CREDIT SUISSE

CREDIT SUISSE GROUP
Paradeplatz
CH-8070 Zurich
Switzerland

23 January 2009

International Accounting Standards Board
30 Cannon Street
London EC4M 6XH
United Kingdom

Exposure Draft – Additional Exemptions for First-time Adopters: Proposed amendments to IFRS 1

Credit Suisse Group ("Credit Suisse") welcomes the opportunity to share our views on the International Accounting Standards Board's ("IASB") *Additional Exemptions for First-time Adopters: Proposed amendments to IFRS 1* ("Exposure Draft"). Credit Suisse's consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States ("US GAAP"). However, a number of our subsidiaries are required to apply International Financial Reporting Standards ("IFRS") to their stand-alone financial statements.

Credit Suisse is registered as a foreign private issuer with the Securities and Exchange Commission ("SEC") in the United States. Credit Suisse firmly supports the choice of IFRS or US GAAP for foreign private issuers as well as US issuers. Although currently we prepare our consolidated financial statements in accordance with US GAAP, we anticipate a move to IFRS in the near future. We do not believe that the Exposure Draft addresses the transition timing issues currently existing in IFRS 1 *First-Time Adoption of International Financial Reporting Standards* ("IFRS 1"). We believe adoption dates should be updated to be relative to the date of first time adoption of IFRS by an entity, rather than a fixed date (as of 1 January 2004). This will result in a reduction of further date revisions in IFRS 1 and facilitate the timeline of the SEC's "Roadmap for the Potential Use of Financial Statements Prepared in Accordance with IFRS by U.S. Issuers" (the "SEC Roadmap"). It is in that context we provide you with our comments to question 5 of the Exposure Draft as set out in the appendix to this letter.

CREDIT SUISSE

CREDIT SUISSE GROUP
Paradeplatz
CH-8070 Zurich
Switzerland

If you have any questions or would like any additional information on the comments we have provided, please do not hesitate to contact Eric Smith in New York on (212) 538-5984, or Todd Runyan in Zurich on +41 44 334 8063.

Sincerely,

Rudolf Bless
Managing Director
Chief Accounting Officer

Allison Bunton
Vice-President
Accounting Policy and Assurance Group

CREDIT SUISSE

CREDIT SUISSE GROUP
Paradeplatz
CH-8070 Zurich
Switzerland

Appendix

Question 5 - Assessments under previous GAAP before the date of transition to IFRSs

Do you agree that the situation referred to in Question 4 is the only one in which additional relief of this type is needed? If not, in what other situations is relief necessary and why?

IFRS 1 was first published in 2003 and as such the exemption or exceptions noted therein were useful for entities adopting IFRSs in 2005 or 2006, but is less useful for adoption dates subsequent to those years. Although this Exposure Draft does provide further transition relief in the areas of measurement and disclosure of oil & gas assets, rate-regulated operations and leases, Credit Suisse believes further relief is necessary outside of these areas.

We believe adoption dates should be updated to be relative to the date of first time adoption of IFRS by an entity, rather than a fixed date (as of 1 January 2004). This will limit the need for future amendments to IFRS 1 and ensure that the application dates are compatible for all entities regardless of when they adopt IFRS. For instance, the timeline presented in the SEC Roadmap could lead to mandatory transition to IFRS starting in fiscal years ending on or after December 15, 2014. The SEC Roadmap also contains proposed rule changes that would give certain U.S. issuers the early option to use IFRS in financial statements for fiscal years ending on or after December 15, 2009. We believe that some of the implementation dates contained within IFRS 1 are incompatible with 2009 let alone 2014.

We believe the IASB should change the implementation dates within IFRS 1 in the following two areas:

De-recognition
Currently IFRS 1 requires first time adopters of IFRS to apply the de-recognition of IAS 39: *Financial Instruments: Recognition and Measurement* ("IAS 39") requirements prospectively from 1 January 2004. We believe this exemption should be updated to be the date of transition to IFRS. The 1 January 2004 date had this effect for financial statement filers within the European Union. The adoption of the exemption for a comparable date for financial statement filers with the US as well as to the other many countries moving to IFRS would provide the same benefit their European Union counterparts experienced converting in 2005 to overcome the practical difficulties of restating transactions that had been derecognised before that date. Failure to update this

CREDIT SUISSE GROUP
Paradeplatz
CH-8070 Zurich
Switzerland

transition guidance can be expected to discourage companies from electing to (early) adopt IFRS.

Furthermore, we believe the exemption should be updated because restating past de-recognition transactions would be costly, time consuming and in many cases not possible as it may be difficult to obtain accurate information on transferred assets that are no longer under the control of the reporting entity. Furthermore, the information created could be biased from the benefit of hindsight. Finally, we believe that it will be extremely difficult for external auditors to get comfort in this area given the period of time that will have elapsed.

As the Board states in IFRS 1.BC22A, the use of the 1 January 2004 date was allowed in order to 'overcome the practical difficulties of restating transactions that had been derecognised before that date'. These practical difficulties remain for those adopting IFRS for the first time anytime after 1 January 2004.

Day 1 Gains
The requirement to defer Day 1 Gains has been removed under US GAAP with the implementation of SFAS 157 Fair Value Measurement. For US filers converting to IFRS, it would require considerable resources to complete this requirement and in many cases it would not be possible to obtain the necessary information. Currently IFRS requires financial statement preparers to apply the requirements regarding initial recognition of financial assets and financial liabilities contained with AG76 and AG76A of IAS 39, prospectively to transactions entered into after 25 October 2002 or 1 January 2004.

The IASB is currently considering the accounting for Day 1 gains in its Fair Value Measurement project, we believe that in the spirit of convergence and from a sound technical perspective, the treatment should be consistent with US GAAP. Credit Suisse believes that the exit price is the best indicator of fair value and it should be consistently applied regardless of whether or not the inputs are observable in a market. Furthermore, we believe recognition of Day 1 gains and marking within the bid/ask spread are most appropriate.

Again, we recommend that the date of implementation should be set by reference to the appropriate transition dates for an entity adopting IFRS. The Board, as noted in IAS 39.BC222(v), commented that using a transition date before 1 January 2004 ("the date of transition to IFRSs for many entities") would be "difficult and expensive to implement, and might require subjective assumptions about what was observable and what was not". We believe this same logic should be applied for those entities adopting IFRS after 1 January 2004.