

**DLJ GROUP
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**



Company Registration Number 02479336

DLJ GROUP

BOARD OF DIRECTORS

David Long

Lawrence Fletcher

Paul E. Hare

COMPANY SECRETARY

Paul E. Hare

DLJ GROUP

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

The directors present their report and the financial statements for the year ended 31 December 2012

International Financial Reporting Standards

The financial statements of DLJ Group (the "Company") for 2012 have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted for use in the European Union (EU)

The financial statements were authorised for issue by the directors on 5 July 2013

Principal activities

The Company is domiciled in the United Kingdom. The Company's activities comprise the holding of investments. The principal source of income derived is interest on money market deposits held by the Company.

Business review

Currently, the Company holds interest bearing deposits with Credit Suisse International and Credit Suisse AG, London Branch.

Going concern

The financial statements have been prepared on a going concern basis.

Performance

The profit for the year was US\$ 602k (2011: US\$ 5,810k). The decrease in the profit is on account of a drop in the current year in the average effective interest rate on money market deposits. As at 31 December 2012, the Company had total assets of US\$ 2,530,916k (2011: US\$ 2,530,304k) and net assets position of US\$ 2,530,894k (2011: US\$ 2,530,292k).

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Share capital

During the year, no additional share capital was issued by the Company (2011: US\$ Nil).

Dividends

No dividends were paid or are proposed for the year ended 31 December 2012 (2011: US\$ Nil).

Principal risks and uncertainties

The Company's financial risk management objectives and policies and the exposure of the Company to market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk are outlined in Note 14 to the financial statements.

Directors

The names of the directors as at the date of this report are set out on page 2. Changes in the directorate since 31 December 2011, and up to the date of this report are as follows:

Resignation	Costas P. Michaelides	6 December 2012
Appointment	Lawrence Fletcher	17 December 2012

DLJ GROUP
DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

Directors (continued)

All directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report. None of the directors who held office at the end of the financial year were beneficially interested, at any time during the year, in the shares of the Company.

Disclosure of information to the auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware, and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Pursuant to section 487 of the Companies Act 2006, KPMG Audit Plc continues in office as the Company's auditors.

Exemption for group accounts

Pursuant to section 401 of the Companies Act 2006, the Company is exempt from preparing and delivering group financial statements as the Company is a wholly owned indirect subsidiary of Credit Suisse Group AG, incorporated in Switzerland, which prepares consolidated financial statements.

Prompt payment code

It is the policy of the Company to pay all invoices in accordance with contract and payment terms.

Subsequent events

In the UK budget announcement of 20 March 2013, the UK government announced its intention to further reduce the UK corporation tax rate to 20% with effect from 1 April 2015. This tax rate reduction is expected to be substantively enacted in July 2013.

There were no other subsequent events that require disclosure as at the date of this report.

By Order of the Board



Paul E Hare
Company Secretary

One Cabot Square
London E14 4QJ
5 July 2013

Company Registration Number 02479336

DLJ GROUP

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

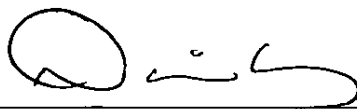
The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU and applicable law.

Under Company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether they have been prepared in accordance with IFRSs as adopted by the EU, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.



David Long
Director

DLJ GROUP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DLJ GROUP

We have audited the financial statements of DLJ Group for the year ended 31 December 2012 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the EU, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

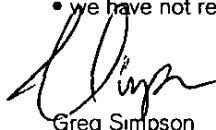
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



Greg Simpson
(Senior Statutory Auditor)

For and on behalf of KPMG Audit Plc, Statutory Auditor

Chartered Accountants

15 Canada Square
London
United Kingdom
E14 5GL
5 July 2013

DLJ GROUP

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	2012 US\$ '000	2011 US\$ '000
Interest income	3	6,130	13,596
Interest income		6,130	13,596
Administrative expenses	4	(9)	(6)
Profit before tax		6,121	13,590
Income tax expense	5	(5,519)	(7,780)
Profit for the year		602	5,810

Profits for 2012 and 2011 are from continuing operations

There is no other comprehensive income for the current and prior years. Accordingly, no statement of other comprehensive income is provided.

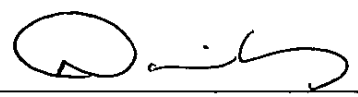
The notes on pages 11 to 22 form an integral part of these financial statements.

DLJ GROUP
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2012

	Note	2012 US\$ '000	2011 US\$ '000
ASSETS			
Non-current assets			
Investment in subsidiary	6	-	-
Amounts due from related companies	7	2,375,627	2,369,833
Deferred tax assets	5	45,860	51,379
Current assets			
Amounts due from related companies	7	78	96
Cash and cash equivalents	8	109,351	108,996
Total assets		2,530,916	2,530,304
LIABILITIES			
Current liabilities			
Amounts due to related companies	9	17	3
Cash and cash equivalents	8	-	5
Other accruals	10	5	4
Total liabilities		22	12
SHAREHOLDER'S EQUITY			
Share capital	11	2,745,588	2,745,588
Share premium		176	176
Other reserves		6	6
Accumulated losses		(214,876)	(215,478)
Total shareholder's equity		2,530,894	2,530,292
Total shareholder's equity and liabilities		2,530,916	2,530,304

The notes on pages 11 to 22 form an integral part of these financial statements

Approved by the Board of Directors on 5 July 2013 and signed on its behalf by



David Long
Director

DLJ GROUP

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2012

	Share capital US\$ '000	Share premium US\$ '000	Other reserves US\$ '000	Accumulated losses US\$ '000	Total US\$ '000
Balance at 1 January 2012	2,745,588	176	6	(215,478)	2,530,292
Profit for the year	-	-	-	602	602
Total recognised income for the year	-	-	-	602	602
Balance at 31 December 2012	2,745,588	176	6	(214,876)	2,530,894

	Share capital US\$ '000	Share premium US\$ '000	Other reserves US\$ '000	Accumulated losses US\$ '000	Total US\$ '000
Balance at 1 January 2011	2,745,588	176	6	(221,288)	2,524,482
Profit for the year	-	-	-	5,810	5,810
Total recognised income for the year	-	-	-	5,810	5,810
Balance at 31 December 2011	2,745,588	176	6	(215,478)	2,530,292

The notes on pages 11 to 22 form an integral part of these financial statements

DLJ GROUP

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	2012 US\$'000	2011 US\$'000
Cash flows from operating activities			
Profit before tax for the year		6,121	13,590
Adjustments for:			
Non-cash items included in profit before tax and other adjustments			
Interest income		(6,130)	(13,596)
Net increase in operating assets			
Amounts due from related companies		(5,794)	(13,484)
Net increase/(decrease) in operating liabilities			
Increase in amounts due to related companies		14	1
Increase/(decrease) in other accruals		1	(2)
Cash generated from operations		(5,788)	(13,491)
Interest received		6,148	13,694
Net cash generated from operating activities		360	203
Net increase in cash and cash equivalents		360	203
Cash and cash equivalents at beginning of the year		108,991	108,788
Cash and cash equivalents at end of the year	8	109,351	108,991

Cash and cash equivalents are analysed as follows:

	2012 US\$'000	2011 US\$'000
Cash and cash equivalents	109,351	108,996
Bank overdraft	-	(5)
Total	109,351	108,991

The notes on pages 11 to 22 form an integral part of these financial statements

1. General

DLJ Group (the "Company") is a company domiciled in the United Kingdom. The Company's activities comprise the holding of investments. The principal source of income derived is interest on money market deposits held by the Company.

2. Significant accounting policies

a) Statement of compliance

The directors of the Company have a reasonable expectation that the Company has adequate financial resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis and are approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("adopted IFRSs") and are in compliance with Companies Act 2006.

Pursuant to section 401 of the Companies Act 2006, the Company is exempt from preparing and delivering group financial statements as the Company is a wholly owned indirect subsidiary of Credit Suisse Group AG, incorporated in Switzerland, which prepares consolidated financial statements.

b) Basis of preparation

The financial statements are presented in United States Dollars (US\$) and have been rounded to the nearest thousands, unless otherwise stated. They are prepared on historical cost basis.

The preparation of financial statements in conformity with adopted IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision has a significant effect on both current and future periods.

The directors of the Company have a reasonable expectation that the Company has adequate financial resources to continue in operational existence for the foreseeable future. Accordingly, the Directors have prepared these accounts on a going concern basis.

Standards and Interpretations effective in the current period

The Company has adopted the following amendments and interpretations in the current year:

- Amendments to IFRS 7, "Financial Instruments-Disclosures" – Transfers of Financial Assets. The amendments improved the understanding of transfer transactions of financial assets (for example, securitisations) by users of financial statements, including understanding the possible effects of any risks that may remain with the entity that transferred the assets. The amendments also require additional disclosures if a disproportionate amount of transfer transactions are undertaken around the end of a reporting period. The amendments were effective for annual periods beginning on or after 1 July 2011. There has been no impact to the financial statements as a result of the adoption of the above revised amendment.

2. Significant accounting policies (continued)

b) Basis of preparation (continued)

Standards and interpretations endorsed by the EU but not yet effective

The Company is not required to adopt the following standards and interpretations which are endorsed by the EU but not yet effective

- **Amendments to IAS 1 Presentation of Items of Other Comprehensive Income** In June 2011, the IASB issued Presentation of Items of Other Comprehensive Income (Amendments to IAS 1) The amendments require entities to group together items within Other Comprehensive Income that will and will not subsequently be reclassified to the profit or loss section of the income statement The amendments also reaffirm existing requirements that items in Other Comprehensive Income and profit or loss should be presented as either a single statement or two consecutive statements The amendments are effective for annual periods beginning on or after 1 July 2012 The adoption of this amendment is not expected to have a material impact on the financial statements
- **IFRS 12 Disclosure of Interests in Other Entities** In May 2011, the IASB issued IFRS 12 "Disclosures of Interests in Other Entities" (IFRS 12) IFRS 12 requires entities to disclose information that enables users of the financial statement to evaluate the nature of and any associated risks of its interests in other entities and the effects of those interests on its financial position, financial performance and cash flows IFRS 12 is effective for annual periods beginning on or after 1 January 2013 However, the EU requires adoption for annual periods beginning on or after 1 January 2014 As IFRS 12 requires disclosures only it will not have a material impact on the Company's financial position, results of operation or cash flows
- **IFRS 13 Fair Value Measurement** In May 2011, the IASB issued IFRS 13 "Fair Value Measurement" (IFRS 13) IFRS 13 defines fair value, sets out a framework for measuring fair value and requires disclosure requirements about fair value measurements IFRS 13 applies to IFRSs that require or permit fair value measurements or disclosures about fair value measurements, except in specified circumstances IFRS 13 is effective for annual periods beginning on or after 1 January 2013 The adoption of this amendment is not expected to have a material impact on the financial statements
- **IFRS 7 Disclosures- Offsetting Financial Assets and Financial Liabilities** In December 2011, the IASB issued amendments to IFRS 7 "Disclosures – Offsetting Financial Assets and Financial Liabilities" (IFRS 7) The amendments require disclosures about the effect or potential effects of offsetting financial assets and financial liabilities and related arrangements on an entity's financial position The amendments are effective for annual periods beginning on or after 1 January 2013 The adoption of this amendment is not expected to have a material impact on the financial statements
- **IAS 32 Offsetting Financial Assets and Financial Liabilities** In December 2011, the IASB issued amendments to IAS 32 "Offsetting Financial Assets and Financial Liabilities" (IAS 32) The amendments address inconsistencies in current practice when applying the offsetting criteria in IAS 32 'Financial Instruments – Presentation' The amendments are effective for annual periods beginning on or after 1 January 2014 The adoption of this amendment is not expected to have a material impact on the financial statements

Standards and Interpretations not endorsed by the EU and not yet effective

The Company is not yet required to adopt the following standards and interpretations which are issued by the IASB but not yet effective and have not yet been endorsed by the EU

- **IFRS 9 Financial Instruments** In November 2009 the IASB issued IFRS 9 "Financial Instruments" (IFRS 9) covering the classification and measurement of financial assets which introduces new requirements for classifying and measuring financial assets In October 2010, the IASB reissued IFRS 9, which incorporated new requirements on the accounting for financial liabilities The effective date of IFRS 9 was revised in December 2011, making it applicable for annual periods beginning 1 January 2015 The adoption of this amendment is not expected to have a material impact on the financial statements

2. Significant accounting policies (continued)**b) Basis of preparation (continued)**

Except for the above changes, the accounting policies set out below have been applied consistently to all periods presented in these financial statements

c) Foreign currency

The functional currency of the Company is United States Dollars (US\$). Transactions denominated in currencies other than the functional currency of the Company are recorded by remeasuring to the functional currency of the Company at the exchange rate on the date of the transaction. At the reporting date, monetary assets and liabilities such as receivables and payables are reported using the spot exchange rates applicable at that date. Non-monetary assets and liabilities denominated in foreign currencies at reporting date are not revalued for movements in foreign exchange rates. Foreign exchange differences arising from re-measurement are recognised in the statement of comprehensive income.

d) Amounts due to and from related companies

Amounts due to and from related companies are loans and receivables / payables which are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Company does not intend to sell immediately or in the near term. They are initially measured at fair value plus incremental direct transaction costs, and are subsequently measured at their amortised cost on an effective yield basis.

e) Cash and cash equivalents

For the purpose of preparation and presentation of the statement of cash flows, cash and cash equivalents are defined as short-term, highly liquid instruments with original maturities of three months or less, which are subject to an insignificant risk of changes in their fair value and that are held for the purpose of cash management.

f) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case the income tax is recognised in equity. For items initially recognised in equity and subsequently recognised in the statement of comprehensive income, the related income tax initially recognised in equity is also subsequently recognised in the statement of comprehensive income.

Current tax is the expected tax payable on the taxable income for the year and includes any adjustment to tax payable in respect of previous years. Current tax is calculated using tax rates enacted or substantially enacted at the reporting date.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax-base. The amount of deferred tax provided is based on the amount at which it is expected to recover or settle the carrying amount of assets and liabilities on the statement of financial position, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Information as to the calculation of income tax on the profit or loss for the period presented is included in Note 5.

2. Significant accounting policies (continued)**g) Interest income**

The interest income is recognised on an accrual basis using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability.

h) Investment in subsidiary

Investment in subsidiary is recorded at cost and is assessed for impairment on an annual basis. Any charges relating to the impairment of investment in subsidiary is recognised in the statement of comprehensive income in the period in which the impairment occurs. When investments are disposed, the profit/(loss) resulting from the disposal is recognised in the statement of comprehensive income. Pre-acquisition dividends received from subsidiary undertakings are treated as a reduction in the value of the subsidiary.

i) Financial guarantee

Financial guarantee contracts require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts are provided by the Company to banks, financial institutions and other parties on behalf of customers to secure loans, overdrafts and other payables. Financial guarantee contracts are initially recognised in the Statement of Financial Position at fair value on the date the guarantee was given, which is generally the fee received or receivable. Subsequent to initial recognition, the Company's liabilities under such guarantees are measured at the higher of the initial fair value, less cumulative amortisation, and the best estimate for the expenditure required to settle any financial obligation arising as of the Statement of Financial Position date when it is probable that the financial obligation will occur. Estimates that represent the financial guarantee obligation are determined based on experience with similar transactions and history of past losses, and management's determination of the best estimate. Further details are set out in Note 15.

j) Critical accounting estimates and judgements in applying accounting policies

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income taxes - deferred tax valuation

Deferred tax assets and liabilities are recognised to reflect the estimated amounts of income tax recoverable/payable in future periods in respect of temporary differences and unused carry forward of tax losses and credits. For deductible temporary differences, a deferred tax asset is recognised to the extent that it is probable that taxable income will be available against which the deductible temporary difference can be utilised. Similarly, a deferred tax asset is recognised on unused carry forward tax losses and credits to the extent that it is probable that future taxable profits will be available against which the unused carry forward tax losses and credits can be utilised.

Periodically, management evaluates the probability that taxable profits will be available against which the deductible temporary differences and unused carry forward tax losses and credits can be utilised. Within this evaluation process, management also considers tax-planning strategies. The evaluation process requires significant management judgement, primarily with respect to projecting future taxable profits.

DLJ GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

3 Interest income

	2012	2011
	US\$ '000	US\$ '000
Interest on money market deposits	6,130	13,596
Total	6,130	13,596

The interest income relates to the interest earned on the deposits with Credit Suisse International and Credit Suisse AG, London Branch

4. Administrative expenses

	2012	2011
	US\$ '000	US\$ '000
Auditor's remuneration for statutory audit	(6)	(6)
Other expenses	(3)	-
Total	(9)	(6)

5 Income Tax expense**a) Components of tax benefit**

	2012	2011
	US\$ '000	US\$ '000
Current tax		
Current tax on profits of the year	-	-
Deferred tax		
Utilization of losses brought forward	1,500	3,601
Effect of change in tax rate	4,019	4,179
Total deferred tax expense	5,519	7,780
Income tax expense	5,519	7,780

(b) An explanation of the relationship between tax credit and the accounting profit

The income tax for the year can be reconciled to the standard rate of corporation tax in the UK of 24.5% (2011 26.5%) as follows

	2012	2011
	US\$ '000	US\$ '000
Profit before tax	6,121	13,590
Profit before tax multiplied by the UK statutory rate of corporation tax of 24.5% (2011 26.5%)	1,500	3,601
Effect of change in tax rate	4,019	4,179
Income tax expense	5,519	7,780

c) Deferred tax

Deferred taxes are calculated on all temporary differences under the liability method using an effective tax rate of 23% (2011 25%)

5. Income Tax expense**c) Deferred tax (continued)**

	2012 US\$ '000	2011 US\$ '000
Deferred tax assets	45,860	51,379
The movement for the year on the deferred tax position was as follows		
At beginning of year	51,379	59,159
Debit to income for the year	(1,500)	(3,601)
Effect of change in tax rate expensed to statement of comprehensive income	(4,019)	(4,179)
At end of year	45,860	51,379

Deferred tax assets are attributable to the following items

	2012 US\$ '000	2011 US\$ '000
Tax losses	45,860	51,379

The company has tax losses to carry forward against future taxable income and these have no expiry date. The benefit for these tax loss carry forwards is recognised in full as the company expects future taxable income will be available against which the unused tax losses will be utilised.

The Company also has capital losses of US\$ 2,947,268 (2011 US\$ 2,813,206) to carry forward against future chargeable gains and these have no expiry date. The benefit of the capital losses has not been recognised in these financial statements due to the uncertainty of their recoverability.

On 21 March 2012, the UK Government announced that the corporation tax rate applicable from 1 April 2012 would be 24%. This change was substantively enacted on 26 March 2012. In addition, the Finance Act 2012, which passed into law on 17 July 2012, included a further reduction in the UK corporation tax rate from 24% to 23% with effect from 1 April 2013. The change in the UK corporation tax rate from 25% to 23% (2011 27% to 25%) has resulted in a reduction of the company's net deferred tax asset as at 31 December 2012 of US\$ 4,019k (2011 US\$ 4,179k).

It is further proposed that the UK corporation tax rate applicable from 1 April 2014 will be 21%. This reduction is expected to be substantively enacted in July 2013.

In the UK budget announcement of 20 March 2013, the UK government announced its intention to further reduce the UK corporation tax rate to 20% with effect from 1 April 2015. This tax rate reduction is expected to be substantively enacted in July 2013.

6 Investment in subsidiary

The Company had the following UK incorporated subsidiary as of 31 December 2012 and 2011

	Activity	Portion of ordinary shares held %	Total issued capital US\$
DLJ Investment Partner II Limited	Investment	100	3

Due to the minimal value and rounded presentation, the amount of investment is not reflected on the face of Statement of Financial Position.

DLJ GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

6. Investment in subsidiary (continued)

The Company is a wholly owned subsidiary of DLJ International Group Limited, incorporated in the United Kingdom, which is owned by DLJ UK Investment Holdings Limited. The ultimate holding company is Credit Suisse Group AG, incorporated in Switzerland, which prepares consolidated financial statements.

Pursuant to section 401 of the Companies Act 2006, the Company is exempt from preparing and delivering group financial statements as the Company is a wholly owned indirect subsidiary of Credit Suisse Group AG, incorporated in Switzerland, which prepares consolidated financial statements.

Copies of group financial statements of the ultimate holding company, which are those of the smallest and largest groups in which the results of the Company are consolidated, are available to the public and may be obtained from Credit Suisse Group AG, Paradeplatz, P O Box 1, 8070 Zurich, Switzerland.

7 Amounts due from related companies

	2012 US\$ '000	2011 US\$ '000
Non-current		
Money market deposits	2,375,627	2,369,833
Total Non-current	2,375,627	2,369,833
Current		
Accrued interest	78	96
Total Current	78	96
Total	2,375,705	2,369,929

The money market deposits are held with Credit Suisse International and are due to mature on 27th February 2014, however, the interest rate, which is linked to LIBOR rate, is reset every month. Accordingly, the book value of the receivables approximates the fair value. The effective interest rate on money market deposits as at 31 December 2012 was 0.21% (As at 31 December 2011 0.29%), with an average interest reset period of 30 days (2011 28 days).

8 Cash and cash equivalents

	2012 US\$ '000	2011 US\$ '000
Cash at bank	1	-
Bank overdraft	-	(5)
Short term money market deposits	109,350	108,996
Total	109,351	108,991

Cash and cash equivalents relate to nostro accounts held with Credit Suisse AG, Zurich and short-term money market deposits held with Credit Suisse AG, London Branch. The fair value of cash and cash equivalents approximates to book value. All the bank accounts are repayable on demand. The effective interest rate on money market deposits as at 31 December 2012 was 0.21% (As at 31 December 2011 0.46%), with an average maturity of 60 days (2011 57 days).

9. Amounts due to related companies

	2012 US\$ '000	2011 US\$ '000
Amounts due to related companies	17	3
Total	17	3

During the year, a short term loan of £10,000 (\$16,000) was availed from Credit Suisse AG, London Branch. The effective interest rate on loan as at 31 December 2012 was 0.49% (As at 31 December 2011 Nil) with an average maturity of 33 days (2011 Nil).

DLJ GROUP
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

10 Other accruals

	2012 US\$ '000	2011 US\$ '000
Audit fees payable	4	4
Others	1	-
Total	5	4

11. Share capital

	2012 US\$	2011 US\$
Authorised.		
Ordinary Shares		
1,353,322 ordinary shares of GBP 0.10 each	218,115	218,115
100,000,000 ordinary A shares of US\$1.00 each	100,000,000	100,000,000
2,700,000,000 ordinary B shares of US\$1.00 each	2,700,000,000	2,700,000,000
Total	2,800,218,115	2,800,218,115
Allotted, called up and paid up	2012	2011
Ordinary Shares	US\$	US\$
580,623 ordinary shares of GBP 0.10 paid up to GBP 0.001 each	936	936
90,000,000 ordinary A shares of US\$1.00 paid up to US\$ 1.00 each	90,000,000	90,000,000
2,655,586,770 ordinary B shares of US\$1.00 paid up to US\$1.00 each	2,655,586,770	2,655,586,770
Total	2,745,587,706	2,745,587,706

GBP Ordinary shares and Ordinary A shares carry voting rights and the right to receive dividends, which are held by its parent DLJ International Group Limited. Ordinary B shares, which carry right to receive dividends but don't carry any voting rights, are held by Credit Suisse Shimada Investments (Gibraltar).

No additional share capital was issued by the Company during the year (2011: US\$ Nil).

Capital management

The Board's policy is to maintain an adequate capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The capital structure of the Company consists of equity attributable to equity holders of the Company comprising issued capital, reserves and accumulated losses.

The Company funds its operations and growth through equity. This includes assessing the need to raise additional equity where required.

The Company is not subject to externally imposed capital requirements.

There were no changes in the Company's approach to capital management during the year.

12 Related party transactions

The Company is a subsidiary of DLJ International Group Limited, incorporated in England and Wales, which itself is owned by DLJ UK Investment Holdings Limited. The ultimate holding company is Credit Suisse Group AG, which is incorporated in Switzerland.

The Company is involved in financing and other transactions, and has significant related party balances, with subsidiaries and affiliates of Credit Suisse Group AG. The Company generally enters into these transactions in the ordinary course of business and these transactions are on market terms that could be obtained from unrelated parties.

12 Related party transactions (continued)

The following table sets forth the Company's related party assets and liabilities and related party revenue and expenses

a) Related party assets and liabilities

	2012		2011	
	Fellow group companies	Total	Fellow group companies	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Non-current assets				
Amounts due from related companies	2,375,627	2,375,627	2,369,833	2,369,833
Current assets				
Amounts due from related companies	78	78	96	96
Cash and cash equivalents	109,351	109,351	108,996	108,996
Total	2,485,056	2,485,056	2,478,925	2,478,925
Current liabilities				
Amounts due to related companies	17	17	3	3
Cash and cash equivalents	-	-	5	5
Total	17	17	8	8

b) Related party revenues

	2012		2011	
	Fellow group companies	Total	Fellow group companies	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Interest income	6,130	6,130	13,596	13,596
Total	6,130	6,130	13,596	13,596

c) Remuneration of directors and key management personnel

The directors and key management personnel did not receive any remuneration in respect of their services as directors of the Company (2011 US\$ Nil). The directors and key management personnel are employees of its related companies and the Company does not reimburse its related companies for the services rendered by these directors and key management personnel.

All directors benefited from qualifying third party indemnity provisions.

d) Loans and advances to directors and key management personnel

There were no loans or advances made to directors or key management personnel during the year (2011 US\$ Nil).

e) Liabilities due to pension funds

The Company has no employees and therefore does not have any liabilities with regard to pension funds.

13 Employees

The Company had no employees during the year (2011: Nil). The Company receives a range of administrative services from related companies within the Credit Suisse group. Credit Suisse group companies have borne the cost of these services.

14 Financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management of the Company is carried out by the Central Group Treasury department of Credit Suisse Group under policies approved by the Company's Board of Directors. Group Treasury identifies, evaluates and hedges financial risks. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest-rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investing excess liquidity.

The Company has exposure to the following financial risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

The interaction between qualitative and quantitative disclosures better enables users to evaluate an entity's exposure to risk arising from financial instruments.

a) Market risk

Market risk is the risk of loss arising from adverse changes in interest rates, foreign currency exchange rates, equity prices, commodity prices and other relevant market parameters, such as market volatilities.

(i) Interest rate risk

The Company has interest bearing assets and liabilities, which are mainly in the form of amounts due to and from related companies and short-term deposits. The interest rates on amounts due to and from related companies typically resets within 3 months which minimises the risk to changes in interest rates. As the Company's interest-bearing assets and liabilities are against group companies, the Company is not exposed to any third party counter party interest rate risks.

The Company holds no other significant interest-bearing assets and liabilities and the remaining Company expenses and operating cash flows are substantially independent of changes in interest rates.

The sensitivity analysis is prepared based on financial instruments that are recognised at the reporting dates. The sensitivity assumes changes in certain market conditions. These assumptions may differ materially from the actual turn out due to the inherent uncertainties in global financial markets. In practice, market risks rarely change in isolation and are likely to be interdependent. The methods and assumptions used are the same for both reporting periods.

Sensitivity analysis for changes in interest rate assume an instantaneous increase or decrease by 25% as at the reporting date, with all other variables remaining constant is given below,

2012

	US\$'000	
	+25%	- 25%
Change in equity and income/(loss) with interest rate fluctuation in net amounts due from related companies and cash and cash equivalents	1,303	(1,303)
Total	1,303	(1,303)

14. Financial risk management (continued)**a) Market risk (continued)****(i) Interest rate risk (continued)**

2011

	US\$'000	
	+25%	- 25%
Change in equity and income/(loss) with interest rate fluctuation in net amounts due from related companies and cash and cash equivalents	1,819	(1,819)
Total	1,819	(1,819)

(ii) Foreign exchange risk

The Company operates internationally and is exposed to foreign exchange risk arising from GBP exposures. Foreign exchange risks arise from future commercial transactions and recognised assets and liabilities.

A process for managing foreign exchange risk related to accrued net income and net assets was implemented in early 2008. The process is to centrally and systematically manage foreign exchange risk with a focus on risk reduction and diversification. Any currency risk that materialises will be managed centrally by the Credit Suisse Group through the Foreign Currency Exposure Management ('FCEM') process, utilising currency hedges at the Credit Suisse Group level.

The Company had the following assets and liabilities denominated in currencies other than USD:

	2012 GBP '000	2011 GBP '000
Monetary liabilities		
Amount due to related companies	(11)	(2)
Cash and cash equivalents	-	(4)
Other accruals	(1)	(1)
Total monetary liabilities	(12)	(7)
Net exposure	(12)	(7)

Since the Company has minimum foreign exchange risk, sensitivity analysis has not been performed for changes in foreign exchange rates.

b) Credit risk

The Company is exposed to credit risk from other Credit Suisse group companies. Cash transactions are limited to fellow group companies and high-credit-quality financial institutions. The carrying value of amounts due from related companies represents the maximum credit exposure of the Company to counterparties. The Company has policies that limit the amount of credit exposure to any financial institution.

There were no amounts due from related companies which are past due but not impaired.

14 Financial risk management (continued)**b) Credit risk (continued)****Banks**

Distribution of loans and receivables neither past due nor impaired:

	2012	2011
	US\$'000	US\$'000
- AAA	-	-
- AA+ to AA-	-	-
- A+ to A-	2,485,056	2,478,925
- BBB+ to BBB-	-	-
- BB+ to BB-	-	-
- B+ and below	-	-
Total	2,485,056	2,478,925

c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding from group companies. Due to the dynamic nature of the underlying businesses, Credit Suisse Group Treasury aims to maintain flexibility in funding by keeping committed credit lines available.

Overall liquidity risk is not a significant risk as the majority of balances are with group companies.

The following table sets out details of the remaining contractual maturity for financial liabilities.

	On demand	Due up to 1 year	Total
	US\$'000	US\$'000	US\$'000
Year 2012			
Amount due to related companies	-	17	17
Other accruals	5	-	5
Total financial liabilities	5	17	22
Year 2011			
Bank overdraft	5	-	5
Amount due to related companies	4	-	4
Other accruals	3	-	3
Total financial liabilities	12	-	12

15. Contingent liabilities

The Company guarantees liabilities under loan facilities agreement amounting to US\$ 1,960,976,000 (2011 1,956,195,000) of DLJ UK Investment Holdings Limited to Credit Suisse International and the deposit of the Company is held by and charged in favour of Credit Suisse International to secure these liabilities for the term of the deposit which is maturing on 27th Feb 2014. As at 31 December 2012 and 2011, the Company did not recognise any liability on this guarantee.

16 Subsequent events

In the UK budget announcement of 20 March 2013, the UK government announced its intention to further reduce the UK corporation tax rate to 20% with effect from 1 April 2015. This tax rate reduction is expected to be substantively enacted in July 2013.

There were no other subsequent events that require disclosure as at the date of this report.