

**CREDIT SUISSE INVESTMENT HOLDINGS (UK)**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2009**

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## CREDIT SUISSE INVESTMENT HOLDINGS (UK)

### BOARD OF DIRECTORS

Costas P Michaelides	Director
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Daniel A McHugh	Director
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Paul E Hare	Director
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### COMPANY SECRETARY

Paul E Hare	Secretary
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# CREDIT SUISSE INVESTMENT HOLDINGS (UK)

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

The directors present their report and the financial statements for the year ended 31 December 2009

### Business review and principal activities

Credit Suisse Investment Holdings (UK) (the "Company") is an investment holding company, established primarily to hold the interests of Credit Suisse Investments (UK), a UK holding company whose ultimate parent is Credit Suisse Group AG ("CSG")

CSG, a company domiciled in Switzerland, is the ultimate parent of a worldwide group of companies (collectively referred to as the Credit Suisse group) specialising in Investment Banking, Private Banking and Asset Management

The Company's principal interests include investments in

- Credit Suisse Securities (Europe) Limited, whose principal activities are the arranging of finance for clients in the international capital markets, the provision of financial advisory services and acting as dealer in securities, derivatives and foreign exchange on a principal and agency basis,
- Credit Suisse First Boston Equities, which traded in equities and equity derivative products, but which ceased trading on 1 January 2006, and has been dissolved on 18 May 2010,
- Credit Suisse First Boston Canary Wharf Health Club Limited, which carries on the business of a sport, health and fitness club,
- Credit Suisse Securities Sociedad de Valores SA, a Spanish equity brokerage company,
- Credit Suisse Client Nominees (UK) Limited, a wholly owned subsidiary of Credit Suisse Securities (Europe) Limited, which holds registered securities for Credit Suisse Securities (Europe) Limited and its clients,
- Credit Suisse First Boston Trustees Limited, a wholly owned subsidiary of Credit Suisse Securities (Europe) Limited, a trust company,
- Credit Suisse First Boston Fixed Assets Limited, the principal activity of which is to serve as a holding company,
- Credit Suisse (Kazakhstan) Limited Liability Partnership, was formed in 2007 to provide marketing and administration support for clients,
- Grupo Financiero Credit Suisse (Mexico), S A de C V , a regulated Mexican financial holding company to service the Mexican Bank and Mexican Broker Dealer entities,
- Banco Credit Suisse (Mexico), S A , a 99.9% owned subsidiary of Grupo Financiero Credit Suisse (Mexico), S A de C V providing banking facilities in Mexico,
- Casa de Bolsa Credit Suisse (Mexico), S A de C V , a 99.9% owned subsidiary of Grupo Financiero Credit Suisse (Mexico), S A de C V providing broker dealer facilities in Mexico,
- Credit Suisse Servicios Mexico S A de C V , a 99.9% owned subsidiary of Grupo Financiero Credit Suisse (Mexico), S A de C V , providing service facilities to the Mexican bank and broker dealer companies in Mexico,
- Credit Suisse First Boston InvestCo UK Limited, an unregulated subsidiary incorporated in Cayman for investment purposes, but which ceased activities during 2006 and became dormant,

# CREDIT SUISSE INVESTMENT HOLDINGS (UK)

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

### Business review and principal activities (continued)

- DLJ UK Properties Limited, a 99% owned subsidiary of Credit Suisse First Boston Fixed Assets Limited, a property investment company, which purchases fixed assets and rents them to other group companies,
- Credit Suisse First Boston Gilts, formerly a UK Government Bond Primary Dealer which is expected to be liquidated in the future, and
- Credit Suisse First Boston PF (Europe) Limited, a wholly owned subsidiary of Credit Suisse Securities (Europe) Limited, which acts as a limited partner in funds for The Private Funds Group

During the year, a capital contribution of US\$25,000,000 was made to Grupo Financiero Credit Suisse (Mexico), S A de C V. In 2008, there was also a capital contribution of US\$803,969 made to Credit Suisse (Kazakhstan) Limited Liability Partnership

There has been no significant change in the Company's principal activities compared to previous years. The directors are not aware of any significant developments or factors which will have a major impact on the continued success or operation of the business in the future.

### Principal risks and uncertainties

The Company faces few risks as the majority of transactions it undertakes are with companies within the Credit Suisse group.

The main risk facing the entity is credit risk. Credit risk is the risk of loss in the value of financial assets due to counterparties failing to meet part or all of their obligations. Credit risk is not considered a significant risk as the majority of receivable balances as at 31 December 2009 are with companies within the Credit Suisse group.

### Key performance indicators ("KPIs")

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

### Performance

The loss for the year was US\$14,759,000 (2008: loss US\$59,208,000)

### Share capital

On 25 September 2009, the Company issued 25,000,000 ordinary shares of US\$1 each to the parent company Credit Suisse Investments (UK).

In 2008, the authorised share capital of the Company was increased from US\$3,300,000,000 and £60,000,000 to US\$4,700,000,000 and £60,000,000 by creation of 700,000,000 ordinary shares of US\$1 each and 700,000,000 ordinary shares of US\$1 each, on 17 October 2008 and 29 October 2008, respectively. On the same dates, the Company issued 700,000,000 ordinary shares of US\$1 each and 700,000,000 ordinary shares of US\$1 each to the parent company Credit Suisse Investments (UK).

### Capital contribution

On 23 December 2009, there was a US\$7,400,000 capital contribution from its parent company Credit Suisse Investments (UK) (2008: US\$Nil).

# CREDIT SUISSE INVESTMENT HOLDINGS (UK)

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

### Dividends

No dividends were paid or were proposed for 2009 (2008 US\$Nil)

### Risk management

The group's financial risk management objectives and policies and the exposure of the group to foreign exchange risk, credit risk, liquidity risk and interest rate risk are outlined in note 19

### 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 2008, and up to the date of this report are as follows

Resignations	Andrew W. Reid	18 June 2010
	Kevin L. Studd	7 July 2010
Appointments	Daniel A. McHugh	6 July 2010
	Paul E. Hare	7 July 2010

All directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report

### Disclosure of information to auditor

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 ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information

### Donations

No charitable or political donations were made during the year (2008 US\$Nil)

### Auditor

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

### Prompt payment code

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

### International Financial Reporting Standards

The Company's 2009 annual accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union (EU)

# CREDIT SUISSE INVESTMENT HOLDINGS (UK)

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

### Subsequent events

On 18 May 2010, Credit Suisse First Boston Equities, which traded in equities and equity derivative products, but which ceased trading on 1 January 2006, was dissolved

With effect from 23 June 2010, the Company became a wholly owned subsidiary of Credit Suisse Investments (UK)

By Order of the Board



Paul E Hare  
Secretary  
One Cabot Square  
London E14 4QJ  
25 August 2010

## CREDIT SUISSE INVESTMENT HOLDINGS (UK)

### 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 IFRS 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 IFRS 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.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CREDIT SUISSE INVESTMENT HOLDINGS (UK)

We have audited the financial statements of Credit Suisse Investment Holdings (UK) for the year ended 31 December 2009 which comprise the Statement of 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 (IFRS) 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 auditors' 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 7, 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 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 (APB'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 APB's web-site at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

## **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 2009 and of its loss for the year then ended,
- have been properly prepared in accordance with IFRS 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 returns adequate for our audit have not been received from branches not visited by us, 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.



Nicholas J Edmonds (Senior Statutory Auditor)

for and on behalf of KPMG Audit Plc, Statutory Auditor

*Chartered Accountants*

15 Canada Square

London

E14 5GL

25 August 2010



# CREDIT SUISSE INVESTMENT HOLDINGS (UK)

## STATEMENT OF INCOME FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	2009 US\$'000	2008 US\$'000
Interest and dividend income		28,852	240
Other income		27	3
<b>Revenue</b>	<b>4</b>	<b>28,879</b>	<b>243</b>
Other expenses	5	(1)	-
Finance cost	6	(31,700)	(73,744)
Administration expenses	7	(11)	(15)
Impairment of investments	9a	(547)	(2,315)
<b>Loss before tax</b>		<b>(3,380)</b>	<b>(75,831)</b>
Income tax (expense)/benefit	8	(11,379)	16,623
<b>Loss for the year</b>		<b>(14,759)</b>	<b>(59,208)</b>

All losses for both 2009 and 2008 are from continuing operations

The notes on pages 13 to 30 form an integral part of these financial statements

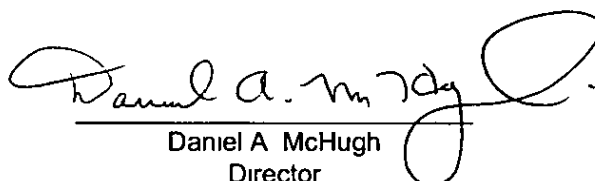
# CREDIT SUISSE INVESTMENT HOLDINGS (UK)

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2009

	Note	2009 US\$'000	2008 US\$'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments	9	6,293,101	6,268,648
<b>Total non-current assets</b>		<b>6,293,101</b>	<b>6,268,648</b>
<b>Current assets</b>			
Amounts due from related companies	10	31,849	34,644
Cash and cash equivalents	11	11	281
<b>Total current assets</b>		<b>31,860</b>	<b>34,925</b>
<b>Total assets</b>		<b>6,324,961</b>	<b>6,303,573</b>
<b>LIABILITIES</b>			
<b>Non-current liability</b>			
Long term debt	15	1,135,073	1,135,073
<b>Total non-current liability</b>		<b>1,135,073</b>	<b>1,135,073</b>
<b>Current liabilities</b>			
Amounts due to related companies	13	797,822	794,074
Other accrual	14	18	9
Bank overdrafts	11	16	26
<b>Total liabilities</b>		<b>1,932,929</b>	<b>1,929,182</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	16	4,878,972	4,853,972
Capital reserve	17	2,412,615	2,405,215
Retained earnings		(2,899,555)	(2,884,796)
<b>Total shareholders' equity</b>		<b>4,392,032</b>	<b>4,374,391</b>
<b>Total shareholders' equity and liabilities</b>		<b>6,324,961</b>	<b>6,303,573</b>

The notes on pages 13 to 30 form an integral part of these financial statements

Approved by the Board of Directors on 25 August 2010 and signed on its behalf by

  
 Daniel A. McHugh  
 Director

# CREDIT SUISSE INVESTMENT HOLDINGS (UK)

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2009

	Share capital	Capital reserve	Retained earnings	Total
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Balance at 1 January 2008</b>	<b>3,453,972</b>	<b>2,405,215</b>	<b>(2,825,588)</b>	<b>3,033,599</b>
Loss for the year	-	-	(59,208)	(59,208)
<b>Total recognised income and expense for the year</b>			<b>(59,208)</b>	<b>(59,208)</b>
Share capital issued	1,400,000	-	-	1,400,000
<b>Balance at 31 December 2008</b>	<b>4,853,972</b>	<b>2,405,215</b>	<b>(2,884,796)</b>	<b>4,374,391</b>

	Share capital	Capital reserve	Retained earnings	Total
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Balance at 1 January 2009</b>	<b>4,853,972</b>	<b>2,405,215</b>	<b>(2,884,796)</b>	<b>4,374,391</b>
Loss for the year	-	-	(14,759)	(14,759)
<b>Total recognised income and expense for the year</b>			<b>(14,759)</b>	<b>(14,759)</b>
Share capital issued	25,000	-	-	25,000
Capital contribution	-	7,400	-	7,400
<b>Balance at 31 December 2009</b>	<b>4,878,972</b>	<b>2,412,615</b>	<b>(2,899,555)</b>	<b>4,392,032</b>

The notes on pages 13 to 30 form an integral part of these financial statements

# CREDIT SUISSE INVESTMENT HOLDINGS (UK)

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	2009 US\$'000	2008 US\$'000
<b>Operating activities of operations</b>			
Loss before tax for the year		(3,380)	(75,831)
<b>Adjustments to reconcile net income to net cash provided by operating activities</b>			
<i>Non-cash items included in loss before tax and other adjustments</i>			
Foreign exchange loss		-	88
Dividend income	4	(28,834)	(226)
Impairment of investments	9a	547	2,315
<i>Net (increase)/decrease in operating assets</i>			
(Increase)/decrease in amounts due from related companies		(8,584)	3,298
<i>Net increase in operating liabilities</i>			
Increase in amounts due to related companies		3,748	71,012
Increase in other accrual		9	-
<b>Net cash flow (used in)/from operating activities</b>		<b>(36,494)</b>	<b>656</b>
<b>Investing activities</b>			
Return of capital from subsidiary	9a	-	2
Investment in subsidiaries	9a	(25,000)	(1,400,804)
Dividend received	4	28,834	226
<b>Net cash flow from/(used in) investing activities</b>		<b>3,834</b>	<b>(1,400,576)</b>
<b>Financing activities</b>			
Capital contribution	17	7,400	-
Share capital issued	16	25,000	1,400,000
<b>Net cash flow from financing activities</b>		<b>32,400</b>	<b>1,400,000</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(260)</b>	<b>80</b>
Cash and cash equivalents at beginning of year		255	175
<b>Cash and cash equivalents at end of year</b>		<b>(5)</b>	<b>255</b>
 <b>Cash and cash equivalents at end of year comprises.</b>			
Cash and cash equivalents	11	11	281
Bank overdrafts	11	(16)	(26)
		<b>(5)</b>	<b>255</b>

The notes on pages 13 to 30 form an integral part of these financial statements

# CREDIT SUISSE INVESTMENT HOLDINGS (UK)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 1. General

Credit Suisse Investment Holdings (UK) is a company domiciled in the United Kingdom. The Company's principal activity is to serve as a holding company.

### 2 Going concern basis

The financial statements have been prepared on a going concern basis, notwithstanding the deficiency in the net current assets, as Credit Suisse AG, Zurich has confirmed its intention to provide the necessary financial support to the Company to continue operations and meet its liabilities as and when they fall due.

### 3. Significant Accounting Policies

#### a) Statement of compliance

The financial statements have been prepared on a going concern basis and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("adopted IFRS") and the International Financial Reporting Interpretations Committee ("IFRIC").

#### b) Basis of preparation

The financial statements are presented in United States dollars (US\$). They are prepared on the historical cost basis.

The preparation of financial statements in conformity with adopted IFRS 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.

#### Standards and interpretations effective in the current period

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

- **IAS 1 Revised - Presentation of Financial Statements**  
Details changes to the presentation of the financial statements, specifically around non-owner changes in equity (that is, 'comprehensive income') and the presentation thereof.
- **IFRS 7 and IFRS 1 - Amendment to IFRS 7 Improving Disclosures about Financial Instruments**  
The amendments require enhanced disclosures about fair value measurements and liquidity risk and relief from comparative disclosures for amendments in IFRS 1.
- **Improvements to IFRS**  
These amendments which resulted from the IASB's annual improvements project comprise amendments that result in accounting changes for presentation, recognition or measurement purposes as well as terminology or editorial amendments related to a variety of individual IFRS standards.

The adoption of the above IFRS did not have a significant impact to the financial statements of the Company.

# CREDIT SUISSE INVESTMENT HOLDINGS (UK)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 3 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. The financial statements have also been prepared in accordance with the Companies Act 2006.

The accounting policies have been applied consistently by group entities.

#### c) Foreign currency

Transactions denominated in currencies other than the functional currency of the reporting entity are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to US\$ at the foreign exchange rate ruling at that date. Foreign exchange differences arising from translation are recognised in the income statement. Non-monetary assets and liabilities denominated in foreign currencies at balance sheet date are not revalued for movements in foreign exchange rates.

#### d) Cash and cash equivalents

For the purpose of preparation and presentation of the cash flow statement, cash and cash equivalents are defined as short-term, highly liquid instruments with original maturities of three months or less and that are held for cash management purposes.

Cash and cash equivalents also include overdrafts for the purposes of the cash flow statement.

#### e) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement 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 income statement, the related income tax initially recognised in equity is also subsequently recognised in the income statement.

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 balance sheet date.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax-base. The principal temporary differences arise from the revaluation of certain investments. 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 in the balance sheet, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax liability is recognised on taxable temporary differences arising on un-remitted earnings of subsidiaries except to the extent that it is probable that such temporary differences will not reverse in the foreseeable future.

Information as to the calculation of income tax on the profit or loss for the periods presented is included in Note 8.

# CREDIT SUISSE INVESTMENT HOLDINGS (UK)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 3 Significant accounting policies (continued)

#### f) Interest income

Interest income relates to intercompany loan interest, amounts received on the Company's bank accounts and amounts received from the Company's investment in securities, which are redeemable with fixed dividends

Interest income is recognised on an effective yield basis

#### g) Investments

Investments in subsidiaries are carried at cost and are assessed on an annual basis for impairment

Investment in unquoted debt securities are classified as loans and receivables. They are held at amortised cost in the balance sheet and changes in foreign exchange are recognised in the income statement

Financial investments are available-for-sale assets. These investments have not been fair valued as they are unquoted equity investments and the fair value cannot be reliably measured

#### h) 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 temporary differences and unused carry forward of tax losses and credits, 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

##### *Tax contingencies*

Significant judgment is required in determining the effective tax rate and in evaluating certain tax positions. The Company may accrue for tax contingencies despite the belief that positions taken in tax returns are always fully supportable. Tax contingency accruals are adjusted due to changing facts and circumstances, such as case law, progress of audits or when an event occurs requiring a change to the tax contingency accruals. Management regularly assesses the appropriateness of provisions for income taxes. Management believes that it has appropriately accrued for any contingent tax liabilities

# CREDIT SUISSE INVESTMENT HOLDINGS (UK)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 4. Revenue

	2009 US\$'000	2008 US\$'000
Interest income	18	14
Dividend income	28,834	226
Foreign exchange translation gains	-	3
Other income	27	-
<b>Total revenue</b>	<b>28,879</b>	<b>243</b>

### 5. Other expenses

	2009 US\$'000	2008 US\$'000
Foreign exchange translation losses	1	-
<b>Total other expenses</b>	<b>1</b>	<b>-</b>

### 6 Finance cost

	2009 US\$'000	2008 US\$'000
Interest expense	31,696	73,740
Other expense	4	4
<b>Total finance cost</b>	<b>31,700</b>	<b>73,744</b>

### 7. Administration expenses

	2009 US\$'000	2008 US\$'000
Fees payable to the auditors in respect of the audit of the Company	11	10
Other administration expenses	-	5
<b>Total administration expenses</b>	<b>11</b>	<b>15</b>



# CREDIT SUISSE INVESTMENT HOLDINGS (UK)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 8 Income tax (expense)/benefit

	2009 US\$'000	2008 US\$'000
<b><u>Components of tax (expense)/benefit</u></b>		
<b>Current tax</b>		
Current tax on loss for the year	-	11,016
Adjustments in respect of previous periods	(11,379)	5,607
<b>Income tax (expense)/benefit</b>	<b>(11,379)</b>	<b>16,623</b>

### **Reconciliation of effective tax rate**

The income tax expense for the year can be reconciled to the loss per the income statement as follows

	2009 US\$'000	2008 US\$'000
<b>Loss before tax</b>	<b>3,380</b>	<b>75,831</b>
Loss before tax multiplied by the UK statutory rate of corporation tax at the rate of 28% (2008 28.5%)	946	21,612
Tax effect of expenses that are non-deductible in determining taxable loss	(3,055)	(9,632)
Tax effect of utilising tax losses on which no deferred tax previously recognised	-	-
Non-taxable income arising on dividends from subsidiaries	8,073	64
Other permanent differences	-	(368)
Adjustment to current tax in respect of previous periods	(11,379)	5,607
Non-deductible writedown of investment in subsidiaries	(153)	(660)
Group relief surrendered for no consideration	(5,811)	-
<b>Income tax (expense)/ benefit</b>	<b>(11,379)</b>	<b>16,623</b>

# CREDIT SUISSE INVESTMENT HOLDINGS (UK)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 9. Investments

	2009 US\$'000	2008 US\$'000
Investment in subsidiaries (note 9a)	6,292,993	6,268,540
Financial investments held as available-for-sale (note 9b)	108	108
<b>Investments</b>	<b>6,293,101</b>	<b>6,268,648</b>

#### a) Investment in subsidiaries

Movements in investment in subsidiaries for the year were as follows

	2009 US\$'000	2008 US\$'000
As at 1 January	6,268,540	4,870,053
Investment in subsidiaries	25,000	1,400,804
Return of capital from subsidiaries	-	(2)
Impairment of investments	(547)	(2,315)
<b>As at 31 December</b>	<b>6,292,993</b>	<b>6,268,540</b>

During the year, the Company was allotted US\$25,000,000 of ordinary shares of Grupo Financiero Credit Suisse (Mexico), S A de C V at US\$1 each at par for cash

In 2008, the Company was allotted US\$1,400,000,000 of ordinary shares of Credit Suisse Securities (Europe) Limited at US\$1 each at par for cash. In addition, capital contributions of US\$803,969 were made to Credit Suisse (Kazakhstan) Limited Liability Partnership

Also, Credit Suisse First Boston InvestCo UK No2 Limited and Credit Suisse First Boston InvestCo UK No1 Limited, subsidiary companies, were dissolved on 30 June 2008 and 1 September 2008, respectively. This resulted in a return of capital to the parent company, Credit Suisse Investment Holdings (UK), of US\$891 and US\$1,000, respectively

Due to the decline in net asset value of the subsidiary companies Credit Suisse First Boston Canary Wharf Health Club Limited and Credit Suisse (Kazakhstan) Limited Liability Partnership, the Company made an assessment on its investment and at year end the balance was deemed to be impaired by US\$547,000 and US\$Nil, respectively in the current year and US\$1,510,000 and US\$805,000, respectively in the prior year

Under section 228 of the Companies Act 2006, the Company is exempt from preparing consolidated financial statements as the Company is 99.96% owned by Credit Suisse Investments (UK) which prepares consolidated accounts. The ultimate holding company is Credit Suisse Group AG, which is incorporated in Switzerland

Copies of accounts of Credit Suisse Investments (UK) and group accounts 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 The Registrar of Companies, Companies House, Crown Way, Mairdy, Cardiff and Credit Suisse Group AG, Paradeplatz, P O Box 1, 8070 Zurich, respectively

# CREDIT SUISSE INVESTMENT HOLDINGS (UK)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 9 Investments (continued)

#### a) Investment in subsidiaries (continued)

% of equity	Company name	Domicile	Activity	Investment in US\$
100	Credit Suisse Securities (Europe) Limited	UK	Principal activity of a broker dealer	6,162,118,700
100	Grupo Financiero Credit Suisse (Mexico), S A de C V	Mexico	Regulated Mexican financial holding company to service the Mexican Bank and Mexican Broker Dealer entities	120,252,091
100	Credit Suisse First Boston Equities	UK	Traded in equities and equity derivative products Ceased trading on 1 January 2006, and has been dissolved on 18 May 2010	4
100	Credit Suisse Securities Sociedad de Valores SA	Spain	Spanish Equity Brokerage company	9,213,570
100	Credit Suisse First Boston Fixed Assets Limited	UK	Holding company	17,717
100	Credit Suisse First Boston Canary Wharf Health Club Limited	UK	Carries on the business of a sport, health and fitness club	1,390,856
100	Credit Suisse First Boston InvestCo UK Limited	Cayman	Unregulated subsidiary incorporated in Cayman for investment purposes	802
100	Credit Suisse First Boston Gilts	UK	Formerly a UK Government Bond Primary Dealer which is expected to be liquidated in the future	4
100	Credit Suisse (Kazakhstan) Limited Liability Partnership	Kazakhstan	Provides marketing and administration support for clients	-
100	Credit Suisse Client Nominees (UK) Limited	UK	Subsidiary of Credit Suisse Securities (Europe) Limited, which holds registered securities of Credit Suisse Securities (Europe) Limited and its clients	Indirect
100	Credit Suisse First Boston Trustees Limited	UK	Subsidiary of Credit Suisse Securities (Europe) Limited, a trust company	Indirect
100	Credit Suisse First Boston PF (Europe) Limited	UK	Subsidiary of Credit Suisse Securities (Europe) Limited, which acts as a limited partner in funds for the Private Fund Group	Indirect
99.9	Banco Credit Suisse (Mexico), S A	Mexico	Subsidiary of Grupo Financiero Credit Suisse (Mexico), S A de C V, providing banking facilities in Mexico	Indirect
99.9	Casa de Bolsa Credit Suisse (Mexico), S A de C V	Mexico	Subsidiary of Grupo Financiero Credit Suisse (Mexico), S A de C V, providing broker dealer facilities in Mexico	Indirect
99.9	Credit Suisse Servicios Mexico S A de C V	Mexico	Subsidiary of Grupo Financiero Credit Suisse (Mexico), S A de C V, providing service facilities to the Mexican Bank and Broker Dealer companies	Indirect
99	DLJ UK Properties Limited	UK	Subsidiary of Credit Suisse First Boston Fixed Assets Limited, a property investment company, which rents fixed assets to other group companies	Indirect
				<b>6,292,993,744</b>

# CREDIT SUISSE INVESTMENT HOLDINGS (UK)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 9. Investments (continued)

#### b) Financial investments held as available-for-sale

	2009 US\$'000	2008 US\$'000
Financial investments	108	108
<b>As at 31 December</b>	<b>108</b>	<b>108</b>

Financial investments represent the Company's 15.84% investment in Portucale SGFTC S A, a Portuguese fund manager and investment in Woodgate S A

### 10. Amounts due from related companies

	2009 US\$'000	2008 US\$'000
Short-term money market deposits (note 18a)	26,201	-
Receivables from related companies (note 18a)	41	17,658
Group tax relief due from related companies (note 18a)	5,607	16,986
<b>Amounts due from related companies</b>	<b>31,849</b>	<b>34,644</b>

The fair value of short-term money market deposits and receivables from related companies approximates book value due to their short-term nature. No interest was paid in respect of the receivables from related companies (2008: US\$ Nil) as they are non-interest bearing in nature.

As at 31 December 2009, the effective interest rate on short-term money market deposits was 0.12% (2008: 5.78%) and the average maturity was 15 days (2008: 136 days).

### 11. Cash and cash equivalents and bank overdrafts

	2009 US\$'000	2008 US\$'000
Cash at bank	11	281
Bank overdrafts	(16)	(26)
<b>Cash and cash equivalents and bank overdrafts</b>	<b>(5)</b>	<b>255</b>

The fair value of cash and cash equivalents and bank overdrafts equals book value.

All bank accounts are repayable on demand. The effective interest rate is 0.4% (2008: 0.9%) for USD balances, 0.7% (2008: 3.0%) for GBP balances and 0.5% (2008: 3.6%) for EUR balances.

### 12. Deferred tax

Deferred taxes are calculated on temporary differences under the liability method using an effective tax rate of 28% (2008: 28%).

# CREDIT SUISSE INVESTMENT HOLDINGS (UK)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 12. Deferred tax (continued)

Deferred tax assets are recognised on deductible temporary differences, tax loss carry forwards and tax credits only to the extent that realisation of the related tax benefit is probable. Tax losses carried forward on which no deferred tax assets have been recognised is £49,589,382 [US\$79,952,961] (2008 £49,589,382 [US\$71,661,615]). The benefit of the tax losses carried forward has not been recognised in these financial statements due to the uncertainty of their recoverability. The tax losses carried forward have no expiry date.

The company had no deferred tax provided or deferred tax liabilities not recognised in respect of subsidiaries at 31 December 2009 (2008 Nil).

The Emergency Budget on 22 June 2010 announced that the UK corporation tax rate will reduce from 28% to 24% over a period of 4 years from 2011. The first reduction in the UK corporation tax rate from 28% to 27% was enacted on 27 July 2010 and will be effective from 1 April 2011. This will reduce the company's unrecognised deferred tax assets accordingly. It has not yet been possible to quantify the full anticipated effect of the announced further 3% rate reduction, although this will further reduce the company's unrecognised deferred tax assets.

### 13. Amounts due to related companies

	2009 US\$'000	2008 US\$'000
Short-term money market borrowings (note 18a)	797,752	793,983
Payables to related companies (note 18a)	70	91
<b>Amounts due to related companies</b>	<b>797,822</b>	<b>794,074</b>

The fair value of short-term money market borrowings and payables to related companies approximate book value due to their short-term nature. No interest was paid in respect of the payables to related companies (2008 US\$ Nil) as they are non-interest bearing in nature.

The effective interest rate on short-term money market borrowings was 0.76% (2008 3.45%) and the average maturity was 48 days (2008 43 days).

### 14. Other accrual

	2009 US\$'000	2008 US\$'000
Accrual for audit fee	18	9
<b>Other accrual</b>	<b>18</b>	<b>9</b>

# CREDIT SUISSE INVESTMENT HOLDINGS (UK)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 15 Long term debt

	2009 US\$'000	2008 US\$'000
Subordinated debt (note 18a)	1,135,073	1,135,073
<b>Total long term debt</b>	<b>1,135,073</b>	<b>1,135,073</b>

At 31 December 2009 subordinated debt comprises the amount advanced by Credit Suisse First Boston Finance BV, a fellow company under common control, under agreement dated 13 April 2006

Under the terms of the facility dated 13 April 2006, the Company may repay, in whole or in part, any amounts outstanding upon giving prior written notice to the lender and FSA. The earliest date at which the lender can request repayment shall not be less than 5 years and one day from the date on which the relevant advance is made and shall not be later than 31 December 2031

Under the terms of the facility dated 13 April 2006, interest is at such a rate as may be agreed between the parties. Under the facility, the loan and any interest outstanding thereon is subordinated in right of repayment to all other indebtedness and liabilities of the Company

### 16. Share capital

	2009 US\$'000	2008 US\$'000
<b>Authorised:</b>		
3,700,000,000 Ordinary shares of US\$1 each	3,700,000	3,700,000
1,000,000,000 Preference shares of US\$1 each	1,000,000	1,000,000
60,000,000 Preference shares of GBP1 each	60,000	60,000
<b>Total allotted, called up and fully paid share capital</b>		
3,598,369,578 (2008: 3,573,369,578) ordinary shares of US\$1 each	3,598,369	3,573,369
860,000,000 preference shares of US\$1 each	860,000	860,000
35,000,000 preference shares of GBP1 each	58,003	58,003
Share premium	362,600	362,600
<b>Share capital</b>	<b>4,878,972</b>	<b>4,853,972</b>

On 25 September 2009, the Company issued 25,000,000 ordinary shares of US\$1 each to the parent company Credit Suisse Investments (UK)

On 17 October 2008, the authorised share capital of the Company was increased from US\$3,300,000,000 and £60,000,000 to US\$4,000,000,000 and £60,000,000 by the creation of 700,000,000 ordinary shares of US\$1 each. On the same date, the Company issued 700,000,000 ordinary shares of US\$1 each to the parent company Credit Suisse Investments (UK)

On 29 October 2008, the authorised share capital of the Company was further increased from US\$4,000,000,000 and £60,000,000 to US\$4,700,000,000 and £60,000,000 by the creation of 700,000,000 ordinary shares of US\$1 each. On the same date, the Company issued 700,000,000 ordinary shares of US\$1 each to the parent company Credit Suisse Investments (UK)

# CREDIT SUISSE INVESTMENT HOLDINGS (UK)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 16. Share capital (continued)

#### Preference shares

All preference shares are non-cumulative perpetual shares and are only entitled to dividends as and when declared by the board of directors in any given dividend period

Should the Company be wound up the preference shares shall carry the right to a return of capital (including premium) paid up thereon in priority to all payments made to holders of ordinary shares

The preference shares do not carry any voting rights

#### Share options

The Company does not offer share options to directors

#### 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

### 17. Capital reserve

	2009 US\$'000	2008 US\$'000
Capital reserve	2,412,615	2,405,215
<b>Capital reserve</b>	<b>2,412,615</b>	<b>2,405,215</b>

The movement for the year on capital reserve is analysed as follows

Beginning of the year	2,405,215	2,405,215
Capital contributions during the year	7,400	-
<b>At end of year</b>	<b>2,412,615</b>	<b>2,405,215</b>

On 29 December 2009, there was a capital contribution of US\$7,400,000 from the parent Credit Suisse Investments (UK) (2008 US\$ Nil)

# CREDIT SUISSE INVESTMENT HOLDINGS (UK)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### **18. Related party transactions**

The Company is controlled by Credit Suisse Investments (UK), incorporated in the United Kingdom and which owns 99.96% of the ordinary shares. The ultimate parent company is Credit Suisse Group AG, which is incorporated in Switzerland.

The Company is involved in significant 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 believes that these transactions are generally on market terms that could be obtained from unrelated parties.

The following tables set forth the Company's related party assets and liabilities and related party revenues and expenses.



# CREDIT SUISSE INVESTMENT HOLDINGS (UK)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 18 Related party transactions (continued)

#### a) Related party assets and liabilities

	2009					2008	
	Parent US\$'000	Fellow group companies US\$'000	Subsidiaries US\$'000	Totals US\$'000		Subsidiaries US\$'000	Totals US\$'000
<b>ASSETS</b>							
<b>Non-current assets</b>							
Investments	-	-	6,292,993	6,292,993	-	6,268,540	6,268,540
Financial investments held as available for sale	-	1	-	1	-	-	1
<b>Total related party non-current assets</b>	-	1	6,292,993	6,292,994	-	6,268,540	6,268,541
<b>Current assets</b>							
Short-term money market deposits	-	26,201	-	26,201	-	-	-
Receivables from related companies	-	32	9	41	-	17,658	17,658
Group tax relief due from related companies	-	5,607	-	5,607	-	16,986	16,986
Cash and cash equivalents	-	11	-	11	-	78	78
<b>Total related party current assets</b>	-	31,851	9	31,860	-	34,722	34,722
<b>Total related party assets</b>	-	31,852	6,293,002	6,324,854	-	6,268,540	6,303,263
<b>LIABILITIES</b>							
<b>Non-current liabilities</b>							
Subordinated debt	-	1,135,073	-	1,135,073	-	-	1,135,073
<b>Current liabilities</b>							
Short-term money market borrowings	-	797,752	-	797,752	-	-	793,983
Payables to related companies	-	3	67	70	-	88	91
Bank overdrafts	-	16	-	16	-	-	26
<b>Total related party liabilities</b>	-	1,932,844	67	1,932,911	-	88	1,929,173

# CREDIT SUISSE INVESTMENT HOLDINGS (UK)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 18 Related party transactions (continued)

#### b) Related party revenues and expenses

	2009				2008	
	Parent US\$'000	Fellow group companies US\$'000	Subsidiaries US\$'000	Totals	Parent US\$'000	Totals
Interest and dividend income	-	18	28,834	28,852	-	235
<b>Total related party revenue</b>	<b>-</b>	<b>18</b>	<b>28,834</b>	<b>28,852</b>	<b>-</b>	<b>235</b>
Finance costs	-	31,697	-	31,697	-	73,718
Impairment of investment	-	-	547	547	-	2,315
<b>Total related party expenses</b>	<b>-</b>	<b>31,697</b>	<b>547</b>	<b>32,244</b>	<b>-</b>	<b>76,033</b>

# CREDIT SUISSE INVESTMENT HOLDINGS (UK)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 18. Related party transactions (continued)

#### c) Remuneration of directors and key management personnel

	2009 US\$'000	2008 US\$'000 (Restated)
Directors' emoluments	951	52
Amounts receivable under long term incentive schemes	1,273	157
	<u>2,224</u>	<u>209</u>
Company contributions to money purchase pension schemes	24	5
	<u>2,248</u>	<u>214</u>

The aggregate value of compensation for 2009 for Directors was US\$2,243,000 (2008 US\$377,000)

Where directors perform services for a number of companies within the Credit Suisse group, the total emoluments payable to each director have been apportioned to the respective companies. The directors' emoluments have been borne by subsidiary undertakings.

Included in amounts receivable under long term incentive schemes is US\$537,000 (2008 US\$21,000) relating to cash schemes.

The aggregate of emoluments and amounts receivable under long term incentive schemes of the highest paid director was US\$1,917,000 (2008 US\$372,000). He was a member of a money purchase pension scheme and the contribution paid during the year for the money purchase pension scheme was US\$10,055 (2008 US\$4,681).

Retirement benefits are accruing to the following number of directors under

	Number of Directors	
	2009	2008
Defined contribution schemes	1	1
Defined benefit schemes	1	-
Both money purchase and defined benefit	<u>1</u>	<u>2</u>
Number of directors who exercised share options	<u>1</u>	<u>-</u>
Directors in respect of whose services shares were received or receivable under long term incentive schemes	<u>3</u>	<u>4</u>

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 (2008 US\$Nil).

# CREDIT SUISSE INVESTMENT HOLDINGS (UK)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 18 Related party transactions (continued)

#### e) Liabilities due to pension funds

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

### 19. Financial risk management

The Company is part of the Credit Suisse group and its risks are managed as part of the global Credit Suisse group entity

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 is carried out by a central treasury department of Credit Suisse AG (Group Treasury) under policies approved by its 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.

#### a) Foreign exchange risk

The Company's reporting currency is US dollars.

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to GBP. Foreign exchange risk arises when future commercial transactions, recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. Credit Suisse Group Treasury is responsible for managing the net position in each foreign currency by, using external forward currency contracts or other suitable contracts.

The Company had the following assets and liabilities denominated in currencies other than US\$. In 2009 the majority of these assets and liabilities are denominated in GBP (2008: GBP).

	2009 US\$'000	2008 US\$'000
Non-USD denominated assets	<u>27,007</u>	<u>26,992</u>
Non-USD denominated liabilities	<u>19</u>	<u>29</u>

# CREDIT SUISSE INVESTMENT HOLDINGS (UK)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

### 19. Financial risk management (continued)

#### b) Credit risk

The Company is exposed to credit risk from other Credit Suisse group companies, with the maximum exposure being US\$31,849,000 (2008 US\$34,644,000)

Credit committees and senior credit managers make credit decisions on a transaction-by-transaction basis, determined by levels appropriate to the amount and complexity of the transactions, and based on the overall exposures to counterparties and their related parties

There were no significant concentrations of credit risk by country or by industry other than the disclosures produced in Note 18 Related party transactions

There are no amounts due from group companies which are past due but not impaired

#### c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to meet requirements as they fall due. Credit Suisse Group Treasury manages the day-to-day liquidity position of Credit Suisse Group AG as a group. The Company is managed within this framework and receives intercompany funding.

The remaining contractual maturity for amounts due to related companies are short term in nature and approximate their carrying values as at 31 December 2009 in an 'on demand' categorisation.

#### d) Interest rate risk

The Company has interest-bearing assets and liabilities including cash and cash equivalents, amounts due to and from related companies.

The interest rates associated with cash and cash equivalents, amounts due to and from related companies are variable and therefore the Company is exposed to some interest rate risk. Interest rates on cash and cash equivalents, amounts due to and from related companies typically reset within 3 months which minimizes the risk to changes in interest rates. 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.

## CREDIT SUISSE INVESTMENT HOLDINGS (UK)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

#### **20 Corporate asset and liability management**

The Group Treasury department at Credit Suisse also oversees corporate policy with respect to interest rate and foreign exchange exposure, as well as a range of other policy areas including debt maturity profile, internal and external capitalisation and intercompany funding. Credit Suisse minimises interest rate and foreign currency exposures from a corporate perspective.

#### **21. Subsequent events**

On 18 May 2010, Credit Suisse First Boston Equities, which traded in equities and equity derivative products, but which ceased trading on 1 January 2006, was dissolved.

With effect from 23 June 2010, the Company became a wholly owned subsidiary of Credit Suisse Investments (UK).