CREDIT SUISSE GROUP
Form 6-K
November 02, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16 UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of November, 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 the registrant by furnishing the information contained in this Form 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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Credit Suisse Group reports a 42% increase in third-quarter 2005 net income to CHF 1.9 billion versus the third quarter of 2005

Zurich, November 2, 2005 **Credit Suisse Group today reported net income of CHF 1,918 million for the third quarter of 2005, compared to CHF 1,351 million in the third quarter of 2004 and CHF 919 million in the second quarter of 2005. The Group's return on equity for the third quarter of 2005 was 20.1%, with a return on equity of 22.7% for the banking business and 11.9% for the insurance business. Basic earnings per share were CHF 1.67. Net new assets for the Group amounted to CHF 19.0 billion.**

Financial Highlights

in CHF million	**3Q2005**	2Q2005	3Q2004	Change in % vs 2Q2005	Change in % vs 3Q2004
Net revenues	**15,510**	14,101	11,935	10	30
Total operating expenses	**6,996**	7,178	5,933	(3)	18
Net income	**1,918**	919	1,351	109	42
Group return on equity	**20.1%**	9.8%	15.3%	-	-
Basic earnings per share (in CHF)	**1.67**	0.82	1.16	-	-
BIS tier 1 ratio	**11.1%**	10.9%	-	-	-

Oswald J. Gruebel, CEO of Credit Suisse Group, said, "The third-quarter result was satisfactory, as our Group benefited from increased levels of client activity and the active market environment. This was demonstrated by the substantial increase in our net income versus the third quarter of last year."

He added, "By building a global integrated bank that capitalizes on our strengths and expertise in investment banking, private banking and asset management, I am convinced that we will realize our ambition to achieve sustainable growth."

Banking Segments

Credit Suisse Group Banking Segment Results

in CHF million		**3Q2005**	2Q2005	3Q2004	Change in % vs 2Q2005	Change in % vs 3Q2004
Private Banking	Net revenues	**2,021**	1,810	1,644	12	23
	Total op. expenses	**1,125**	1,084	994	4	13
	Net income	**728**	581	511	25	42
Corporate & Retail Banking	Net revenues	**879**	858	808	2	9
	Total op. expenses	**551**	548	527	1	5
	Net income	**264**	277	199	(5)	33
Institutional Securities	Net revenues	**4,303**	3,335	3,083	29	40
	Total op. expenses	**3,399**	3,891	2,780	(13)	22
	Net income	**612**	(408)	292	-	110
Wealth & Asset Management	Net revenues	**1,250**	1,570	809	(20)	55
	Total op. expenses	**686**	623	604	10	14
	Net income	**101**	245	30	(59)	237

Private Banking reported net income of CHF 728 million in the third quarter of 2005, an increase of 42% over the same period of 2004 and of 25% versus the second quarter of 2005. This result was driven primarily by strong asset-based and transaction-based revenues, which more than offset an increase in total operating expenses due to increased compensation and benefits - resulting mainly from higher performance-related compensation accruals - as well as strategic investments in international growth markets. The cost/income ratio improved to 55.7% in the third quarter of 2005 and the gross margin was 130.9 basis points, up 9.2 basis points from the third quarter of 2004 and up 5.3 basis points from the prior quarter.

Corporate & Retail Banking generated net income of CHF 264 million in the third quarter of 2005. This result reflects strong net revenues driven by higher commissions and fees and higher trading revenues, as well as the positive impact of the ongoing favorable credit environment. This corresponds to a 33% increase over the third quarter of 2004 and a decline of 5% versus the record result in the second quarter of 2005. The segment's return on average allocated capital was 19.8% for the third quarter of 2005 and the cost/income ratio was 62.7%, an improvement of 2.5 percentage points versus the same period of 2004 and of 1.2 percentage points versus the prior quarter.

Institutional Securities reported net income of CHF 612 million in the third quarter of 2005, an increase of 110% compared to the third quarter of 2004. This improvement reflects an increased focus on high-margin products and the generally favorable market environment. This result compares to a net loss of CHF 408 million in the second quarter of 2005, which included a CHF 624 million after-tax charge to increase the reserve for certain private litigation matters.

Excluding this litigation charge, net income would have risen by 183% quarter-on-quarter. The segment's pre-tax margin (excluding minority interests) improved to 20.4% in the third quarter of 2005 from 7.7% in the same period of last year and the return on average allocated capital was 18.0%.

Wealth & Asset Management generated net income of CHF 101 million in the third quarter of 2005, an increase of 237% versus the third quarter of 2004 due primarily to higher revenues in key areas. The segment reported an increase in total operating expenses versus the same period of 2004, reflecting higher compensation and benefits expenses and higher other expenses. Compared to the second quarter of 2005, which included a particularly high level of private equity gains in Alternative Capital, net income declined by 59%. For the first nine months of 2005, net income increased 3% to CHF 481 million compared to the same period of 2004, despite somewhat lower year-to-date private equity gains which have varied from quarter to quarter.

Insurance Segments

Credit Suisse Group Insurance Segment Results

in CHF million		**3Q2005**	2Q2005	3Q2004	Change in % vs 2Q2005	Change in % vs 3Q2004
Life & Pensions	Net revenues	**4,246**	3,714	2,915	14	46
	Total op. expenses	**616**	428	433	44	42
	Net income	**96**	116	164	(17)	(41)
Non-Life	Net revenues	**3,029**	2,979	2,853	2	6
	Total op. expenses	**754**	713	706	6	7
	Net income	**190**	137	198	39	(4)

Life & Pensions reported net income of CHF 96 million in the third quarter of 2005, reflecting solid technical results and business volumes. This result includes an adverse net impact after tax and policyholder participations of CHF 61 million related to the changes in actuarial assumptions and models. This was partly offset by a CHF 31 million increase in the valuation of deferred tax assets in relation to tax loss carry-forwards created in prior years. As a result, reported third-quarter 2005 net income declined by CHF 68 million from CHF 164 million in the third quarter of 2004. This decline was also attributable to a CHF 72 million release of valuation allowances on deferred tax assets in the third quarter of 2004, which was higher than in the third quarter of 2005. The CHF 32 million reduction in year-to-date net income from CHF 370 million to CHF 338 million was attributable to these factors. In the third quarter of 2005, total business volume grew by 13% versus the same period of 2004 and gross premiums written increased by 10%. Insurance underwriting and acquisition expenses rose by 164%, driven by the above-mentioned changes in actuarial assumptions and models, and administration expenses were up by 4%. The net investment return backing traditional life policies totaled 4.9% in the third quarter of 2005 and the net current investment return was 3.6%.

Non-Life reported net income of CHF 190 million in the third quarter of 2005, down 4% versus the third quarter of 2004. This result was negatively affected by losses relating to unusually heavy rainfall and flooding in Switzerland, which had a negative impact of CHF 72 million after tax. Net income benefited from a release of CHF 132 million of the valuation allowance on deferred tax assets primarily in relation to tax loss carry-forwards created in prior years. Year-to-date, net income totaled CHF 452 million, an increase of 18% versus the same period of 2004, reflecting the ongoing focus on selective and controlled underwriting. In the third quarter of 2005, net premiums earned rose 6% versus the third quarter of 2004 and the combined ratio increased by 0.5 percentage points to 101.8%. Administration expenses fell by 1% compared to the third quarter of 2004, while insurance underwriting and acquisition expenses rose 9%. The expense ratio decreased by 0.4 percentage points versus the third quarter of 2004. Non-Lifes net investment return improved to 4.4% in the third quarter of 2005 and the net current investment return decreased slightly to 3.4%.

Net New Assets

Net New Assets and Assets under Management (AuM)

in CHF billion	**Net New Assets** 3Q2005	**Total AuM** 30.09.05	Change in AuM % vs 30.06.05
Private Banking	**14.3**	**637.2**	5.8
Corporate & Retail Banking	**0.4**	**56.3**	2.6
Institutional Securities	**0.0**	**14.4**	1.4
Wealth & Asset Management [1)]	**4.0**	**543.8**	4.6
Life & Pensions	**0.3**	**125.1**	2.1
Non-Life	**n/a**	**27.8**	1.5
Credit Suisse Group	**19.0**	**1,404.6**	4.7

1) Excluding assets managed on behalf of other entities within Credit Suisse Group

n/a: not applicable

Private Banking reported net new assets of CHF 14.3 billion in the third quarter of 2005, with healthy inflows from strategic key markets in Asia and the European onshore business. With an annualized year-to-date growth rate of 8.4%, Private Banking exceeded its mid-term target of 5%. Wealth & Asset Management reported net new assets of CHF 4.0 billion, mainly reflecting new client accounts in Private Client Services and inflows in Credit Suisse Asset Management, driven primarily by solid business growth in Europe. Overall, Credit Suisse Group reported CHF 19.0 billion of net new assets in the third quarter. The Groups total assets under management stood at CHF 1,404.6 billion as of September 30, 2005, up by 4.7% from June 30, 2005.

Management Change

Credit Suisse Group also announced today that Richard E. Thornburgh will be proposed for election to the Board of Directors of Credit Suisse Group at the Annual General Meeting in April 2006. He will step down from his current positions as a Member of the Executive Boards of Credit Suisse Group and Credit Suisse First Boston and as Executive Vice Chairman of Credit Suisse First Boston at the end of the year, after 30 years of loyal and distinguished service with Credit Suisse Group.

Outlook

Credit Suisse Group expects to see higher interest rates and increased market volatility in the fourth quarter of 2005. The Group anticipates that the global economy will remain robust as growth in Asia and Europe helps offset the pressure from higher energy costs and interest rates facing US consumers. Credit Suisse Group expects that oil and other commodities will continue to experience a correction within their longer-term uptrend.

Enquiries

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For additional information on Credit Suisse Group's results for the third quarter of 2005, please refer to the Group's Quarterly Report Q3 2005, as well as the Group's 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 62,000 staff worldwide. As of September 30, 2005, it reported assets under management of CHF 1,404.6 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.

Presentation of Credit Suisse Group□s Third Quarter 2005 Results via Webcast and Telephone Conference

Date Wednesday, November 2, 2005

Time 10.00 CET / 09.00 GMT / 04.00 EST

Speaker Renato Fassbind, Chief Financial Officer of Credit Suisse Group

The presentation will be held in English.

Webcast www.credit-suisse.com/results

Telephone
Europe: +41 91 610 5600
UK: +44 207 107 0611
USA: +1 866 291 4166
Reference: □Credit Suisse Group quarterly results□

Q&A You will have the opportunity to ask questions during the telephone conference following the presentation.

Playback Audio recording □ available approximately three hours after the event at: www.credit-suisse.com/results

Telephone □ available approximately three hours after the event; please dial:
Europe: +41 91 612 4330
UK: +44 207 108 6233
USA: +1 866 416 2558

Conference ID: 209#

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 Q3

Dear shareholders

Credit Suisse Group reported net income of CHF 1,918 million in the third quarter of 2005, as our businesses benefited from increased levels of client activity and the active market environment. Our third-quarter result is a substantial improvement compared to the same period of last year, when we produced net income of CHF 1,351 million. We are confident that we can build on this performance and deliver higher returns in the future.

The Group's return on equity for the third quarter of 2005 was 20.1%, with a return on equity of 22.7% for the banking business and 11.9% for the insurance business. Basic earnings per share were CHF 1.67.

Third-quarter segment results

We would like to briefly present our third-quarter results in the individual banking and insurance segments in more detail.

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 reported net income of CHF 728 million in the third quarter of 2005, reflecting strong asset-based and transaction-based revenues as well as an increase in total operating expenses related partly to strategic investments in international growth markets. Net income increased by CHF 217 million, or 42%, compared to the third quarter of 2004 and by CHF 147 million, or 25%, compared to the previous quarter, supported by a favorable market environment and healthy levels of client activity.

Our third-quarter result in Private Banking highlights the progress we have made in the expansion of our international business. The segment generated total net new assets of CHF 14.3 billion, with healthy asset inflows from key markets in Asia and the European onshore business. Together with the 12% increase in net revenues versus the second quarter of 2005, this development reflects Private Banking’s favorable position in launching new products, building on its excellent service and advice capabilities.

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

Corporate & Retail Banking reported net income of CHF 264 million for the third quarter of 2005, representing an increase of CHF 65 million, or 33%, compared to the same period of the previous year. This result reflects strong net revenues driven by higher commissions and fees and higher trading revenues, as well as the positive impact of the ongoing favorable credit environment.

The Corporate & Retail Banking segment represents a significant part of our Swiss operations. As we become a fully integrated global bank, our Swiss home market will continue to make a major contribution to our results.

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

Institutional Securities improved its pre-tax margin (excluding minority interests) to 20.4% in the third quarter of 2005 and increased its net income to CHF 612 million, compared to CHF 292 million in the third quarter of 2004. This improvement reflects an increased focus on high-margin products and the generally favorable market environment.

In investment banking, our advisory business has made significant progress with improved market share and rankings from 2004. Advisory fees, which include fees from mergers and acquisitions, increased significantly versus the previous quarter.

Strong revenues in debt underwriting primarily reflected higher results in investment grade capital markets and leveraged finance. Leveraged finance, which combines high yield bonds and syndicated lending, continues to be a strong contributor to results and we were well positioned to benefit from a shift in issuer activity from the high yield market to the syndicated loan market. In investment grade debt, we have increased profitability, as we focused our resources on the most attractive opportunities.

In equity capital markets, IPOs continue to be a high priority. They offer significant revenue synergies with other areas in investment banking, as well as creating cross-selling opportunities with Private Banking. Our expertise in this area is underscored by our leading league table ranking for global IPOs and has resulted in strong revenue growth. Key transactions for the third quarter of 2005 reflected the geographic and industry breadth of the equity franchise and included initial public offerings for RHM plc (UK food producer), Cyrela Brazil Realty S.A. (Brazilian real estate developer) and Panalpina World Transport (Holding) Ltd (Swiss provider of forwarding and logistics services) and a follow-on common stock offering for Google Inc. (US internet company). These examples demonstrate that we are successfully deploying our resources in the businesses in which we can achieve the best returns.

Our equity business had a strong quarter with improved trading results, higher customer flows and continued growth in prime services. In fixed income, we experienced a satisfactory quarter with growth in leveraged finance and residential mortgage revenues.

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

Wealth & Asset Management reported net income of CHF 101 million for the third quarter of 2005, an increase of 237% compared to the third quarter of 2004. This improved result reflects higher revenues across key areas. Net income decreased by 59% compared to the second quarter of 2005, which included a particularly high level of private equity gains in Alternative Capital. While our quarter-on-quarter results can be somewhat volatile due to the level of private equity gains, the trend is smoother over time. For the first nine months of 2005, net income increased 3% to CHF 481 million compared to the same period of 2004.

This leads us to our insurance segments. **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.

The Life & Pensions business recorded net income of CHF 96 million for the quarter, down from CHF 164 million in the third quarter of 2004. This decrease was primarily due to a change in actuarial assumptions and models. Life & Pensions achieved improvements in its technical results and investment income compared to the third quarter of 2004. The Non-Life business recorded net income of CHF 190 million in the third quarter of 2005, down slightly from net income of CHF 198 million in the same period of last year, reflecting losses relating to the unusually heavy rainfall and flooding in Switzerland. We are continuing to manage Winterthur as a financial investment and are pleased with its operating performance.

Overall, the Group's results for the third quarter demonstrate that we are making good progress against the strategic plans we have defined for our businesses. We are convinced that by creating an integrated and more focused banking business Credit Suisse Group will continue to increase its profitability and realize its full potential across the banking and insurance businesses.

Our strategy to integrate the banking businesses

While the business plans of our banking and insurance businesses display encouraging results in terms of future revenue growth, we are implementing a strategy that will allow us to focus even more intensively on our core strengths in investment banking, private banking and asset management.

Let us briefly summarize the aim of our strategy. The integration of our banking businesses will enable us to respond effectively to the changes that our industry will face in the future. With globalization and new technologies, our clients' requirements are growing more complex and the way we operate as a bank is changing fundamentally. We are building an integrated global bank that will allow us to benefit from these changes, to capture new opportunities in our markets and to generate sustained and profitable growth. We expect the integration of our banking businesses to create synergies for revenue growth, improve efficiency and ultimately increase shareholder value.

A particular focus of our growth strategy is the expansion of our global business in order to seize growth opportunities in key international markets. In investment banking, our recent transactions in M&A and IPOs show the geographic breadth of our revenue streams, with highlights in growth regions such as Asia and Latin America. The leveraged finance business benefited from the expansion of the franchise in Europe and Asia. We have further developed our strong position in China and have gained a leadership position in M&A and IPOs in this dynamic market. We have also gained leading positions in other emerging markets such as Brazil, where our investment banking business ranks first in debt and equity issuance.

In Private Banking, we are also targeting Asia, where we anticipate that wealth will increase in line with the region's rapidly expanding economy. In the Middle East and in Eastern Europe – especially in Russia – we expect to see significant levels of wealth creation. Latin America also remains a key region for Private Banking. Its market for wealth management is expected to experience rapid growth over the coming years. We also see significant growth potential in Europe. In addition, we are building our onshore presence through the creation of hubs in key regional centers such as Dubai, as well as with the opening of local representative offices in locations such as Bangkok (Thailand), Guangzhou (China) and St. Petersburg (Russia) in 2005.

We have the potential to do even better

Overall, in the third quarter of 2005, Credit Suisse Group made good progress in the implementation of its strategy and we demonstrated our ability to capitalize on increased client momentum and active market conditions. While we reported satisfactory results this quarter, we know that we have the potential to do even better. We are convinced that our integration strategy will create an organization that will enable us to capture opportunities for sustainable growth.

Outlook

We expect to see higher interest rates and increased market volatility in the fourth quarter of 2005. We anticipate that the global economy will remain robust as growth in Asia and Europe helps offset the pressure from higher energy costs and interest rates facing US consumers. Moreover, we expect that oil and other commodities will continue to experience a correction within their longer-term uptrend.

Yours sincerely

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

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

Segment Reporting

Net income/(loss)

				9 months	
in CHF m	3Q2005	2Q2005	3Q2004	2005	2004
Private Banking	**728**	581	511	**1,994**	1,857
Corporate & Retail Banking	**264**	277	199	**815**	644
Institutional Securities	**612**	(408)	292	**744**	1,044
Wealth & Asset Management	**101**	245	30	**481**	467
Life & Pensions	**96**	116	164	**338**	370

Non-Life	**190**	137	198	**452**	383
Corporate Center	**(73)**	(29)	(43)	**(77)**	(96)
Credit Suisse Group	**1,918**	919	1,351	**4,747**	4,669

Consolidated statements of income (unaudited)

in CHF m	3Q2005	2Q2005	3Q2004	Change in % from 2Q2005	Change in % from 3Q2004	9 months 2005	9 months 2004	Change in % from 2004
Interest and dividend income	**10,445**	10,123	7,621	3	37	**29,382**	23,257	26
Interest expense	**(7,624)**	(6,821)	(4,849)	12	57	**(20,204)**	(14,047)	44
Net interest income	**2,821**	3,302	2,772	(15)	2	**9,178**	9,210	0
Commissions and fees	**3,797**	3,483	3,307	9	15	**10,519**	10,288	2
Trading revenues	**2,953**	915	931	223	217	**5,696**	3,159	80
Realized gains/(losses) from investment securities, net	**373**	441	128	(15)	191	**1,240**	854	45
Insurance net premiums earned	**4,522**	4,373	4,187	3	8	**16,644**	16,277	2
Other revenues	**1,044**	1,587	610	(34)	71	**3,396**	2,694	26
Total noninterest revenues	**12,689**	10,799	9,163	18	38	**37,495**	33,272	13
Net revenues	**15,510**	14,101	11,935	10	30	**46,673**	42,482	10
Policyholder benefits, claims and dividends	**5,681**	5,111	4,308	11	32	**18,897**	17,017	11
Provision for credit losses	**(48)**	(29)	38	66	–	**(113)**	205	–
Total benefits, claims and credit losses	**5,633**	5,082	4,346	11	30	**18,784**	17,222	9
Insurance underwriting, acquisition and administration expenses	**1,292**	1,038	1,043	24	24	**3,389**	3,207	6
Banking compensation and benefits	**3,595**	3,098	2,802	16	28	**9,989**	9,317	7
Other expenses	**2,109**	3,041	2,075	(31)	2	**6,941**	5,894	18
Restructuring charges	**0**	1	13	(100)	(100)	**1**	77	(99)
Total operating expenses	**6,996**	7,178	5,933	(3)	18	**20,320**	18,495	10
Income from continuing operations before taxes, minority interests and cumulative effect of accounting changes	**2,881**	1,841	1,656	56	74	**7,569**	6,765	12
Income tax expense	**437**	213	112	105	290	**1,280**	1,123	14
Minority interests, net of tax	**510**	708	205	(28)	149	**1,519**	872	74
Income from continuing operations before	**1,934**	920	1,339	110	44	**4,770**	4,770	0

cumulative effect of accounting changes								
Income/(loss) from discontinued operations, net of tax	**(16)**	(1)	12	–	–	**(37)**	(95)	(61)
Cumulative effect of accounting changes, net of tax	**0**	0	0	–	–	**14**	(6)	–
Net income	**1,918**	919	1,351	109	42	**4,747**	4,669	2

Return on equity - Group	**20.1%**	9.8%	15.3%	–	–	**16.9%**	17.7%	–
Earnings per share in CHF								
Basic earnings per share	**1.67**	0.82	1.16	–	–	**4.16**	3.98	–
Diluted earnings per share	**1.63**	0.79	1.15	–	–	**4.05**	3.91	–

Key figures

in CHF m, except where indicated	30.09.05	30.06.05	31.12.04	Change in % from 30.06.05	Change in % from 31.12.04
Assets under management in CHF bn	**1,404.6**	1,341.2	1,220.7	4.7	15.1
Total assets	**1,326,755**	1,287,169	1,089,485	3	22
Shareholders' equity	**38,634**	38,154	36,273	1	7
BIS tier 1 ratio	**11.1%**	10.9%	12.3%	–	–
BIS total capital ratio	**13.9%**	14.0%	16.6%	–	–
Market price per registered share in CHF	**57.30**	50.55	47.80	13	20
Market capitalization	**62,181**	55,443	53,097	12	17
Book value per share in CHF	**35.60**	34.79	32.65	2	9

Additional information

Additional information on the Credit Suisse Group’s third quarter 2005 results can be obtained in the Quarterly Report 3/05 and the analysts’ presentation, which are available on our website at: www.credit-suisse.com/results. The Quarterly Report (English only) can be ordered at Credit Suisse, ULLM 23, Uetlibergstrasse 231, 8070 Zurich, fax: +41 44 332 7294.

Cautionary Statement Regarding Forward-Looking Information

This document 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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English
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Quarterly Report 2005 Q3

Credit Suisse Group financial highlights

in CHF m, except where indicated	3Q2005	2Q2005	3Q2004	Change in % from 2Q2005	Change in % from 3Q2004	9 months 2005	9 months 2004	Change in % from 2004
Consolidated income statement								
Net revenues	**15,510**	14,101	11,935	10	30	**46,673**	42,482	10
Income from continuing operations before cumulative effect of accounting changes	**1,934**	920	1,339	110	44	**4,770**	4,770	–
Net income	**1,918**	919	1,351	109	42	**4,747**	4,669	2
Return on equity								
Return on equity - Group	**20.1%**	9.8%	15.3%	–	–	**16.9%**	17.7%	–
Return on equity - Banking	**22.7%**	9.1%	14.2%	–	–	**18.1%**	19.1%	–
Return on equity - Winterthur	**11.9%**	11.3%	18.4%	–	–	**11.7%**	12.8%	–
Earnings per share								
Basic earnings per share in CHF	**1.67**	0.82	1.16	–	–	**4.16**	3.98	–
Diluted earnings per share in CHF	**1.63**	0.79	1.15	–	–	**4.05**	3.91	–
Net new assets in CHF bn	**19.0**	16.2	4.7	–	–	**50.6**	29.4	–

in CHF m, except where indicated	30.09.05	30.06.05	31.12.04	Change in % from 30.06.05	Change in % from 31.12.04
Assets under management in CHF bn	**1,404.6**	1,341.2	1,220.7	4.7	15.1
Consolidated balance sheet					
Total assets	**1,326,755**	1,287,169	1,089,485	3	22
Shareholders' equity	**38,634**	38,154	36,273	1	7
Consolidated BIS capital data					
Risk-weighted assets	**239,604**	238,181	199,249	1	20
Tier 1 ratio	**11.1%**	10.9%	12.3%	–	–
Total capital ratio	**13.9%**	14.0%	16.6%	–	–

Number of employees					
Switzerland - banking segments	**20,030**	19,773	19,558	1	2
Switzerland - insurance segments	**5,983**	5,953	6,147	1	(3)
Outside Switzerland - banking segments	**23,313**	22,358	21,606	4	8
Outside Switzerland - insurance segments	**13,460**	13,497	13,221	0	2
Number of employees (full-time equivalents)	**62,786**	61,581	60,532	2	4
Stock market data					
Market price per registered share in CHF	**57.30**	50.55	47.80	13	20
Market price per American Depositary Share in USD	**44.48**	39.14	42.19	14	5
Market capitalization	**62,181**	55,443	53,097	12	17
Market capitalization in USD m	**48,269**	42,929	46,865	12	3
Book value per share in CHF	**35.60**	34.79	32.65	2	9
Shares outstanding	**1,085,178,424**	1,096,802,759	1,110,819,481	(1)	(2)

Cover photo: Radames Mely III , HR Analyst, and Ken Wallace, Vice President IT Applications, both at Credit Suisse Asset Management based in New York.

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

Credit Suisse Group reported net income of CHF 1.9 billion in the third quarter of 2005, as our businesses benefited from increased levels of client activity and the active market environment. This performance reflects the progress we are making in refocusing our business. Our third-quarter result is a substantial improvement compared to the same period of last year, when we achieved net income of CHF 1.4 billion. I am confident that we can build on this performance and deliver higher returns in the future.

Our work to implement our strategy and to position our company for future growth has only just begun. We will focus on our core strengths in investment banking, private banking and asset management going forward. We are building an integrated global bank to capture new opportunities in our markets and to achieve sustainable growth. We will do this by combining the strengths of our businesses and the knowledge and expertise of our people and by exploiting synergies to advance our position in the global markets. We made good progress in the third quarter. The new organization will take effect from January 1, 2006.

Our third-quarter result in Private Banking highlights the progress we have made in the expansion of our international business. Private Banking generated total net new assets of CHF 14.3 billion, with healthy inflows from key markets in Asia and the European onshore business. Private Banking's net income of CHF 728 million in the third quarter reflects strong asset-based and transaction-based revenues and an increase in total operating expenses related partly to strategic investments in international growth markets. This compares to net income of CHF 511 million in the same quarter of 2004 and to net income of CHF 581 million in the second quarter of 2005 and confirms that our Private Banking business is achieving increased growth and profitability.

As we become a fully integrated global bank, our Swiss home market will continue to make a major contribution to our results. In the third quarter of this year, Corporate & Retail Banking recorded net income of CHF 264 million, an increase of 33% over the same period of last year. Strong net revenues and the ongoing favorable credit environment were the main drivers of this good performance.

Institutional Securities increased its net income to CHF 612 million, compared to CHF 292 million in the third quarter of 2004. The pre-tax margin (excluding minority interests) continued to improve and stood at 20.4%. I am encouraged by these results and I am convinced that by delivering a more focused franchise, we will continue to advance this business and realize our full potential.

In investment banking, our advisory business has made significant progress with improved market share and rankings from 2004. Leveraged finance continues to be a strong contributor to results and we were well positioned to benefit from a shift in issuer activity from the high yield market to the syndicated loan market. In investment grade debt, we have increased profitability, as we focused our resources on the most attractive opportunities. In equity capital markets, IPOs continue to be a high priority. They offer significant revenue synergies with other areas in investment banking, as well as creating cross-selling opportunities with Private Banking. Our expertise in this area is underscored by our leading league table ranking for global IPOs and has resulted in strong revenue growth.

Our equity business had a strong quarter with improved trading results, higher customer flows and continued growth in prime services. In fixed income, we experienced a satisfactory quarter with growth in leveraged finance and residential mortgage revenues.

Wealth & Asset Management recorded net income of CHF 101 million in the third quarter, compared to net income of CHF 30 million in the same quarter of 2004. This improved result reflects higher revenues across all key areas.

Winterthur, our insurance business, reported a good performance in the third quarter of 2005. The Life & Pensions business reported net income of CHF 96 million for the quarter, down from CHF 164 million in the third quarter of 2004. This decrease was primarily due to a change in actuarial assumptions and models. Life & Pensions achieved improvements in its technical results and investment income compared to the third quarter of 2004. The Non-Life business recorded net income of CHF 190 million in the third quarter of 2005, down slightly from net income of CHF 198 million in the same period of last year, as the result was impacted by losses relating to the unusually heavy rainfall and flooding in Switzerland. We are continuing to manage Winterthur as a financial investment and are pleased with its operating performance.

In the third quarter of 2005, Credit Suisse Group demonstrated its ability to capitalize on increased client momentum and active market conditions. While we reported satisfactory results this quarter, we know that we have the potential to do even better. I am convinced that our integration strategy will create an organization that will enable us to capture opportunities for sustainable growth.

Outlook

We expect to see higher interest rates and increased market volatility in the fourth quarter of 2005. We anticipate that the global economy will remain robust as growth in Asia and Europe helps offset the pressure from higher energy costs and interest rates facing US consumers. Moreover, we expect that oil and other commodities will continue to experience a correction within their longer-term uptrend.

Yours sincerely

Oswald J. Grübel
November 2005

Credit Suisse Group

Credit Suisse Group recorded net income of CHF 1,918 million in the third quarter of 2005, an increase of CHF 567 million, or 42%, from its net income of CHF 1,351 million in the third quarter of 2004. The Group's

third-quarter results reflect increased net income across all its banking segments and lower net income in the insurance segments compared to the third quarter of 2004.

Factors affecting results of operations

The banking segments generally benefited from favorable market conditions in the third quarter of 2005, as the usual seasonal slowdown failed to materialize. The insurance segments continued to be challenged by the sustained low interest rate environment.

In the US, strong corporate earnings were partially overshadowed by increasing energy costs, rising short-term interest rates and uncertainty over the impact of the hurricanes on the US economy. As a result, the US equity markets posted modest increases during the third quarter, with lower equity trading volumes and higher volatilities. Major markets in the rest of the world appeared less impacted by the rising energy prices, with many indices showing strong increases. In Europe, both the Swiss Market Index and the Frankfurt DAX rose by approximately 10%, with higher volatility in the Swiss equity markets compared to the low levels experienced at the end of the previous quarter. The main Asian equity markets closed higher during the quarter with the most significant increases in Japan, South Korea and India. Compared to the third quarter of 2004, the Nikkei 225 market index recorded the most significant increase on indications that Japan was emerging from its economic slump.

The European Central Bank and Bank of Japan continued to hold their benchmark rates steady, while the Bank of England reduced its benchmark rate. The US Federal Reserve continued to increase short-term interest rates at a measured pace, with a target rate of 3.75% at the end of the third quarter, while the yield curve continued to flatten. Credit spreads tightened during the quarter, driving renewed favorable sentiment and higher levels of capital market activity. The Swiss franc closed largely flat against the US dollar although significant volatility was seen during the quarter.

The global credit environment remained favorable, with a corresponding positive impact on the Group's provision for credit losses.

The volume of mergers and acquisitions in Europe outpaced activity in the US by a wide margin in the third quarter, with unusually strong levels of activity in September as the highest deal values of the year were recorded. Seven of the ten largest announced deals were in Europe. However, US merger and acquisitions activity remained robust leading to an increase in volumes in the US. Despite concerns over economic growth and rising interest rates, global debt and equity underwriting volumes rose during the third quarter compared to the third quarter of 2004.

Summary of segment results

Private Banking reported net income of CHF 728 million in the third quarter of 2005, an increase of CHF 217 million, or 42%, compared to the third quarter of 2004. Strong asset-based and transaction-based revenues, driven by a favorable market environment, contributed to this result. In addition, Private Banking again reported strong net new assets of CHF 14.3 billion in the third quarter of 2005.

Corporate & Retail Banking reported net income of CHF 264 million in the third quarter of 2005, an increase of CHF 65 million, or 33%, compared to the third quarter of 2004. Strong net revenues, strict cost management and an ongoing favorable credit environment were the main contributors to this result.

Institutional Securities reported net income of CHF 612 million in the third quarter of 2005, an increase of CHF 320 million, or 110%, compared to the third quarter of 2004, primarily reflecting higher revenues in the trading and investment banking businesses.

Wealth & Asset Management reported net income of CHF 101 million in the third quarter of 2005, an increase of CHF 71 million, or 237%, compared to the third quarter of 2004, with increased revenues in key business areas.

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

Life & Pensions reported net income of CHF 96 million in the third quarter of 2005, a decrease of CHF 68 million, or 41%, compared to the third quarter of 2004, with solid technical results and business growth. Total business volume grew 13% with good contributions from traditional and unit-linked business. Net income was negatively impacted by a change in actuarial assumptions and models of CHF 61 million after tax and policyholder participations. However, this decrease was partially offset by an increase in the valuation of deferred tax assets (by decreasing the related valuation allowance) in relation to tax loss carry-forwards created in prior years.

Non-Life reported net income of CHF 190 million in the third quarter of 2005, a decrease of CHF 8 million, or 4%, compared to the third quarter of 2004, with an ongoing emphasis on selective and controlled underwriting. Solid results and an increase in the valuation of deferred tax assets (by decreasing the related valuation allowance) primarily in relation to tax loss carry-forwards created in prior years, offset the negative effects of the unusually heavy rainfall and flooding in Switzerland during August 2005.

Credit Suisse Group consolidated results

Net revenues

The Group reported net revenues of CHF 15,510 million in the third quarter of 2005, an increase of CHF 3,575 million, or 30%, compared to the third quarter of 2004.

Net interest income, which includes dividend income, of CHF 2,821 million was reported in the third quarter of 2005, an increase of CHF 49 million, or 2%, compared to the third quarter of 2004. Net interest income for the insurance segments improved by CHF 65 million due to lower interest expense and increased dividend receipts as corporations declared generally higher dividends in line with economic improvements. The result was also impacted by a decrease of CHF 73 million in Institutional Securities due largely to higher short-term borrowing costs. In comparison to the second quarter of 2005, net interest income declined by CHF 481 million, or 15%, due mainly to higher dividends received by Institutional Securities and Private Banking during the second quarter of 2005.

Commissions and fees rose by CHF 490 million, or 15%, to CHF 3,797 million compared to the third quarter of 2004. Institutional Securities reported an increase of CHF 266 million primarily in equity underwriting and advisory fees, due primarily to increased industry-wide activity. Private Banking's commissions and fees increased by CHF 193 million, related mainly to higher asset-based commissions and increased brokerage volumes.

Trading revenues of CHF 2,953 million increased by CHF 2,022 million, or 217%, compared to the third quarter of 2004 and by CHF 2,038 million, or 223%, compared to the second quarter of 2005. As a result of the more favorable market environment for fixed income and equity trading, Institutional Securities recorded an increase in trading revenues of CHF 1,014 million compared to the third quarter of 2004, and of CHF 1,174 million compared to the second quarter of 2005. In addition, Private Banking benefited from strong trading execution as a result of higher levels of client activity. Life & Pensions recorded an increase of CHF 825 million compared to the third quarter of 2004, reflecting primarily the market appreciation of the underlying assets backing unit-linked products which is credited to policyholder account balances.

Net realized gains/(losses) from investment securities increased by CHF 245 million, or 191%, to CHF 373 million in the third quarter of 2005, due mainly to an increase in Life & Pensions. This was driven primarily by higher realizations on equity securities backing traditional life policies.

Insurance net premiums earned increased by CHF 335 million, or 8%, to CHF 4,522 million, compared to the third quarter of 2004. This increase was driven primarily by a positive sales performance in Life & Pensions in the Netherlands, Spain and Japan, as well as in the Swiss group life business.

Other revenues of CHF 1,044 million were reported in the third quarter of 2005, compared to CHF 610 million in the third quarter of 2004, representing an increase of CHF 434 million, or 71%. This increase was due partly to an increase in other revenues in Wealth & Asset Management, primarily from higher investment-related gains and revenues from consolidation of certain private equity funds attributable to minority interests as discussed under Minority interests below.

Total benefits, claims and credit losses

The Group reported a net release of provisions for credit losses of CHF 48 million in the third quarter of 2005, compared to a net expense of CHF 38 million in the third quarter of 2004, largely reflecting the ongoing favorable credit environment.

Compared to the third quarter of 2004, policyholder benefits, claims and dividends increased by CHF 1,373 million, or 32%, to CHF 5,681 million. This largely reflects an increase of CHF 918 million in additional investment income credited to policyholder account balances in Life & Pensions, as discussed under trading revenues above. In addition, Life & Pensions reported an increase of CHF 86 million in policyholder benefits, which was largely in line with the development in insurance net premiums earned. Non-Life reported an increase in policyholder benefits and claims expense of CHF 136 million, reflecting a charge of CHF 92 million relating to the impact of the heavy rainfall and flooding in Switzerland.

Total operating expenses

The Group reported total operating expenses of CHF 6,996 million in the third quarter of 2005, an increase of CHF 1,063 million, or 18%, compared to the third quarter of 2004. This increase was driven primarily by higher banking compensation and benefits as well as an increase in insurance underwriting, acquisition and administration expenses in Life & Pensions. Compared to the second quarter of 2005, total operating expenses decreased by CHF 182 million, or 3%, with an increase in banking compensation and benefits and insurance underwriting, acquisition and administration expenses, offset by a decrease in other expenses. The decrease in other expenses reflects a charge of CHF 960 million in the second quarter of 2005 in Institutional Securities to increase the reserve for certain private litigation.

Insurance underwriting, acquisition and administration expenses of CHF 1,292 million increased CHF 249 million, or 24%, compared to the third quarter of 2004 and CHF 254 million, or 24%, compared to the second quarter of 2005. The main drivers of these increases were changes in actuarial assumptions and models in Life & Pensions.

Banking compensation and benefits increased by CHF 793 million, or 28%, to CHF 3,595 million in the third quarter of 2005. This reflects higher performance-related compensation in the banking segments, in line with the improved results. In addition, this increase was partly driven by a rise in headcount in both Private Banking and Institutional Securities.

Other expenses amounted to CHF 2,109 million, which remained at the same level as the equivalent quarter in 2004, and decreased by CHF 932 million, or 31%, in comparison to the second quarter of 2005. This resulted primarily from a charge of CHF 960 million in the second quarter of 2005 in Institutional Securities to increase the reserve for certain private litigation.

Income tax expense

The Group recorded income tax expense of CHF 437 million compared to CHF 112 million in the third quarter of 2004, an increase of CHF 325 million. Institutional Securities recorded an income tax expense of CHF 248 million in the third quarter of 2005 compared to an income tax benefit of CHF 57 million in the third quarter of 2004, reflecting a CHF 126 million release of tax contingency accruals following the favorable resolution of matters with local tax authorities in the third quarter of 2004. Income tax expense in the third quarter of 2005 was positively impacted by the release of valuation allowances on deferred tax assets in both insurance segments, totaling CHF 163 million.

The Group tax expense is not impacted by investments that are required to be consolidated under the relevant accounting rules, primarily FIN 46R - Financial Accounting Standards Board Interpretation No. 46 Revised. The amount of income relating to these investments varies from one period to the next and in the third quarter of 2005 amounted to CHF 518 million. Due mainly to this effect, and the release of valuation allowances on deferred tax assets in the Insurance segments, the Group’s effective tax rate in the third quarter of 2005 was 15% 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 FIN 46R. The 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 510 million were reported in the third quarter of 2005, an increase of CHF 305 million, or 149%, compared to the third quarter of 2004, due to increased investment-related gains in the current quarter. The investment-related gains reported in the third quarter of 2005 were not as high as those reported in the second quarter of 2005, resulting in a decrease in minority interests of CHF 198 million, or 28%.

Financing

During the third quarter of 2005, the Group issued EUR 850 million 3.125 per cent Guaranteed Notes, due in 2012, and EUR 900 million 3.625 per cent Step-up Callable Subordinated Guaranteed Notes, due in 2020. These notes are quoted on the Swiss Exchange (SWX) and the proceeds were used to repay or repurchase other outstanding notes and bonds.

Equity capital

Credit Suisse Group's consolidated BIS tier 1 ratio was 11.1% as of September 30, 2005, up from 10.9% as of June 30, 2005. The Group continued the share buyback program approved by the Annual General Meeting earlier in 2005, repurchasing CHF 1.2 billion of own shares since the initiation of the program. Risk-weighted assets remained stable compared to the second quarter of 2005, while tier 1 capital increased CHF 585 million as share repurchases under the buyback program partially offset the prior quarter's net income. The Group's shareholders' equity as of September 30, 2005 increased to CHF 38.6 billion from CHF 38.2 billion as of June 30, 2005.

Winterthur continued to improve its capital position, reporting shareholders' equity of CHF 9.7 billion at September 30, 2005, compared to CHF 9.4 billion at June 30, 2005, an increase of CHF 0.3 billion.

Net new assets

The Group reported net new assets of CHF 19.0 billion in the third quarter of 2005, an increase of CHF 2.8 billion compared to the second quarter of 2005.

Private Banking reported strong net new asset inflows of CHF 14.3 billion in the third quarter of 2005, with healthy contributions from strategic key markets in Asia and the European onshore business. Wealth & Asset Management recorded net new assets of CHF 4.0 billion, mainly reflecting new client accounts in Private Client Services and inflows in Credit Suisse Asset Management, driven primarily by solid business growth in Europe.

As of September 30, 2005, the Group's total assets under management amounted to CHF 1,404.6 billion, an increase of 4.7% compared to June 30, 2005, due to strong asset inflows, higher market valuations and foreign currency exchange rate movements.

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 have been 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 corporate clients including pension funds in Switzerland. 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:

3Q2005, in CHF m	Private Banking	Corporate & Retail Banking	Institutional Securities	Wealth & Asset Management	Life & Pensions	Non-Life	Corporate Center	Credit Suisse Group
Net revenues	**2,021**	**879**	**4,303**	**1,250**	**4,246**	**3,029**	**(218)**	**15,510**
Policyholder benefits, claims and dividends	–	–	–	–	3,531	2,111	39	5,681
Provision for credit losses	4	(10)	(41)	0	(3)	1	1	(48)
Total benefits, claims and credit losses	**4**	**(10)**	**(41)**	**0**	**3,528**	**2,112**	**40**	**5,633**
Insurance underwriting, acquisition and administration expenses	–	–	–	–	586	705	1	1,292
Banking compensation and benefits	601	295	2,278	333	–	–	88	3,595
Other expenses	524	256	1,121	353	30	49	(224)	2,109
Total operating expenses	**1,125**	**551**	**3,399**	**686**	**616**	**754**	**(135)**	**6,996**
Income from continuing operations before taxes and minority interests	**892**	**338**	**945**	**564**	**102**	**163**	**(123)**	**2,881**
Income tax expense/(benefit)	152	74	248	30	0	(57)	(10)	437
Minority interests, net of tax	12	0	85	433	6	15	(41)	510
Income from continuing operations	**728**	**264**	**612**	**101**	**96**	**205**	**(72)**	**1,934**
Income/(loss) from discontinued operations, net of tax	0	0	0	0	0	(15)	(1)	(16)
Net income	**728**	**264**	**612**	**101**	**96**	**190**	**(73)**	**1,918**

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

	Credit Suisse Group		
in CHF m, except where indicated	30.09.05	30.06.05	31.12.04
Risk-weighted positions	**225,946**	224,770	187,775
Market risk equivalents	**13,658**	13,411	11,474
Risk-weighted assets	**239,604**	238,181	199,249
Tier 1 capital	**26,519**	25,934	24,596
	2,175	2,186	2,118

of which non-cumulative perpetual preferred securities			
Tier 1 ratio	**11.1%**	10.9%	12.3%
Total capital	**33,213**	33,270	33,121
Total capital ratio	**13.9%**	14.0%	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 2.2 billion as at September 30, 2005 (June 30, 2005: CHF 2.2 billion and December 31, 2004: CHF 2.1 billion) 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	30.09.05	30.06.05	31.12.04	Change in % from 30.06.05	Change in % from 31.12.04
Private Banking					
Assets under management	**637.2**	602.3	539.1	5.8	18.2
Client assets	**674.5**	637.1	569.4	5.9	18.5
Corporate & Retail Banking					
Assets under management	**56.3**	54.9	53.9	2.6	4.5
Client assets	**116.6**	112.8	102.1	3.4	14.2
Institutional Securities					
Assets under management	**14.4**	14.2	15.2	1.4	(5.3)
Client assets	**108.3**	112.6	95.1	(3.8)	13.9
Wealth & Asset Management					
Assets under management [1)]	**543.8**	519.9	472.9	4.6	15.0
Client assets	**561.3**	536.7	488.9	4.6	14.8
Life & Pensions					
Assets under management	**125.1**	122.5	115.5	2.1	8.3
Client assets	**125.1**	122.5	115.5	2.1	8.3
Non-Life					
Assets under management	**27.8**	27.4	24.1	1.5	15.4
Client assets	**27.8**	27.4	24.1	1.5	15.4
Credit Suisse Group					
Discretionary assets under management	**684.9**	662.4	595.8	3.4	15.0
Advisory assets under management	**719.7**	678.8	624.9	6.0	15.2
Total assets under management	**1,404.6**	1,341.2	1,220.7	4.7	15.1
Total client assets	**1,613.6**	1,549.1	1,395.1	4.2	15.7

The following table sets forth details of net new assets:

				9 months	
in CHF bn	3Q2005	2Q2005	3Q2004	2005	2004
Private Banking	**14.3**	12.8	3.8	**34.1**	22.5
Corporate & Retail Banking	**0.4**	0.4	0.2	**1.8**	0.8
Institutional Securities	**0.0**	(1.5)	0.2	**(2.0)**	1.4
Wealth & Asset Management [1)]	**4.0**	4.2	0.1	**13.3**	2.1
Life & Pensions	**0.3**	0.3	0.4	**3.4**	2.6
Credit Suisse Group	**19.0**	16.2	4.7	**50.6**	29.4

[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), remained essentially unchanged over the course of the third quarter of 2005, with higher equity and international lending risks being offset by lower interest rate, emerging market, Swiss and retail lending and real estate risks. The average Value-at-Risk (VaR) for the Group's trading books remained unchanged in CHF terms and decreased by 5% in USD terms during the third quarter of 2005, mainly due to a reduction in the VaR for mortgage exposures following a reduction in the market volatility in the rolling two-year data set used to compute VaR. The loan portfolios across the Group continued to benefit from a favorable credit environment, resulting in a net release of credit provisions of CHF 48 million for the third quarter of 2005.

Economic Risk Capital trends

The 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. The Group assigns ERC for position risk, operational risk and expense 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 third quarter of 2005, the Group's 1-year, 99% position risk ERC increased by 1% compared to the second quarter of 2005, with higher equity and international lending risks largely being offset by lower interest rate, emerging market and real estate risks.

Over the course of the third quarter of 2005, Credit Suisse First Boston's contribution to the Group's ERC further increased to 55% compared to 52% at the end of the second quarter of 2005. The contribution of the other divisions fell accordingly to 45%, with Winterthur contributing 30% (compared to 33% at the end of the previous quarter) and Credit Suisse and the Corporate Center contributing 13% and 2%, respectively (unchanged from the previous quarter).

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 Value-at-Risk (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. The table below shows the Group's 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 third quarter of 2005 was CHF 64.2 million, compared to CHF 64.8 million during the second quarter of 2005. In US dollar terms, Credit Suisse Group's average 1-day, 99% VaR was USD 50.4 million during the third quarter 2005, compared to USD 52.9 million during the second quarter of 2005. The decrease in average VaR was mainly due to a reduction in the VaR for mortgage exposures following a reduction in the market volatility in the rolling two-year 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 1-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 third quarter of 2005 (and no backtesting exceptions in the last twelve months). The histogram entitled "Credit Suisse Group trading revenue" compares the distribution of daily backtesting profit and loss during the third 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

The Group's total loan exposure grew 2% as of September 30, 2005 compared to June 30, 2005, with increases at Credit Suisse and Credit Suisse First Boston.

Compared to June 30, 2005, the Group's total non-performing loans declined 12% and total impaired loans declined 11% as of September 30, 2005. All divisions reported reductions in total non-performing loans and total impaired loans during the third quarter, reflecting the continued favorable credit cycle.

During the third quarter of 2005, the Group recorded a net release of provisions for credit losses amounting to CHF 48 million, compared to a net release of CHF 29 million recorded in the second 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 the Group was virtually unchanged at the end of the third quarter of 2005 compared to the end of the second quarter, as coverage improved at Credit Suisse but decreased at Credit Suisse First Boston. Coverage of total non-performing loans improved across the Group.

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	30.09.05	30.06.05	31.12.04	30.09.05 vs 30.06.05
Interest Rate ERC, Credit Spread ERC & Foreign Exchange Rate ERC	**4,438**	(5)	5	Lower interest rate mismatch risk between assets and liabilities at Winterthur, partially offset by higher credit spread risk at Credit Suisse First Boston
Equity Investment ERC	**4,017**	4	37	Higher equity exposures at Winterthur
Swiss & Retail Lending ERC	**1,623**	(3)	(3)	Lower impaired assets at Credit Suisse
International Lending ERC & Counterparty ERC	**2,956**	9	35	Higher lending exposure at Credit Suisse First Boston due to syndications
Emerging Markets ERC	**2,064**	(6)	2	Lower Brazil, Turkey and Russia exposure at Credit Suisse First Boston
Real Estate ERC & Structured Asset ERC [1]	**3,682**	(2)	26	Decrease in Credit Suisse First Boston's commercial real estate exposure, mainly due to loan sales
Insurance Underwriting ERC	**847**	2	6	Increase due to consideration of incurred but not reported claims in closed portfolios and parameter update
Simple sum across risk categories	**19,627**	–	17	
Diversification benefit	**(6,084)**	(2)	15	
Total Position Risk ERC	**13,543**	1	18	

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 1-day, 99% VaR:

	3Q2005				2Q2005			
in CHF m	Minimum	Maximum	Average	30.09.05	Minimum	Maximum	Average	30.06.05
Credit Suisse Group [1]								
Interest rate & credit spread	47.0	73.4	60.4	**53.8**	44.2	73.5	61.6	44.2
Foreign exchange rate	6.0	16.8	9.4	**11.1**	8.0	21.3	13.0	8.0
Equity	33.4	54.6	42.7	**40.1**	31.4	46.7	37.6	45.3

Commodity	6.8	15.5	11.2	**14.9**	1.3	9.5	3.2	9.5
Diversification benefit	–[2]	–[2]	(59.5)	**(57.9)**	–[2]	–[2]	(50.6)	(51.0)
Total	48.6	76.9	64.2	**62.0**	52.0	77.1	64.8	56.0

[1] Disclosure covers all trading books of Credit Suisse Group. Numbers represent daily 10-day VaR scaled to a 1-day holding period.
[2] 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	30.09.05	30.06.05	31.12.04	30.09.05	30.06.05	31.12.04	30.09.05	30.06.05	31.12.04	30.09.05	30.06.05	31.12.04
Consumer loans:												
Mortgages	**71,348**	69,828	67,119	**0**	0	0	**8,131**	8,098	8,485	**77,302**	77,926	75,604
Loans collateralized by securities	**16,583**	16,195	15,018	**0**	0	0	**4**	4	4	**16,587**	16,199	15,022
Other	**2,434**	2,596	2,319	**883**	828	540	**0**	0	0	**3,317**	3,424	2,859
Consumer loans	**90,365**	88,619	84,456	**883**	828	540	**8,135**	8,102	8,489	**97,206**	97,549	93,485
Corporate loans:												
Real estate	**26,443**	26,282	26,135	**533**	585	613	**1,376**	1,372	1,376	**28,352**	28,239	28,124
Commercial & industrial loans	**39,522**	37,449	33,126	**16,593**	14,155	13,501	**1,469**	1,452	958	**57,476**	53,056	47,585
Loans to financial institutions	**7,565**	8,291	6,279	**7,675**	6,647	5,351	**2,071**	2,102	2,096	**17,311**	17,031	13,726
Governments and public	**1,638**	1,646	1,898	**250**	252	402	**2,187**	2,174	2,101	**4,075**	4,072	4,401

institutions												
Corporate loans	**75,168**	73,668	67,438	**25,051**	21,639	19,867	**7,103**	7,100	6,531	**107,214**	102,398	93,836
Loans, gross	**165,533**	162,287	151,894	**25,934**	22,467	20,407	**15,238**	15,202	15,020	**204,420**	199,947	187,321
(Unearned income)/deferred expenses, net	**125**	130	142	**(35)**	(35)	(32)	**7**	9	5	**97**	104	116
Allowance for loan losses	**(1,982)**	(2,115)	(2,438)	**(412)**	(558)	(533)	**(51)**	(59)	(66)	**(2,445)**	(2,733)	(3,038)
Total loans, net	**163,676**	160,302	149,598	**25,487**	21,874	19,842	**15,194**	15,152	14,959	**202,072**	197,318	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	30.09.05	30.06.05	31.12.04	30.09.05	30.06.05	31.12.04	30.09.05	30.06.05	31.12.04	30.09.05	30.06.05	31.12.04
Non-performing loans	**1,206**	1,347	1,481	**197**	311	268	**32**	36	22	**1,435**	1,693	1,771
Non-interest earning loans	**1,011**	1,101	1,259	**31**	11	9	**4**	13	14	**1,045**	1,126	1,281
Total non-performing loans	**2,217**	2,448	2,740	**228**	322	277	**36**	49	36	**2,480**	2,819	3,052
Restructured loans	**22**	9	95	**61**	82	17	**0**	1	5	**84**	91	117
Potential problem loans	**786**	813	1,077	**295**	353	355	**55**	65	71	**1,135**	1,232	1,503
Total other impaired loans	**808**	822	1,172	**356**	435	372	**55**	66	76	**1,219**	1,323	1,620
Total impaired loans, gross	**3,025**	3,270	3,912	**584**	757	649	**91**	115	112	**3,699**	4,142	4,672
Valuation allowances as % of												
Total non-performing loans	**89.4%**	86.4%	89.0%	**180.7%**	173.3%	192.4%	**141.7%**	120.4%	183.3%	**98.6%**	96.9%	99.5%
Total impaired loans	**65.5%**	64.7%	62.3%	**70.5%**	73.7%	82.1%	**56.0%**	51.3%	58.9%	**66.1%**	66.0%	65.0%

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	3Q2005	2Q2005	3Q2004	3Q2005	2Q2005	3Q2004	3Q2005	2Q2005	3Q2004	3Q2005	2Q2005	3Q2004
Balance beginning of period	**2,115**	2,245	2,657	**558**	543	1,057	**59**	64	76	**2,733**	2,851	3,790
New provisions	**63**	102	83	**24**	65	107	**2**	6	3	**90**	173	194
Releases of provisions	**(70)**	(134)	(69)	**(76)**	(60)	(79)	**(4)**	(4)	(5)	**(150)**	(198)	(154)
Net additions/(releases) charged to income statement	**(7)**	(32)	14	**(52)**	5	28	**(2)**	2	(2)	**(60)**	(25)	40
Gross write-offs	**(132)**	(119)	(174)	**(119)**	(56)	(329)	**(4)**	(7)	0	**(255)**	(182)	(502)
Recoveries	**8**	11	6	**2**	6	10	**0**	0	0	**10**	17	16
Net write-offs	**(124)**	(108)	(168)	**(117)**	(50)	(319)	**(4)**	(7)	0	**(245)**	(165)	(486)
Provisions for interest	**(2)**	2	6	**17**	23	17	**0**	0	0	**16**	25	24
Foreign currency translation impact and other adjustments, net	**0**	8	6	**6**	37	(9)	**(2)**	0	(2)	**1**	47	(7)
Balance end of period	**1,982**	2,115	2,515	**412**	558	774	**51**	59	72	**2,445**	2,733	3,361

Provision for credit losses disclosed in the Credit Suisse Group consolidated statements of income also includes provisions for lending-related exposure of CHF 12 million, CHF -4 million and CHF -2 million for 3Q2005, 2Q2005 and 3Q2004, respectively.

Private Banking

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 reported net income of CHF 728 million in the third quarter of 2005, driven by strong asset-based and transaction-based revenues. Net income increased by CHF 217 million, or 42%, compared to the third quarter of 2004 and by CHF 147 million, or 25%, compared to the previous quarter, reflecting a favorable market environment and healthy levels of client activity.

During the third quarter of 2005, Private Banking achieved strong net new assets of CHF 14.3 billion. Total net new assets for the first nine months of 2005 amounted to CHF 34.1 billion, representing an annualized growth rate of 8.4%, which is well above the mid-term target of 5.0%. Strategic key markets in Asia and the European onshore business generated healthy asset inflows in the first nine months of 2005, resulting in double-digit growth rates in these markets. Together with the 12% increase in net revenues versus the second quarter of 2005, this development reflects Private Banking's favorable position in launching new products building on its excellent service and advice capabilities.

Net revenues of CHF 2,021 million were recorded in the third quarter of 2005, up CHF 377 million, or 23%, versus the third quarter of 2004. Compared to the previous quarter, net revenues rose by CHF 211 million, or 12%. Higher commissions and fees, as well as higher trading revenues, drove this substantial increase. The decline in net interest income in the third quarter of 2005 versus the previous quarter was related to higher dividends received on Private Banking's trading portfolio during the second quarter of 2005 with an offsetting effect in trading revenues. Commissions and fees of CHF 1,306 million in the third quarter of 2005 were up CHF 193 million, or 17%, versus the same period of 2004 and up CHF 126 million, or 11%, versus the previous quarter. This increase was driven by higher asset-based commissions and fees, as well as increased brokerage volumes. Increased commissions and fees were further driven by strong product issuance. Trading revenues of CHF 252 million in the third quarter of 2005 were CHF 181 million, or 255%, higher than in the third quarter of 2004 and CHF 167 million, or 196%, higher than in the second quarter of 2005. Trading revenues benefited from strong trading execution, related to higher client flow from securities transactions.

Total operating expenses amounted to CHF 1,125 million in the third quarter of 2005, an increase of CHF 131 million, or 13%, versus the same period of last year and CHF 41 million, or 4%, versus the previous quarter. Increased compensation and benefits resulted primarily from higher performance-related compensation accruals, in line with improved results, as well as from Private Banking's ongoing strategic recruitment efforts in international growth markets in Asia, the Middle East and Eastern Europe. The moderate increase in other expenses was driven mainly by higher commission expenses, reflecting increased transaction volume and fees.

The cost/income ratio was 55.7% in the third quarter of 2005, an improvement of 4.8 percentage points versus the same period of last year and of 4.2 percentage points versus the previous quarter. This reflected the increase in net revenues in the third quarter of 2005, which more than offset a rise in operating expenses.

The gross margin for the first nine months of 2005 was 131.3 basis points. In the third quarter of 2005, the gross margin was 130.9 basis points, representing an increase of 9.2 basis points versus the same period of 2004 and of 5.3 basis points versus the previous quarter.

Assets under management stood at CHF 637.2 billion at the end of the third quarter of 2005, an increase of CHF 34.9 billion, or 5.8%, compared to the end of the previous quarter and of CHF 98.1 billion, or 18.2%, compared to the end of 2004. Strong asset inflows and higher equity markets were the main drivers of this growth. In addition, the strengthening of the US dollar throughout 2005 contributed to this increase as approximately 35% of Private Banking's assets under management at the end of the third quarter of 2005 were held in US dollar-based assets.

The following table presents the results of the Private Banking segment:

				9 months	
in CHF m	3Q2005	2Q2005	3Q2004	2005	2004

				Change in % from 2Q2005	Change in % from 3Q2004			Change in % from 2004
Net interest income	**449**	513	437	(12)	3	**1,476**	1,496	(1)
Commissions and fees	**1,306**	1,180	1,113	11	17	**3,695**	3,583	3
Trading revenues including realized gains/(losses) from investment securities, net	**252**	85	71	196	255	**506**	261	94
Other revenues	**14**	32	23	(56)	(39)	**66**	113	(42)
Total noninterest revenues	**1,572**	1,297	1,207	21	30	**4,267**	3,957	8
Net revenues	**2,021**	1,810	1,644	12	23	**5,743**	5,453	5
Provision for credit losses	**4**	16	(2)	(75)	–	**23**	(4)	–
Compensation and benefits	**601**	580	503	4	19	**1,781**	1,649	8
Other expenses	**524**	504	492	4	7	**1,488**	1,504	(1)
Restructuring charges	**0**	0	(1)	–	(100)	**0**	(3)	(100)
Total operating expenses	**1,125**	1,084	994	4	13	**3,269**	3,150	4
Income from continuing operations before taxes and minority interests	**892**	710	652	26	37	**2,451**	2,307	6
Income tax expense	**152**	123	137	24	11	**431**	436	(1)
Minority interests, net of tax	**12**	6	4	100	200	**26**	14	86
Net income	**728**	581	511	25	42	**1,994**	1,857	7

The following table presents key information of the Private Banking segment:

				9 months	
	3Q2005	2Q2005	3Q2004	2005	2004
Cost/income ratio	**55.7%**	59.9%	60.5%	**56.9%**	57.8%
Gross margin	**130.9 bp**	125.6 bp	121.7 bp	**131.3 bp**	135.6 bp
of which asset-driven	**78.4 bp**	79.0 bp	80.8 bp	**80.0 bp**	81.1 bp
of which transaction-driven	**48.3 bp**	44.1 bp	36.5 bp	**47.2 bp**	46.9 bp
of which other	**4.2 bp**	2.5 bp	4.4 bp	**4.1 bp**	7.6 bp
Net margin	**47.9 bp**	40.7 bp	38.1 bp	**46.2 bp**	46.5 bp
Net new assets in CHF bn	**14.3**	12.8	3.8	**34.1**	22.5
Average allocated capital in CHF m	**3,957**	3,841	3,362	**3,774**	3,295

The following table outlines selected balance sheet and other data of the Private Banking segment:

	30.09.05	30.06.05	31.12.04	Change in % from 30.06.05	Change in % from 31.12.04

Assets under management in CHF bn	**637.2**	602.3	539.1	5.8	18.2
Total assets in CHF bn	**222.0**	223.4	188.7	(0.6)	17.6
Number of employees (full-time equivalents)	**12,976**	12,722	12,342	2	5

Corporate & Retail Banking

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

Corporate & Retail Banking reported net income of CHF 264 million in the third quarter of 2005, representing an increase of CHF 65 million, or 33%, compared to the same period of 2004. This improvement was driven by strong net revenues and the ongoing favorable credit environment.

Net revenues totaled CHF 879 million in the third quarter of 2005, up CHF 71 million, or 9%, compared to the same period of 2004 and up CHF 21 million, or 2%, compared to the previous quarter. These increases in net revenues were driven by higher commissions and fees, as well as higher trading revenues. Commissions and fees rose CHF 30 million, or 15%, compared to the third quarter of 2004 and CHF 10 million, or 5%, compared to the previous quarter, mainly reflecting higher brokerage income and product sales, due to the favorable market environment and strong client activity. The increase in trading revenues of CHF 36 million, or 54%, versus the same period of 2004 and of CHF 20 million, or 24%, compared to the second quarter of 2005 was mainly attributable to the positive impact of changes in the fair value of interest rate derivatives used for risk management purposes that did not qualify for hedge accounting.

Corporate & Retail Banking recorded a net release of provision for credit losses in the amount of CHF 10 million in the third quarter of 2005, compared to net new provisions of CHF 20 million in the same period of last year and a net release of CHF 44 million in the previous quarter. The releases of provisions and the low level of new provisions in the third quarter of 2005 reflected the ongoing favorable credit environment. Total impaired loans declined from CHF 3.0 billion at June 30, 2005, to CHF 2.8 billion at September 30, 2005.

Total operating expenses amounted to CHF 551 million in the third quarter of 2005. The increase of CHF 24 million, or 5%, compared to the third quarter of 2004 was due primarily to higher performance-related compensation accruals, in line with improved results.

Corporate & Retail Banking achieved a strong return on average allocated capital of 21.2% during the first nine months of 2005, an improvement of 4.2 percentage points compared to the same period of 2004. The return on average allocated capital was thus well above Corporate & Retail Banking’s mid-term target of 15.0%. In the third quarter of 2005, return on average allocated capital was 19.8%.

Corporate & Retail Banking’s cost/income ratio was 62.7% in the third quarter of 2005, representing an improvement of 2.5 percentage points compared to the same period of 2004. Compared to the previous quarter, the cost/income ratio improved by 1.2 percentage points.

Corporate & Retail Banking intensified its marketing efforts and activities during the third quarter of 2005 with the aim of further expanding its Swiss residential mortgage business. In the third quarter of 2005, Corporate & Retail Banking recorded continued strong growth in private mortgage volumes of approximately 10% (on an annualized basis).

The following table presents the results of the Corporate & Retail Banking segment:

						9 months		
in CHF m	3Q2005	2Q2005	3Q2004	Change in % from 2Q2005	Change in % from 3Q2004	2005	2004	Change in % from 2004
Net interest income	**526**	521	513	1	3	**1,554**	1,572	(1)
Commissions and fees	**227**	217	197	5	15	**668**	613	9
Trading revenues including realized gains/(losses) from investment securities, net	**103**	83	67	24	54	**287**	287	0
Other revenues	**23**	37	31	(38)	(26)	**88**	73	21
Total noninterest revenues	**353**	337	295	5	20	**1,043**	973	7
Net revenues	**879**	858	808	2	9	**2,597**	2,545	2
Provision for credit losses	**(10)**	(44)	20	(77)	–	**(73)**	128	–
Compensation and benefits	**295**	291	266	1	11	**894**	841	6
Other expenses	**256**	257	261	0	(2)	**734**	733	0
Total operating expenses	**551**	548	527	1	5	**1,628**	1,574	3
Income from continuing operations before taxes and minority interests	**338**	354	261	(5)	30	**1,042**	843	24
Income tax expense	**74**	77	62	(4)	19	**226**	198	14
Minority interests, net of tax	**0**	0	0	–	–	**1**	1	0
Net income	**264**	277	199	(5)	33	**815**	644	27

The following table presents key information of the Corporate & Retail Banking segment:

				9 months	
	3Q2005	2Q2005	3Q2004	2005	2004
Cost/income ratio	**62.7%**	63.9%	65.2%	**62.7%**	61.8%
Net new assets in CHF bn	**0.4**	0.4	0.2	**1.8**	0.8
Return on average allocated capital	**19.8%**	21.4%	15.6%	**21.2%**	17.0%
Average allocated capital in CHF m	**5,330**	5,185	5,098	**5,122**	5,049

The following table outlines selected balance sheet and other data of the Corporate & Retail Banking segment:

	30.09.05	30.06.05	31.12.04	Change in % from 30.06.05	Change in % from 31.12.04
Assets under management in CHF bn	**56.3**	54.9	53.9	2.6	4.5
Total assets in CHF bn	**111.4**	106.7	99.5	4.3	11.9
Mortgages in CHF bn	**65.6**	64.5	63.0	1.7	4.1
Other loans in CHF bn	**28.2**	26.3	23.7	7.2	19.0
Number of branches	**215**	214	214	–	–
Number of employees (full-time equivalents)	**8,404**	8,328	8,314	1	1

Institutional Securities

Institutional Securities provides financial advisory, lending and capital raising services, as well as sales and trading for global users and suppliers.

Institutional Securities reported net income of CHF 612 million in the third quarter of 2005, an increase of 110% compared to the third quarter of 2004. This improvement reflects an increased focus on high-margin products and the generally favorable market environment. Pre-tax margin (excluding minority interest-related revenues and expenses) increased to 20.4% in the third quarter of 2005, compared to 7.7% in the third quarter of 2004, demonstrating clear progress against its performance targets.

Net revenues totaled CHF 4,303 million in the third quarter of 2005, up 40% compared to the third quarter of 2004, reflecting higher trading and investment banking revenues. Excluding minority interest revenues, net revenues increased by 39%.

Institutional Securities reported net income of CHF 612 million in the third quarter of 2005 compared to a net loss of CHF 408 million in the second quarter of 2005. This was due to higher net revenues and lower other expenses, driven by a CHF 624 million after-tax charge to increase the reserve for certain private litigation matters in the second quarter of 2005. Excluding the impact of this litigation charge, Institutional Securities' third quarter net income increased by CHF 396 million, or 183%, compared to the second quarter of 2005.

Provision for credit losses amounted to a net release of CHF 41 million in the third quarter of 2005, reflecting the continued favorable credit environment. This compares to credit provisions of CHF 24 million in the third quarter of 2004. Compared to June 30, 2005, total impaired loans decreased by CHF 173 million to CHF 584 million, and valuation allowances as a percentage of total impaired loans decreased by 3.2 percentage points to 70.5% as of September 30, 2005.

Total operating expenses of CHF 3,399 million were reported in the third quarter of 2005, up CHF 619 million, or 22%, from the third quarter of 2004. Compensation and benefits increased by CHF 616 million, reflecting higher performance-related compensation costs due to increased net revenues in the third quarter of 2005 and higher salaries and employee benefits primarily due to increased headcount. Compared to the second quarter of 2005, total operating expenses declined by CHF 492 million primarily due to lower other expenses as the second quarter of 2005 included a CHF 960 million charge to increase the reserve for certain private litigation matters. Excluding the litigation charge, total operating expenses increased by 16% versus the second quarter of 2005, primarily reflecting an increase in compensation and benefits due to higher performance-related compensation costs and higher costs related to deferred compensation plans. Excluding the litigation charge, other expenses increased by CHF 87 million from the second quarter of 2005, due in part to higher professional fees and a premises charge.

Total investment banking revenues include debt underwriting, equity underwriting and advisory and other fees. In the third quarter of 2005, investment banking revenues totaled CHF 1,126 million, up 30% versus the third quarter of 2004, primarily due to increases in equity underwriting and advisory fees.

Debt underwriting revenues of CHF 482 million were up 8% compared to the third quarter of 2004, primarily reflecting higher results in investment grade capital markets and leveraged finance, partly offset by lower results in structured products. Investment grade capital markets revenues rose significantly from the third quarter of 2004, reflecting a greater focus on profitable activity rather than on league table rankings, a direct result of the strategy to focus on high-margin strategic products. In line with this shift in focus, Institutional Securities ranked eleventh in global investment grade new issuance volumes through the third quarter of 2005, down from third for the full year 2004, but with a marked improvement in profitability. The leveraged finance business remains strong overall. There has been a pronounced shift in the industry in issuer activity from the high yield securities market to the syndicated loan market. Despite flat high yield new issuance volumes in the industry during the third quarter of 2005, total leveraged finance revenues increased versus the third quarter of 2004 due to higher revenues in the syndicated loan business, partly offset by lower revenues from high yield underwriting. The leveraged finance business also benefited from the expansion of the franchise in Europe and Asia, where 2005 year-to-date revenues more than doubled from the same period in 2004. Through the third quarter of 2005, Institutional Securities ranked fifth in global high yield new issuance volumes in an increasingly competitive market, in which the top five competitors are separated by narrow amounts.

Equity underwriting revenues totaled CHF 263 million in the third quarter of 2005, more than double the volume recorded in the third quarter of 2004 and up 42% compared to the second quarter of 2005. These strong results are in line with the increase in the volume of industry-wide new equity issuance versus the previous quarter and the third quarter of 2004. In accordance with its strategy of focusing increasingly on high-margin products, Institutional Securities ranked first in global initial public offering market share through the third quarter of 2005, up from third through the second quarter of 2005 and for the full year 2004. Institutional Securities ranked first in initial public offering market share in the Americas and in Europe through the third quarter of 2005. Key transactions during this period reflected the geographic and industry breadth of the equity franchise and included initial public offerings for RHM plc (a UK food producer), Cyrela Brazil Realty S.A. (a Brazilian real estate developer), Panalpina World Transport (Holding) Ltd. (a Swiss provider of forwarding and logistics services) and a follow-on common stock offering for Google Inc. (a US internet company).

Advisory and other fees of CHF 381 million in the third quarter of 2005 were up 25% compared to the third quarter of 2004. This increase was due primarily to higher industry-wide activity, as well as to Institutional Securities' increased market share in both global announced and completed mergers and acquisitions. Advisory and other fees grew 28% compared to the second quarter of 2005, reflecting higher industry-wide completed mergers and acquisitions volumes. Through the third quarter of 2005, Institutional Securities ranked ninth in global announced mergers and acquisitions (up from eleventh for the full year 2004) and sixth in global completed mergers and acquisitions (up from ninth for the full year 2004). Notable transactions announced in the third quarter of 2005 included the Teva Pharmaceutical Industries Ltd. acquisition of IVAX Corporation, the Intelsat Limited acquisition of PanAmSat Holding Corp. and the Raffles Holding Ltd. sale of its hotel business to Colony Capital LLC.

Total trading revenues include results from fixed income and equity sales and trading. Total trading revenues for the third quarter of 2005 amounted to CHF 3,009 million, up 47% compared to the third quarter of 2004. This increase reflected the generally favorable market environment for fixed income and equity trading. Total trading revenues increased by 48% compared to the second quarter of 2005. These increases were achieved with virtually no change in theaverage daily VaR compared to the previous quarter. Institutional Securities' average daily VaR in the third quarter of 2005 was CHF 63 million, down from CHF 66 million in the third quarter of 2004. Average allocated capital increased by CHF 2.7 billion from the third quarter of 2004 and CHF 1.7 billion from the second quarter of 2005, in line with the strategy to extend incremental capital to support high growth trading businesses.

Fixed income trading generated revenues of CHF 1,770 million in the third quarter of 2005, an increase of 31% compared to the third quarter of 2004. This growth in revenues primarily reflects improved results in interest rate products, leveraged finance and residential structured products, partially offset by weaker results in global foreign exchange positioning. During the third quarter of 2005, the interest rate markets remained challenging as the yield curve continued to flatten. Despite this, the interest rate products business increased revenues globally due partly to a renewed focus on the business including several key new hires. During the third quarter of 2005, Institutional Securities changed its estimate of fair value of its retained interests in residential mortgage-backed securities. Specifically, the valuation was enhanced to reflect improved observable secondary market transaction data and to improve the modeling of the expected prepayment and default assumptions that are used to generate the expected future cash flows from these securities. This change in estimate resulted in a CHF 216 million adjustment to the valuation of these positions, which increased revenues in the third quarter of 2005. Compared to the second quarter of 2005, fixed income trading revenues improved by CHF 576 million, or 48%, reflecting higher revenues in interest rate products, the US high grade business and the above-mentioned increase in retained interest fair values, partially offset by weaker results in commercial structured products. Credit markets improved from the second quarter of 2005 resulting in a tightening of credit spreads, and the structured products business environment was mixed with more favorable conditions in the residential mortgage business. During the third quarter of 2005, in line with strategic efforts to grow the residential mortgage business, Institutional Securities announced the acquisition of Select Portfolio Servicing, Inc., a leading nonprime residential mortgage loan servicer. This acquisition closed in October 2005.

Equity trading revenues increased by 78% to CHF 1,239 million in the third quarter of 2005 versus the third quarter of 2004. Higher revenues were visible across all major product areas. Revenues in the cash business increased due to stronger secondary and capital markets activity. Market conditions in the convertibles business improved, especially in Europe and Asia, with an increase in volatility and improved conditions in the convertible arbitrage business. The equity derivatives market rebounded in the third quarter of 2005, resulting in higher levels of client activity and strong revenues. Revenues from equity risk taking and positioning rose significantly compared to the third quarter of 2004, reflecting better market conditions and an increased focus on the business in line with the strategy. The prime services business achieved a strong quarter, with significant revenue growth over the third quarter of 2004 due to increases in client balances and higher short-term interest rates. Institutional Securities remained a leader in prime services and ranked second in Global Prime Brokerage in the *Institutional Investor* inaugural hedge fund service provider survey. Alternative execution services continued to experience strong growth, and the platform was recognized as "best algorithmic trading system" by *Financial News* in its annual IT Excellence Awards for 2005. Equity trading revenues increased by CHF 405 million, or 49%, compared to the second quarter of 2005, primarily due to stronger revenues in risk taking and positioning, equity derivatives, convertibles and the global cash business, partly offset by declines in the prime services business from the strong second quarter of 2005.

Other (including loan portfolio) revenues of CHF 168 million in the third quarter of 2005 were flat compared to the third quarter of 2004, with lower gains on private equity-related investments not managed as part of Alternative Capital, and higher minority interest-related revenues. Compared to the second quarter of 2005, revenues decreased by 53% reflecting lower gains on such private equity-related investments.

The following table presents the results of the Institutional Securities segment:

9 months

in CHF m	3Q2005	2Q2005	3Q2004	Change in % from 2Q2005	Change in % from 3Q2004	2005	2004	Change in % from 2004
Net interest income	**713**	1,109	786	(36)	(9)	**2,731**	2,893	(6)
Investment banking	**1,126**	948	868	19	30	**2,701**	2,610	3
Commissions and fees	**681**	583	673	17	1	**1,943**	2,053	(5)
Trading revenues including realized gains/(losses) from investment securities, net	**1,617**	433	607	273	166	**3,395**	2,054	65
Other revenues	**166**	262	149	(37)	11	**710**	604	18
Total noninterest revenues	**3,590**	2,226	2,297	61	56	**8,749**	7,321	20
Net revenues	**4,303**	3,335	3,083	29	40	**11,480**	10,214	12
Provision for credit losses	**(41)**	(1)	24	–	–	**(61)**	83	–
Compensation and benefits	**2,278**	1,897	1,662	20	37	**6,245**	5,829	7
Other expenses	**1,121**	1,994	1,118	(44)	0	**4,051**	2,907	39
Total operating expenses	**3,399**	3,891	2,780	(13)	22	**10,296**	8,736	18
Income/(loss) from continuing operations before taxes, minority interests and cumulative effect of accounting changes	**945**	(555)	279	–	239	**1,245**	1,395	(11)
Income tax expense/(benefit)	**248**	(239)	(57)	–	–	**225**	214	5
Minority interests, net of tax	**85**	92	44	(8)	93	**288**	137	110
Income/(loss) from continuing operations before cumulative effect of accounting changes	**612**	(408)	292	–	110	**732**	1,044	(30)
Cumulative effect of accounting changes, net of tax	**0**	0	0	–	–	**12**	0	–
Net income/(loss)	**612**	(408)	292	–	110	**744**	1,044	(29)

The following table presents the revenue details of the Institutional Securities segment:

						9 months		
in CHF m	3Q2005	2Q2005	3Q2004	Change in % from 2Q2005	Change in % from 3Q2004	2005	2004	Change in % from 2004
Debt underwriting	**482**	465	448	4	8	**1,253**	1,317	(5)
Equity underwriting	**263**	185	114	42	131	**586**	546	7
Underwriting	**745**	650	562	15	33	**1,839**	1,863	(1)
Advisory and other fees	**381**	298	306	28	25	**862**	747	15
Total investment banking	**1,126**	948	868	19	30	**2,701**	2,610	3
Fixed income	**1,770**	1,194	1,348	48	31	**4,890**	4,229	16

Equity	**1,239**	834	696	49	78	**2,999**	2,644	13
Total trading	**3,009**	2,028	2,044	48	47	**7,889**	6,873	15
Other (including loan portfolio)	**168**	359	171	(53)	(2)	**890**	731	22
Net revenues	**4,303**	3,335	3,083	29	40	**11,480**	10,214	12

The following table presents key information of the Institutional Securities segment:

				9 months	
	3Q2005	2Q2005	3Q2004	2005	2004
Cost/income ratio	**79.0%**	116.7%	90.2%	**89.7%**	85.5%
Compensation/revenue ratio	**52.9%**	56.9%	53.9%	**54.4%**	57.1%
Pre-tax margin	**22.0%**	(16.6%)	9.0%	**10.8%**	13.7%
Return on average allocated capital	**18.0%**	(13.7%)	10.7%	**8.2%**	13.5%
Average allocated capital in CHF m	**13,568**	11,873	10,894	**12,043**	10,277
Other data excluding minority interests					
Cost/income ratio [1) 2)]	**80.6%**	120.0%	91.5%	**92.0%**	86.7%
Compensation/revenue ratio [1)]	**54.0%**	58.6%	54.8%	**55.8%**	57.9%
Pre-tax margin [1) 2)]	**20.4%**	(20.0%)	7.7%	**8.6%**	12.5%

1) Excluding CHF 85 million, CHF 97 million, CHF 48 million, CHF 293 million and CHF 141 million in 3Q2005, 2Q2005, 3Q2004, 9 months 2005 and 9 months 2004, respectively, in minority interest revenues relating primarily to the FIN 46R consolidation.
2) Excluding CHF 0 million, CHF 5 million, CHF 4 million, CHF 5 million and CHF 4 million in 3Q2005, 2Q2005 and 3Q2004, 9 months 2005 and 9 months 2004, respectively, in minority interest expenses relating primarily to the FIN 46R consolidation.

The following table outlines selected balance sheet and other data of the Institutional Securities segment:

	30.09.05	30.06.05	31.12.04	Change in % from 30.06.05	Change in % from 31.12.04
Total assets in CHF bn	**898.1**	872.3	707.9	3.0	26.9
Number of employees (full-time equivalents)	**17,787**	16,942	16,498	5	8

Wealth & Asset Management

Wealth & Asset Management offers international asset management services to institutional, mutual fund and private investors, provides advisory services for, and invests in, alternative investment vehicles including private equity funds, and provides financial advisory services to high-net-worth individuals and corporate investors.

Wealth & Asset Management comprises Credit Suisse Asset Management, Alternative Capital, Private Client Services and Other.

Wealth & Asset Management reported net income of CHF 101 million in the third quarter of 2005, an increase of 237% compared to the third quarter of 2004, primarily due to higher revenues in all key business areas. Compared to the second quarter of 2005, which benefited from a particularly high level of private equity gains in Alternative Capital, net income decreased by 59%. For the nine months ended September 30, 2005, net income of CHF 481 million increased by 3% versus the comparable period in 2004, despite somewhat lower year-to-date private equity gains which have varied from quarter to quarter.

Wealth & Asset Management third quarter 2005 net revenues totaled CHF 1,250 million, up 55%, compared to the third quarter of 2004. Net revenues (excluding minority interest revenues) rose 28% due to higher revenues in key business areas, including a higher level of investment-related gains in Alternative Capital. Revenues before investment-related gains of CHF 673 million in the third quarter of 2005 were up 17% compared to the third quarter of 2004, due primarily to higher placement fees in the private funds business of Alternative Capital and higher management fees in Credit Suisse Asset Management, reflecting an increase in assets under management.

In the third quarter of 2005, investment-related gains more than doubled to CHF 139 million versus the third quarter of 2004. This increase was driven by a higher level of realized and unrealized private equity gains. Compared to the strong second quarter of 2005, investment-related gains decreased by 51%. In the third quarter of 2005, investment-related gains included gains resulting from the sale of private equity investments in Medicine Bow Energy Corp., and Pacific Shores Center and the valuation impact relating to the pending sale of Mueller Water Products, Inc. During the third quarter of 2005, private equity funds managed by Alternative Capital invested or committed over USD 674 million, bringing the year-to-date total to USD 2.2 billion.

In the third quarter of 2005, minority interest revenues arising from the consolidation of certain private equity funds primarily under FIN 46R, increased by CHF 264 million to CHF 438 million compared to the third quarter of 2004 and decreased by CHF 187 million compared to the second quarter of 2005.

Compared to the third quarter of 2004, total operating expenses rose CHF 82 million, or 14%, to CHF 686 million. This increase was driven by higher compensation and benefits expenses and higher other expenses, reflecting an increase in commissions and professional fees. Compared to the second quarter of 2005, total operating expenses rose 10% due to higher performance-related compensation costs.

Wealth & Asset Management reported net new assets of CHF 4.1 billion during the third quarter of 2005. Inflows of CHF 2.5 billion in Private Client Services, due primarily to large new client accounts, and of CHF 1.8 billion in Credit Suisse Asset Management, due primarily to solid business growth in Europe, were the main drivers of this result. These inflows were partly offset by an outflow in Alternative Capital of CHF 0.2 billion. Assets under management as of September 30, 2005, totaled CHF 552.9 billion, up 4.5% compared to June 30, 2005, due to market performance, net new asset inflows and foreign currency exchange rate movements.

The following table presents the results of the Wealth & Asset Management segment:

				9 months	
in CHF m	3Q2005	2Q2005	3Q2004	2005	2004

				Change in % from 2Q2005	Change in % from 3Q2004			Change in % from 2004
Net interest income	**11**	3	(20)	267	–	**32**	41	(22)
Asset management and administrative fees	**628**	599	541	5	16	**1,847**	1,807	2
Trading revenues including realized gains/(losses) from investment securities, net	**37**	53	49	(30)	(24)	**139**	145	(4)
Other revenues	**574**	915	239	(37)	140	**1,738**	1,181	47
Total noninterest revenues	**1,239**	1,567	829	(21)	49	**3,724**	3,133	19
Net revenues	**1,250**	1,570	809	(20)	55	**3,756**	3,174	18
Compensation and benefits	**333**	275	291	21	14	**875**	844	4
Other expenses	**353**	348	313	1	13	**1,032**	1,020	1
of which commission and distribution expenses	**189**	183	164	3	15	**558**	605	(8)
Total operating expenses	**686**	623	604	10	14	**1,907**	1,864	2
Income from continuing operations before taxes and minority interests	**564**	947	205	(40)	175	**1,849**	1,310	41
Income tax expense	**30**	81	8	(63)	275	**153**	146	5
Minority interests, net of tax	**433**	621	167	(30)	159	**1,215**	697	74
Net income	**101**	245	30	(59)	237	**481**	467	3

The following table presents the revenue details of the Wealth & Asset Management segment:

						9 months		
in CHF m	3Q2005	2Q2005	3Q2004	Change in % from 2Q2005	Change in % from 3Q2004	2005	2004	Change in % from 2004
Credit Suisse Asset Management	**482**	470	403	3	20	**1,423**	1,368	4
Alternative Capital	**121**	132	113	(8)	7	**385**	336	15
Private Client Services	**70**	61	57	15	23	**195**	198	(2)
Other	**0**	0	0	–	–	**0**	(1)	(100)
Total before investment-related gains	**673**	663	573	2	17	**2,003**	1,901	5
Investment-related gains [1]	**139**	282	62	(51)	124	**526**	569	(8)
Net revenues before minority interests	**812**	945	635	(14)	28	**2,529**	2,470	2
Minority interest revenues [2]	**438**	625	174	(30)	152	**1,227**	704	74
Net revenues	**1,250**	1,570	809	(20)	55	**3,756**	3,174	18

[1] Includes realized and unrealized gains/losses from investments as well as net interest income, trading and other revenues associated with Alternative Capital and Other.
[2] Reflects minority interest revenues relating primarily to the FIN 46R consolidation.

The following table presents key information for the Wealth & Asset Management segment:

	3Q2005	2Q2005	3Q2004	9 months 2005	9 months 2004
Cost/income ratio	**54.9%**	39.7%	74.7%	**50.8%**	58.7%
Compensation/revenue ratio	**26.6%**	17.5%	36.0%	**23.3%**	26.6%
Pre-tax margin	**45.1%**	60.3%	25.3%	**49.2%**	41.3%
Return on average allocated capital	**25.8%**	67.9%	10.3%	**46.0%**	53.4%
Average allocated capital in CHF m	**1,568**	1,443	1,160	**1,395**	1,166
Net new assets in CHF bn					
Credit Suisse Asset Management [1]	**1.8**	(0.2)	0.4	**3.2**	0.9
Alternative Capital	**(0.2)**	2.8	1.2	**3.2**	2.2
Private Client Services	**2.5**	0.2	(2.1)	**5.9**	(0.3)
Total net new assets	**4.1**	2.8	(0.5)	**12.3**	2.8
Other data excluding minority interests					
Cost/income ratio [2] [3]	**83.9%**	65.5%	94.0%	**74.9%**	75.2%
Compensation/revenue ratio [2]	**41.0%**	29.1%	45.8%	**34.6%**	34.2%
Pre-tax margin [2] [3]	**16.1%**	34.5%	6.0%	**25.1%**	24.8%

[1] Credit Suisse Asset Management balances for net new assets include assets managed on behalf of other entities within Credit Suisse Group. This differs from the presentation in the overview of Credit Suisse Group, where such assets are eliminated.
[2] Excluding CHF 438 million, CHF 625 million, CHF 174 million, CHF 1,227 million and CHF 704 million in 3Q2005, 2Q2005, 3Q2004, 9 months 2005 and 9 months 2004, respectively, in minority interest revenues relating primarily to the FIN 46R consolidation.
[3] Excluding CHF 5 million, CHF 4 million, CHF 7 million, CHF 12 million and CHF 7 million in 3Q2005, 2Q2005, 3Q2004, 9 months 2005 and 9 months 2004, respectively, in minority interest expenses relating primarily to the FIN 46R consolidation.

The following table outlines selected balance sheet and other data of the Wealth & Asset Management segment:

in CHF bn	30.09.05	30.06.05	31.12.04	Change in % from 30.06.05	Change in % from 31.12.04
Assets under management					
Credit Suisse Asset Management [1]	**434.9**	419.8	386.7	3.6	12.5
Alternative Capital	**45.1**	44.2	36.6	2.0	23.2
Private Client Services	**72.9**	65.3	59.1	11.6	23.4