow, higher market performance and the strengthening of the US dollar.

Credit Suisse Group structure

Credit Suisse Group comprises three divisions with six reporting segments: Credit Suisse, including the segments Private Banking and Corporate & Retail Banking; Credit Suisse First Boston, including the segments Institutional Securities and Wealth & Asset Management; and Winterthur, including the segments Life & Pensions and Non-Life.

The organizational chart presented below reflects the legal entity, division and segment structure that are operational since May 16, 2005. The Bank is comprised of former Credit Suisse First Boston and former Credit Suisse, which were merged on May 13, 2005. The merger of these Swiss legal entities constitutes the first step towards the creation of an integrated organization.

It is planned that the merged bank will combine the Credit Suisse and Credit Suisse First Boston divisions in 2006 in order to better address client needs in a rapidly changing market environment. The objective of the new integrated bank is to operate more efficiently and provide enhanced advisory services and products with a sharper focus on client needs. The new integrated bank will be structured along three lines of business. Private Banking will include international and Swiss wealth management as well as services for private clients and large, small and medium-sized corporate clients including pension funds in Switzerland. Corporate & Investment Banking will include the products and services provided to corporate and investment banking clients. Asset Management will include asset management products and services.

The following table sets forth an overview of segment results:

2Q2005, in CHF m	Private Banking	Corporate & Retail Banking	Institutional Securities	Wealth & Asset Management	Life & Pensions	Non-Life	Corporate Center	Credit Suisse Group
Net revenues	**1,810**	**858**	**3,335**	**1,570**	**3,714**	**2,979**	**(165)**	**14,101**
Policyholder benefits, claims and dividends	–	–	–	–	3,111	1,985	15	5,111
Provision for credit losses	16	(44)	(1)	0	0	0	0	(29)
Total benefits, claims and credit losses	**16**	**(44)**	**(1)**	**0**	**3,111**	**1,985**	**15**	**5,082**
Insurance underwriting, acquisition and administration expenses	–	–	–	–	383	652	3	1,038
Banking compensation and benefits	580	291	1,897	275	–	–	55	3,098
Other expenses	504	257	1,994	348	45	60	(167)	3,041
Restructuring charges	0	0	0	0	0	1	0	1
Total operating expenses	**1,084**	**548**	**3,891**	**623**	**428**	**713**	**(109)**	**7,178**
Income/(loss) from continuing operations before taxes and minority interests	**710**	**354**	**(555)**	**947**	**175**	**281**	**(71)**	**1,841**
Income tax expense/(benefit)	123	77	(239)	81	59	125	(13)	213
Minority interests, net of tax	6	0	92	621	0	17	(28)	708
Income/(loss) from continuing operations	**581**	**277**	**(408)**	**245**	**116**	**139**	**(30)**	**920**
Income/(loss) from discontinued operations, net of tax	0	0	0	0	0	(2)	1	(1)
Net income/(loss)	**581**	**277**	**(408)**	**245**	**116**	**137**	**(29)**	**919**

The following table sets forth details of BIS data (risk-weighted assets, capital and ratios):

	Credit Suisse Group		
in CHF m, except where indicated	30.06.05	31.03.05	31.12.04
Risk-weighted positions	**224,770**	202,943	187,775
Market risk equivalents	**13,411**	12,336	11,474
Risk-weighted assets	**238,181**	215,279	199,249

Tier 1 capital	**25,934**	26,022	24,596
of which non-cumulative perpetual preferred securities	**2,186**	2,147	2,118
Tier 1 ratio	**10.9%**	12.1%	12.3%
Total capital	**33,270**	33,847	33,121
Total capital ratio	**14.0%**	15.7%	16.6%

As of January 1, 2004, Credit Suisse Group bases its capital adequacy calculations on US GAAP, which is in accordance with the Swiss Federal Banking Commission (SFBC) newsletter 32 (dated December 18, 2003). The SFBC has advised Credit Suisse Group that it may continue to include as Tier 1 capital CHF 2.1 bn (March 31, 2005 and December 31, 2004: CHF 2.1 bn) of equity from special purpose entities, which are deconsolidated under FIN 46R.

The following table sets forth details of assets under management and client assets:

in CHF bn	30.06.05	31.03.05	31.12.04	Change in % from 31.03.05	Change in % from 31.12.04
Private Banking					
Assets under management	**602.3**	564.3	539.1	6.7	11.7
Client assets	**637.1**	596.1	569.4	6.9	11.9
Corporate & Retail Banking					
Assets under management	**54.9**	54.5	53.9	0.7	1.9
Client assets	**112.8**	102.3	102.1	10.3	10.5
Institutional Securities					
Assets under management	**14.2**	16.1	15.2	(11.8)	(6.6)
Client assets	**112.6**	104.5	95.1	7.8	18.4
Wealth & Asset Management					
Assets under management 1)	**519.9**	492.0	472.9	5.7	9.9
Client assets	**536.7**	508.9	488.9	5.5	9.8
Life & Pensions					
Assets under management	**122.5**	119.5	115.5	2.5	6.1
Client assets	**122.5**	119.5	115.5	2.5	6.1
Non-Life					
Assets under management	**27.4**	25.2	24.1	8.7	13.7
Client assets	**27.4**	25.2	24.1	8.7	13.7
Credit Suisse Group					
Discretionary assets under management	**662.4**	620.7	595.8	6.7	11.2
Advisory assets under management	**678.8**	650.9	624.9	4.3	8.6
Total assets under management	**1,341.2**	1,271.6	1,220.7	5.5	9.9
Total client assets	**1,549.1**	1,456.5	1,395.1	6.4	11.0

The following table sets forth details of net new assets:

in CHF bn	2Q2005	1Q2005	2Q2004	6 months 2005	6 months 2004
Private Banking	**12.8**	7.0	7.9	**19.8**	18.7
Corporate & Retail Banking	**0.4**	1.0	(0.3)	**1.4**	0.6
Institutional Securities	**(1.5)**	(0.5)	(0.6)	**(2.0)**	1.2
Wealth & Asset Management [1)]	**4.2**	5.1	2.0	**9.3**	2.0
Life & Pensions	**0.3**	2.8	0.1	**3.1**	2.2
Credit Suisse Group	**16.2**	15.4	9.1	**31.6**	24.7

[1)] Excluding assets managed on behalf of other entities within Credit Suisse Group. This differs from the presentation of the Wealth & Asset Management segment results, in which such assets are included.

Risk Management

Credit Suisse Group's overall position risk, measured on the basis of Economic Risk Capital (ERC), increased 11% in the second quarter of 2005 compared with the previous quarter. The increase was mainly due to higher risk levels at Credit Suisse First Boston as well as the strengthening of the US dollar. The more narrowly defined average Value-at-Risk (VaR) in US dollar terms for the Group's trading books decreased by 6% during the second quarter of 2005 due to a reduction in the VaR for mortgage exposures following a reduction in the market volatility observed over the last two years. The loan portfolios across the Group continued to benefit from a favorable credit environment, resulting in a net release of credit provisions of CHF 29 million for the second quarter of 2005.

Economic Risk Capital trends

Credit Suisse Group assesses risk and economic capital adequacy using its Economic Risk Capital (ERC) model. ERC is designed to measure all quantifiable risks associated with the Group's activities on a consistent and comprehensive basis. Credit Suisse Group assigns ERC for position risk, operational risk and business risk. Position risk measures the potential annual economic loss associated with market, credit and insurance exposures that is exceeded with a given, small probability (1% for risk management purposes; 0.03% for capital management purposes). It is not a measure of the potential impact on reported earnings, since non-trading activities generally are not marked to market through earnings.

Over the course of the second quarter of 2005, Credit Suisse Group's 1-year, 99% position risk ERC increased by 11%, mainly due to higher risk levels at Credit Suisse First Boston as well as the strengthening of the US dollar.

At the end of the second quarter of 2005, 52% of the Group's position risk ERC was with Credit Suisse First Boston, 33% with Winterthur, 13% with Credit Suisse and 2% with the Corporate Center.

Trading risks

Credit Suisse Group assumes trading risks through the trading activities of the Institutional Securities segment and – to a lesser extent – the trading activities of the Private Banking and Corporate & Retail Banking segments. The other segments do not engage in trading activities. Trading risks are measured using VaR as one of a range of risk measurement tools. VaR is the potential loss in fair value of trading positions due to adverse market movements over a defined time horizon and for a specified confidence level. In order to show the aggregate market risk in the Group's trading books, the table below shows the trading-related market risk on a consolidated basis, as measured by a 10-day VaR scaled to a 1-day holding period and based on a 99% confidence level. This means that there is a one in 100 chance of incurring a daily mark-to-market trading loss that is at least as large as the reported VaR.

Credit Suisse Group's average 1-day, 99% VaR in the second quarter of 2005 was CHF 65 million, compared to CHF 67 million during the first quarter of 2005. In US dollar terms, Credit Suisse Group's average 1-day, 99% VaR was USD 53 million during the second quarter 2005, compared to USD 57 million during the first quarter of 2005. The decrease in average VaR was due to a reduction in the VaR for mortgage exposures as a consequence of the reduction in the market volatility observed over the last two years (first quarter 2003 data replaced by more benign first quarter 2005 data in the rolling two-year underlying data set used to compute VaR).

The segments with trading portfolios use backtesting to assess the accuracy of the VaR model. Daily backtesting profit and loss is compared to VaR with a one-day holding period. Backtesting profit and loss is a subset of actual trading revenue and includes only the profit and loss effects due to movements in financial market variables such as interest rates, equity prices and foreign exchange rates on the previous night's positions. It is appropriate to compare this measure with VaR for backtesting purposes, since VaR assesses only the potential change in position value due to overnight movements in financial market variables. On average, an accurate one-day, 99% VaR model should have no more than four backtesting exceptions per year. A backtesting exception occurs when the daily loss exceeds the daily VaR estimate.

Credit Suisse Group had no backtesting exceptions during the second quarter of 2005 (and no backtesting exceptions in the last twelve months). The histogram entitled "Frequency of trading revenue" compares the distribution of daily backtesting profit and loss during the second quarter of 2005 with the distribution of actual trading revenues, which includes fees, commissions, provisions and the profit and loss effects associated with any trading subsequent to the previous night's positions.

Loan exposure

Credit Suisse Group's total loan exposure grew 3% as of June 30, 2005 compared to March 31, 2005, with the increase concentrated at Credit Suisse.

Compared to March 31, 2005 non-performing loans increased slightly while total impaired loans at Credit Suisse Group declined 3% as of June 30, 2005. Non-performing loans increased 11% and total impaired loans at Credit Suisse First Boston increased by 10% in the second quarter of 2005, with much of the increase relating to the impact of foreign exchange translation into Swiss francs. Credit Suisse reported a small reduction in total non-performing loans and a 6% decline in total impaired loans, while Winterthur reported small reductions in both categories.

During the second quarter of 2005, the Group recorded a net release of provisions for credit losses amounting to CHF 29 million, compared to a net release of CHF 36 million recorded in the first quarter. Presented in the accompanying tables are the additions, releases and recoveries included in determining the allowance for loan losses.

Coverage of total impaired loans by valuation allowances at Credit Suisse Group and Credit Suisse was virtually unchanged at the end of the second quarter of 2005 compared to the end of the first quarter, while coverage deteriorated at Credit Suisse First Boston.

The following table sets forth the Group's risk profile, using ERC as the common risk denominator:

		Change in % from		Change Analysis: Brief Summary
in CHF m	30.06.05	31.03.05	30.06.04	30.06.05 vs 31.03.05
Interest Rate ERC, Credit Spread ERC & Foreign Exchange Rate ERC	**4,663**	3	7	Higher foreign exchange rate and credit spread risks at Winterthur
Equity Investment ERC	**3,855**	11	27	Higher equity trading risk at Credit Suisse First Boston plus higher equity exposures at Winterthur
Swiss & Retail Lending ERC	**1,667**	(1)	(5)	No material change
International Lending ERC & Counterparty ERC	**2,707**	23	1	Higher lending risks at Credit Suisse First Boston due to syndications plus higher US dollar exchange rate
Emerging Markets ERC	**2,191**	16	9	Higher exposures at Credit Suisse First Boston plus higher US dollar exchange rate
Real Estate ERC & Structured Asset ERC [1)]	**4,537**	13	32	Higher residential and commercial real estate exposures at Credit Suisse First Boston plus higher US dollar exchange rate
Insurance Underwriting ERC	**827**	(2)	24	No change
Simple sum across risk categories	**20,447**	10	14	
Diversification benefit	**(6,392)**	7	22	
Total Position Risk ERC	**14,055**	11	10	

1-year, 99% position risk ERC, excluding foreign exchange translation risk. For an assessment of the total risk profile, operational risk ERC and business risk ERC have to be considered. For a more detailed description of the Group's ERC model, please refer to Credit Suisse Group's Annual Report 2004, which is available on the website: www.credit-suisse.com/annualreport2004. Prior period balances have been restated for methodology changes in order to maintain consistency over time.

1) This category comprises the real estate investments of Winterthur, Credit Suisse First Boston's commercial real estate exposures, Credit Suisse First Boston's residential real estate exposures, Credit Suisse First Boston's asset-backed securities exposure as well as the real estate acquired at auction and real estate for own use in Switzerland.

The following table sets forth the trading-related market risk exposure for Credit Suisse Group on a consolidated basis, as measured by scaled one-day, 99% VaR:

	2Q2005				1Q2005 [1)]			
in CHF m	Minimum	Maximum	Average	30.06.05	Minimum	Maximum	Average	31.03.05
Credit Suisse Group [2)]								
Interest rate & credit spread	44.2	73.5	61.6	**44.2**	43.3	77.9	63.5	58.9
Foreign exchange rate	8.0	21.3	13.0	**8.0**	10.5	30.0	20.3	12.2

Equity	31.4	46.7	37.6	**45.3**	23.4	47.8	33.2	37.5
Commodity	1.3	9.5	3.2	**9.5**	0.8	3.1	1.5	2.5
Diversification benefit	[3]	[3]	(50.6)	**(51.0)**	[3]	[3]	(51.8)	(42.1)
Total	52.0	77.1	64.8	**56.0**	57.7	77.1	66.7	69.0

[1] Adjusted.

[2] Disclosure covers all trading books of Credit Suisse Group. Numbers represent daily 10-day VaR scaled to a 1-day holding period.

[3] As the minimum and maximum occur on different days for different risk types, it is not meaningful to calculate a portfolio diversification benefit.

The following table sets forth the gross loan exposure of the three divisions and Credit Suisse Group:

	Credit Suisse			Credit Suisse First Boston			Winterthur			Credit Suisse Group		
in CHF m	30.06.05	31.03.05	31.12.04	30.06.05	31.03.05	31.12.04	30.06.05	31.03.05	31.12.04	30.06.05	31.03.05	31.12.04
Consumer loans:												
Mortgages	**69,828**	68,454	67,119	**0**	0	0	**8,098**	8,290	8,485	**77,926**	76,744	75,604
Loans collateralized by securities	**16,195**	15,425	15,018	**0**	0	0	**4**	4	4	**16,199**	15,429	15,022
Other	**2,596**	2,250	2,319	**828**	746	540	**0**	0	0	**3,424**	2,995	2,859
Consumer loans	**88,619**	86,129	84,456	**828**	746	540	**8,102**	8,294	8,489	**97,549**	95,168	93,485
Corporate loans:												
Real estate	**26,282**	26,456	26,135	**585**	578	613	**1,372**	1,348	1,376	**28,239**	28,382	28,124
Commercial & industrial loans	**37,449**	36,633	33,126	**14,155**	14,216	13,501	**1,452**	1,362	958	**53,056**	52,211	47,585
Loans to financial institutions	**8,291**	7,111	6,279	**6,647**	5,987	5,351	**2,102**	2,084	2,096	**17,031**	15,182	13,726
	1,646	1,931	1,898	**252**	250	402	**2,174**	2,107	2,101	**4,072**	4,287	4,401

Governments and public institutions												
Corporate loans	**73,668**	72,131	67,438	**21,639**	21,031	19,867	**7,100**	6,901	6,531	**102,398**	100,062	93,836
Loans, gross	**162,287**	158,260	151,894	**22,467**	21,777	20,407	**15,202**	15,195	15,020	**199,947**	195,230	187,321
(Unearned income)/deferred expenses, net	**130**	136	142	**(35)**	(33)	(32)	**9**	7	5	**104**	110	116
Allowance for loan losses	**(2,115)**	(2,245)	(2,438)	**(558)**	(543)	(533)	**(59)**	(64)	(66)	**(2,733)**	(2,851)	(3,038)
Total loans, net	**160,302**	156,151	149,598	**21,874**	21,201	19,842	**15,152**	15,138	14,959	**197,318**	192,489	184,399

This disclosure presents the lending exposure of the Group from a risk management perspective. This presentation differs from other disclosures in this document.

The following table sets forth the impaired loan portfolio of the three divisions and Credit Suisse Group:

	Credit Suisse			Credit Suisse First Boston			Winterthur			Credit Suisse Group		
in CHF m	30.06.05	31.03.05	31.12.04	30.06.05	31.03.05 1)	31.12.04	30.06.05	31.03.05	31.12.04	30.06.05	31.03.05 1)	31.12.0
Non-performing loans	**1,347**	1,334	1,481	**311**	279	268	**36**	37	22	**1,693**	1,650	1,77
Non-interest earning loans	**1,101**	1,127	1,259	**11**	11	9	**13**	13	14	**1,126**	1,152	1,28
Total non-performing loans	**2,448**	2,461	2,740	**322**	290	277	**49**	50	36	**2,819**	2,802	3,05
Restructured loans	**9**	5	95	**82**	42	17	**1**	5	5	**91**	52	11
Potential problem loans	**813**	1,012	1,077	**353**	355	355	**65**	67	71	**1,232**	1,433	1,50
Total other impaired loans	**822**	1,017	1,172	**435**	397	372	**66**	72	76	**1,323**	1,485	1,62
Total impaired loans, gross	**3,270**	3,478	3,912	**757**	687	649	**115**	122	112	**4,142**	4,287	4,67
Valuation allowances as % of												
Total non-performing	**86.4%**	91.2%	89.0%	**173.3%**	187.2%	192.4%	**120.4%**	128.0%	183.3%	**96.9%**	101.7%	99.5%

loans												
Total impaired loans	**64.7%**	64.5%	62.3%	**73.7%**	79.0%	82.1%	**51.3%**	52.5%	58.9%	**66.0%**	66.5%	65.0%

1) Adjusted.

The following table sets forth the movements in the allowance for loan losses of the three divisions and Credit Suisse Group:

	Credit Suisse			Credit Suisse First Boston			Winterthur			Credit Suisse Group		
in CHF m	2Q2005	1Q2005	2Q2004	2Q2005	1Q2005	2Q2004	2Q2005	1Q2005	2Q2004	2Q2005	1Q2005	2Q2004
Balance beginning of period	**2,245**	2,438	2,904	**543**	533	1,199	**64**	66	86	**2,851**	3,038	4,189
New provisions	**102**	65	143	**65**	19	174	**6**	1	3	**173**	85	319
Releases of provisions	**(134)**	(81)	(91)	**(60)**	(41)	(89)	**(4)**	(3)	(2)	**(198)**	(125)	(181)
Net additions/(releases) charged to income statement	**(32)**	(16)	52	**5**	(22)	85	**2**	(2)	1	**(25)**	(40)	138
Gross write-offs	**(119)**	(190)	(306)	**(56)**	(33)	(247)	**(7)**	0	(3)	**(182)**	(223)	(556)
Recoveries	**11**	9	7	**6**	14	12	**0**	0	0	**17**	23	20
Net write-offs	**(108)**	(181)	(299)	**(50)**	(19)	(235)	**(7)**	0	(3)	**(165)**	(200)	(536)
Provisions for interest	**2**	(2)	2	**23**	19	11	**0**	0	0	**25**	17	11
Foreign currency translation impact and other adjustments, net	**8**	6	(2)	**37**	32	(3)	**0**	0	(8)	**47**	36	(12)
Balance end of period	**2,115**	2,245	2,657	**558**	543							