

SUPPLEMENTAL LISTING DOCUMENT

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**Offer of
180,000,000 European Style (Cash Settled) Call Warrants
in Global Registered Form due January 8, 2004
relating to the existing issued ordinary shares of
HK\$1.00 each of MTR Corporation Limited
(Stock Code: 9790)**

issued by

Credit Suisse First Boston

(incorporated under the laws of Switzerland)

**Exercise Price: HK\$8.88 per Warrant
Expiry Date: January 8, 2004**

This Supplemental Listing Document is published for the purpose of obtaining a listing of all of the above warrants (the "Warrants") relating to the existing issued ordinary shares of HK\$1.00 each of MTR Corporation Limited (the "Company") to be issued by Credit Suisse First Boston (the "Issuer") on the Stock Exchange, is supplemental to and should be read in conjunction with a base listing document published on April 23, 2002 (the "Base Listing Document") (as amended or updated from time to time) and contains particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Rules") for the purpose of giving information with regard to the Issuer and the Warrants. This Supplemental Listing Document should not form the basis of the offer of any securities by the Issuer other than the Warrants. The Expiry Date of the Warrants is January 8, 2004 or, if that day is not a Business Day (as defined in the Conditions of the Warrants), the immediately preceding Business Day.

The Issuer accepts full responsibility for the information contained in the Base Listing Document and in this Supplemental Listing Document. To the best of the knowledge and belief of the Issuer there are no other facts the omission of which would make any statement in the Base Listing Document and in this document misleading in any material respect and all reasonable enquiries have been made to ascertain such facts and to verify the accuracy of such statements.

Investors are warned that the price of the Warrants may fall in value as rapidly as it may rise and holders may sustain a total loss of their investment. Prospective purchasers should therefore ensure that they understand the nature of the Warrants and carefully study the risk factors set out in this document and, where necessary, seek professional advice, before they invest in the Warrants.

The Warrants constitute general unsecured contractual obligations of the Issuer and of no other person and if you purchase the Warrants you are relying upon the creditworthiness of the Issuer and have no rights under the Warrants against the company which has issued the underlying securities.

The Issuer is not regulated by any of the bodies referred to in Rule 15A.13(2) or (3) of the Rules. The Issuer is regulated by the Swiss Federal Banking Commission and the Swiss National Bank.

As at the date of this document, the Issuer's senior long term debt was rated Aa3 by Moody's Investors Service, Inc., A+ by Standard and Poor's Ratings Group and AA- by Fitch IBCA Ltd.

Application has been made to the Stock Exchange for listing of and permission to deal in the Warrants and the Stock Exchange has agreed in principle to grant listing of, and permission to deal in, the Warrants. It is expected that dealings in the Warrants will commence on April 3, 2003.

Subject to the granting of listing of, and permission to deal in, the Warrants on the Stock Exchange and the compliance with the stock admission requirements of Hongkong Clearing, the Warrants will be accepted as eligible securities by Hongkong Clearing for deposit, clearance and settlement in the Central Clearing and Settlement System ("CCASS") with effect from the commencement date of dealings in the Warrants or such other date as determined by Hongkong Clearing. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements have been made enabling the Warrants to be admitted to CCASS.

**Sponsor and Manager
Credit Suisse First Boston (Hong Kong) Limited**

April 2, 2003

Neither the delivery of this Supplemental Listing Document nor any sale made hereunder shall create any implication that there has been no change in the affairs of the Issuer since the date hereof. The Warrants are offered to the public solely on the basis only of the information contained in the Base Listing Document and this Supplemental Listing Document. No person has been authorized to give any information or to make any representations other than those contained in this Supplemental Listing Document in connection with the offering of any Warrants, and, if given or made, such information or representations must not be relied upon as having been authorized by the Issuer or Credit Suisse First Boston (Hong Kong) Limited (the “Manager”).

This Supplemental Listing Document does not constitute an offer or invitation by or on behalf of the Issuer or the Manager to purchase or subscribe for any Warrants. The distribution of this Supplemental Listing Document and the offering of the Warrants may, in certain jurisdictions, be restricted by law. The Issuer and the Manager require persons into whose possession this document comes to inform themselves of and observe all such restrictions.

This Supplemental Listing Document has not been and will not be filed with the U.S. Securities and Exchange Commission (the “U.S. SEC”). The U.S. SEC and state securities regulators in the United States have not approved or disapproved these securities, or determined if this Supplemental Listing Document is truthful or complete. Any representation to the contrary is a criminal offence in the United States.

The Warrants have not been, and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”), or the securities laws of any state in the United States. Accordingly, the Warrants may only be offered, sold and delivered (i) outside the United States to non-U.S. Persons in reliance upon Regulation S under the Securities Act (“Regulation S”) or (ii) in the case of certain Warrant offerings, inside the United States to a limited number of institutions that are “accredited investors” as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act (“Institutional Accredited Investors”) on the basis of the exemption provided by Section 4(2) of the Securities Act from the registration requirements of Section 5 thereof. The Warrants may not be resold, transferred or delivered at any time, directly or indirectly, within the United States or to or for the account of U.S. Persons (as defined in Regulation S) except to or through the Issuer or any of its affiliates and subject to certain additional requirements. Investors in the Warrants will be deemed to have made certain representations and warranties in connection with purchasing the Warrants. See the section entitled “Placing and Sale and Transfer Restrictions” in the Base Listing Document.

This document is supplemental to, and should be read in conjunction with, the Base Listing Document. Please note that the Base Listing Document may from time to time be amended or updated. Intending investors in the Warrants should ask the Manager if any addenda to the Base Listing Document or any later Base Listing Document has been issued. References in this Supplemental Listing Document to the “Conditions” shall mean references to the section headed “Terms and Conditions of the Warrants” set out in this Supplemental Listing Document.

The Issuer has undertaken to make documents containing details of the Warrants and financial and other information on the Issuer available for inspection by holders of the Warrants. The documents available for inspection during the period that any structured products issued by the Issuer are listed on the Stock Exchange are a copy of the Base Listing Document dated April 23, 2002, together with any addenda or successor to the Base Listing Document (both English version and the Chinese translation) and the latest publicly available annual report and interim report (if any) of the Issuer. The Supplemental Listing Document dated April 2, 2003 (both the English version and the Chinese translation) will be available for inspection until the Expiry Date. These documents will be available for inspection at the office

of Credit Suisse First Boston (Hong Kong) Limited, which is presently at 45th Floor, Two Exchange Square, 8 Connaught Place, Central, Hong Kong. Information on the Issuer can also be found on the website of the group of companies to which the Issuer belongs, which is www.csfb.com.

發行人已承諾，提供載有權證詳情及發行人的財務及其他資料的文件，供權證持有人查閱。於發行人發行任何結構性產品在聯交所上市期間，備查文件為於二零零二年四月二十三日刊發的基本上市文件副本，連同基本上市文件（英文版及中文譯本）的任何增編或續編以及發行人最近期可從公開途徑得到的年報及中期報告（如有）。於二零零三年四月二日刊發的本補充上市文件（英文版及中文譯本）可供查閱，直至到期日。這些文件於Credit Suisse First Boston (Hong Kong) Limited辦事處（現時地址為香港中環康樂廣場8號交易廣場第二座45樓）可供查閱。有關發行人的資料亦可於發行人所屬的公司的網站www.csfb.com查閱。

The Stock Exchange and Hongkong Clearing have made no assessment of, nor taken any responsibility for, the financial soundness of the Issuer or the merits of investing in any Warrants, nor have they verified the accuracy or the truthfulness of statements made or opinions expressed in this Supplemental Listing Document.

Neither the Base Listing Document, this Supplemental Listing Document nor any other information supplied in connection with the Warrants is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer or the Sponsor that any recipient of the Base Listing Document, this Supplemental Listing Document or any other information supplied in connection with the Warrants, should purchase any of the Warrants. Each investor contemplating purchasing or holding any of the Warrants should make its own independent investigation of the financial condition and affairs and its own appraisal of the creditworthiness of the Issuer.

All references herein to “Hong Kong Dollars”, “Hong Kong dollars”, “\$” and to “HK\$” are to the lawful currency of Hong Kong, to “Swiss Francs”, “Sfr” and “CHF” are to the lawful currency of Switzerland and to “U.S. Dollars”, “U.S. dollars” and “U.S.\$” are to the lawful currency of the United States of America. All references herein to “Hong Kong” are to the Hong Kong Special Administrative Region of the People’s Republic of China.

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RISK FACTORS

The following risk factors are relevant to any person considering investing in the Warrants:

- (a) The prices of the Warrants may fall in value as rapidly as they may rise and Warrantholders (as defined in the Conditions) may sustain a total loss of their investment. In order to recover and realise a return upon an investment in the Warrants, the investor in the Warrants must generally be correct about the direction, timing and magnitude of an anticipated change in the value of the Shares (as defined in the Conditions). In particular, if the arithmetic mean of the closing price of one Share (as derived from the Daily Quotation Sheet of the Stock Exchange (subject to any adjustment)) for each Valuation Date (being each of the five Business Days (as defined in the Conditions) immediately preceding the Expiry Date) is less than the Exercise Price, the Warrantholders will not receive any payment from the Issuer and will sustain a total loss of their investment.

The Cash Settlement Amount (as defined in the Conditions) at any time prior to expiration is typically expected to be less than the trading price of the Warrants at that time. The difference between the trading price and the Cash Settlement Amount will reflect, among other things, a “time value” for the Warrants. The “time value” of the Warrants will depend partly upon the length of the period remaining to expiration and expectations concerning the value of the Shares. The Warrants offer hedging and investment diversification opportunities but also pose some additional risks with regard to interim value. The interim value of the Warrants varies with the price level of the Shares, as well as by a number of other interrelated factors, including those specified herein.

Before exercising or selling the Warrants, Warrantholders should carefully consider, among other things, (i) the trading price of the Warrants, (ii) the value and volatility of the Shares, (iii) the time remaining to expiration, (iv) the probable range of Cash Settlement Amounts, (v) any change(s) in interim interest rates and dividend yields, (vi) the depth of the market or liquidity of the Shares, (vii) any related transaction costs; and (viii) the creditworthiness of the Issuer.

- (b) The Warrants constitute general unsecured contractual obligations of the Issuer and of no other person and will rank equally (save for certain obligations required to be preferred by law) with the Issuer’s other general unsecured contractual obligations. If you purchase the Warrants you are relying upon the creditworthiness of the Issuer and have no rights under the Warrants against the Company. In particular, it should be noted that the Issuer issues a large number of financial instruments, including the Warrants, on a global basis. The number of such financial instruments outstanding at any time may be substantial. The Issuer has substantially no obligation to a Warrantholder other than to pay amounts in accordance with the terms thereof as set forth in this document. The Issuer does not in any respect underwrite or guarantee the performance of any Warrant. Any profit or loss realised by a Warrantholder in respect of a Warrant upon exercise or otherwise due to changes in the value of such Warrant, or the Shares underlying such Warrant, is solely for the account of such Warrantholder. In addition, the Issuer shall have the absolute discretion to put in place any hedging transaction or arrangement which it deems appropriate in connection with any Warrant or the Shares. A reduction in the rating, if any, accorded to outstanding debt securities of the Issuer by any one of its rating agencies could result in a reduction in the trading value of the Warrants.

- (c) If, whilst any of the Warrants remain unexercised, trading in the Shares is suspended on the Stock Exchange, trading in the Warrants will be suspended for a similar period.
- (d) Investors should note that there will be a time lag following the time the Warrants are automatically exercised before the applicable Cash Settlement Amount relating to such exercise is paid to the Warrantholders. See “Entitlement on Exercise of the Warrants” in the section headed “Summary of Issue”.
- (e) Investors should note that an investment in the Warrants involves valuation risks in relation to the Shares. The value of the Shares may vary over time and may increase or decrease by reference to various factors which may include corporate actions, macro economic factors and market trends. Certain (but not all) events relating to the Shares underlying the Warrants require or, as the case may be, permit the Issuer to make certain adjustments or amendments to the Conditions (including, but not limited to, adjusting the Exercise Price and the Entitlement). However, the Issuer is not required to make an adjustment for every corporate event that can affect the Shares. If an event occurs that does not require the Issuer to adjust the Conditions, the market price of the Warrants and the return upon the exercise of the Warrants may be affected.
- (f) It is not possible to predict whether the secondary market for the Warrants will be liquid or illiquid. The Issuer intends to apply to list the Warrants on the Stock Exchange. If the Warrants are listed on the Stock Exchange, there can be no assurance that any such listing can be maintained. In the event such listing cannot be so maintained, the Issuer will use its best efforts to list the Warrants on another exchange. The Issuer or its appointed liquidity provider may be the only market participants in the Warrants therefore the secondary market for the Warrants may be limited. The Issuer and its appointed liquidity provider may, at any time purchase the Warrants at any price in the open market or by tender or private agreement, subject to the requirements under the Rules relating to the provision of liquidity, as described in the section headed “Liquidity Provider”. The more limited the secondary market is for the Warrants, the more difficult it may be for the holders thereof to realise value for the Warrants prior to the expiration date of the Warrants.
- (g) Prospective investors intending to purchase the Warrants to hedge against the market risk associated with investing in, or otherwise having an exposure to, the Shares, should recognise the risks of utilising the Warrants in this manner. There is no assurance that the value of the Warrants will correlate with movements of the Shares. Therefore, it is possible that investors could suffer substantial losses in the Warrants notwithstanding any losses suffered with respect to investments in or exposures to the Shares.
- (h) Two or more risk factors may simultaneously have an effect on the value of a Warrant such that the effect of any individual risk factor may not be predicted. No assurance can be given as to the effect any combination of risk factors may have on the value of a Warrant.
- (i) Various potential and actual conflicts of interest may arise from the overall activities of the Issuer, its subsidiaries and its affiliates.

The Issuer, its subsidiaries and its affiliates are a diversified financial institution with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, hedging transactions and investment and other activities for their own account or the account

of others. In addition, the Issuer, its subsidiaries and its affiliates, in connection with their other business activities, may possess or acquire material information about the Shares. Such activities and information may involve or otherwise affect issuers of the Shares in a manner that may cause consequences adverse to the Warrantheolders or otherwise create conflicts of interests in connection with the issue of Warrants by the Issuer. Such actions and conflicts may include, without limitation, the exercise of voting power, the purchase and sale of securities, financial advisory relationships and exercise of creditor rights. The Issuer, its subsidiaries and its affiliates have no obligation to disclose such information about the Shares or activities. The Issuer, its subsidiaries and its affiliates and their officers and directors may engage in any such activities without regard to the issue of Warrants by the Issuer or the effect that such activities may directly or indirectly have on any Warrant.

In the ordinary course of their business, including without limitation in connection with the Issuer or its appointed liquidity provider's market making activities, the Issuer and any of its respective subsidiaries and affiliates may effect transactions for their own account or for the account of their customers and hold long or short positions in the Shares or related derivatives. In addition, in connection with the offering of the Warrants, the Issuer and any of its respective subsidiaries and affiliates may enter into one or more hedging transactions with respect to the Shares or related derivatives. In connection with such hedging or market-making activities or with respect to proprietary or other trading activities by the Issuer and any of its respective subsidiaries and its affiliates, the Issuer and any of its respective subsidiaries and affiliates may enter into transactions in the Shares or related derivatives which may affect the market price, liquidity or value of the Warrants and which may affect the interests of Warrantheolders.

- (j) Investors in the Warrants should note that HKSCC Nominees Limited will be the only legal owner of the Warrants as the Warrants will only be represented by a global certificate registered in the name of HKSCC Nominees Limited. The register for the Warrants will only record at all times that 100% of the Warrants are held by HKSCC Nominees Limited. Investors are not entitled to any definitive certificates representing their beneficial interests in the Warrants. Accordingly, investors may only refer to the records of CCASS or their brokers/custodians and the statements they receive to determine their beneficial interest in the Warrants. Moreover, any notices, announcements and/or information relating to meetings in respect of the Warrants will only be delivered to investors through CCASS participants in accordance with the General Rules of CCASS and the CCASS Operational Procedures in effect from time to time and/or published on the website of Hong Kong Exchanges and Clearing Limited. Accordingly, investors in the Warrants must check the website of Hong Kong Exchanges and Clearing Limited and/or rely on their brokers/custodians to obtain such notices. The Issuer's obligations to an investor will be duly performed by the delivery of the Cash Settlement Amount in accordance with the Conditions to HKSCC Nominees Limited as the registered Warrantheolder. The Cash Settlement Amount will be delivered to the investors through CCASS or CCASS participants (as the case may be) in accordance with the General Rules of CCASS and the CCASS Operational Procedures in effect from time to time.

SUMMARY OF THE ISSUE

The following is a summary of the issue and should be read in conjunction with, and is qualified by reference to, the other information set out in this document and the Base Listing Document. Terms used in this summary are defined in the section headed “Terms and Conditions of the Warrants”.

Issuer:	Credit Suisse First Boston
Manager and Sponsor:	Credit Suisse First Boston (Hong Kong) Limited
The Warrants:	The European Style (Cash Settled) Call Warrants in Global Registered Form due January 8, 2004 relating to the existing issued ordinary shares of MTR Corporation Limited
Launch Date:	March 27, 2003
Number:	180,000,000 Warrants
Issue Price:	The Issue Price is HK\$0.792
Form:	The Warrants are in global registered form registered in the name of HKSCC Nominees Limited. The person shown in the register kept by CSFB Hong Kong as being entitled to a particular number of Warrants shall be treated as the absolute owner and holder of such number of Warrants and the expression “Warrantholder” shall be construed accordingly. Each Warrant gives the holder the right to payment (if any) of the Cash Settlement Amount being an amount in Hong Kong dollars calculated by the Issuer in accordance with the following formula:

$\text{Closing Price} - (\text{Exercise Price} + \text{Exercise Expenses})$

where the Closing Price is the arithmetic mean of the closing price of one Share (as derived from the Daily Quotation Sheet of the Stock Exchange (subject to any adjustments)) for each Valuation Date (being each of the five Business Days (as defined in the terms and conditions of the Warrants) immediately preceding the Expiry Date as more fully described in the terms and conditions of the Warrants). The number of Shares to which the Warrants relate is 180,000,000.

The Warrants constitute general unsecured contractual obligations of the Issuer. In certain limited circumstances, the number of Shares in respect of which each Warrant is exercisable will be adjusted as set out in Condition 6 in the section headed “Terms and Conditions of the Warrants”.

Global Certificate:

Warrants are represented by a global certificate registered in the name of HKSCC Nominees Limited. Investors are not entitled to definitive certificates. CSFB Hong Kong will maintain a register in Hong Kong showing HKSCC Nominees Limited as the registered holder of the Warrants. Any notices delivered to HKSCC Nominees as the registered holder of the Warrants will be communicated to CCASS participants in accordance with the General Rules of CCASS and the CCASS Operational Procedures in effect from time to time. Beneficial holders of the Warrants are not entitled to any certificate representing their interests in the Warrants. Beneficial holders can refer to the records of CCASS or their brokers/custodians and the statements they receive from CCASS or their brokers/custodians to determine their beneficial interests in the Warrants.

Exercise:

Warrants are exercisable only on the Expiry Date in integral multiples of 500. If on the Expiry Date the Cash Settlement Amount is greater than zero, the Warrants will be deemed to have been exercised automatically on the Expiry Date. The Warrantheolders will not be required to deliver any exercise notice in respect of the Warrants and the Issuer will pay to the Warrantheolders the Cash Settlement Amount in accordance with the Conditions.

Warrantheolders are required to meet their own Exercise Expenses upon exercise of the Warrants on the Expiry Date. Payment of the Exercise Expenses is reflected in the calculation of the Cash Settlement Amount.

Exercise Price:

The Exercise Price is HK\$8.88 for each Warrant.

Exercise and Trading
Currency:

Hong Kong dollars.

Entitlement on Exercise:

Upon automatic exercise of the Warrants on the Expiry Date, the Issuer will make payment (if any) to the relevant Warrantheolder of the Cash Settlement Amount. The Cash Settlement Amount (if any) shall be despatched no later than three Business Days following the Expiry Date. Any Cash Settlement Amount delivered to HKSCC Nominees Limited as the registered holder of the Warrants will be delivered to CCASS participants in accordance with the General Rules of CCASS and the CCASS Operational Procedures in effect from time to time.

If the Issuer determines, in its sole discretion, that on any Valuation Date a Market Disruption Event has occurred, then that Valuation Date shall be postponed until the first succeeding Business Day on which there was no Market Disruption Event irrespective of whether that postponed

Valuation Date would fall on a day that already is, or is deemed to be, a Valuation Date, provided that if the postponement of a Valuation Date as aforesaid would result in a Valuation Date falling on or after the Expiry Date then (i) the Business Day immediately preceding the Expiry Date (the “Last Valuation Date”) shall be deemed to be the Valuation Date notwithstanding the Market Disruption Event; and (ii) the Issuer shall determine the closing price of the Shares on the basis of its good faith estimate of such price that would have prevailed on the Last Valuation Date but for the Market Disruption Event. For the avoidance of doubt, in the event that a Valuation Date is postponed due to the occurrence of a Market Disruption Event, the closing price of the Shares for such postponed Valuation Date will be the closing price of the Shares on the first succeeding Business Day. Accordingly, the closing price of a Valuation Date may be used more than once in calculating the arithmetic mean of the closing price of one Share for the determination of the Cash Settlement Amount, so that in no event shall there be less than five closing prices to determine the arithmetic mean of the closing price of one Share.

Transfers of Warrants:

Transfers of beneficial interests in the Warrants may be effected only in Board Lots or integral multiples thereof in CCASS in accordance with the General Rules of CCASS and the CCASS Operational Procedures in effect from time to time. Where a transfer of Warrants takes place on the Stock Exchange, settlement must currently be made not later than two trading days after the dealing was entered into.

Value at Expiration:

If the Cash Settlement Amount is less than or equal to zero on the Expiry Date, a Warrantholder will lose the value of his investment.

Status of the Warrants on the liquidation of the Issuer:

The Warrants will constitute general, unsecured, contractual obligations of the Issuer and of no other person and will rank pari passu among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations of the Issuer.

Listing:

Application has been made to the Stock Exchange for listing of and permission to deal in the Warrants and the Stock Exchange has agreed in principle to grant listing of and permission to deal in the Warrants. Issue of the Warrants is conditional on such listing being granted. It is expected that dealings in the Warrants on the Stock Exchange will commence on or about April 3, 2003.

Governing Law:

Hong Kong law.

Maintainance of register: CSFB Hong Kong shall maintain the register for the Warrants.

Liquidity Provider: Cheung's Securities Brokers Limited
19th Floor, Bank Center
636 Nathan Road
Kowloon
Hong Kong
Tel: (852) 2783 0098

The above summary is qualified in its entirety by reference to the detailed information either appearing elsewhere in this document or the Base Listing Document.

TERMS AND CONDITIONS OF THE WARRANTS

The Conditions are set out in the section headed “Terms and Conditions of the Call Warrants (Cash Settled)” of the Base Listing Document. For the purposes of the Conditions, the following terms shall have the following meanings:

Board Lot:	500 Warrants
Company:	MTR Corporation Limited
Dealing Commencement Date:	April 3, 2003
Entitlement:	One Share
Exercise Amount:	One Warrant
Exercise Price:	HK\$8.88
Issue Date:	April 2, 2003
Maturity Date:	January 8, 2004
Shares:	Existing issued ordinary shares of HK\$1.00 each of the Company
Warrants:	180,000,000 European Style (Cash Settled) Call Warrants in Global Registered Form due January 8, 2004 relating to the Shares

In addition the Conditions shall be amended as follows:

- (1) All references to “Instrument”, “Registrar” and Registrar’s Agreement” shall be replaced with “Global Certificate”, “CSFB Hong Kong” and “ Register Maintenance Agreement” respectively;
- (2) The first sentence of Condition 1(a) shall be deleted and replaced with:

“The Warrants (which expression shall, unless the context otherwise requires, include any further warrants issued pursuant to Condition 12) relating to the Shares of the Company are issued in registered form subject to and with the benefit of a global certificate by way of deed poll (the “Global Certificate”) dated the Issue Date made by Credit Suisse First Boston (the “Issuer”) and a base register maintenance agreement and structured product agency agreement (the “Register Maintenance Agreement”) dated January 3, 2003 as supplemented by a Confirmation (as defined in the Register Maintenance Agreement) relating to the Warrants made between the Issuer, Credit Suisse First Boston (Hong Kong) Limited (“CSFB Hong Kong”, which expression shall include any successors to CSFB Hong Kong for the purposes of maintaining a register for the Warrants) and Credit Suisse First Boston Pacific Limited as an agent for CSFB Hong Kong.”

- (3) Condition 1(c) shall be deleted and replaced with:

“Transfer. Transfers of beneficial interests in the Warrants may be effected only in Board Lots or integral multiples thereof in CCASS in accordance with the CCASS Rules.

- (4) Condition 1(f) shall be deleted;

- (5) The following definitions will be added to Condition 2(c):

“CCASS” means the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited;

“CCASS Rules” means the General Rules of CCASS and the CCASS Operational Procedures in effect from time to time;

- (6) Condition 5 will be renamed “Register and Transfer Office” and Condition 5(a) shall be deleted and replaced with:

“(a) CSFB Hong Kong will maintain the register. The Transfer Office for the Warrants is set out below. The Issuer reserves the right, subject to the appointment of a successor, at anytime to vary or terminate the appointment of CSFB Hong Kong under the Register Maintenance Agreement provided that it will at all times maintain or arrange for the maintenance of a register which shall be in Hong Kong. Notice of any such termination or appointment and any change in the Transfer Office or the specified office of CSFB Hong Kong will be given to the Warranholders in accordance with Condition 10(A) or 10(B), as the case may be.”

- (7) Condition 8 shall be deleted and replaced with:

“8. Warrant Certificates

The Warrants are represented by the Global Certificate registered in the name of HKSCC Nominees Limited and deposited with CCASS in accordance with the CCASS Rules. Warranholders will not be entitled to definitive certificates in respect of any Warrants issued or transferred to them.”

- (8) The first paragraph of Condition 9(A)(a) and Condition 9(B)(a) shall be deleted and replaced with:

“The Register Maintenance Agreement contains provisions for the convening of meetings of the Warranholders to consider any matter affecting their interests, including sanctioning by Extraordinary Resolution (as defined in the Register Maintenance Agreement) of a modification of the provisions of the Warrants or of the Global Certificate”

- (9) The words “warrant certificates, cheques and other documents” shall be deleted from the first line of Conditions 10(A)(a) and 10(B)(a) and shall be replaced with “documents”;

(10) The first sentence of Condition 10(A)(b) and 10(B)(b) shall be deleted and replaced with:

“All notices to Warrantholders will be validly given if published in English and in Chinese on the website of Hong Kong Exchanges and Clearing Limited.”

(11) The details of the registrar and warrant agent at the end of the Conditions shall be deleted and replaced with:

“Transfer Office

Credit Suisse First Boston (Hong Kong) Limited
45th Floor
Two Exchange Square
8 Connaught Place Central
Hong Kong”

SUPPLEMENTAL INFORMATION ON THE ISSUER

Supplemental information on the Issuer is set out in Exhibit A and Exhibit B.

INFORMATION RELATING TO THE COMPANY

If investors in the Warrants would like to obtain information on the Company, such as the Company's published audited consolidated financial statements in respect of the last two financial years immediately prior to the date of this document and where available, interim financial statements of the Company, they may consider taking the following steps:

- consulting their financial advisers
- viewing the website of The Stock Exchange of Hong Kong Limited (www.hkex.com.hk)
- viewing the website of the Company which at the date of this document is www.mtr.com.hk. The Company may not always maintain a website and may change or add a new website or websites, or may amend, or remove any information posted to such websites. Intending investors should conduct their own web searches to ensure that they are viewing the most up to date version of the Company's website. The Issuer takes no responsibility for the contents of the Company's website and makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the Company's website.

INFORMATION ON THE LIQUIDITY PROVIDER

The Stock Exchange requires the Issuer to provide liquidity in the Warrants to ensure that there will always be a market price available for the purchase and sale of the Warrants (other than in the circumstances described below).

The Issuer has initially appointed Cheung's Securities Brokers Limited (ID Number 9573) as the liquidity provider (the "Liquidity Provider") for the Warrants. The Liquidity Provider is a third party broker who has entered into a Liquidity Provider agreement with the Issuer. The Liquidity Provider is a Stock Exchange participant and is therefore subject to prudential and conduct regulation by the Stock Exchange and the Securities and Futures Commission. The Issuer and the Liquidity Provider have agreed that the Liquidity Provider will, as agent of the Issuer, provide liquidity as set out below. In the event that the Liquidity Provider is unable to perform its functions, the Issuer will appoint a substitute Liquidity Provider for the Warrants.

Liquidity in the Warrants may be provided by the Liquidity Provider continuously inputting bid and offer prices into the Stock Exchange's trading system or by the Liquidity Provider responding to requests for bid and offer prices. Initially, liquidity in the Warrants will be provided by the Liquidity Provider responding to requests for bid and offer prices. A request for a price may be obtained by calling the following telephone number - (852) 2783 0098. The Liquidity Provider will respond to such request within 60 seconds of the request for a price being made. Any such prices will be displayed on the designated stock page for the Warrants. The spread for the bid and offer prices provided by the Liquidity Provider will not normally exceed a range of 25 spreads, where 'spread' is as prescribed under the rules of the Stock Exchange.

Prices will be provided by the Liquidity Provider for a minimum of ten Board Lots of the Warrants. The Liquidity Provider will provide prices for the Warrants to investors in the secondary market during the life of the Warrants. Such prices will be available on each Business Day on which the Warrants are traded on the Stock Exchange from five minutes after the market opens for each trading session until the market closes for each such trading session on any such Business Day. However, investors should note that there will be circumstances under which the Liquidity Provider may not be able to, and shall not be obliged to, provide liquidity. Such circumstances may include the occurrence or existence of one or more of the following events:

- (i) when the Warrants are suspended from trading for any reason including, but without limitation, as a result of the Shares being suspended from trading;
- (ii) when there are no Warrants available for market making activities by the Issuer's appointed Liquidity Provider (in which event, only a bid price for the Warrants will be available), and for the avoidance of doubt, in determining whether Warrants are available for market making activities, Warrants held by the Issuer or any of its affiliates in a fiduciary or agency (as opposed to proprietary) capacity shall be deemed to be not available for market making activities;
- (iii) during the period of five Business Days immediately prior to the Expiry Date of the Warrants;
- (iv) operational and technical problems affecting the ability of the Liquidity Provider to provide liquidity or operational and technical problems affecting the proper functioning of the Stock Exchange;
- (v) if the stock market experiences exceptional price movement and volatility, i.e. during fast markets;

- (vi) market disruption events, including, without limitation, any suspension of or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the relevant exchange or otherwise) in the Shares or any Warrants, options contracts or futures contracts relating to the Shares; and
- (vii) when the ability of the Liquidity Provider acting on behalf of the Issuer to source a hedge or unwind an existing hedge, as determined by the Liquidity Provider acting on behalf of the Issuer, in its discretion acting in good faith, is materially affected by prevailing market conditions (in which case either only a bid price or only an offer price of the Warrants shall be made but not both).

In addition, if the fair value of each Warrant (as determined by the Liquidity Provider on behalf of the Issuer in accordance with the pricing model described below) is less than HK\$0.01, then the Liquidity Provider will not be obliged to provide a bid price for the Warrants.

Any price provided by the Liquidity Provider will be based on a pricing model which takes into account such factors as the Liquidity Provider on behalf of the Issuer deems appropriate, including, without limitation, the volatility and price of the Shares, the time left to the expiry of the Warrants, the Exercise Price of the Warrants, the dividend history of the Shares and the prevailing interest rate climate.

OFFERING MECHANISM

On the launch day for the Warrants, Credit Suisse First Boston (Hong Kong) Limited (“CSFB (HK) Ltd.”) as agent of the Issuer submitted the proposed term sheet for the Warrants to the Stock Exchange for approval. On receipt of approval from the Stock Exchange, CSFB (HK) Ltd. as agent of the Issuer used a combination of the following mechanisms to offer the Warrants in the period between the launch of the Warrants and the listing of the Warrants on the Stock Exchange:

- (i) retained the entire issue of Warrants on its own books;
- (ii) transferred the entire issue of the Warrants to the books of itself or any of its subsidiaries or affiliates;
- (iii) built a market for the Warrants; or
- (iv) following requests from brokers, banks, fund managers and individual clients (together the “Clients”) with whom the Issuer has an existing relationship, transferred parts of the issue of the Warrants to such Clients.

To build a market for the Warrants CSFB (HK) Ltd. as agent of the Issuer sent the term sheet (via email or facsimile) to the Clients. CSFB (HK) Ltd. as agent of the Issuer may have also actively contacted the Clients to offer the Warrants. An order book to record orders received for the Warrants was created. The orders were filled on a first come first served basis. Warrants not sold in the period before the listing of the Warrants were retained by the Issuer or transferred to any of its subsidiaries or affiliates.

Following the listing of the Warrants on the Stock Exchange, the Warrants will be traded in the secondary market. Investors wishing to buy or sell the Warrants will be able to trade with other investors in the Warrants or trade through the Issuer or the Issuer’s appointed liquidity provider for the Warrants.

SUPPLEMENTAL GENERAL INFORMATION

1. Save as disclosed herein and in the Base Listing Document, neither the Issuer or its subsidiaries are involved in any litigation, claims or arbitration proceedings which are material in the context of the issue of the Warrants nor, so far as the Issuer is aware, are any such proceedings or claims threatened or pending against the Issuer or any member of the CSFB Group.
2. It is not the current intention of the Issuer to apply for a listing of the Warrants on any stock exchange other than the Stock Exchange.
3. Save as disclosed herein and in the Base Listing Document, there has been no material adverse change in the financial position of the Issuer, or the CSFB Group taken as a whole, since December 31, 2002.
4. The Issuer has no present intention to issue further Warrants on the same terms and conditions in respect of the Shares.
5. There is no agreement, arrangement or understanding (direct or indirect) in place at the date of this document between the Issuer, its subsidiaries or associated companies and any substantial shareholders of the Company.
6. The authorized representatives of the Issuer are John Miller and Dinesh Sadarangani of 45th Floor, Two Exchange Square, Central, Hong Kong.
7. During the period that any structured products issued by the Issuer are listed on the Stock Exchange, copies of the following documents may be inspected during usual business hours on any weekday (Saturdays, Sundays and holidays excepted) at the offices of Allen & Overy, 9th Floor, Three Exchange Square, Central, Hong Kong:
 - (a) the 2001 and 2002 annual reports of the Issuer and interim report (if any);
 - (b) the consent letter of the Auditors referred to in the Base Listing Document;
 - (c) the Base Listing Document and this Supplemental Listing Document; and
 - (d) a Chinese translation of the Base Listing Document and this Supplemental Listing Document.
8. Credit Suisse First Boston (Hong Kong) Limited of 45th Floor, Two Exchange Square, Central, Hong Kong has been authorized to accept, on behalf of the Issuer, service of process and any other notices required to be served on the Issuer.
9. The Stock Exchange charges a trading fee of 0.005 per cent. and the Securities and Futures Commission charges a transaction levy at the aggregate rate of 0.007 per cent. in respect of each transaction effected on the Stock Exchange payable by each of the seller and the buyer and calculated on the value of the consideration for the relevant securities.

10. The auditors of the Issuer, KPMG Klynveld Peat Marwick Goerdeler SA (the “Auditors”), have given and have not withdrawn their written consents to the inclusion of their reports dated March 1, 2002 and February 21, 2003 and/or the references to their name, in the Base Listing Document and this Supplemental Listing Document, respectively, in the forms and contexts in which they are included. The report was not prepared exclusively for incorporation in the Base Listing Document and this Supplemental Listing Document. The Auditors do not have any shareholding in the Issuer or any of its subsidiaries, nor do they have the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities of the Issuer or any of its subsidiaries.
11. As at the date of this document, the Issuer does not have any special arrangements in place with any brokers with respect to the distribution of the Warrants.

EXHIBIT A

**EXCERPTS FROM CREDIT SUISSE FIRST BOSTON
INFORMATION STATEMENT DATED MAY 17, 2002**

Recent Developments

As part of CSFB's strategy to focus on core businesses while reducing costs, in the first quarter of 2002 CSFB completed the sale of CSFB*direct*, CSFB's online trading operations, and Autranet, Inc., a broker-dealer subsidiary active in the distribution to institutional investors of investment research products purchased from independent research specialists. On February 1, 2002, CSFB completed the sale of the U.S.-based CSFB*direct* business to Bank of Montreal for USD 520 million (CHF 870 million). On January 25, 2002, CSFB completed the sale of the U.K.-based CSFB*direct* business to TD Waterhouse. On February 1, 2002, CSFB completed the sale of Autranet to The Bank of New York.

In the fourth quarter of 2001, CSFB exited other non-core businesses, including the precious metals businesses and the New Zealand and Australian retail brokerage businesses.

On January 31, 2002, CSFB acquired Holt Value Associates L.P., a leading provider of independent research and valuation services to asset managers, which will be integrated with CSFB*Edge*, CSFB's online research and valuation database service.

On December 7, 2001, CSAM acquired SLC Assets Management Limited, SLC Pooled Pensions Limited and Sun Life of Canada Unit Managers Limited, the principal U.K. asset management subsidiaries of Sun Life Financial Services of Canada Inc., which we refer to collectively as SLCAM. SLCAM has contracts for the management of the insurance assets (including property) of former affiliate Sun Life Assurance Company of Canada (U.K.) Limited and third-party institutional and retail funds.

On May 17, 2002, Fitch upgraded the long-term debt credit rating of CSFB USA to AA- and reduced the long-term debt credit rating of the Bank to AA-. Fitch revised the outlook for CSFB USA from positive to stable and for the Bank from negative to stable. On May 10, 2002, Standard & Poor's reduced the long-term debt credit rating of the Bank from AA to AA- and affirmed the credit ratings of CSFB USA. Standard & Poor's also revised their outlooks to stable from negative, reflecting the impact of the continued weak operating environment on their financial performance. In October 2001, Moody's upgraded the long-term debt credit rating of CSFB USA from A1 to Aa3. Subsequently, on February 20, 2002, Moody's affirmed the credit ratings but revised the outlook from positive to stable, reflecting the impact of the weak operating environment on financial performance.

As at May 17, 2002, the Board of Directors of the Bank is composed of the following individuals:

Name	Principal Occupation
Lukas Mühlemann Chairman	Chief Executive Officer of Credit Suisse Group
Peter Brabeck-Letmathe Vice Chairman	Chief Executive Officer and Vice Chairman of the Board of Nestlé S.A.
Thomas W. Bechtler	Chairman of the Board of Directors of Zellweger Luwa Group
Thomas D. Bell ⁽¹⁾	Vice Chairman of the Board, President and Chief Executive Officer of Cousins Properties, Inc.
Robert H. Benmosche ⁽¹⁾	Chairman and Chief Executive Officer of Metropolitan Life Insurance Company
Marc-Henri Chaudet	Attorney-at-law
Gerald Clark ⁽²⁾	Vice-Chairman of the Board and Chief Investment Officer of the Metropolitan Life Insurance Company
Walter B. Kielholz	Chief Executive Officer and Director of Swiss Reinsurance Company
Vreni Spoerry ⁽²⁾	Member of the Swiss Council of States
Aziz R.D. Syriani	President of The Olayan Group
Ernst Tanner ⁽¹⁾	Chairman and Chief Executive Officer of Lindt & Sprüngli AG
Daniel L. Vasella	Chairman and Chief Executive Officer of Novartis International AG

(1) Beginning May 31, 2002

(2) Until May 31, 2002

EXHIBIT B

EXCERPTS FROM CREDIT SUISSE FIRST BOSTON ANNUAL REPORT 2002

The balance sheets, income statements and off balance sheet information included herein have been prepared in accordance with the Issuer's usual accounting policies and procedures.

FINANCIAL HIGHLIGHTS

Financial Information Legal Entity (LE) Credit Suisse First Boston

For the year ended December 31	2002	2001
	CHF m	CHF m
CONSOLIDATED INCOME STATEMENT		
Net operating income	16'539	24'259
Personnel expenses	-11'471	-16'806
Other operating expenses	-3'470	-5'119
Gross operating profit	1'598	2'334
Depreciation and write-downs on non-current assets	-2'224	-2'652
Valuation adjustments, provisions and losses	-3'691	-2'132
Consolidated loss before extraordinary items and taxes	-4'317	-2'450
Net extraordinary items, net of related taxes	-392	-10
Cumulative effect of change in accounting principle	254	-
Taxes on loss before extraordinary items	1'023	599
Consolidated net loss (including minority interests)	-3'432	-1'861
<i>of which minority interests</i>	96	331
Consolidated net loss (excluding minority interests)	-3'528	-2'192
As of December 31	2002	2001
	CHF m	CHF m
CONSOLIDATED BALANCE SHEET		
Total assets	620'595	687'276
Due from banks ¹	47'098	41'614
Due from customers ¹	64'883	68'487
Due to banks ²	176'978	210'076
Due to customers ²	62'802	70'351
Shareholder's equity ^{3,4}	19'789	26'965
<i>of which minority interests³</i>	8'887	10'592
	2002	2001
	%	%
KEY RATIOS		
Cost/income ⁵	90.3	90.4
Tax rate on loss before extraordinary items ⁷	23.7	24.4
Return on equity ⁶	-13.7	-6.3
BIS tier 1 ratio ⁴	10.3	12.9
BIS total capital ratio	19.3	22.4
Equity/assets	3.2	3.9
Equity/assets net of securities lending and reverse repurchase agreements	4.9	5.8
As of December 31	2002	2001
STAFF NUMBERS		
Americas	12'102	14'762
Europe	8'252	9'466
<i>of which Switzerland</i>	1'453	1'685
Asia/Pacific	3'070	3'319
Total	23'424	27'547

As of December 31, 2002	Short-term debt	Long-term debt		
		Senior	Senior Subordinated	Junior Subordinated
CREDIT SUISSE FIRST BOSTON RATINGS				
Moody's, New York	P-1	Aa3	A1	A1
Standard & Poor's, New York	A-1	A+	A	A-
Fitch IBCA Ltd, New York	F-1+	AA-	A+	A

¹ Net of securities lending and reverse repurchase agreements.

² Net of securities borrowing and repurchase agreements.

³ Minority interests include (a) CHF 174 million (2001: CHF 217 million) relating to non-cumulative perpetual preferred securities issued by subsidiaries and sold to unaffiliated investors, (b) CHF 886 million (2001: CHF 925 million) relating to non-cumulative perpetual preferred securities issued by subsidiaries and sold to Credit Suisse Group ('CSG'), (c) CHF 1'425 million (2001: CHF 1'717 million) relating to non-cumulative perpetual preferred shares held by CSG as direct investments in subsidiaries of Credit Suisse First Boston ('the Bank') and (d) CHF 5'804 million (2001: CHF 6'995 million) relating to ownership interests held by fellow subsidiaries of CSG as direct investments in subsidiaries of the Bank. In total, CSG's holding in the minority interest of the Bank amounted to CHF 8'681 million (2001: CHF 10'303 million).

⁴ Core capital includes CHF 849 million (2001: CHF 1'094 million) of innovative Tier 1 instruments.

⁵ Operating expenses as a percentage of net operating income.

⁶ Consolidated net loss after ordinary taxes, but before extraordinary items compared to quarterly average equity.

⁷ Ordinary taxes as a percentage of consolidated net loss before extraordinary items and taxes.

FINANCIAL INFORMATION ON BUSINESS UNIT (BU)

For the year ended December 31, 2002	BU ¹ CSFB CHF m	REAL ¹ ESTATE CHF m	Adjustments ^{1,2} CHF m	Total LE CSFB ³ CHF m
CONSOLIDATED INCOME STATEMENT				
Results from interest business				
Interest and discount income	12'562	-	-32	12'530
Interest and dividend income from trading portfolio	9'912	-	-	9'912
Interest and dividend income from financial investments	241	-	-26	215
Interest expense	-17'526	-61	-206	-17'793
Net interest income	5'189	-61	-264	4'864
Results from commission and service fee activities				
Commission income from lending activities	773	-	-	773
Commission from securities and investment transactions	9'646	-	96	9'742
Commission from other services	1'079	-	73	1'152
Commission expense	-697	-	-41	-738
Net commission and service fee income	10'801	-	128	10'929
Net trading income	2'107	-	-720	1'387
Other ordinary income				
Income from the sale of financial investments	1'249	-	-1'007	242
Income from participations	78	-	27	105
<i>of which from participations accounted for using the equity method</i>	65	-	19	84
<i>of which from other non-consolidated participations</i>	13	-	8	21
Real estate income/losses	27	16	1	44
Sundry ordinary income	378	14	-55	337
Sundry ordinary expenses	-1'468	-3	102	-1'369
Net other ordinary income	264	27	-932	-641
Net operating income	18'361	-34	-1'788	16'539
Operating expenses				
Personnel expenses	-9'659	-	-1'812	-11'471
Other operating expenses	-4'815	159	1'186	-3'470
Total operating expenses	-14'474	159	-626	-14'941
Gross operating profit	3'887	125	-2'414	1'598
Depreciation and write-downs on non-current assets	-756	-130	-1'338	-2'224
Valuation adjustments, provisions and losses	-2'618	-2	-1'071	-3'691
Net operating profit/loss before extraordinary and exceptional items, acquisition-related costs, cumulative effect of change in accounting principle and taxes	513	-7	-4'823	-4'317
Extraordinary items, net of related taxes	401	-1	-792	-392
Cumulative effect of change in accounting principle	-	-	254	254
Taxes on profit/loss before extraordinary items	54	1	968	1'023
Net operating profit/loss before exceptional items, acquisition-related costs, cumulative effect of change in accounting principle and minority interests	968	-7	-4'393	-3'432
Retention amortization	-649	-	649	-
Acquisition interest	-504	-	504	-
Amortisation of acquired intangible assets and goodwill	-1'303	-	1'303	-
Exceptional items	-1'389	-	1'389	-
Cumulative effect of change in accounting principle	254	-	-254	-
Tax impact	761	-	-761	-
Loss including minority interests	-1'862	-7	-1'563	-3'432
<i>Minority interests</i>	-	-	96	96
Loss excluding minority interests	-1'862	-7	-1'659	-3'528

¹ The BU information and adjustments presented above are unaudited.

² The business unit income statement differs from the presentation of the Bank's consolidated results in that certain acquisition-related costs, including acquisition interest, amortization of retention payments and amortization of acquired intangible assets and goodwill, as well as exceptional items are reported separately in the income statement, and certain other items, including brokerage, execution and clearing expenses, contractor costs and expenses related to certain redeemable preferred securities classified as minority interest, have been reclassified.

³ The total column has been extracted from the attached audited financial statements.

FINANCIAL INFORMATION ON BUSINESS UNIT (BU)

As of December 31, 2002	BU ¹ CSFB CHF m	REAL ESTATE CHF m	Adjustments ^{1,2} CHF m	Total LE CSFB ³ CHF m
ASSETS				
Cash	113	-	391	504
Money market papers	18'996	-	-	18'996
Due from banks	202'477	6	3'159	205'642
<i>of which securities lending and reverse repurchase agreements</i>	<i>158'544</i>	-	-	<i>158'544</i>
Due from other units within LE CSFB	766	35	-801	-
Due from customers	121'739	10	769	122'518
<i>of which securities lending and reverse repurchase agreements</i>	<i>57'635</i>	-	-	<i>57'635</i>
Mortgages	14'825	-	-	14'825
Securities and precious metals trading portfolio	163'772	-	823	164'595
Financial investments	8'840	9	-520	8'329
Non-consolidated participations	740	-	-44	696
Tangible fixed assets	2'192	2'233	-	4'425
Intangible assets	13'826	-	-	13'826
Accrued income and prepaid expenses	4'478	4	-27	4'455
Other assets	62'871	8	-1'095	61'784
<i>of which replacement value of derivatives</i>	<i>54'244</i>	-	<i>61</i>	<i>54'305</i>
TOTAL ASSETS	615'635	2'305	2'655	620'595

LIABILITIES AND SHAREHOLDER'S EQUITY

Liabilities in respect of money market papers	29'501	-	-	29'501
Due to banks	294'358	-	5'790	300'148
<i>of which securities borrowing and repurchase agreements</i>	<i>123'170</i>	-	-	<i>123'170</i>
Due to other units within LE CSFB	35	1'344	-1'379	-
Due to customers, savings and investment deposits	1'552	-	-	1'552
Due to customers, other deposits	127'969	3	429	128'401
<i>of which securities borrowing and repurchase agreements</i>	<i>67'151</i>	-	-	<i>67'151</i>
Bonds and mortgage-backed bonds	63'970	699	62	64'731
Accrued expenses and deferred income	14'903	37	-684	14'256
Other liabilities	58'446	-9	-177	58'260
<i>of which replacement value of derivatives</i>	<i>55'333</i>	-	<i>79</i>	<i>55'412</i>
Valuation adjustments and provisions	3'862	69	26	3'957
Total liabilities	594'596	2'143	4'067	600'806
Share capital	4'400	-	-	4'400
Capital reserves	13'443	-	-	13'443
Retained earnings	-3'732	169	150	-3'413
Minority interests in shareholder's equity	8'791	-	-	8'791
Consolidated net loss	-1'863	-7	-1'562	-3'432
<i>of which minority interests</i>	-	-	<i>96</i>	<i>96</i>
Total shareholder's equity	21'039	162	-1'412	19'789
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	615'635	2'305	2'655	620'595

¹ The BU information and adjustments presented above are unaudited.

² Adjustments represent consolidating entries and balances relating to operations which are managed by the CSFB BU but are not legally owned by CSFB legal entity, and vice versa.

³ The total column has been extracted from the attached audited financial statements.

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Credit Suisse First Boston (the 'Bank') is a Swiss bank and is one of the largest banking institutions in the world, with total consolidated assets of approximately CHF 621 billion and total consolidated shareholder's equity of approximately CHF 20 billion, in each case as at December 31, 2002. As a leading global investment bank, the Bank provides a wide range of financial services from locations around the world to institutional, corporate, government and individual clients worldwide. The Bank was founded in 1856 and has its registered head office in Zurich, with additional executive offices and principal branches located in London, New York, Singapore and Tokyo. The Bank employed approximately 23'400 people at December 31, 2002.

Credit Suisse Group, which owns 100% of the voting shares of the Bank, is one of the world's leading global financial services companies, active in all major financial centers and providing a comprehensive range of banking and insurance products. The operations of Credit Suisse Group are structured into two business units, the Credit Suisse Financial Services business unit and the Credit Suisse First Boston business unit. The Bank consists principally of the Credit Suisse First Boston business unit, or CSFB.

CSFB includes the Institutional Securities and CSFB Financial Services businesses. The Institutional Securities business is operated and managed through three principal operating divisions:

- the Equity division, which engages in sales, trading and research in equity and equity-related products, including listed and over-the-counter derivatives and risk management products, and securities lending and borrowing;
- the Fixed Income division, which is active in underwriting, trading and distributing fixed income financial instruments, offers derivatives and risk management products and provides research across its product range; and
- the Investment Banking division, which serves a broad range of users and suppliers of capital, provides financial advisory and securities underwriting and placement services and, through the private equity group, makes privately negotiated equity investments.

The CSFB Financial Services business provides international asset management services to institutional, mutual fund and private investors and financial advisory services to high-net-worth individuals and corporate investors. The Financial Services business includes Credit Suisse Asset Management, Private Client Services, a financial advisory business serving high-net-worth individuals and corporate investors, and Pershing, a leading provider of financial services outsourcing solutions for broker-dealers and independent investment managers.

In January 2003, CSFB entered into a definitive agreement to sell Pershing to The Bank of New York Company, Inc. for USD 2 billion in cash, the repayment of a USD 480 million subordinated loan and a contingent payment of up to USD 50 million based on future performance. The transaction is expected to close in the first half of 2003, subject to regulatory approvals and other conditions.

As announced in December 2002, CSFB will be transferring its Zurich based securities and treasury execution platform to Credit Suisse Financial Services. The integration, intended to achieve significant efficiency gains, is expected to be completed by the end of the first half of 2003.

In line with the strategy to divest businesses that do not fit into its core activities, the Bank completed the sale of the CSFB*direct* business and the Autranet brokerage service subsidiary in the first quarter of 2002.

This Annual Report provides only limited commentary relating to the business activities of the Bank. More detailed commentary is provided in the Annual Report of Credit Suisse Group. For analytical convenience, unaudited consolidated schedules are presented on pages 2 and 3 reconciling the 2002 results and financial position of CSFB to those of the Bank.

Businesses of the Bank

Institutional securities operations are conducted through the Bank, its branches and its subsidiaries, including: Credit Suisse First Boston International; Credit Suisse First Boston (USA), Inc.; Credit Suisse First Boston (International) Holding AG and its European and Pacific subsidiaries, including Credit Suisse First Boston (Europe) Limited and Credit Suisse First Boston Securities (Japan) Limited; Banco de Investimentos Credit Suisse First Boston SA, a leading investment bank in Brazil; Credit Suisse First Boston Australia Equities Limited and other entities around the world, many of which are regulated by local regulatory authorities.

Asset management operations are conducted through the Bank and its dedicated asset management and mutual fund subsidiaries worldwide. Additionally, the Bank owns real estate both directly and indirectly. The Credit Suisse Financial Services business unit and other entities within Credit Suisse Group use the majority of these properties.

Board of Directors

Lukas Mühlemann, Chairman ¹

Walter B Kielholz, Chairman ²

Peter Brabeck-Letmathe, Vice-Chairman ³

Thomas W Bechtler ⁴

Thomas D Bell ^{4,6}

Robert H Benmosche ⁶

Marc-Henri Chaudet ⁴

Gerald Clark ^{4,5}

Vreni Spoerry ⁵

Aziz R D Syriani ³

Ernst Tanner ⁶

Daniel L Vasella ³

Independent Group and Statutory Auditors

KPMG Klynveld Peat Marwick Goerdeler SA

Zurich

Internal Audit

Urs P Hänni

¹ until December 31, 2002

² from January 1, 2003, previously Vice-Chairman, Chairman of the Audit Committee until December 31, 2002

³ Member of the Compensation and Appointments Committee, chaired by Peter Brabeck-Letmathe

⁴ Member of the Audit Committee, chaired by Thomas W Bechtler (from January 1, 2003)

⁵ until May 31, 2002

⁶ from May 31, 2002

John J Mack	Chairman of the Operating Committee and Chief Executive Officer
Paul Calello ¹	Chairman and Chief Executive Officer Asia Pacific Region
Christopher Carter	Chairman European Region and Chairman of Global Investment Banking
Brady W Dougan	Co-President Institutional Securities
Brian D Finn ¹	Co-President Institutional Securities
Gary G Lynch	Vice Chairman and Global General Counsel
Eileen K Murray ²	Head of Global Technology, Operations and Product Control
Thomas R Nides	Chief Administrative Officer
Adebayo O Ogunlesi	Global Head of Investment Banking
Jeffrey M Peek ³	Vice Chairman and Head of the Financial Services Division
Hector W Sants	Vice Chairman and Chief Executive Officer European, Middle East and African Regions
Richard E Thornburgh ⁴	Member of the Executive Board and Chief Risk Officer of Credit Suisse Group
Stephen R Volk	Chairman
Barbara A Yastine ⁵	Chief Financial Officer

¹ from April 25, 2002

² from February 11, 2002

³ from February 1, 2002

⁴ Richard E Thornburgh was the Chief Financial Officer of Credit Suisse First Boston until December 3, 2002, when he was appointed Chief Risk Officer of Credit Suisse Group.

He remains an ex-officio member of the Operating Committee of Credit Suisse First Boston

⁵ from December 3, 2002

The Bank recorded a net loss including minority interests of CHF 3'432 million for the year ended December 31, 2002, reflecting exceptional charges and reduced revenues as a result of the protracted downturn in the markets. The economic downturn was evidenced in declines in most major equity indices which negatively affected the Bank's Institutional Securities and Financial Services businesses. Further progress was achieved with the cost reduction program commenced in the fourth quarter of 2001, with year on year operating expenses down 32%.

Results for 2002 and 2001 included post-tax exceptional charges of CHF 1'269 million and CHF 1'092 million, respectively. Exceptional charges in 2002 consisted of a pre-tax loss of CHF 134 million related to the sale of Pershing; a CHF 234 million pre-tax charge for the agreement in principle with US regulators involving research analyst independence and the allocation of IPO shares to corporate executive officers; a CHF 702 million pre-tax provision for CSFB's private litigation involving research analyst independence, certain IPO allocation practices, Enron and other related litigation; and a CHF 319 million pre-tax charge related to further cost reduction measures launched in the fourth quarter of 2002. These exceptional charges are recorded as personnel expenses of CHF 242 million, valuation adjustments, provisions and losses of CHF 984 million, and extraordinary items of CHF 163 million. The net tax benefit for these items is CHF 120 million, including a tax loss of CHF 256 million recognized in respect of the sale of Pershing. Additionally, a change in accounting principle allowing the recognition of deferred tax assets on net operating losses led to a reduction of taxes recorded in 2002 of CHF 819 million. 2002 results also reflect the positive cumulative effect of the change in accounting principle of CHF 254 million from prior years.

Exceptional charges in 2001 consisted of restructuring charges after tax of CHF 956 million relating to cost reduction initiatives and a provision of CHF 136 million (net of tax) for the settlement reached with the US Securities and Exchange Commission and NASD Regulation, Inc in respect of their investigation into certain IPO allocation practices. The restructuring charges included approximately CHF 985 million relating to personnel costs, approximately CHF 174 million relating to facilities and approximately CHF 100 million relating to exiting non-core businesses. The total tax benefit for these items was CHF 303 million.

Operating income decreased compared to 2001, down CHF 7.7 billion (32%) to CHF 16.5 billion as a consequence of the lower levels of market activity resulting from the protracted global economic downturn as well as from increases in write-downs associated with the legacy asset portfolio.

Net interest income increased CHF 1.3 billion (36%) compared to 2001. This increase was primarily due to a significant rise in the amount of activity in the residential mortgage business; the interest earnings from asset positions from this business are offset by trading losses in the sale of forward contracts which hedge the portfolio. Also contributing to the variance are reduced carry costs of index arbitrage in line with the reduction in volatility and opportunities in that line of business.

Net commission and service fee income decreased CHF 2.4 billion (18%) compared to 2001. Mergers and acquisitions activity and fees earned from capital markets were significantly impacted by the industry wide decline in deal flow. Commission income from the CSFB Financial Services business declined as a result of the sales of CSFB*direct* and Autranet and from the reduction in trade volume experienced by Pershing.

Trading income decreased CHF 6.5 billion (83%) compared to 2001. This is attributable to the challenging market environment in 2002, as evidenced by low market volatility, weakened equity markets, corporate defaults and widened credit spreads. Additionally, income from trading in debt instruments was adversely impacted, in comparison to 2001, by the trading

losses in the sale of forward contracts which hedge the mortgage loan portfolio, with offsetting gains in interest income.

Operating expenses decreased CHF 6'984 million (32%) compared to 2001, of which CHF 5'335 million related to personnel expenses and CHF 1'649 million to other operating expenses. These decreases were a result of the cost reduction program commenced in the fourth quarter of 2001. Further cost reduction measures were taken in the fourth quarter of 2002 and resulted in personnel restructuring costs of CHF 242 million.

Depreciation and write-downs on non-current assets decreased by CHF 428 million (16%) compared to 2001, mainly due to the sale of CSFB *direct* and write-downs of Latin American participations in 2001.

Valuation adjustments, provisions and losses increased by CHF 1'559 million (73%) compared to 2001. This adverse variance was primarily due to the two exceptional items noted above - a CHF 234 million charge for the agreement in principle with US regulators involving research analyst independence and the allocation of IPO shares to corporate executive officers and a CHF 702 million provision for CSFB's private litigation involving research analyst independence, certain IPO allocation practices, Enron and other related litigation. In addition, a credit provision of CHF 546 million related to a change in estimate for the risk of loss inherent in the portfolio of non-impaired loans and commitments was recorded in the fourth quarter of 2002.

The tax credit on loss before extraordinary items increased by CHF 424 million (71%) compared to 2001, in line with the increase in consolidated loss.

The Bank's return on equity, based on consolidated net loss after ordinary taxes but before extraordinary items, compared to average equity, was -13.7% during 2002 compared to -6.3% for 2001. The return on equity before amortization of goodwill and acquired intangible fixed assets was -9.5% during 2002 compared to -2.4% for 2001.

Total assets decreased 10% to CHF 620.6 billion at December 31, 2002 compared to CHF 687.3 billion at December 31, 2001, mainly due to a 17% weakening of the US Dollar against the Swiss Franc between the two dates. Approximately 67% of the Bank's assets are US Dollar denominated. The core capital (BIS Tier 1) ratio declined from 12.9% in 2001 to 10.3% in 2002 and the total capital ratio was down from 22.4% to 19.3%.

CONSOLIDATED INCOME STATEMENT

INCOME AND EXPENSES	Notes	2002	2001	Change	Change
FROM ORDINARY BANKING BUSINESS	page	CHF m	CHF m	CHF m	%
Results from interest business					
Interest and discount income	36	12'530	23'569	-11'039	-47
Interest and dividend income from trading portfolio	36	9'912	12'999	-3'087	-24
Interest and dividend income from financial investments	36	215	326	-111	-34
Interest expense	36	-17'793	-33'326	15'533	-47
Net interest income	36, 38	4'864	3'568	1'296	36
Results from commission and service fee activities					
Commission income from lending activities	36	773	662	111	17
Commissions from securities and investment transactions	36	9'742	12'782 ¹	-3'040	-24
Commissions from other services	36	1'152	924	228	25
Commission expense	36	-738	-990	252	-25
Net commission and service fee income	36, 38	10'929	13'378	-2'449	-18
Net trading income	36, 38	1'387	7'936¹	-6'549	-83
Other ordinary income					
Income from the sale of financial investments		242	647	-405	-63
Income from participations		105	118	-13	-11
<i>of which from participations accounted for using the equity method</i>		84	105	-21	-20
<i>of which from other non-consolidated participations</i>		21	13	8	62
Real estate income		44	25	19	76
Sundry ordinary income		337	217	120	55
Sundry ordinary expenses		-1'369	-1'630	261	-16
Net other ordinary income	38	-641	-623	-18	3
Net operating income		16'539	24'259	-7'720	-32
Operating expenses					
Personnel expenses	37, 38	-11'471	-16'806	5'335	-32
Other operating expenses	37, 38	-3'470	-5'119	1'649	-32
Total operating expenses		-14'941	-21'925	6'984	-32
Gross operating profit		1'598	2'334	-736	-32
CONSOLIDATED LOSS/PROFIT					
Gross operating profit		1'598	2'334	-736	-32
Depreciation and write-downs on non-current assets	37, 43	-2'224	-2'652	428	-16
Valuation adjustments, provisions and losses	37, 52	-3'691	-2'132	-1'559	73
Consolidated loss before extraordinary items and taxes		-4'317	-2'450	-1'867	76
Extraordinary income	38	26	4	22	n/a
Extraordinary expenses	38	-163	-18	-145	n/a
Cumulative effect of change in accounting principle		254	-	254	n/a
Taxes on net extraordinary items	52	-255	4	-259	n/a
Taxes on loss before extraordinary items	52	1'023	599	424	71
Consolidated net loss (including minority interests)		-3'432	-1'861	-1'571	84
<i>of which minority interests</i>		96	331	-235	-71
Consolidated net loss (excluding minority interests)		-3'528	-2'192	-1'336	61

¹ Commissions from securities and investment transactions and net trading income each reflect reclassifications of CHF 270 million to be consistent with the current year presentation.

CONSOLIDATED BALANCE SHEET

	Notes	31.12.02	31.12.01	Change	Change
	page	CHF m	CHF m	CHF m	%
ASSETS					
Cash	14, 54	504	1'594	-1'090	- 68
Money market papers	39, 54	18'996	26'559	-7'563	- 28
Due from banks	39, 54	205'642	207'615	-1'973	- 1
<i>of which securities lending and reverse repurchase agreements</i>		158'544	166'001	-7'457	- 4
Due from customers	39, 40, 54	122'518	128'293	-5'775	- 5
<i>of which securities lending and reverse repurchase agreements</i>		57'635	59'806	-2'171	- 4
Mortgages	39, 40, 54	14'825	16'348	-1'523	- 9
Securities and precious metals trading portfolio	41, 54	164'595	205'059	-40'464	- 20
Financial investments	42, 54	8'329	9'568	-1'239	- 13
Non-consolidated participations	34, 42, 43, 54	696	883	-187	- 21
Tangible fixed assets	43, 54	4'425	5'420	-995	- 18
Intangible assets	43, 54	13'826	17'699	-3'873	- 22
Accrued income and prepaid expenses		4'455	9'462	-5'007	-53
Other assets	54, 57	61'784	58'776	3'008	5
<i>of which replacement value of derivatives</i>	60	54'305	51'160	3'145	6
TOTAL ASSETS	54, 55, 56	620'595	687'276	-66'681	- 10
<i>Total subordinated claims</i>	58	2'320	1'967	353	18
<i>Total due from non-consolidated participations and qualified shareholders</i>		844	2'399	-1'555	- 65
LIABILITIES AND SHAREHOLDER'S EQUITY					
	Notes	31.12.02	31.12.01	Change	Change
	page	CHF m	CHF m	CHF m	in %
Liabilities in respect of money market papers	54	29'501	28'215	1'286	5
Due to banks	54	300'148	351'034	-50'886	- 14
<i>of which securities borrowing and repurchase agreements</i>		123'170	140'958	-17'788	- 13
Due to customers, savings and investment deposits	54	1'552	1'960	-408	- 21
Due to customers, other deposits	54	128'401	130'527	-2'126	- 2
<i>of which securities borrowing and repurchase agreements</i>		67'151	62'136	5'015	8
Bonds and mortgage-backed bonds	44-51, 54	64'731	64'129	602	1
Accrued expenses and deferred income	54	14'256	21'869	-7'613	- 35
Other liabilities	54, 57	58'260	58'350	-90	-
<i>of which replacement value of derivatives</i>	60	55'412	53'477	1'935	4
Valuation adjustments and provisions	52, 54	3'957	4'227	-270	- 6
Total liabilities		600'806	660'311	-59'505	- 9
Share capital		4'400	4'400	-	-
Capital reserves		13'443	13'443	-	-
Retained earnings		-3'413	722	-4'135	n/a
Minority interests in shareholder's equity ¹		8'791	10'261	-1'470	-14
Consolidated net loss		-3'432	-1'861	-1'571	84
<i>of which minority interests</i>		96	331	-235	- 71
Total shareholder's equity^{1,2}	53	19'789	26'965	-7'176	- 27
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	54, 56	620'595	687'276	-66'681	- 10
<i>Total subordinated liabilities</i>	58	13'619	15'331	-1'712	- 11
<i>Total due to non-consolidated participations and qualified shareholders</i>		2'614	1'797	817	45

¹ Minority interests include (a) CHF 174 million (2001: CHF 217 million) relating to non-cumulative perpetual preferred securities issued by subsidiaries and sold to unaffiliated investors, (b) CHF 886 million (2001: CHF 925 million) relating to non-cumulative perpetual preferred securities issued by subsidiaries and sold to CSG, (c) CHF 1'425 million (2001: CHF 1'717 million) relating to non-cumulative perpetual preferred shares held by CSG as direct investments in the Bank and (d) CHF 5'804 million (2001: CHF 6'995 million) relating to ownership interests held by fellow subsidiaries of CSG as direct investments in subsidiaries of the Bank. In total, CSG's holding in the minority interest of the Bank amounted to CHF 8'681 million (2001: CHF 10'303 million).

² Core capital includes CHF 849 million (2001: CHF 1'094 million) of innovative Tier 1 instruments.

CONSOLIDATED OFF BALANCE SHEET BUSINESS

	Notes page	31.12.02 CHF m	31.12.01 CHF m	Change CHF m	Change %
CONSOLIDATED OFF BALANCE SHEET BUSINESS					
Contingent liabilities	39, 59	33'140	36'865	-3'725	-10
Irrevocable commitments	39, 59	84'287	128'918	-44'631	-35
Confirmed credits	39, 59	32	75	-43	-57
Derivative financial instruments					
- gross positive replacement value	59, 60	235'976	154'525	81'451	53
- gross negative replacement value	60	237'424	157'810	79'614	50
- contract volume	60	12'589'209	11'612'212	976'997	8
Fiduciary transactions	59	8'320	9'376	-1'056	-11

CONSOLIDATED STATEMENT OF CASH FLOWS

	2002			2001		
	Source CHF m	Use CHF m	Net in/outflow CHF m	Source CHF m	Use CHF m	Net in/outflow CHF m
Cash flows from operations			-636			838
Consolidated net loss (incl. minority interests)		3'432			1'861	
Valuations adjustments, provisions and losses	3'691			2'132		
Depreciation and write-downs on non-current assets	2'224			2'652		
Extraordinary expenses	137			10		
Provisions for taxes ¹		279		644		
Accrued income and prepaid expenses	5'007			15		
Accrued expenses and deferred income		7'613			2'254	
Income from and investments in participations accounted for using the equity method of consolidation		171			65	
Dividend payments		200			435	
Cash flows from capital transactions			-3'321			-19
Minority interests	112				368	
Foreign currency translation differences		3'433		349		
Cash flows from fixed assets transactions			2'982			-657
Non-consolidated participations	166	12		317	200	
Intangible assets	464	604		1'023	907	
Real estate	113	91		25	165	
Other fixed assets	228	428		564	760	
Foreign currency translation differences	3'166				524	
Mortgages on own real estate		20			30	
Total cash flows from operations, capital transactions and fixed assets			-975			162
Interbank business			-40'122			-9'746
Due to banks		50'886			20'985	
Due from banks	1'915			13'772		
Money market papers	7'563				194	
Liabilities in respect of money market paper	1'286				2'339	
Customer business			4'747			14'806
Due to customers, savings and investment deposits		408		622		
Due to customers, other deposits		2'106		21'796		
Mortgages	1'731			2'929		
Due from customers	5'530				10'541	
Capital market business			602			17'528
Own bonds and mortgage bonds issued by the central mortgage bond institutions and the central issuing offices	602			17'528		
Other balance sheet items			34'658			-22'482
Financial investments	1'065			615		
Other assets		3'008			10'236	
Other liabilities		90		1'509		
Valuation adjustments and provisions		3'773			1'758	
Securities and precious metals trading portfolio	40'464				12'612	
Total cash flows from banking business			-115			106
Liquidity			-1'090			268
Cash		1'090		268		

¹ CHF 489 million (CHF 1'247 million in 2001) deviation from the consolidated income statement due to deferred tax assets that are not included in provisions.

1. GOAL AND DEFINITION OF RISK MANAGEMENT

The market and credit risks of the Bank are more significant in the Institutional Securities business, therefore the discussion of these focuses on the risk management processes within the Institutional Securities business.

At CSFB, risk management is an ongoing process. The cycle starts with the definition of CSFB's business objectives and strategies and proceeds with the identification, assessment, management, reporting and control of all risks associated with its activities and closes with the re-affirmation or validation of objectives and strategies.

Risk Management Organization

The risk management function of CSFB comprises the following groups:

- Strategic Risk Management ('SRM') - responsible for assessing the overall risk profile of CSFB on a global basis and for recommending corrective action where appropriate. SRM acts as the independent 'risk conscience' of CSFB in respect of all risks which could have a material economic impact.
- Credit Risk Management ('CRM') - responsible for the credit analysis of counterparties and issuers, the setting and approval of credit limits, the approval of transactions, the assessment and management of impaired assets and the establishment of CSFB's policies and strategy on counterparty and country credit risk.
- Risk Measurement and Management ('RMM') - responsible for the measurement and reporting of all credit risk and market risk data for CSFB. RMM reports to SRM.

Both CRM and SRM are independent of the Front Office. They report to the Chief Financial Officer of CSFB (prior to December 3, 2002 they reported to the Vice Chairman of the Executive Board of CSFB).

In addition, the Financial Services business has groups devoted to risks inherent in its specific activities including Portfolio Analytics, which assesses portfolio positioning versus client benchmarks and internal strategies, and Operational Risk, which is responsible for various control disciplines including Information Security oversight.

2. MARKET RISK

Market risk can be described as the potential change in the value of a trading portfolio resulting from the movement of market rates, prices and volatilities. A typical transaction or position may be exposed to a number of different market risks. Market risk is focused primarily within the Institutional Securities business.

CSFB devotes considerable resources to ensuring that market risk is comprehensively captured, accurately modeled and reported, and effectively managed. The RMM department consolidates exposures arising from all trading portfolios and geographical centers and calculates and reports CSFB's global aggregate risk exposure on a daily basis. To achieve this RMM uses a number of complementary risk measurement techniques, including:

- Value at Risk ('VAR') is a statistical estimate of the potential loss arising from a portfolio to a predetermined level of confidence and holding period, using market movements determined from historical data.

- Scenario analysis estimates the potential immediate loss from significant changes in market parameters. These changes are modeled on past extreme events and hypothetical scenarios.
- In addition, RMM uses an Economic Risk Capital (ERC) model to estimate the impact of severe market movements and to attribute internal capital usage. As markets have grown more complex, sophisticated modeling has become increasingly important for sound risk assessment and risk/return analysis.

Value At Risk Methodology CSFB's VAR is defined as the 99th percentile greatest loss that may be expected on a portfolio over a given trading period. In general, a rolling two year period of historical data is used to derive the market movements used for this calculation. These parameters and procedures currently meet the quantitative and qualitative requirements prescribed by the Basel Committee on Banking Supervision and the Swiss Federal Banking Commission. The methodology is subject to continuous review to ensure that it remains relevant to the business being conducted, captures all significant trading risks, is consistent across risk types and meets or exceeds regulatory and industry standards. For some purposes, such as backtesting and disclosure, scaled down one day holding period VAR figures are used.

Market Risk VAR Limits and Authorities Trading limits are established and reviewed at two primary levels:

- **Board of Directors:** Ultimately responsible for the determination of general risk policy and risk management organization and for approving the overall market risk limit as recommended to them by the Capital Allocation and Risk Management Committee ('CARMC'; see below). The Board of Directors meets at least five times a year.
- **CARMC:** The Board of Directors has delegated certain risk management and control responsibilities to CARMC. CARMC, which is chaired by the Head of SRM (previously chaired by the Vice Chairman of the Executive Board), is responsible for the following: formulating and implementing risk management strategies; allocating risk capital; approving market risk management policies and procedures; establishing, recommending and approving certain market risk limits (depending on level) and approving limit excesses within its own authority; and approving stress tests and scenario analysis definitions. CARMC meets on a monthly basis and as needed on an ad-hoc basis.

Market risk limits are structured at three levels:

- **an overall market risk VAR** limit for CSFB as a whole,
- **market risk limits by product area** (eg Fixed Income, Equities); and
- **market risk limits by risk type** (eg Foreign Exchange risk).

The three-level VAR limit structure described above represents CSFB's official limit framework. Limits at lower levels (eg limits by region, by business line, risk factor limits at the business line level, trading desk, trader, loss flags, risk type limits etc) are imposed by trading management in consultation with RMM. These flags are used to assist trading management to identify potential risk concentrations. RMM monitors and reports compliance with the official limit framework and also provides assistance to ensure compliance with lower level risk flags, as required. CSFB uses various other types of limits to highlight potential risk concentrations. These include, among others, country exposure limits and economic risk capital limits.

Market Risk Exposures – trading portfolios The businesses with trading book activity perform a daily VAR calculation to assess market risk on a ten day basis. The following table summarises the market risk exposures in CSFB's trading portfolios as of December 31, 2002 and December 31, 2001, converted to a one day VAR.

CSFB's MARKET RISK EXPOSURES IN TRADING PORTFOLIOS (unaudited)

99%, one-day VAR	31.12.02	31.12.01
Market Risk Exposure Type	CHFm	CHFm
Interest rate risk	67.2	81.1
Equity risk	14.0	31.5
Foreign currency exchange risk	15.0	15.5
Commodity risk	1.4	4.0
Diversification benefit	-40.2	-60.6
Total	57.4	71.5

In the table above, the spot exchange rates of December 31, 2002, and December 31, 2001 were applied. The year-end, average, maximum and minimum one-day VAR over the period is also shown below. A portion of the decline in average VAR usage is attributable to methodology changes.

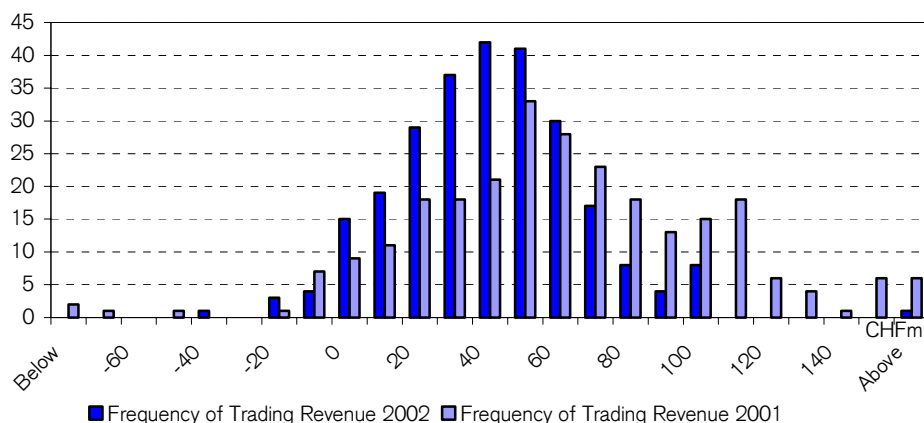
YEARLY ONE-DAY VAR COMPARISON FOR CSFB's TRADING PORTFOLIOS (unaudited)

99%, one-day VAR	2002 CHFm	2001 CHFm	2002 USDm	2001 USDm
Year End	57.4	71.5	41.3	42.7
Average	69.5	119.2	44.7	70.5
Maximum	95.4	168.0	61.2	99.4
Minimum	49.8	71.5	31.9	42.7

Relationship between Daily Revenue and VAR Estimate The average daily trading revenue was CHF 40.4 million (CHF 60.1 million in 2001) and the minimum and maximum levels were CHF -36.7 million (CHF -385.8 million in 2001) and CHF 456.7 million (CHF 223.0 million in 2001) respectively. The frequency distribution of trading revenue for 2002 versus 2001 is shown below.

2002 vs 2001 DISTRIBUTION OF CSFB'S DAILY TRADING REVENUE (unaudited)

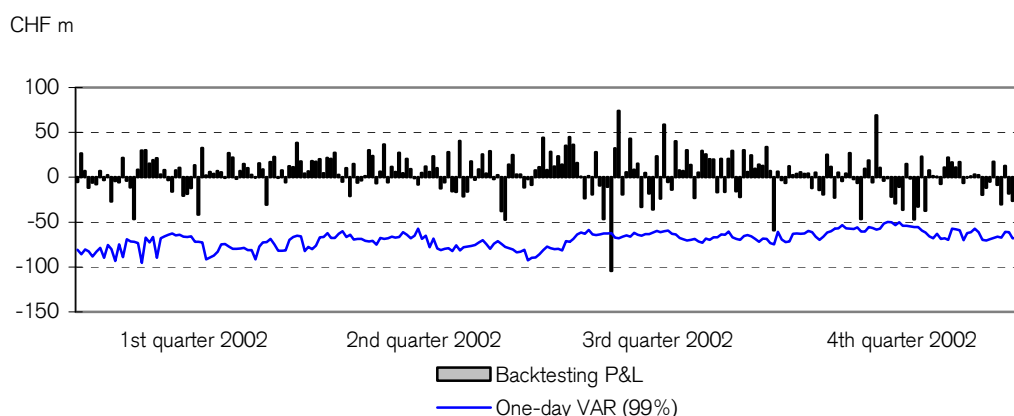
No. of Days



■ Frequency of Trading Revenue 2002 ■ Frequency of Trading Revenue 2001

Backtesting The comparison of daily revenue fluctuations with the daily VAR estimate is the primary method used to test the accuracy of a VAR model. Backtesting is performed at various levels, from CSFB overall down to more specific business lines. A backtesting exception occurs when the daily loss exceeds the daily VAR estimate. Results of the process at the aggregate level (see below) demonstrated one exception when comparing the 99% one day VAR with the Backtesting P&L¹ in 2002. This is within the boundaries considered acceptable for an accurate model under the Basel Market Risk Capital framework². The chart below illustrates the relationship between daily Backtesting P&L and daily VAR over the course of 2002. (The daily Backtesting P&L and VAR data was converted to CHF at the 2002 daily average CHF/USD exchange rate.)

RELATIONSHIP BETWEEN BACKTESTING P&L AND VAR ESTIMATE FOR CSFB DURING 2002 (unaudited)



Scenario Analysis VAR is designed to measure market risk in normal market environments. CSFB complements this with a scenario-based risk measure that examines the potential effects of changes in market conditions, corresponding to exceptional but plausible events, on its financial condition. The results of the analysis are used to manage exposures on a CSFB wide basis, as well as at the portfolio level. Scenario analysis involves the revaluation of major portfolios to arrive at a measure of the profit or loss that CSFB may suffer under a particular scenario. Scenario analysis is therefore an essential component of CSFB's market risk measurement framework for both trading and non-trading portfolios.

Global scenarios aim to capture the risk of severe disruption to all major markets. Many scenarios aim to capture the risk of severe disruption to all major markets and are related to historic events such as the 1994 Bond Market Crisis, the 1998 Credit Crisis, the 1987 Equity Market Crash and the 1990 US Real Estate Crash. Business level scenarios aim to capture portfolio specific risks by employing scenarios based on non-parallel yield curve shifts, changes in correlations and other pricing assumptions.

¹ Backtesting P&L is a subset of actual trading revenue and includes only the P&L effects of the previous night's positions. It is appropriate to compare this measure with VAR for backtesting purposes. Actual trading revenue includes other P&L effects (and is used in the previous chart, titled "2002 vs 2001 Distribution of CSFB's Daily Trading Revenue").

² Supervisory Framework for the use of 'Backtesting' in conjunction with the Internal Models approach to Market Risk Capital Requirements.

3. COUNTERPARTY AND COUNTRY CREDIT RISK

CRM is responsible for managing CSFB's portfolio of credit risk and establishes broad policies and guidelines governing CSFB's credit risk appetite. CRM is headed by the Chief Credit Officer ('CCO') who reports directly to the Chief Financial Officer of CSFB.

Definition of Counterparty Risk The counterparty risk portion of credit risk is determined by the likelihood of a counterparty not fulfilling its contractual obligations to CSFB and thus creating a partial or total loss. To assess the probability of default, CSFB utilizes a counterparty rating scale which approximates that used by the major public rating agencies (ranging from AAA as the best to D as the worst) and applies this grading measure against all of its counterparties. CSFB takes a proactive approach to rating each of its counterparties and, as a result, internal ratings may deviate from those assigned by public rating agencies.

Credit Authority Credit authority is delegated by the CCO to specific senior CRM personnel based on each person's knowledge, experience and capability. These delegations of credit authority are reviewed periodically. Credit authorization is separated from line functions. CARMC, in addition to its responsibilities for market risk described above, is also responsible for maintaining credit policies and processes, evaluating country, counterparty and transaction risk issues, applying senior level oversight for the credit review process and ensuring global consistency and quality of the credit portfolio. CARMC regularly reviews credit limits measuring country, geographic region and product concentrations, as well as impaired assets and recommended loan loss provisions.

Credit Analysis Methodology All counterparties are assigned a credit rating as noted above. The intensity and depth of analysis is related to the amount, duration and level of risk being proposed together with the perceived credit quality of the counterparty or issuer in question. Analysis consists of a quantitative and qualitative portion and strives to be forward looking, concentrating on economic trends and financial fundamentals. In addition, analysts make use of peer analysis, industry comparisons and other quantitative tools. Any final rating requires the consideration of qualitative factors relating to the company, its industry and management. The Credit Rating System ('CRS'), an internally developed quantitative model, is an integral component of CSFB's internal rating process. CRS is also a key tool in ensuring the global consistency of ratings, particularly for counterparties that are not rated by external agencies.

In addition to the aforementioned analysis, all counterparty ratings are subject to the rating of the country in which they are domiciled. Analysis of key sovereign and economic issues for all jurisdictions is undertaken and these are considered when assigning the rating and risk appetite for individual counterparties.

Specific Credit Provisioning For financial reporting purposes specific credit loss provisions are established on a case-by-case basis taking into account the respective counterparty and/or transaction risk.

Loan Valuation Allowance for Inherent Credit Losses During the year the Bank adjusted its method of estimating inherent losses related to its lending activities. This change was made to better reflect the Bank's estimate of the probable losses in the portfolio. The inherent loss allowance is for all loans not specifically identified as impaired which, on a portfolio basis, are considered to contain probable inherent loss. The Bank segregates commercial loans by risk, industry or country rating in order to estimate the inherent loss. On lending related commitments, inherent losses are estimated based on historical loss and recovery experience.

CREDIT RISK FROM LENDING AND CREDIT RELATED TRANSACTIONS

Credit risk associated with CSFB's lending and other credit related activities (letters of credit, guarantees, and unfunded commitments) is measured in terms of the notional amount of the loan and/or commitment. Exposures are reported and analyzed daily. Each facility is approved by senior CRM personnel who are experienced in making lending decisions. Each facility is covered by a legal agreement that is appropriate for the type of transaction.

On a case-by-case basis, CSFB mitigates its credit risk associated with lending and credit related activities. This may be accomplished by taking collateral or a security interest in assets, selling bonds, buying credit derivatives and other means.

CREDIT RISK ARISING FROM TRADING POSITIONS AND DERIVATIVE TRANSACTIONS

Credit risk associated with CSFB's trading and derivatives business is measured against counterparty limits on at least a daily basis. Credit risk is defined in terms of mark-to-market replacement value and potential exposure to maturity. The latter is based on the volatility of the underlying market factors such as interest and foreign exchange rates. VAR analysis is conducted to estimate the potential impact of market volatility on the quality of CSFB's counterparty credit portfolio.

On a case-by-case basis, CSFB mitigates credit risk associated with its trading and derivatives business by taking collateral (normally consisting of cash and/or treasury instruments issued by G7 sovereigns) from counterparties. Typically, counterparties have two days to meet collateral (margin) calls and during this period CSFB has potential credit risk, which would crystallize in the event that collateral is not delivered and mark-to-market exposure remains positive ('call period risk'). In the case of lower rated counterparties, additional collateral may also be taken to cover call period risk.

Collateral is managed and monitored by the Collateral Management Unit, a team of specialists independent from CRM and business line management.

COUNTRY RISK

Country risk is the risk of a substantial, systemic loss of value in the financial assets of a country or group of countries, which may be caused by dislocations in the credit, equity, and/or currency markets. CSFB's major operating divisions all assume country risk in a variety of ways. The setting of limits for this risk is the responsibility of CARMC based on recommendations of CRM, SRM and CSFB's economists.

Country limits for emerging markets are approved by the Chairman's Committee of the Board of Directors of CSG, a portion of which is delegated to CARMC. The measurement of exposures against country limits is undertaken by RMM. For trading positions, country risk is a function of the mark-to-market exposure of the position, while for loans and related facilities country risk is a function of the amount that CSFB has lent or committed to lend. The day-to-day management of country exposure is assigned to each of the core businesses in accordance with its business authorizations and limit allocations. RMM and CRM provide independent oversight to ensure that the core businesses operate within their limits. CRM has the responsibility for periodically adjusting these limits to reflect changing credit fundamentals and business volumes. The designation of countries as 'G-10 and other industrialized countries' and 'emerging market countries' is reviewed on a regular basis by CARMC and is submitted to the Board of Directors of CSG for approval.

Listed below are year-end loans and credit related exposures (letters of credit, guarantees, unfunded commitments and similar instruments) and exposures to trading counterparties (mark-to-market receivables) aggregated by rating of country of risk (country of risk is the domicile of the obligor).

**CSFB COUNTRY EXPOSURE BY CSFB RATING (EXCLUSIVE OF PROVISIONS)
(unaudited)**

Country Rating Class	31.12.02		31.12.01	
	CHF billion	%	CHF billion	%
AAA	149.2	79.3	182.9	80.1
AA+ to AA	22.3	11.9	28.0	12.3
A+ to A-	6.3	3.3	5.3	2.3
BBB+ to BBB-	3.9	2.1	2.1	0.9
BB+ to BB-	1.7	0.9	5.5	2.4
B+ to B-	2.9	1.5	2.7	1.2
CCC to D	1.8	1.0	1.9	0.8
Total	188.1	100.0	228.4	100.0

4. SETTLEMENT RISK

Settlement risk arises whenever the settlement of a transaction results in timing differences between the disbursement of cash or securities and the receipt of countervalue from the counterparty. This risk arises whenever transactions settle on a 'free of payment' basis and is especially relevant when operating across time zones.

CSFB seeks to manage settlement risk through its participation in regulated clearing and depository organizations, which offer immediate finality and DVP (delivery versus payment) services. CSFB is an active participant in CLS (Continuous Linked Settlement) which allows all market participants to eliminate settlement risk in the field of foreign exchange trading. CLS went live in September 2002 and is currently developing its user base. Experience to date shows that CLS can be expected to reduce the overall funding requirement in foreign exchange trading by at least 85%. From a risk perspective, this gives an immediate benefit. During 2003, we expect to monitor results and will, where appropriate, be able to reduce the lines we assign to foreign exchange market counterparts. In those markets where these services do not exist, CSFB utilizes agent banks that are instructed to exchange value for value.

In those instances where market convention and/or products preclude a value-for-value exchange, CSFB manages its risk through confirmation and affirmation of transaction details with counterparties. In addition, it also proactively seeks to manage the timing of settlement instructions to its agents and the reconciliation of incoming payments in order to reduce the window of exposure. CRM considers these factors in deciding counterparty risk limits.

5. LEGAL RISK

CSFB faces significant legal risks in its businesses, and the volume and amount of damages claimed in litigation and other adversarial proceedings against financial services firms is increasing. Legal risks in the investment banking business include, among other things, disputes over the terms of trades and other transactions in which CSFB acts as principal; potential liability under securities law or other law for materially false or misleading statements made in connection with transactions in which CSFB acts as underwriter, placement agent or financial adviser; potential liability for the "fairness opinions" and other advice CSFB provides to participants in corporate transactions, disputes over the terms and conditions of complex

trading arrangements and disputes concerning the adequacy or enforceability of documents relating to some of CSFB's transactions. CSFB faces the possibility that counterparties in complex or risky trading transactions will claim that it improperly failed to tell them of the risks or that they were not authorised or permitted to enter into these transactions with CSFB and that their obligations to CSFB are not enforceable. CSFB is also subject to claims arising from disputes with employees for, among other things, discrimination or harassment. These risks often may be difficult to assess or quantify and their existence and magnitude often remain unknown for substantial periods of time.

As a participant in the financial services industry, CSFB is subject to extensive regulation by governmental and self-regulatory organizations around the world. The requirements imposed by CSFB's regulators are designed to ensure the integrity of the financial markets and to protect customers and other third parties who deal with CSFB. Consequently, these regulations often serve to limit CSFB's activities, including through net capital, customer protection and market conduct requirements, and restrictions on the businesses in which CSFB may operate or invest. Compliance with many of these regulations entails a number of risks, particularly in areas where applicable regulations may be unclear. The authorities have the power to bring administrative or judicial proceedings against CSFB, which could result, among other things, in suspension or revocation of its licenses, restrictions on some of its business activities, cease and desist orders, fines, civil penalties, criminal penalties or other disciplinary action that could materially harm its results of operations and financial condition. CSFB seeks to minimize legal risk through the adoption of compliance and other policies and procedures, continuing to refine controls over business practices and behavior, extensive employee training sessions, the use of appropriate legal documentation, and the involvement of the Legal and Compliance department and outside legal counsel.

Changes in laws, rules or regulations affecting CSFB's operations, or in the interpretation or enforcement of such laws, rules and regulations, may adversely affect its results. CSFB may be materially affected not only by regulations applicable to it as a financial services company, but also by regulations of general application. For example, the volume of CSFB's businesses in any one year could be affected by, among other things, existing and proposed tax legislation, antitrust and competition policies and other governmental regulations and policies and changes in the interpretation or enforcement of existing laws and rules that affect the business and financial communities.

For a description of the legal proceedings and regulatory examinations to which CSFB is subject, including the agreement in principle with US regulators to resolve their investigations relating to research analyst independence and the allocation of shares in initial public offerings to corporate executives and directors, please see CSG's Reports on Form 6-K filed with the US Securities and Exchange Commission on December 20, 2002 and January 21, 2003 as well as "Legal Proceedings" in the CSG Annual Report on Form 20-F expected to be filed in March 2003.

6. OPERATIONAL RISK

The definition of operational risk used by CSG is "the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events". Business and strategic risk are specifically excluded from this definition.

Operational risk is inherent in many aspects of CSFB's activities and comprises a large number of disparate risks. While market or credit risk is often chosen for the prospect of gain, operational risk is not normally chosen willingly, but is accepted as a necessary consequence of doing business. In comparison to market or credit risk, the sources of operational risk are difficult to identify comprehensively and the amount of risk is also intrinsically difficult to

measure. CSFB therefore manages operational risk differently from market or credit risks. Operational risk is controlled through a network of controls, procedures, reports and responsibilities.

CSG uses a group-wide framework to monitor and control such risks. CSFB operates within this framework. CSFB has longstanding resources in place to deal with the many aspects of operational risk control (eg a substantial Internal Audit function, reporting to CSG, an Operations Risk Management function covering control processing issues and many other functions to address specific operational risks). CSFB's primary aim is the early identification, prevention, and mitigation of operational risks, as well as timely and meaningful management reporting.

During 2002, CSFB has continued to enhance its controls over operational risks. Key initiatives have included an enhanced governance structure for managing operational risk, including the establishment of the Operational Risk Review Committee; further enhancements to Key Risk Indicator reporting; additional improvements to the Control Self-Assessment process to provide a more consistent and standardised approach and the development of a centralised operational risk loss database.

During 2003, CSFB will continue, in conjunction with CSG, to enhance its operational risk control framework. These enhancements will take account of the anticipated requirements on operational risk being developed by the Basel Committee on Banking Supervision.

7. REPUTATIONAL RISK

CSFB's policy is to avoid any action or transaction that brings with it a potentially unacceptable level of risk to CSFB's reputation.

If a transaction has any unique characteristics that might impair CSFB's reputation, CSFB's policies require that the transaction be subjected to reputational risk review before CSFB commits from either a legal or relationship standpoint. This policy requires the approval of specific business managers and designated Reputational Risk Approvers.

8. LIQUIDITY AND CORPORATE ASSET AND LIABILITY MANAGEMENT

LIQUIDITY MANAGEMENT

The Corporate Treasury department manages the day-to-day liquidity position of CSFB.

CSFB manages liquidity so as to ensure that sufficient funds are either on-hand or readily available at short notice in the event that it experiences any impairment of its ability to borrow in the unsecured debt markets. This ensures that, even in the event of a liquidity dislocation, CSFB has sufficient funds to repay maturing liabilities without requiring any balance sheet reduction. CSFB's liquidity disciplines are segregated into two main funding franchises:

1 – Those funds raised directly by the Bank, with access to stable deposit-based core funds and the interbank markets.

2 – Those funds raised by subsidiaries, particularly CSFB (USA), Inc., the SEC registered US company.

Secondary sources of liquidity ensure availability of alternative funding to meet business plans and commercial commitments. Both funding franchises have access to different forms of

secondary liquidity through their ability to access secured funding via repurchase and other secured financing markets. These markets have proven reliable even in high stress conditions.

Additionally, CSFB (USA), Inc has access to a USD 3.0bn revolving credit facility that is available on an unsecured basis and can be drawn down for up to 364 days. The facility next matures on May 23, 2003. CSFB regularly stress tests its liquidity resources using scenarios designed to represent highly adverse conditions.

CORPORATE ASSET AND LIABILITY MANAGEMENT

The Corporate Treasury department at CSFB also oversees corporate policy with respect to interest rate and foreign exchange exposure, as well as a range of other important policy areas including debt maturity profile, internal and external capitalization and intercompany funding. CSFB minimizes interest rate and foreign currency exposures from a corporate perspective. Trading divisions are authorized to take such risks as part of their business strategies, within limits set by CARMC.

9. NOTES ON BUSINESS POLICY WITH REGARD TO THE USE OF DERIVATIVES

The trading and use of derivative products generate various types of risk, notably market and credit risk, but also operational and legal risk.

The standards of disclosure concerning risk management to which this Annual Report conforms are in line with the joint recommendations issued by the International Organization of Securities Commissions ('IOSCO') and the Basel Committee on Banking Supervision. They likewise comply with the Swiss Bankers Association Risk Management Guidelines for Trading and for the use of Derivatives.

Detailed financial information is given for all open derivatives positions held by CSFB as of December 31, 2002, together with information concerning credit risk. These figures, which can be found in the additional information on consolidated off balance sheet business, are in compliance with the classification criteria stipulated by the Institute of International Finance and by Switzerland's accounting rules for financial institutions. The Annual Report shows the positive replacement values, contract volumes and credit equivalents broken down by counterparty credit quality, together with the positive replacement values and credit equivalents classified according to the maturity of the relevant product (see pages 59/60).

For details of CSFB's business policy with regard to the recording, management and limitation of these risks and the manner in which this policy is implemented see the notes in the respective sections.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis for accounting

The Bank's consolidated financial statements are prepared in accordance with the accounting rules of the Swiss Federal Law on Banks and Savings Banks, the respective Implementing Ordinance and the Federal Banking Commission guidelines. The consolidation and valuation policies of the Bank are in compliance with the Swiss stock exchange listing regulations. The financial year for the Bank ends on December 31. In preparing the consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Certain reclassifications have been made to prior-period amounts to conform to the current presentation.

Consolidation

The consolidated financial statements include the accounts of the Bank and its subsidiaries. The Bank consolidates subsidiaries in which it holds, directly or indirectly, more than 50% of the voting rights of an entity or where it has the ability to exercise control over an entity. The effects of intercompany transactions are eliminated in preparing the consolidated financial statements. Minority interests in shareholder's equity and net loss are disclosed separately.

The Bank accounts for participations in which it holds 20% to 50% of the voting rights and/or has the ability to exercise a significant influence using the equity method of accounting. The Bank's profit or loss share is included in *Other ordinary income*. Certain majority-owned participations, which operate outside of the Bank's core business, are accounted for according to the equity method.

Participations in which the Bank holds less than 20% of the voting rights and/or does not have the ability to exercise significant influence are held at cost, less provisions for other than temporary impairment. These items are included in *Non-consolidated participations*.

Foreign currency translation

For the purpose of consolidation, the assets and liabilities of foreign Group companies are translated into Swiss francs using the year-end exchange rate, and their income statements are translated using the average exchange rate prevailing throughout the year. Translation adjustments arising on consolidation are recorded directly in shareholder's equity.

In the annual accounts of the individual subsidiaries, assets, liabilities and off-balance sheet items denominated in foreign currencies are translated into the relevant reporting currency using the year-end exchange rate. Income and expense items denominated in foreign currencies are translated into the reporting currency using the exchange rate as of the transaction date. Resulting exchange differences are included in the consolidated income statement.

Offsetting

With the following exceptions, assets and liabilities are in principle not offset. Receivables and payables are offset when all of the following conditions are met: receivables and payables arise from transactions of similar nature, with the same counterparty, with the same or earlier maturity of the receivable and in the same currency and which cannot lead to a counterparty risk. Positive and negative replacement values are offset with the same counterparty when bilateral agreements exist that are recognized and legally enforceable.

Trade date/settlement date accounting

Proprietary and customer securities spot transactions are recorded on a trade date basis. Foreign exchange, money market and precious metals transactions are recorded on settlement (value) date. Prior to the settlement (value) date, foreign exchange and precious metals transactions are reported with their replacement values in *Other assets* and *Other liabilities* respectively.

Cash, due from banks and money market papers

Cash and due from banks are accounted for at nominal value. Money market instruments held for trading are carried at fair value. Money market instruments not held for trading or for sale are recorded net of unamortized premiums/discounts. The necessary provisions for recognizable risks and potential losses are normally deducted from the appropriate asset items in the balance sheet.

Loans (due from customers and mortgages)

Loans are initially recorded at cost, which is for originated loans generally equal to the principal amount. Loans held-to-maturity are recorded net of unamortized premiums/discounts. Loans held-for-sale are valued at lower of cost or market value. Interest income is accrued as earned.

Loans are carried net of any provisions for losses. The allowances for loan losses are intended to cover probable credit losses inherent in the portfolio and those losses specifically identified. During the year the Bank adjusted its method of estimating inherent losses related to its lending activities. This change resulted from continued deterioration in the credit markets and was made to better reflect the Bank's estimate of the probable losses in the portfolio. Many factors can affect the Bank's estimates of probable credit losses, including volatility of default probabilities, rating migrations and loss severity. The inherent loss allowance is for all loans not specifically identified as impaired, which on a portfolio basis, are considered to contain probable inherent loss. For commercial loans, the Bank segregates loans by risk, industry or country rating in order to estimate the inherent losses. Inherent losses on lending related commitments are estimated based on historical loss and recovery experience and recorded in *Valuation Allowances and Provisions*.

The Bank continues to provide for specific credit losses on impaired loans based on regular and detailed analysis on each loan in the portfolio considering collateral and counterparty risk. If uncertainty exists as to the repayment of either principal or interest, a specific provision is either established or adjusted accordingly. The Bank considers a loan impaired when, based on current information and events, it is probable that it will be unable to collect all amounts due according to the contractual terms of the loan agreement. A loan is classified as non-performing no later than when the contractual payments of principal and/or interest are more than 90 days past due. The Bank continues to accrue interest for collection purposes; however, a corresponding provision is set up against interest income. In addition, for any accrued but unpaid interest at the date the loan is placed on non-performing status, a corresponding provision is recorded against the accrual through the income statement. At that time and on a periodic basis going forward, the remaining principal is evaluated for collectibility and a provision is established for the shortfall between the net recoverable amount and the remaining principal balance.

A loan can be further downgraded to non-interest earning when the collection of interest is in such a doubtful state that further accrual of interest is deemed not necessary and is ceased. At that time and on a periodic basis going forward, any unreserved remaining principal balance is evaluated for collectibility and an additional provision is established as required. Write-off of a loan occurs when the Bank is certain that there is no possibility to recover the principal.

Interest collected on non-performing loans is accounted for using the cash basis, cost recovery method or a combination of both, as appropriate. Interest collected on non-interest earning loans is accounted for using the cost recovery method only. Generally, an impaired loan may be restored to performing status when all delinquent principal and interest are brought up to date in accordance with the terms of the loan agreement and when certain creditworthiness-performance criteria are met.

Financial Leasing

All leased items (capital goods, real estate and vehicles) are valued using the annuity method and are disclosed under lendings. The portion of the lease payments representing interest is recognized in the income statement as interest. The remaining portion of the payment represents the amortization and reduces the receivable.

Securities and precious metals trading portfolios

Debt and equity securities and precious metals held in the trading portfolio are carried at fair value.

Fair value is determined using quoted market prices, where a price-efficient and liquid market exists. In the absence of such a market, the fair value is established on the basis of a valuation model. Unrealized and realized gains and losses on these positions are recognized in *Net trading income*. Interest and dividend income from the trading portfolio is recorded in *Net interest income*.

Financial investments

This position includes securities, private equity investments, real estate held-for-sale as well as debt securities held-to-maturity. Participations acquired and held for subsequent disposal are also included in *Financial Investments*.

Debt and equity securities and real estate held-for-sale are valued at lower of cost or market. Unrealized losses are recorded in the income statement when the market value is lower than the cost. When the market value increases, unrealized gains are recorded only to the extent losses were previously recognized. Losses on debt securities due to impairment in creditworthiness are recorded in *Valuation adjustments, provisions and losses*.

Debt securities held-to-maturity are carried net of unamortized premiums/discounts. Premiums and discounts are recognized over the term of the instrument until final maturity. Realized profits or losses, which are interest related and which arise from the early disposal or redemption of the instrument are recognized over the remaining term of the instrument sold. Losses due to impairment in creditworthiness are recorded in *Valuation adjustments, provisions and losses*.

Derivative instruments

Positive and negative replacement values of all derivative instruments are reported at fair value within *Other assets* and *Other liabilities*, respectively. The replacement values are presented net by counterparty for transactions in those products where the Bank has a legal right to set off; otherwise the replacement values are presented gross by contract. Realized and unrealized gains and losses from trading are included in *Net trading income*.

The Bank uses derivatives to manage interest rate, foreign currency, equity market, and credit risks. When applying hedge accounting, gains and losses on the derivative instruments are recognized in income on the same basis as the underlying exposure. Derivatives in the banking book not used for hedging purposes are typically valued at lower of cost or market in the income statement, except for certain derivative instruments held-to-maturity, which are valued

according to the accrual method. The interest component is accrued or deferred over the term of the instrument.

Gains and losses related to qualifying hedges of firm commitments and probable anticipated transactions are deferred and recognized in income or as adjustments to carrying amounts when the hedged transactions occur.

Own shares and own bonds

The Bank buys and sells shares of Credit Suisse Group ("own shares"), own bonds and derivatives on own shares within its normal trading and market making activities. In addition, the Bank holds own shares to hedge commitments arising from employee compensation schemes. Own shares are included in the trading portfolio and are carried at fair value, or are held in *Financial investments from the banking business* and are carried at lower of cost or market. Own shares repurchased for cancellation are carried at cost. Changes in fair value and realized gains and losses on own shares and own bonds included in the trading portfolio are reported in *Net trading income*. Interest earned and dividends received are reported as *Interest Income*. Derivatives on own shares are carried at fair value and reported as positive and negative replacements values in *Other assets* and *Other liabilities*, respectively. Realized and unrealized gains and losses on derivatives on own shares are recognized in *Net trading income*.

Tangible fixed assets

Real estate held for own use and investment purposes, including capital improvements, is carried at cost less accumulated depreciation over its estimated useful life, generally 40 to 67 years. In some of our operating regions the economic useful lives are substantially longer than in other regions, based on the materials used and varying construction codes. Land is not depreciated. Other tangible fixed assets such as computers, machinery, furnishings, vehicles and other equipment, as well as alterations and improvements to rented premises, are depreciated using the straight-line method over their estimated useful life, generally three to five years.

It is the Bank's policy to evaluate for impairment, whenever events or circumstances indicate, that the carrying value of an asset may not be recoverable. An impairment is deemed to have occurred if the carrying value of a tangible fixed asset exceeds its recoverable amount. Methods for measuring impairment include market appraisals (net selling price) and cash flow analyses. Recognizing an impairment results in a new cost basis.

Intangible assets

The Bank capitalizes internal and external costs relating to the acquisition, installation and development of software having a measurable economic benefit. In addition, internally developed software is only capitalized if such costs are identifiable and can be reliably measured. The Bank depreciates capitalized software costs on a straight-line basis over the estimated useful life of the software, normally not exceeding three years.

Identifiable intangible assets are generally acquired through business combinations and other transfers of assets. Acquired intangible assets are initially recorded at fair value and depreciated over their estimated useful life, not to exceed 20 years. The useful life of intangible assets relating to individuals does not exceed five years.

Goodwill represents the excess of purchase price over the estimated fair value of net assets acquired at the acquisition date. The goodwill included in this balance sheet position arises from acquisitions after January 1, 1997. Prior to January 1, 1997, goodwill was charged to equity. Goodwill is amortized using the straight-line method over its estimated useful life, not to exceed 20 years.

It is the Bank's policy to evaluate for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable. An impairment is deemed to have occurred if the carrying value of an intangible asset exceeds its recoverable amount. Methods for measuring impairment include where appropriate market appraisals (net selling price) and cash flow analyses for finite intangible assets and fair value calculation on a reporting unit level for goodwill. Recognizing impairment loss results in a new cost basis. If the factors to determine the recoverable amount of finite intangible assets materially improve in subsequent periods a value increase up to the original depreciated cost value would be recorded in the insurance business.

Share-based compensation

The cost associated with share options plans is expensed. For share awards, the market value of shares granted in consideration of services rendered in the reporting period is accrued in that period. For shares granted in respect of future service the market value granted is deferred and expensed over the required future service period. At each balance sheet date the accrued cost is adjusted for the fair value change in the share price and for associated hedges during the reporting period. The accrual is recognized as a liability.

Taxes

Income tax expense is calculated on the basis of the annual results of the individual financial statements of the Bank companies. Deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial statement carrying amounts and the tax bases of assets and liabilities. Deferred tax assets and liabilities are calculated based on expected tax rates and are recorded in *Other Assets* and *Valuation adjustments and provisions*, respectively. Deferred income tax expense represents the net change in the deferred tax asset or liability balance during the year and is charged to tax expense, except to the extent the change relates to transactions recognized directly in shareholder's equity. This amount together with income taxes payable or receivable in the current year represents the total income tax expense for the year. Deferred tax assets for net operating loss carry forwards are recognized when it is more likely than not that future taxable profit will be available against which those losses can be utilized. Other deferred tax assets are recognized subject to management's judgment that realization is more likely than not. No provision is made for non-recoverable withholding taxes on undistributed profits of Bank companies.

Reserve for general banking risks

In accordance with Swiss banking regulations, the reserve for general banking risks is recorded as a separate component of shareholder's equity. Changes to this equity component are disclosed as an extraordinary item in the income statement.

Repurchase and reverse repurchase agreements (Repos)

The Bank enters into purchases of securities under agreements to resell as well as sales of securities under agreements to repurchase substantially identical securities. Such agreements normally do not constitute economic sales and are therefore treated as financing transactions. Securities sold subject to such agreements continue to be recognized in the balance sheet. The proceeds from the sale of these securities are treated as liabilities. Securities purchased under agreements to resell are recognized as loans collateralized by securities. Receivables and liabilities are valued using the accrual method. Those held in the trading book (matched book repo trading) are carried at fair value. Transactions in which economic control over the securities transferred has been relinquished are reported as either purchases or sales together with a related forward commitment to resell or repurchase.

Securities lending and borrowing (SLB)

SLB transactions with cash collateral and daily margining are reported as repurchase and

reverse repurchase transactions. All other SLB transactions that are collateralized by cash are included in the balance sheet at amounts equal to the cash advanced or received. Securities lent or securities provided as collateral for securities borrowed continue to be recognized in the balance sheet at their carrying value if control over the securities transferred is not relinquished. Securities borrowed and securities received as collateral for securities lent are only recognized in the balance sheet if control over the securities transferred is relinquished. Lending fees earned or incurred are recognized as interest income and interest expense.

Pension plans

The Bank sponsors various retirement benefit plans for its employees worldwide. These plans include both defined benefit and defined contribution plans, as well as other retirement benefits such as post-retirement life insurance and post-employment medical benefits. Pension expense is recorded in *Personnel expenses* and is based on either actual contributions or actuarial valuation methods and projected plan liabilities for accrued service.

Insurance assets

The Bank reports assets in subsidiaries that are regulated as insurance business in other assets with corresponding liability in other liabilities according to accounting principles applied in CSG's insurance business.

CHANGES TO ACCOUNTING POLICIES

Beginning January 1, 2002, certain internal costs related to the acquisition and development of internal use computer software are capitalized and depreciated over the estimated useful life of the software. Before such costs were expensed as incurred. The impact on the 2002 financial statements was a capitalization of CHF 186 million.

In 2002, the accounting policy was changed to recognize deferred tax assets related to net operating loss carry forwards when it is considered more likely than not that future taxable profit will be available against which such losses can be utilized. Prior to 2002, deferred tax assets on net operating losses were only recorded in the event of a sale of a business at a taxable gain where the realization of the deferred tax asset was certain. The impact on the 2002 financial statements was the recording of a deferred tax asset of net operating losses in the amount of CHF 1'121 million, of which CHF 254 million relates to net operating losses incurred prior to 2002. The following table sets forth the pro forma information for 2001 and assumes that the adoption of this change occurred retroactively:

	Pro Forma	Disclosed
	31.12.01	31.12.01
	CHF m	CHF m
Consolidated balance sheet		
Other assets	59'030	58'776
Total shareholder's equity	27'219	26'965
Consolidated income statement		
Taxes on loss before extraordinary items	853	599
Consolidated net loss (including minority interest)	-1'607	-1'861

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FOREIGN CURRENCY TRANSLATION RATES

Applied to the consolidation of the subsidiaries and branches of the Bank

	Year end rates for balance sheet and off balance sheet positions		Yearly average rates for income statement	
	31.12.02	31.12.01	2002	2001
MAIN CURRENCIES	CHF	CHF	CHF	CHF
1 US dollar	1.39	1.68	1.56	1.69
1 British pound	2.24	2.43	2.33	2.43
1 Euro	1.46	1.48	1.47	1.51
1 Canadian dollar	0.88	1.05	1.00	1.09
1 Australian dollar	0.79	0.86	0.85	0.87
1 Singapore dollar	0.80	0.91	0.87	0.94
1 Hong Kong dollar	0.18	0.21	0.20	0.22
100 Japanese yen	1.17	1.28	1.24	1.39

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Major subsidiaries and associated companies

Company name	Domicile	Currency	Share capital in thousands	Shareholding
CONSOLIDATED SUBSIDIARIES				
Primarily engaged in investment and commercial banking				
AJP Cayman Ltd	George Town, Cayman Islands	USD	101'227	100.00%
Banco de Investimentos Credit Suisse First Boston SA	Sao Paulo, Brazil	BRL	164'834	100.00%
Bank Credit Suisse First Boston AO	Moscow, Russia	USD	37'831	99.99%
Credit Suisse First Boston Australia Equities Ltd	Melbourne, Australia	AUD	13'000	100.00%
Credit Suisse First Boston (Bahamas) Ltd	Nassau, Bahamas	USD	16'917	100.00%
Credit Suisse First Boston (Cayman) Ltd	George Town, Cayman Islands	USD	0.001	100.00%
Credit Suisse First Boston (Cyprus) Ltd	Limassol, Cyprus	USD	725'000	100.00%
Credit Suisse First Boston (Europe) Ltd	London, United Kingdom	USD	27'300	100.00%
Credit Suisse First Boston (Hong Kong) Ltd	Hong Kong, China	HKD	381'142	100.00%
Credit Suisse First Boston (India) Securities Private Ltd	Mumbai, India	INR	979'820	75.00%
Credit Suisse First Boston (Singapore) Ltd	Singapore, Singapore	SGD	163'740	100.00%
Credit Suisse First Boston (USA), Inc	New York, USA	USD	19'613	100.00%
Credit Suisse First Boston Aktiengesellschaft	Frankfurt, Germany	EUR	109'927	100.00%
Credit Suisse First Boston Australia Ltd	Sydney, Australia	AUD	34'050	100.00%
Credit Suisse First Boston Australia Securities Ltd	Sydney, Australia	AUD	38'400	100.00%
Credit Suisse First Boston Canada Inc	Toronto, Canada	CAD	157'312	100.00%
Credit Suisse First Boston Capital LLC	New York, USA	USD	42'886	100.00%
Credit Suisse First Boston Capital (Guernsey) I Ltd	St. Peter Port, Guernsey	USD	0.1	100.00%
Credit Suisse First Boston Capital (Guernsey) II Ltd	St. Peter Port, Guernsey	EUR	0.1	100.00%
Credit Suisse First Boston Capital (Guernsey) III Ltd	St. Peter Port, Guernsey	GBP	0.1	100.00%
Credit Suisse First Boston Capital (Guernsey) IV Ltd	St. Peter Port, Guernsey	CHF	0.1	100.00%
Credit Suisse First Boston Corporation	New York, USA	USD	1	100.00% ¹
Credit Suisse First Boston Equities Ltd	London, United Kingdom	GBP	15'000	100.00%
Credit Suisse First Boston International	London, United Kingdom	USD	682'325	80.00% ²
Credit Suisse First Boston Investments (Guernsey) Ltd	St. Peter Port, Guernsey	USD	300'001	100.00%
Credit Suisse First Boston Management Corporation	New York, USA	USD	34'624	100.00%
Credit Suisse First Boston NZ Restructuring No. 1 Ltd	Wellington, New Zealand	NZD	16'000	100.00%
Credit Suisse First Boston Pacific Capital Markets Ltd	Sydney, Australia	AUD	130'000	100.00%
Credit Suisse First Boston Securities (Japan) Ltd	Tokyo, Japan	USD	675'002	100.00%
Credit Suisse First Boston Singapore Futures Pte Ltd	Singapore, Singapore	USD	11'083	100.00%
Donaldson, Lufkin & Jenrette Securities Corporation	New York, USA	USD	0.3	100.00% ³
Primarily engaged in asset management				
Credit Suisse Asset Management (Australia) Limited.	Sydney, Australia	AUD	270	100.00%
Credit Suisse Asset Management (Deutschland) GmbH	Frankfurt, Germany	EUR	2'556	100.00%
Credit Suisse Asset Management (France) SA	Paris, France	EUR	28'605	100.00%
Credit Suisse Asset Management (UK) Holding Limited	London, United Kingdom	GBP	16'005	100.00%
Credit Suisse Asset Management Holding, Corp	New York, USA	USD	0.001	100.00%
Credit Suisse Asset Management LLC	New York, USA	USD	0.01	100.00%
Credit Suisse Asset Management Ltd	London, United Kingdom	GBP	19	100.00%
Credit Suisse Asset Management SIM SpA	Milan, Italy	EUR	7'000	100.00%
Credit Suisse Trust and Banking Co Ltd	Tokyo, Japan	JPY	9'000'000	100.00%

¹ January 2003, name changed to Credit Suisse First Boston LLC

² remaining 20% directly held by CSG.

³ January 2003, name changed to Pershing LLC. Sold subsequent to the year end.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Major subsidiaries and associated companies

Company name	Domicile	Currency	Share capital in thousands	Shareholding
CONSOLIDATED SUBSIDIARIES Continued				
Finance and financial holding companies				
Credit Suisse Asset Management International Holding	Zurich, Switzerland	CHF	20'000	100.00%
Credit Suisse First Boston (International) Holding AG	Zug, Switzerland	CHF	37'500	100.00%
Credit Suisse First Boston (Latam Holdings) LLC	George Town, Cayman Islands	USD	29'550	100.00%
Credit Suisse First Boston Australia (Finance) Ltd	Melbourne, Australia	AUD	10'000	100.00%
Credit Suisse First Boston Australia (Holdings) Ltd	Sydney, Australia	AUD	42'000	100.00%
Credit Suisse First Boston Finance (Guernsey) Ltd	St Peter Port, Guernsey	USD	160	100.00%
Credit Suisse First Boston Finance (US) LLC	Wilmington, USA	USD	0.1	100.00%
Credit Suisse First Boston Finance BV	Amsterdam, The Netherlands	EUR	18	100.00%
Credit Suisse First Boston International (Guernsey) Ltd	St Peter Port, Guernsey	USD	200	100.00%
Credit Suisse First Boston, Inc	New York, USA	USD	187'127	100.00% ¹
Fund management companies				
Credit Suisse Asset Management Funds	Zurich, Switzerland	CHF	7'000	100.00%
Credit Suisse Bond Fund Management Company	Luxembourg, Luxembourg	CHF	300	100.00%
Credit Suisse Equity Fund Management Company	Luxembourg, Luxembourg	CHF	300	100.00%
Credit Suisse Money Market Fund Management Company	Luxembourg, Luxembourg	CHF	300	100.00%
Credit Suisse Portfolio Fund Management Company	Luxembourg, Luxembourg	CHF	300	100.00%
Real estate companies				
Column Financial Inc	Atlanta, USA	USD	1	100.00%
Credit Suisse First Boston Mortgage Capital LLC	New York, USA	USD	1	100.00%
DLJ Mortgage Capital, Inc	New York, USA	USD	0.1	100.00%
GTN Global Properties Holding Ltd	Limassol, Cyprus	USD	2	100.00%
NON-CONSOLIDATED PARTICIPATIONS				
Associated companies (accounted for by the equity method)				
Banco Comercial SA	Montevideo, Uruguay	UYU	97'593	33.33%
Innovent Capital Ltd	George Town, Cayman Islands	CHF	87.5	37.87% ²
Valcambi SA	Balerna, Switzerland	CHF	12'000	100.00%
Participations - main companies				
Banco General de Negocios	Buenos Aires, Argentina	ARS	163'000	26.37% ³
Central Banco Investimento SA	Lisbon, Portugal	PTE	2'500'000	5.04%
Euro-Clear Clearance System Ltd	London, United Kingdom	EUR	3'000	4.02%
SWIFT	La Hulpe, Belgium	EUR	10'843	1.45%
Swiss Financial Service Group AG	Zurich, Switzerland	CHF	26'000	19.98%
Telekurs Holding AG	Zurich, Switzerland	CHF	45'000	17.41%
Madison Square Equity Inc	Wilmington, USA	USD	68'200	39.01%
Praedium Performance Fund IV LP	Wilmington, USA	USD	55'900	28.74%

¹ 43% of voting rights held by CSG

² voting rights 38.57%

³ voting rights 12.14%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Changes to the scope of consolidation

Company name	Domicile	Currency	Share capital in thousands	Shareholding
CHANGES TO THE SCOPE OF CONSOLIDATION				
Purchases				
none				
Sales				
Credit Suisse First Boston New Zealand Holdings Ltd	Wellington, New Zealand	NZD		100.00%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Additional information on the consolidated income statement

	2002	2001	Change
	CHF m	CHF m	CHF m
ANALYSIS OF INCOME			
NET INTEREST INCOME			
Interest and discount income	12'530	23'569	-11'039
Interest income from claims on customers	4'775	7'771	-2'996
Interest income from claims on banks	7'123	14'591	-7'468
Interest/discount income from bills of exchange and money market paper	450	978	-528
Credit commissions treated as interest income	182	229	-47
Interest and dividend income from trading portfolio	9'912	12'999	-3'087
Interest income	8'915	11'309	-2'394
Dividend income	997	1'690	-693
Interest and dividend income from financial investments	215	326	-111
Interest income	167	236	-69
Dividend income	48	90	-42
Interest expense	-17'793	-33'326	15'533
Interest expense on liabilities to customers	-6'928	-11'161	4'233
Interest expense on liabilities to banks	-10'865	-22'165	11'300
<i>of which interest expense on subordinated liabilities</i>	<i>-767</i>	<i>-787</i>	<i>20</i>
Total net interest income	4'864	3'568	1'296
NET COMMISSION AND SERVICE FEE INCOME			
Income from credit business	705	531	174
Credit commissions	773	662	111
less commission expense	-68	-131	63
Income from securities business	5'726	6'776	-1'050
Commission income from stock exchange business and securities underwriting	5'853	6'983 ¹	-1'130
less commission expense	-127	-207	80
Income from investment business	3'368	5'169	-1'801
Commission income from investment business and asset management	3'889	5'799	-1'910
less commission expense	-521	-630	109
Other commission and fee income	1'130	902	228
Other commission and fee income	1'152	924	228
less commission expense	-22	-22	-
Total net commission and service fee income	10'929	13'378	-2'449
NET TRADING INCOME			
<i>(including derivatives and expenditure on brokerage/commissions)</i>			
Income from trading in interest related instruments	339	1'635 ^{1,2}	-1'296
Income from trading in equity related instruments	513	4'697 ²	-4'184
Income from foreign exchange and banknote trading	572	905	-333
Income from precious metals trading	18	-3	21
Other income from trading	-55	702	-757
Total net trading income	1'387	7'936	-6'549

¹ Commission income from stock exchange business and securities underwriting and income from trading interest related instruments each reflect reclassifications of CHF 270 million to be consistent with current year presentation.

² Income from trading in interest related instruments and income from trading in equity related instruments each reflect reclassifications of CHF 46 million to be consistent with current year presentation.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Additional information on the consolidated income statement

	2002	2001	Change
	CHF m	CHF m	CHF m
ANALYSIS OF EXPENSES			
PERSONNEL EXPENSES			
Personnel compensation	10'127	15'152	-5'025
Staff benefits	808	945	-137
Other staff costs	536	709	-173
Total personnel expenses	11'471	16'806	-5'335
OTHER OPERATING EXPENSES			
Bank premises and real estate	730	844	-114
Expenditures on IT, machinery, furnishings, vehicles and other equipment	439	494	-55
Expense allocations from other CSG entities	482	620	-138
Expense allocations to other CSG entities	-347	-335	-12
Other operating expenses	2'166	3'496	-1'330
<i>of which communications and advertising costs</i>	690	1'005	-315
<i>of which legal, consultancy and audit fees</i>	685	1'093	-408
<i>of which fees and commissions</i>	124	152	-28
<i>of which other costs</i>	667	1'246	-579
Total other operating expenses	3'470	5'119	-1'649
DEPRECIATION AND WRITE-DOWNS ON NON-CURRENT ASSETS			
Depreciation on tangible fixed assets	751	939	-188
Depreciation on intangible assets	1'473	1'713	-240
Total depreciation and write-downs on non-current assets	2'224	2'652	-428
VALUATION ADJUSTMENTS, PROVISIONS AND LOSSES			
Provisions and valuation adjustments for default risks	2'412	1'423	989
Provisions and valuation adjustments for other business risks	1'271	703	568
Other losses	8	6	2
Total valuation adjustments, provisions and losses	3'691	2'132	1'559

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Additional information on the consolidated income statement

ANALYSIS OF EXTRAORDINARY INCOME AND EXPENSES	2002 CHF m	2001 CHF m	Change CHF m
EXTRAORDINARY INCOME			
Gains from the disposal of participations	26	-	26
Gains from the sale of fixed assets	-	3	-3
Other extraordinary income	-	1	-1
Total extraordinary income	26	4	22
EXTRAORDINARY EXPENSES			
Losses from the disposal of participations	162	-	162
Loss on sale of fixed assets	1	8	-7
Other extraordinary expenses	-	10	-10
Total extraordinary expenses	163	18	145

	2002		2001	
	Switzerland CHF m	Abroad CHF m	Switzerland CHF m	Abroad CHF m
INCOME AND EXPENSES FROM ORDINARY BANKING BUSINESS: SWITZERLAND AND ABROAD¹				
Net interest income	299	4'565	287	3'281
Net commissions and service fee income	555	10'374	468	12'640
Net trading income	486	901	485	7'721
Net other ordinary income	425	-1'066	-34	-589
NET OPERATING INCOME	1'765	14'774	1'206	23'053
Operating expenses				
Personnel expenses	418	11'053	564	16'242
<i>of which personnel compensation</i>	340	9'787	462	14'690
<i>of which staff benefits</i>	30	778	76	869
<i>of which other staff costs</i>	48	488	26	683
Other operating expenses	233	3'237	377	4'742
<i>of which bank premises</i>	66	664	60	784
<i>of which expenditure on IT, machinery, furnishings, vehicles, etc.</i>	12	427	11	483
<i>of which other property, equipment and administrative costs</i>	155	2'146	306	3'475
Total operating expenses	651	14'290	941	20'984
GROSS OPERATING PROFIT	1'114	484	265	2'069
<i>% of total</i>	70%	30%	11%	89%
Taxes	87	-855	-26	-577
<i>% of total</i>	-11%	111%	4%	96%
GROSS OPERATING PROFIT AFTER TAXES	1'027	1'339	291	2'646
<i>% of total</i>	43%	57%	10%	90%

¹ Intercompany eliminations distort the actual operating results shown in this table.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Additional information on the consolidated balance sheet

	31.12.02	31.12.01	Change
	CHF m	CHF m	CHF m
MONEY MARKET PAPERS			
Bills of exchange and money market papers discountable or pledgable with central banks	3'089	2'293 ¹	796
<i>of which short and medium-term federal securities</i>	2'497	1'251	1'246
Other bills of exchange and money market papers	15'907	24'266 ¹	-8'359
TOTAL MONEY MARKET PAPERS	18'996	26'559	-7'563

		Form of security		Unsecured	Total
		Secured	Other		
		by mortgage	security		
		CHF m	CHF m	CHF m	CHF m
CLAIMS BALANCE SHEET					
Claims on banks	December 31, 2002	-	163'151	42'491	205'642
<i>of which securities lending and reverse repurchase agreements</i>		-	155'813	2'731	158'544
	December 31, 2001	-	165'640	41'975	207'615
Lendings					
Claims on customers (including finance leases)		139	88'618	33'761	122'518
<i>of which securities lending and reverse repurchase agreements</i>		-	56'683	952	57'635
Mortgages		14'825	-	-	14'825
<i>of which residential</i>		699	-	-	699
<i>houses and owner-occupied flats</i>		9'090	-	-	9'090
<i>offices and business property</i>		1'966	-	-	1'966
<i>commercial and industrial property</i>		1'965	-	-	1'965
Total lendings	December 31, 2002	14'964	88'618	33'761	137'343
	December 31, 2001	16'785	84'058	43'798	144'641

		Form of security		Unsecured	Total
		Secured	Other		
		by mortgage	security		
		CHF m	CHF m	CHF m	CHF m
CLAIMS OFF BALANCE SHEET BUSINESS					
Contingent liabilities					
Credit guarantees in form of bills of exchange and other guarantees ²		186	23'181	3'125	26'492
Bid bonds, delivery and performance bonds, letters of indemnity, other performance-related guarantees		6	987	1'387	2'380
Irrevocable commitments in respect of documentary credits		5	604	2'233	2'842
Other contingent liabilities		1	226	1'199	1'426
Total contingent liabilities	December 31, 2002	198	24'998	7'944	33'140
	December 31, 2001	-	27'139	9'726	36'865
Irrevocable commitments	December 31, 2002	5	35'022	49'260	84'287
	December 31, 2001	791	68'369	59'758	128'918
Confirmed credits	December 31, 2002	-	1	31	32
	December 31, 2001	-	1	74	75
Total secured and unsecured claims off-balance sheet business	December 31, 2002	203	60'021	57'235	117'459
	December 31, 2001	791	95'509	69'558	165'858

¹ Bills of exchange and money market papers discountable or pledgeable with central banks and other bills of exchange and money market papers each reflect reclassifications of CHF 5'393 million to be consistent with current year presentation.

² Includes contingent liabilities for any losses incurred as a result of counterparty risk where the bank has arranged for client assets to be lent to financial sector borrowers. In these instances the Bank is obligated to compensate the lender for any losses incurred as a result of counterparty risk, however the exposure of the Bank is fully covered by collateral paid by the borrower of the assets.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Additional information on the consolidated balance sheet

LENDINGS (CLAIMS ON CUSTOMERS, MORTGAGES) BY ECONOMIC SECTOR

	Swiss borrowers ¹		Foreign borrowers ¹		Total lendings		Change CHF m	% of total 31.12.02	% of total 31.12.01
	31.12.02 CHF m	31.12.01 CHF m	31.12.02 CHF m	31.12.01 CHF m	31.12.02 CHF m	31.12.01 CHF m			
Private households	10	-	18'507	20'765	18'517	20'765	-2'248	14	14
Non-profit institutions	-	-	-	-	-	-	-	-	-
Private sector enterprises									
(non-financial)	941	1'984	28'836	36'285	29'777	38'269	-8'492	22	26
Agriculture and mining	-	-	738	803	738	803	-65	1	1
Manufacturing	172	1'246	5'678	7'123	5'850	8'369	-2'519	4	5
<i>Food</i>	-	-	318	402	318	402	-84	-	-
<i>Textiles</i>	1	-	219	348	220	348	-128	-	-
<i>Timber, furniture</i>	-	1	310	440	310	441	-131	-	-
<i>Plastics, rubber, leather</i>	-	4	851	101	851	105	746	1	-
<i>Chemicals</i>	3	238	787	1'371	790	1'609	-819	1	1
<i>Metals, building installations</i>	15	377	429	1'073	444	1'450	-1'006	-	1
<i>Machinery, equipment, vehicles</i>	153	626	2'532	3'237	2'685	3'863	-1'178	2	3
<i>Other</i>	-	-	232	151	232	151	81	-	-
Construction	-	-	298	495	298	495	-197	-	-
Energy, environmental protection	3	62	5'722	7'940	5'725	8'002	-2'277	4	6
Services	766	676	16'400	19'924	17'166	20'600	-3'434	12	14
<i>Wholesale and retail trade</i>	12	614	419	515	431	1'129	-698	-	1
<i>Transport, hotels and catering</i>	187	37	1'228	7'482	1'415	7'519	-6'104	1	5
<i>Other services</i>	567	25	14'753	11'927	15'320	11'952	3'368	11	8
Financial enterprises	1'825	2'696	79'745	76'387	81'570	79'083	2'487	59	55
Public authorities	131	126	7'348	6'398	7'479	6'524	955	5	5
TOTAL LENDINGS	2'907	4'806	134'436	139'835	137'343	144'641	-7'298	100	100
% of total lendings	2	3	98	97	100	100			

¹ By customer domicile.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Additional information on the consolidated balance sheet

	31.12.02	31.12.01	Change
	CHF m	CHF m	CHF m
SECURITIES AND PRECIOUS METALS TRADING PORTFOLIO			
Interest-bearing securities and loan stock rights	130'685	156'935	-26'250
<i>of which issued by CSG or subsidiary companies thereof</i>	<i>1'520</i>	<i>1'037</i>	<i>483</i>
<i>of which issued by public sector entities</i>	<i>70'635</i>	<i>92'952</i>	<i>-22'317</i>
Quoted on stock exchanges	55'575	65'516	-9'941
Not quoted on stock exchanges	75'110	91'419	-16'309
Equities	32'683	46'847	-14'164
<i>of which CSG shares¹</i>	<i>1'644</i>	<i>2'951</i>	<i>-1'307</i>
<i>of which units in equity funds</i>	<i>1'400</i>	<i>989</i>	<i>411</i>
Quoted on stock exchanges	28'893	42'123	-13'230
Not quoted on stock exchanges	3'790	4'724	-934
Precious metals	1'227	1'277	-50
<i>of which serving as cover for delivery commitments shown as liabilities</i>	<i>1'227</i>	<i>1'277</i>	<i>-50</i>
TOTAL SECURITIES AND PRECIOUS METALS TRADING PORTFOLIO	164'595	205'059	-40'464
<i>of which securities discountable or pledgable with central banks</i>	<i>27'419</i>	<i>40'730</i> ²	<i>-13'311</i>
SUBSTANTIAL CLAIMS AND LIABILITIES INCLUDED IN OTHER BALANCE SHEET POSITIONS³	31.12.02	31.12.01	Change
	CHF m	CHF m	CHF m
Lending of trading portfolio ⁴	64	76	-12
<i>of which to banks</i>	<i>-</i>	<i>71</i>	<i>-71</i>
<i>of which to customers</i>	<i>64</i>	<i>5</i>	<i>59</i>
Borrowing of trading portfolio ⁵	582	2'996	-2'414
<i>of which from banks</i>	<i>570</i>	<i>2'823</i>	<i>-2'253</i>
<i>of which from customers</i>	<i>12</i>	<i>173</i>	<i>-161</i>
Positive replacement values of trading portfolio derivatives (other assets)	53'761	50'202	3'559
Negative replacement values of trading portfolio derivatives (other liabilities)	54'904	52'466	2'438

¹ Current positions in CSG shares are subject to delivery commitments under derivatives and staff compensation plans as well as securities borrowing contracts. When these commitments are taken into account, the Bank's holdings of CSG shares are insignificant.

² Of which securities discountable or pledgeable with central banks reflects a reclassification of CHF 36'524 million to be consistent with current year presentation.

³ Valued at fair value and any related profit/loss is shown under net trading income.

⁴ Shown in the consolidated balance sheet as due from banks or customers.

⁵ Shown in the consolidated balance sheet as due to banks or customers.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Additional information on the consolidated balance sheet

	Book value		Cost ⁴		Fair value ⁴		Change in
	31.12.02	31.12.01	31.12.02	31.12.01	31.12.02	31.12.01	book value
	CHF m	CHF m	CHF m	CHF m	CHF m	CHF m	CHF m
FINANCIAL INVESTMENTS¹							
Interest-bearing securities	3'964	2'853	-	-	-	-	1'111
<i>of which issued by public sector entities</i>	<i>1'931</i>	<i>1'992</i>	-	-	-	-	-61
<i>of which valued at accrual method</i>	<i>3'081</i>	<i>1'857</i>	-	-	-	-	1'224
<i>of which valued at lower of cost or fair value</i>	<i>883</i>	<i>996</i>	<i>1'415</i>	<i>1'094</i>	<i>884</i>	<i>1'016</i>	-113
Quoted on stock exchanges	2'160	618	-	-	-	-	1'542
Not quoted on stock exchanges	1'804	2'235	-	-	-	-	-431
Equities	3'942	5'059	4'900	5'490	3'976	5'449	-1'117
<i>of which qualifying equity interests²</i>	<i>1'603</i>	<i>1'627</i>	-	-	-	-	-24
Real estate³	423	1'656	425	1'733	421	1'666	-1'233
TOTAL FINANCIAL INVESTMENTS	8'329	9'568	-	-	-	-	-1'239
<i>of which securities discountable or pledgable with central banks</i>	<i>992</i>	<i>172</i>	-	-	-	-	<i>820</i>

¹ Investments which are not held for trading or participation purposes (equity participations and real estate).

² At least 10% capital or voting rights.

³ Real estate held for resale.

⁴ Details only for financial investments that are valued at the lower of cost or fair value.

	31.12.02	31.12.01	Change
	CHF m	CHF m	CHF m
NON-CONSOLIDATED PARTICIPATIONS			
Quoted on stock exchanges	1	3	-2
Not quoted on stock exchanges	695	880	-185
TOTAL NON-CONSOLIDATED PARTICIPATIONS	696	883	-187

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Additional information on the consolidated balance sheet

CAPITAL ASSETS AT DECEMBER 31, 2002	Cost 31.12.01 CHF m	Accumulated depreca- tion CHF m	Net book value 31.12.01 CHF m	Translation difference CHF m	Acquisitions, Investments, and Income from equity CHF m	Disposals CHF m	Transfers CHF m	Depreciation CHF m	Net book value 31.12.02 CHF m
Participations accounted for									
using the equity method	664	-83	581	-69	171	-282	14	-6	409
Other participations	414	-112	302	-50	12	-40	142	-79	287
Total non-consolidated participations	1'078	-195	883	-119	183	-322	156	-85	696
Bank premises	3'372	-533	2'839	-83	75	-15	3	-97	2'722
Other real estate	260	-32	228	-10	16	-24	-77	-11	122
Total real estate ¹	3'632	-565	3'067	-93	91	-39	-74	-108	2'844
Leasehold improvements	1'686	-427	1'259	-189	124	-91	-34	-154	915
Other physical assets	3'404	-2'310	1'094	-140	338	-22	-115	-489	666
Total tangible fixed assets	8'722	-3'302	5'420	-422	553	-152	-223	-751	4'425
Intangible assets	7'311	-1'190	6'121	-992	300	-10	108	-800	4'727
Goodwill	12'375	-797	11'578	-1'633	304	-49	-513	-588	9'099
Total intangible assets	19'686	-1'987	17'699	-2'625	604	-59	-405	-1'388	13'826
TOTAL CAPITAL ASSETS	29'486	-5'484	24'002	-3'166	1'340	-533	-472	-2'224	18'947

¹ The majority of real estate is used for the banking infrastructure needs of CSG. Real estate owned by the Bank but used by other entities within CSG is held for rental to such entities.

FURTHER DETAILS ON FIXED ASSETS	31.12.02 CHF m	31.12.01 CHF m	Change CHF m
Fire insurance value of bank premises and other real estate	3'793	4'424	-631
Fire insurance value of other physical assets	2'620	2'832	-212
Liabilities: future leasing instalments in connection with operational leasing	6'744	7'082	-338

PLEGDED AND ASSIGNED ASSETS AND ASSETS UNDER RESERVATION OF OWNERSHIP ¹	31.12.02 CHF m	31.12.01 CHF m	Change CHF m
Assets pledged and assigned as collateral ²	93'764	119'107 ³	-25'343
Actual commitments secured	85'640	107'076 ⁴	-21'436

¹ None of the Bank's assets were under reservation of ownership either in 2002 or in the previous year.

² Thereof assets provided with the right to sell or repledge with respect to securities lending and borrowing and repurchase agreements as at December 31, 2002: CHF 84'465 million (2001: CHF 106'844 million).

³ Assets pledged and assigned as collateral reflects reclassification of CHF 19'340 million to be consistent with current year presentation.

⁴ Actual commitments secured reflects reclassification of CHF 5'179 million to be consistent with current year presentation.

INFORMATION ON COLLATERAL RECEIVED WITH RESPECT TO REVERSE REPURCHASE AGREEMENTS	31.12.02 CHF m	31.12.01 CHF m	Change CHF m
Collateral received at fair value with the right to sell or repledge	310'141	363'457	-53'316
<i>Thereof sold or repledged at fair value</i>	296'185	358'374	-62'189

LIABILITIES IN RESPECT OF OWN PENSION FUNDS

On the balance sheet date, total liabilities in respect of the Bank's own pension funds amounted to CHF 681 million (as at December 31, 2001: CHF 1'116 million).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Additional information on the consolidated balance sheet

BONDS AND MORTGAGE-BACKED BONDS ISSUED BY THE CENTRAL MORTGAGE BOND INSTITUTIONS AND THE CENTRAL ISSUING OFFICES	31.12.02	31.12.01	Change
	CHF m	CHF m	CHF m
Bonds	65'531	65'054	477
Subparticipations ¹	-800	-925	125
TOTAL	64'731	64'129	602

¹ To banks within CSG.

All bonds denominated in currencies superseded by the Euro have been converted to Euro amounts for the purposes of this disclosure. Although not all such bonds have been formally redenominated, all underlying cashflows now take place in Euro.

BONDS AND MORTGAGE-BACKED BONDS ISSUED BY CSFB (PARENT COMPANY)

Redemption date	Coupon	Year of issue	Currency	Outstanding amount in millions
1.2003	0.00%	2002	GBP	6.3 ³
1.2003	various	2001-2002	USD	134.6 ^{3 4}
1.2003	7.00%	2001-2002	EUR	25.0 ³
1.2003	0.00%	2001	EUR	11.6 ⁶
2.2003	various	2001-2002	EUR	47.0 ^{3 4}
2.2003	various	2002	USD	21.8 ⁴
2.2003	8.27%	2002	CHF	10.0 ³
3.2003	9.03%	2002	EUR	10.0 ³
3.2003	7.02%	2002	CHF	6.0 ³
3.2003	various	1998	CHF	41.0 ⁶
3.2003	0.00%	2001	EUR	24.0 ⁶
3.2003	0.00%	2000	USD	100.4 ⁶
3.2003	0.00%	1999	GBP	5.1 ⁶
3.2003	0.00%	2001	JPY	1'637.8 ⁶
3.2003	3.50%	1993	CHF	125.0 ¹
3.2003	3.50%	1993	CHF	75.0 ¹
4.2003	various	2001-2002	USD	43.2 ^{3 4}
4.2003	7.00%	2001	EUR	10.0 ³
4.2003	0.00%	2001	GBP	11.0 ⁶
4.2003	1.00%	1996	USD	75.0 ³
4.2003	7.30%	2002	NOK	65.2 ³
5.2003	15.75%	2001	VEB	7'000.0 ⁴
5.2003	variable	2002	EUR	20.0 ⁴
5.2003	various	2002	USD	18.6 ⁴
5.2003	various	2002	TRL	49'223'448.0 ⁴
6.2003	0.00%	2001	EUR	225.0 ³
6.2003	various	2001-2002	CHF	32.0 ³
6.2003	various	2002	USD	48.0 ⁴
7.2003	0.00%	2000	EUR	110.3 ⁶
7.2003	various	1997-2002	USD	49.1 ^{3 4}
7.2003	various	2001-2002	CHF	27.0 ³
8.2003	various	2000-2002	USD	60.4 ^{3 4}
9.2003	0.00%	2002	AUD	10.0 ³
9.2003	various	1997-2002	USD	32.6 ^{3 4}
9.2003	various	2000-2002	EUR	46.8 ³
9.2003	0.00%	2002	NOK	86.0 ³
9.2003	17.00%	2002	CHF	10.0 ³
9.2003	6.13%	1993	USD	200.0 ^{1 3}
10.2003	6.25%	2001	CHF	25.0 ³
10.2003	various	2001-2002	USD	65.9 ⁴
10.2003	9.50%	2001	EUR	15.0 ³
11.2003	5.00%	1998-2000	CHF	63.0 ³
11.2003	0.00%	2001	EUR	9.5 ³
11.2003	6.25%	1993	EUR	306.8 ^{1 3}

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 Additional information on the consolidated balance sheet

BONDS AND MORTGAGE-BACKED BONDS ISSUED BY CSFB (PARENT COMPANY) continued

Redemption date	Coupon	Year of issue	Currency	Outstanding amount in millions
11.2003	various	2002	USD	4.9 ⁴
12.2003	various	2000-2002	USD	106.6 ^{3 4}
12.2003	0.00%	2001	CHF	35.1 ⁶
12.2003	0.00%	2002	CHF	5.0 ³
12.2003	1.00%	2001	EUR	13.0 ³
1.2004	various	2001-2002	USD	63.6 ^{3 4}
1.2004	7.75%	2002	CHF	10.0 ³
2.2004	various	2002	USD	9.9 ⁴
2.2004	4.50%	2002	CHF	25.0 ³
2.2004	various	2002	EUR	20.0 ³
3.2004	various	2001-2002	USD	43.9 ^{3 4}
3.2004	various	2000-2001	EUR	44.1 ³
3.2004	0.00%	2001	EUR	47.5 ⁶
3.2004	2.50%	2001	GBP	3.5 ³
3.2004	0.00%	2001	JPY	2'878.5 ⁶
4.2004	various	2001-2002	USD	25.5 ⁴
4.2004	4.38%	1996	CHF	200.0
5.2004	various	2002	USD	8.1 ⁴
5.2004	0.00%	2001	EUR	5.4 ³
6.2004	various	2002	USD	5.4 ⁴
6.2004	8.05%	2001	EUR	2.0 ⁴
7.2004	various	2001-2002	USD	43.0 ⁴
7.2004	various	2002	EUR	46.4 ^{3 4}
7.2004	6.00%	2002	CHF	10.0 ³
7.2004	variable	2001	JPY	2'500.0 ⁴
8.2004	various	2001-2002	USD	19.1 ^{3 4}
9.2004	various	2001-2002	USD	17.8 ^{3 4}
9.2004	0.00%	2001	USD	7.1 ⁶
10.2004	0.00%	2002	USD	3.6 ⁶
10.2004	various	2001-2002	USD	25.0 ⁴
10.2004	various	2001-2002	EUR	16.0 ^{3 4}
11.2004	various	2001-2002	USD	46.0 ⁴
11.2004	various	2001-2002	EUR	43.0 ³
11.2004	8.50%	1994	USD	300.0 ^{1 3}
12.2004	various	1999-2002	USD	127.8 ^{3 4}
12.2004	various	2001-2002	EUR	25.2 ³
12.2004	6.04%	1994	EUR	51.1 ^{1 3}
1.2005	various	1999-2002	USD	85.9 ^{3 4}
1.2005	0.00%	2002	CHF	12.0 ³
1.2005	0.00%	2002	GBP	5.4 ³
2.2005	various	2000-2002	USD	55.5 ^{3 4}
2.2005	2.50%	2002	EUR	5.0 ³
3.2005	various	2001-2002	USD	52.4 ^{3 4}
3.2005	6.70%	2002	EUR	13.0 ³
3.2005	5.75%	1995	CHF	225.0 ¹
4.2005	various	2000-2002	USD	99.3 ^{3 4}
4.2005	0.00%	2002	CHF	20.0 ³
4.2005	0.00%	2002	EUR	64.0 ³
5.2005	various	1999-2002	USD	140.3 ^{3 4}
5.2005	0.00%	1999	EUR	2.9 ³
5.2005	0.00%	2002	GBP	10.0 ³
6.2005	various	2002	USD	30.3 ^{3 4}
6.2005	various	2000-2002	EUR	39.4 ³
7.2005	various	2001-2002	USD	34.8 ^{3 4}
7.2005	0.00%	2002	EUR	25.7 ³
8.2005	various	1999-2002	USD	136.9 ^{3 4}
9.2005	0.00%	2002	EUR	10.0 ³

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Additional information on the consolidated balance sheet

BONDS AND MORTGAGE-BACKED BONDS ISSUED BY CSFB (PARENT COMPANY) continued

Redemption date	Coupon	Year of issue	Currency	Outstanding amount in millions
9.2005	various	2002	USD	15.6 ^{3 4}
10.2005	various	2002	USD	12.4 ^{3 4}
10.2005	0.00%	2002	EUR	15.0 ³
11.2005	various	1997-2002	USD	238.0 ^{3 4}
12.2005	various	2001-2002	USD	47.6 ⁴
12.2005	0.00%	2002	EUR	7.8 ³
1.2006	various	2002	USD	75.3 ^{3 4}
1.2006	1.25%	2002	EUR	9.5 ³
2.2006	0.00%	2001-2002	USD	15.7 ³
3.2006	0.00%	2002	USD	16.6 ³
4.2006	various	2002	USD	57.8 ^{3 4}
5.2006	0.00%	2002	USD	5.7 ⁴
6.2006	various	2002	USD	9.5 ^{3 4}
6.2006	7.21%	1996	USD	237.5 ^{1 4}
6.2006	6.84%	1997	USD	95.0 ^{1 4}
7.2006	0.00%	2001	EUR	10.0 ³
7.2006	various	2002	USD	16.4 ³
8.2006	various	2001-2002	USD	34.0 ^{3 4}
9.2006	various	2002	USD	76.1 ³
9.2006	0.00%	2002	EUR	13.7 ³
10.2006	0.00%	2002	EUR	27.1 ³
11.2006	0.00%	1998	EUR	0.7 ³
12.2006	various	2001-2002	USD	115.0 ³
3.2007	2.06%	2001	USD	2.0 ⁴
3.2007	0.00%	2002	CHF	17.5 ³
4.2007	0.00%	2002	USD	29.0 ³
5.2007	various	2002	EUR	14.8 ³
5.2007	various	2002	USD	36.5 ^{3 4}
6.2007	0.00%	2002	USD	28.9 ³
7.2007	5.25%	1995	CHF	100.0 ¹
7.2007	5.25%	1995	CHF	150.0 ¹
7.2007	0.00%	2002	USD	6.7 ³
8.2007	0.00%	2002	EUR	28.3 ³
8.2007	0.00%	2002	USD	20.2 ³
9.2007	0.00%	2002	USD	86.8 ³
9.2007	0.00%	2002	CHF	40.8 ³
9.2007	0.00%	2002	EUR	26.1 ³
10.2007	0.00%	2002	USD	116.6 ³
10.2007	0.00%	2002	CHF	17.1 ³
11.2007	various	2002	USD	76.8 ^{3 4}
11.2007	0.00%	1998	EUR	2.2 ³
12.2007	0.00%	2001-2002	USD	838.6 ³
12.2007	0.00%	2002	EUR	247.2 ³
1.2008	0.00%	2002	USD	67.2 ³
2.2008	2.00%	2000	USD	165.0 ³
5.2008	6.50%	1998	USD	200.0 ^{1 5}
5.2008	0.00%	2002	EUR	20.3 ³
6.2008	0.00%	2002	EUR	26.5 ³
7.2008	0.00%	2002	USD	26.3 ³
8.2008	0.00%	2002	USD	5.3 ³
9.2008	0.00%	2002	USD	16.9 ³
11.2008	0.00%	1998	EUR	1.9 ³
12.2008	0.00%	2002	USD	19.1 ³
6.2009	0.00%	2002	CHF	107.0 ⁴
6.2009	0.00%	2002	EUR	541.0 ⁴
6.2009	0.00%	2002	USD	350.8 ⁴
7.2009	0.00%	2002	USD	2.9 ³

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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BONDS AND MORTGAGE-BACKED BONDS ISSUED BY CSFB (PARENT COMPANY) continued

Redemption date	Coupon	Year of issue	Currency	Outstanding amount in millions
9.2009	various	2002	USD	57.8 ^{3 4}
9.2009	0.00%	2002	CHF	88.9 ⁴
9.2009	0.00%	2002	EUR	82.4 ⁴
10.2009	0.00%	2002	USD	33.3 ³
10.2009	6.25%	1999	EUR	225.0 ^{1 3}
11.2009	0.00%	2002	USD	5.0 ³
12.2009	0.00%	1999-2002	USD	17.5 ³
12.2009	6.00%	1999	EUR	150.0 ^{1 3}
3.2010	6.50%	2000	EUR	100.0 ^{1 4}
4.2010	variable	2000	USD	160.0 ^{1 4}
4.2010	variable	2000	USD	250.0 ^{1 4}
5.2010	5.75%	1998	EUR	33.2 ^{1 3}
5.2010	5.75%	1998	EUR	179.0 ^{1 3}
7.2010	0.00%	2002	USD	65.5 ³
8.2010	2.19%	2000	JPY	3'000.0 ^{1 4}
10.2010	0.00%	2002	USD	10.0 ³
11.2010	0.00%	2002	USD	15.0 ³
7.2011	various	2002	USD	248.4 ⁴
3.2012	12.50%	2002	PHP	1'020.0 ⁴
8.2012	0.00%	2002	USD	38.0 ³
9.2012	0.00%	2002	USD	36.5 ³
11.2012	various	2002	USD	79.3 ³
12.2012	0.00%	2002	USD	182.5 ³
12.2012	0.00%	2002	CHF	120.0 ³
12.2012	0.00%	2002	EUR	152.0 ³
6.2013	6.45%	2001	EUR	750.0 ^{1 4}
10.2014	8.68%	1999	EUR	15.0 ^{1 3}
1.2015	9.00%	2000	EUR	15.0 ^{1 4}
3.2016	5.00%	1986	CHF	176.2 ¹
3.2016	5.00%	1986	CHF	23.8 ¹
1.2017	6.35%	2000	AUD	23.7 ²
10.2019	7.15%	1999	EUR	12.0 ^{1 3}
1.2022	0.00%	1999	USD	5.0 ^{1 3}
1.2022	6.18%	2000	USD	63.9 ^{1 4}
12.2024	0.00%	1999-2002	USD	17.3 ^{1 3}
1.2025	0.00%	1999	USD	15.0 ^{1 3}
1.2026	0.00%	1999	USD	20.0 ^{1 3}
12.2026	0.00%	1999-2002	USD	33.6 ^{1 3}
10.2027	0.00%	2002	JPY	320.0 ³
11.2027	0.00%	2002	JPY	510.0 ³
12.2027	0.00%	1999-2002	USD	13.5 ^{1 3}
1.2028	0.00%	1999	USD	40.3 ^{1 3}
10.2029	7.05%	1999	EUR	25.0 ^{1 3}
10.2029	9.35%	1999	EUR	25.0 ^{1 3}
10.2032	0.00%	2002	JPY	200.0 ³
11.2032	0.00%	2002	JPY	100.0 ³
perpetual	7.74%	1997	USD	100.0 ^{1 4}
perpetual	6.91%	2001	EUR	400.0 ^{1 4}
perpetual	3.50%	2002	JPY	17'000.0 ^{1 4}
perpetual	3.57%	2001	JPY	30'500.0 ^{1 4}
perpetual	6.41%	1997	EUR	114.3 ^{1 3}
perpetual	6.50%	1997	EUR	76.2 ^{1 3}
perpetual	8.25%	1997	GBP	150.0 ^{1 3}
perpetual	7.90%	1997	USD	500.0 ^{1 3}
perpetual	4.39%	1997	CHF	500.0 ^{1 3}

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Additional information on the consolidated balance sheet

Redemption date	Coupon	Year of issue	Currency	Outstanding amount in millions
BONDS ISSUED BY SUBSIDIARIES				
Credit Suisse First Boston Finance BV, The Netherlands				
5.2003	5.88%	1993	USD	200.0 ¹
7.2003	7.75%	1993	EUR	74.4 ¹
8.2003	5.50%	1993	USD	200.0 ¹
perpetual	variable	1986	USD	150.0
Credit Suisse First Boston (Cayman) Ltd, Cayman Islands				
1.2003	variable	1998	RUR	428.6
2.2003	variable	1998	RUR	704.1
4.2003	0.00%	2000-2002	RUR	5'883.2
5.2003	various	1998-2001	RUR	349.1
6.2003	various	1998-2000	RUR	408.0
8.2003	7.00%	2000	RUR	55.7
9.2003	variable	1998	RUR	378.6
10.2003	various	1998-2000	RUR	2'164.9
11.2003	various	2000	RUR	682.9
1.2004	variable	1998	RUR	751.0
7.2004	variable	1999	RUR	87.1
8.2004	0.05%	2000	RUR	536.5
9.2004	various	1999-2000	RUR	2'052.0
11.2004	0.03%	2000	RUR	2'499.7
12.2004	variable	1999	RUR	1'166.9
1.2005	variable	2000	RUR	1'166.1
3.2005	12.00%	2001	RUR	1.1
10.2005	0.00%	2002	RUR	154.4
10.2005	0.00%	2002	USD	110.9
11.2005	6.00%	2000	RUR	374.9
12.2005	6.00%	2000	RUR	65.6
1.2006	6.00%	2001	RUR	309.2
6.2006	0.03%	2001	RUR	541.6
9.2010	0.00%	2000	RUR	1'511.2
11.2010	0.00%	2000	RUR	1'911.8
1.2011	0.00%	2001	RUR	2'344.1
Banco de Investimentos Credit Suisse First Boston SA, Brazil				
11.2007	11.22%	1999	USD	50.0 ¹
Credit Suisse First Boston Inc, USA				
1.2003	various	1999-2002	USD	360.0
1.2003	7.65%	1993	USD	5.0 ¹
2.2003	8.10%	1993	USD	5.0 ¹
2.2003	various	1993-2000	USD	55.0
3.2003	various	2000-2002	USD	210.0
4.2003	various	1993-2002	USD	727.7
4.2003	variable	1993	USD	6.7 ¹
5.2003	various	1998-2001	USD	387.0
6.2003	0.00%	2000	USD	8.4
6.2003	variable	2000	EUR	400.0
7.2003	various	1998-2002	USD	525.0
8.2003	various	2000-2001	USD	441.0
9.2003	variable	2001	USD	100.0
10.2003	various	2001	USD	190.0

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Redemption date	Coupon	Year of issue	Currency	Outstanding amount in millions
11.2003	various	2001	USD	249.2
12.2003	0.00%	2000	USD	4.0
1.2004	various	1999-2002	USD	360.0
2.2004	various	2000-2002	USD	78.2
2.2004	variable	1994	USD	150.0 ¹
3.2004	various	1992-2002	USD	234.8
3.2004	variable	1994	USD	164.8 ¹
4.2004	various	1992-2002	USD	200.0
4.2004	7.00%	1995	EUR	77.0
5.2004	various	1999	USD	70.0
6.2004	various	2002	USD	295.0
7.2004	various	1999-2002	USD	88.3
9.2004	various	2001	USD	375.0
10.2004	various	2001	USD	170.0
11.2004	various	2001	USD	365.0
12.2004	various	2001	USD	55.0
1.2005	various	2002	USD	53.0
2.2005	various	2000-2002	USD	425.5
3.2005	various	2000-2002	USD	631.0
4.2005	variable	2002	USD	500.0
5.2005	variable	2000	USD	400.0
6.2005	0.00%	2000	USD	2.4
7.2005	variable	2002	USD	150.0
8.2005	7.20%	2000	USD	0.8
9.2005	7.05%	2000	USD	0.8
10.2005	variable	1993	USD	200.0 ¹
11.2005	6.88%	1995	USD	500.0
11.2005	6.95%	1995	USD	5.0 ¹
1.2006	variable	2002	USD	70.0
5.2006	7.75%	1996	USD	267.0 ¹
6.2006	0.00%	2000	USD	0.8
8.2006	5.88%	2001	USD	2'250.0
2.2007	various	2002	USD	250.0
3.2007	various	2000-2002	USD	102.0
4.2007	variable	2002	USD	1'750.0
10.2007	various	1997	USD	250.0
11.2007	variable	2001	EUR	140.0
1.2008	4.63%	2002	USD	1'400.0
4.2008	6.50%	1998	USD	150.0
5.2008	various	2000	USD	13.5
6.2008	6.50%	1998	USD	500.0
9.2008	7.42%	1999	USD	10.0
11.2011	6.13%	2001	USD	3'000.0
1.2012	various	2002	USD	2'750.0
2.2013	8.50%	1993	USD	3.0
11.2013	variable	2001	GBP	10.1
3.2014	7.06%	1999	USD	40.0
2.2016	5.63%	1996	USD	1.4
4.2018	7.71%	1993	USD	5.2 ¹
12.2021	variable	2001	EUR	25.0
4.2032	variable	2002	USD	20.0
7.2032	variable	2002	USD	1'000.0

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Additional information on the consolidated balance sheet

Redemption date	Coupon	Year of issue	Currency	Outstanding amount in millions
Credit Suisse First Boston International, United Kingdom				
2003	various	1995-2002	EUR	221.2
2003	various	2002	HKD	1'386.5
2003	various	1995-2002	USD	711.8
1.2003	various	2002	SGD	9.9
2003	various	1998-2002	JPY	13'671.5
2003	various	1997-2002	GBP	44.2
3.2003	7.65%	1993	EUR	33.0 ¹
2004	various	1997-2001	NOK	170.0
2004	various	1997-2002	EUR	445.2
2004	various	1998-2001	CHF	120.0
2004	various	1996-2001	USD	152.3
4.2004	variable	2002	SEK	63.0
2004	various	1995-1998	JPY	1'000.0
2004	various	1994-1998	EUR	60.9 ¹
12.2004	various	1994	CHF	13.0 ¹
2005	various	1995-2002	USD	1'278.6
2005	various	1997-2002	EUR	347.3
2005	various	1995-1998	EUR	109.1 ¹
2005	various	1997	JPY	800.0
9.2005	0.00%	2002	HKD	30.0
11.2005	0.00%	2002	NOK	500.0
2006	various	1995-2002	USD	206.7
2.2006	variable	2002	SEK	95.4
2.2006	9.13%	1998	GBP	4.5
2006	various	1997-2002	EUR	364.0
2006	various	1996-1998	EUR	25.4 ¹
2006	various	1996-2001	JPY	2'000.0
7.2006	0.00%	1994	USD	40.0 ¹
8.2006	0.00%	2002	NOK	35.0
2007	various	1997-2002	EUR	246.7
2007	various	2002	GBP	13.2
2007	various	1997-2002	USD	442.1
2007	various	1996-1997	CHF	120.0
4.2007	0.00%	2001	NOK	150.0
2007	various	1997	JPY	1'900.0
5.2007	3.52%	1997	EUR	40.9 ¹
7.2007	1.96%	1997	USD	40.0 ¹
11.2007	0.00%	2002	NOK	500.0
2008	various	2002	SEK	288.1
2008	various	1995-2002	USD	234.9
2.2008	3.41%	1998	EUR	51.7 ¹
2008	various	1998-2002	EUR	574.7
5.2008	6.30%	1998	JPY	100.0
2008	0.00%	1993-1994	EUR	78.1 ¹
2009	various	1999-2002	USD	66.7
2009	various	1997-2002	EUR	158.0
2009	various	1994-1996	EUR	108.7 ¹
2010	various	1997-2000	EUR	105.3
2.2010	0.00%	2000-2002	USD	50.0
2010	0.00%	1995-1997	EUR	46.1 ¹
2011	various	1999-2001	EUR	413.5
2011	various	1993-2001	USD	148.8
2012	various	1997-2002	EUR	187.3

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Additional information on the consolidated balance sheet

Redemption date	Coupon	Year of issue	Currency	Outstanding amount in millions
2012	various	1997-1999	USD	24.0
4.2012	8.00%	1998	EUR	10.3 ¹
2013	various	1998-2001	EUR	66.1
2013	various	1998-2001	JPY	4'300.0
3.2014	various	2002	USD	99.0
12.2014	0.00%	1994	EUR	126.3 ¹
2016	various	2001	EUR	91.0
2016	various	1998-2002	USD	14.9
9.2017	0.00%	1997	EUR	9.3
2.2018	6.00%	1998	EUR	15.3 ¹
7.2018	variable	1998	JPY	500.0
8.2018	various	1998	EUR	15.6
12.2021	0.00%	1995	USD	77.1 ¹
5.2022	3.97%	2002	USD	17.5
12.2032	various	2002	JPY	200.0
9.2049	variable	2001	EUR	103.0
perpetual	various	1992-1997	USD	220.0 ¹
perpetual	various	1993-1995	JPY	20'000.0 ¹
perpetual	10.25%	1995	GBP	100.0 ¹
perpetual	various	1995-1998	CHF	130.0 ¹
perpetual	various	1995-1997	EUR	27.2 ¹
perpetual	various	1998	EUR	334.9 ¹
perpetual	3.62%	1998	EUR	8.2 ¹
perpetual	variable	1997	USD	50.0 ¹

¹ Subordinated bonds, amount shown is issue amount less subparticipations to banks within CSG.

² Credit linked notes issued by CSFB Guernsey branch.

³ Issued by CSFB London branch.

⁴ Issued by CSFB Nassau branch.

⁵ Issued by CSFB New York branch.

⁶ Structured notes, reclassified from due to customer to bonds and mortgage-backed bonds in 2002

CLAIMS ON AND LIABILITIES TO AFFILIATED COMPANIES, AND LOANS TO MEMBERS OF THE BANK'S GOVERNING BODIES	31.12.02 CHF m	31.12.01 CHF m	Change CHF m
Claims on affiliated companies ¹	20'975	15'989	4'986
Liabilities to affiliated companies ¹	32'025	36'621	-4'596
Loans to members of the Bank's governing bodies ²	14	46	-32

¹ Affiliated companies are entities which are not subsidiaries of the Bank but which are grouped together under unitary management within the organisation of CSG.

² Loans to members of the Bank's governing bodies include all loans granted to Members of the Board of Directors and Executive Management and to any companies controlled by them.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Additional information on the consolidated balance sheet

	Total 31.12.01	Specific write-downs and usage	Reclassifi- cations ¹	Change to consolidated companies	Recoveries, endangered interest, currency differences	Net charges/ releases to consoli- dated income statement ³	Total 31.12.02
VALUATION ADJUSTMENTS AND PROVISIONS	CHF m	CHF m	CHF m	CHF m	CHF m	CHF m	CHF m
Valuation adjustments and provisions for default risks	3'864	-1'537	-204	-	-489	2'412	4'046
Valuation adjustments and provisions for other risks	441	-8	-203	-	-45	-15	170
Provisions for restructuring	178	-172	7	-	-13	-	-
Provisions for taxes and deferred taxes	2'413	-686	658	224	-322	-279 ²	2'008
Other provisions	935	-531	137	-	-224	1'286	1'603
Total write-downs and Provisions	7'831	-2'934	395	224	-1'093	3'404	7'827
Less direct charge-offs against specific assets	-3'604						-3'870
Total write-downs and provisions as shown in the consolidated balance sheet	4'227						3'957

¹ Reclassifications include CHF 395 million of balances transferred from other balance sheet positions.

² CHF 489 million (CHF 1'247 million in 2001) deviation from the consolidated income statement due to deferred tax assets that are not included in provisions.

³ CHF 8 million (CHF 6 million in 2001) deviation to income statement due to losses not included in provisions.

MATURITY STRUCTURE OF CURRENT ASSETS AND BORROWED FUNDS	Sight deposits	Callable	Maturity					Total	
	CHF m	CHF m	within 3 months CHF m	within 3-12 months CHF m	over 1 to 5 years CHF m	over 5 years CHF m	No maturity ¹ CHF m	CHF m	
Current assets									
Cash	504	-	-	-	-	-	-	504	
Money market papers	7'192	-	11'411	243	143	7	-	18'996	
Due from banks	22'224	42'085	122'063	16'459	2'731	80	-	205'642	
Due from customers	16'717	26'831	57'587	6'456	9'243	5'684	-	122'518	
Mortgages	24	-	1'378	64	1'680	11'679	-	14'825	
Securities and precious metals trading portfolio	164'595	-	-	-	-	-	-	164'595	
Financial investments	5'339	1'253	325	145	642	202	423	8'329	
Total current assets	December 31, 2002	216'595	70'169	192'764	23'367	14'439	17'652	423	535'409
	December 31, 2001	267'281	96'326	169'054	27'001	12'653	21'059	1'662	595'036
Borrowed funds									
Liabilities in respect of money market papers	574	1	15'831	10'304	2'784	7	-	29'501	
Due to banks	107'236	26'528	154'361	11'207	613	203	-	300'148	
Due to customers, savings and investment deposits	-	1'552	-	-	-	-	-	1'552	
Due to customers, other deposits	34'035	18'771	69'764	1'574	739	3'518	-	128'401	
Bonds and mortgage-backed bonds	-	-	2'927	8'816	28'493	24'495	-	64'731	
Total borrowed funds	December 31, 2002	141'845	46'852	242'883	31'901	32'629	28'223	-	524'333
	December 31, 2001	160'006	56'770	262'342	44'414	33'727	18'606	-	575'865

¹ The financial investments include repossessed real estate held for sale and precious metals, therefore the maturity structure discloses no maturity for these items.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Additional information on the consolidated balance sheet

	2002	Minority interests	Total	Total	Change
	CHF m	2002	2002	2001	CHF m
		CHF m	CHF m	CHF m	
SHAREHOLDER'S EQUITY					
Beginning shareholder's equity					
Share capital	4'400	-	4'400	4'400	-
Capital reserves	13'443	-	13'443	13'443	-
Retained earnings	722	-	722	615	107
Minority interests in shareholder's equity	-	10'592	10'592	10'409	183
Consolidated net loss/profit	-2'192	-	-2'192	413	-2'605
Shareholder's equity as of January 1	16'373	10'592	26'965	29'280	-2'315
Capital increase					
Minority investments in subsidiaries	-	-34	-34	-271	237
Payments					
Dividend	-200	-77	-277	-532	255
Foreign currency translation differences	-1'743	-1'690	-3'433	349	-3'782
Consolidated net loss	-3'528	-	-3'528	-2'192	-1'336
Net profit minority interests	-	96	96	331	-235
Shareholder's equity as of December 31^{1,2}	10'902	8'887	19'789	26'965	-7'176
Share capital	4'400	-	4'400	4'400	-
Capital reserves	13'443	-	13'443	13'443	-
Retained earnings	-3'413	-	-3'413	722	-4'135
Minority interests in shareholder's equity including net profit ¹	-	8'887	8'887	10'592	-1'705
Consolidated net loss	-3'528	-	-3'528	-2'192	-1'336

¹ Minority interests include (a) CHF 174 million (2001: CHF 217 million) relating to non-cumulative perpetual preferred securities issued by subsidiaries and sold to unaffiliated investors, (b) CHF 886 million (2001: CHF 925 million) relating to non-cumulative perpetual preferred securities issued by subsidiaries and sold to CSG, (c) CHF 1'425 million (2001: CHF 1'717 million) relating to non-cumulative perpetual preferred shares held by CSG as direct investments in the Bank and (d) CHF 5'804 million (2001: CHF 6'995 million) relating to ownership interests held by fellow subsidiaries of CSG as direct investments in subsidiaries of the Bank. In total, CSG's holding in the minority interest of the Bank amounted to CHF 8'681 million (2001: CHF 10'303 million).

² Core capital includes CHF 849 million (2001: CHF 1'094 million) of innovative Tier 1 instruments.

	Total	Total
	2002	2001
	CHF m	CHF m
Components of Tier 1 capital		
Shareholder's equity	19'789	26'965
Dividend 2002/2001	-10	-10
Deductions ¹	-9'183	-11'798
Total Tier 1 capital	10'596	15'157

¹ Deductions comprise goodwill and other adjustments.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Additional information on the consolidated balance sheet

BREAKDOWN OF ASSETS AND LIABILITIES SWITZERLAND AND ABROAD (BY LOCATION OF ASSETS)	31.12.02		31.12.01	
	Switzerland CHF m	Abroad CHF m	Switzerland CHF m	Abroad CHF m
Assets				
Cash	382	122	1'409	185
Money market papers	1'202	17'794	2'301	24'258
Due from banks	19'648	185'994	14'123	193'492
Due from customers	2'907	119'611	4'806	123'487
Mortgages	-	14'825	-	16'348
Securities and precious metals trading portfolio	5'604	158'991	6'556	198'503
Financial investments	152	8'177	488	9'080
Non-consolidated participations	65	631	294	589
Tangible fixed assets	2'220	2'205	2'241	3'179
Intangible assets	34	13'792	42	17'657
Accrued income and prepaid expenses	1'063	3'392	990	8'472
Other assets	4'637	57'147	3'877	54'899
TOTAL ASSETS	37'914	582'681	37'127	650'149
Liabilities and shareholder's equity				
Liabilities in respect of money market papers	577	28'924	283	27'932
Due to banks	29'068	271'080	35'358	315'676
Due to customers, savings and investment deposits	1'551	1	1'954	6
Due to customers, other deposits	11'011	117'390	13'991	116'536
Bonds and mortgage-backed bonds	1'684	63'047	1'677	62'452
Accrued expenses and deferred income	1'341	12'915	1'248	20'621
Other liabilities	5'765	52'495	3'227	55'123
Valuation adjustments and provisions	216	3'741	359	3'868
Total liabilities	51'213	549'593	58'097	602'214
Shareholder's equity (excluding minority interests and consolidated net loss)	1'821	12'609	2'093	16'472
Minority interests in shareholder's equity	-	8'791	11	10'250
Consolidated net loss	-198	-3'234	-258	-1'603
<i>of which minority interests</i>	<i>1</i>	<i>95</i>	<i>1</i>	<i>330</i>
Total shareholder's equity	1'623	18'166	1'846	25'119
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	52'836	567'759	59'943	627'333

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Additional information on the consolidated balance sheet

GEOGRAPHICAL ANALYSIS OF ASSETS (BY LOCATION OF ASSETS)	31.12.02		31.12.01		Change CHF m
	CHF m	% of total	CHF m	% of total	
Switzerland	37'914	6	37'127	5	787
EU ¹	171'647	28	188'268	27	-16'621
USA	317'366	51	358'663	52	-41'297
Canada	3'100	-	4'236	1	-1'136
Japan	34'785	6	37'908	5	-3'123
Other industrial countries ²	10'404	2	10'628	2	-224
Financial centers outside industrial countries	21'476	3	21'120	3	356
<i>of which Hong Kong</i>	2'960	-	2'154	-	806
<i>Singapore</i>	3'284	1	4'124	1	-840
<i>Other</i> ³	15'232	2	14'842	2	390
Oil-producing countries ⁴	4'179	1	4'479	1	-300
Newly industrialized countries ⁵	13'442	2	18'138	3	-4'696
Eastern Europe and Commonwealth of Independent States ⁶	4'776	1	4'270	1	506
Other developing countries ⁷	1'506	-	2'439	-	-933
Total assets outside Switzerland	582'681	94	650'149	95	-67'468
TOTAL ASSETS	620'595	100	687'276	100	-66'681

The above analysis is based on the location of asset and does not take any collateral or hedges through structured off-balance sheet transactions into account. Market and credit risks can therefore not be judged based on the above schedule.

Countries not listed separately above in which assets amount to more than CHF 100 million:

- ¹ Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, United Kingdom
- ² Australia, Liechtenstein, New Zealand, Norway, South Africa
- ³ Aruba-Curaçao (Netherlands Antilles), Bahamas, Bermuda, British Virgin Islands, Cayman Islands, Trinidad/Tobago, US Virgin Islands
- ⁴ Bahrain, Indonesia, Kuwait, Mexico, Saudi Arabia, United Arab Emirates, Venezuela
- ⁵ Argentina, Brazil, Chile, Colombia, Egypt, Israel, Malaysia, South Korea, Taiwan, Thailand, Turkey
- ⁶ Croatia, Czech Republic, Hungary, Lithuania, Poland, Russian Federation, Slovak Republic
- ⁷ China (excluding Hong Kong), India, Philippines, Mauritius

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Additional information on the consolidated balance sheet

CURRENCY STRUCTURE OF THE BALANCE SHEET	CHF	USD	Euro	Other	Total	
	CHF m	CHF m	CHF m	CHF m	CHF m	
Assets						
Cash	254	8	125	117	504	
Money market papers	1'202	11'567	4'121	2'106	18'996	
Due from banks	20'118	127'711	23'656	34'157	205'642	
Due from customers	3'645	91'439	18'429	9'005	122'518	
Mortgages	-	14'468	44	313	14'825	
Securities and precious metals trading portfolio	6'458	95'540	23'877	38'720	164'595	
Financial investments	1'095	4'458	1'060	1'716	8'329	
Non-consolidated participations	99	571	14	12	696	
Tangible fixed assets	2'220	1'520	18	667	4'425	
Intangible assets	933	12'575	35	283	13'826	
Accrued income and prepaid expenses	780	2'660	517	498	4'455	
Other assets	3'679	53'268	181	4'656	61'784	
TOTAL ASSETS ¹						
	December 31, 2002	40'483	415'785	72'077	92'250	620'595
	December 31, 2001	38'499	438'436	100'318	110'023	687'276
Liabilities and shareholder's equity						
Liabilities in respect of money market papers	664	26'548	157	2'132	29'501	
Due to banks	24'223	170'996	42'437	62'492	300'148	
Due to customers, savings and investment deposits	1'552	-	-	-	1'552	
Due to customers, other deposits	9'028	104'059	9'164	6'150	128'401	
Bonds and mortgage-backed bonds	3'226	44'931	12'992	3'582	64'731	
Accrued expenses and deferred income	1'037	11'648	451	1'120	14'256	
Other liabilities	3'909	50'952	131	3'268	58'260	
Valuation adjustments and provisions	178	3'593	63	123	3'957	
Total liabilities ¹	43'817	412'727	65'395	78'867	600'806	
Shareholder's equity (excluding minority interests)						
before consolidated net loss/profit	1'821	10'266	371	1'972	14'430	
Minority interests in shareholder's equity	155	7'961	349	326	8'791	
Consolidated net loss/profit	-198	-2'964	86	-356	-3'432	
of which minority interests	1	30	28	37	96	
Total shareholder's equity ²	1'778	15'263	806	1'942	19'789	
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY						
	December 31, 2002	45'595	427'990	66'201	80'809	620'595
	December 31, 2001	47'866	450'105	86'594	102'711	687'276

¹ Currency breakdown excludes impact of off balance sheet transactions.

² Based upon functional currency of reporting unit.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Additional information on the consolidated balance sheet

FURTHER DETAILS ON SELECTED BALANCE SHEET ITEMS	31.12.02 CHF m	31.12.01 CHF m	Change CHF m
Financial leasing - capital goods¹	148	306	-158
Other assets			
Positive replacement value of derivatives	54'305	51'160	3'145
<i>of which positive replacement value of trading derivatives</i>	53'761	50'202	3'559
<i>of which positive replacement value of other derivatives</i>	544	958	-414
Accruals and deferrals	3'946	2'885	1'061
Total investment where investment risk is borne by policy holder	1'787	2'290	-503
Other	1'746	2'441	-695
Total other assets	61'784	58'776	3'008
Other liabilities			
Negative replacement values of derivatives	55'412	53'477	1'935
<i>of which negative replacement value of trading derivatives</i>	54'904	52'466	2'438
<i>of which negative replacement value of other derivatives</i>	508	1'011	-503
Compensation account for adjustments to carrying value having no income effect	199	596	-397
Liabilities held for life products, where the investment risk is borne by policy holder	1'787	2'290	-503
Other	862	1'987	-1'125
Total other liabilities	58'260	58'350	-90
Claims on associated companies and long-term holdings			
Due from banks	-	3	-3
Due from customers	-	5	-5
Total claims on associated companies and long-term holdings	-	8	-8
Liabilities in respect of associated companies and long-term holdings			
Due to customers	12	10	2
Total liabilities in respect of associated companies and long-term holdings	12	10	2

¹ Shown in the consolidated balance sheet under due from customers.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 Additional information on the consolidated balance sheet

FURTHER DETAILS ON SELECTED BALANCE SHEET ITEMS	31.12.02 CHF m	31.12.01 CHF m	Change CHF m
Subordinated balance sheet items			
Assets subject to subordination clause			
Due from banks	-	743	-743
Due from customers	35	-	35
Securities holdings	2'285	1'224	1'061
<i>of which trading portfolio</i>	1'186	1'078	108
<i>of which financial investments</i>	1'099	146	953
Total assets subject to subordination clause	2'320	1'967	353
Liabilities subject to subordination clause			
Due to banks	69	-	69
Due to customers	202	199	3
Bonds and mortgage-backed bonds	13'348	15'132	-1'784
Total liabilities subject to subordination clause	13'619	15'331	-1'712

Additional Disclosures

As of December 31

STAFF NUMBERS	2002	2001
Americas	12'102	14'762
Europe	8'252	9'466
<i>of which Switzerland</i>	1'453	1'685
Asia/Pacific	3'070	3'319
Total	23'424	27'547

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Additional information on the consolidated off balance sheet business

	2002 CHF m	2001 CHF m	Change CHF m
OFF BALANCE SHEET BUSINESS			
Contingent liabilities			
Credit guarantees in form of bills of exchange and other guarantees	28'841 ¹	29'154	-313
Less subparticipations allocated	-2'350	-1'741	-609
Bid bonds, delivery and performance bonds, letters of indemnity, other performance-related guarantees	2'817	3'887	-1'070
Less subparticipations allocated	-437	-369	-68
Irrevocable commitments in respect of documentary credits	3'028	3'751	-723
less subparticipations allocated	-185	-1'095	910
Other contingent liabilities	1'426	3'278	-1'852
Total contingent liabilities	33'140	36'865	-3'725
Irrevocable commitments	84'287	128'918	-44'631
Confirmed credits (acceptance credits)	32	75	-43
Fiduciary transactions			
Fiduciary placements with third-party institutions	1'154	431	723
Fiduciary loans and other fiduciary transactions	7'166	8'945	-1'779
Total fiduciary transactions	8'320	9'376	-1'056

¹ Includes contingent liabilities for any losses incurred as a result of counterparty risk where the bank has arranged for client assets to be lent to financial sector borrowers. In these instances the Bank is obligated to compensate the lender for any losses incurred as a result of counterparty risk, however the exposure of the Bank is fully covered by collateral paid by the borrower of the assets.

	Gross positive replacement value				Credit equivalent ⁴			
	Remaining life			31.12.02 Total CHF bn	Remaining life			31.12.02 Total CHF bn
	< 1 year CHF bn	1-5 years CHF bn	> 5 years CHF bn		< 1 year CHF bn	1-5 years CHF bn	> 5 years CHF bn	
OPEN DERIVATIVE CONTRACTS								
Maturity								
Total interest rate instruments	16.4	67.7	102.5	186.6	16.4	69.1	105.4	190.9
Total foreign exchange	21.3	8.3	3.9	33.5	24.1	11.6	6.0	41.7
Total precious metals	0.4	0.4	0.1	0.9	0.4	0.4	0.2	1.0
Total equities/indices	4.2	5.3	1.2	10.7	4.7	6.2	1.5	12.4
Total other	0.4	2.6	1.3	4.3	0.7	4.0	2.0	6.7
Total	42.7	84.3	109.0	236.0	46.3	91.3	115.1	252.7

OPEN DERIVATIVE CONTRACTS ¹	Contract volume 31.12.02		Positive Replacement value ³ 31.12.02		Credit equivalent ⁴ 31.12.02	
	CHF bn	%	CHF bn	%	CHF bn	%
Internal bank rating²						
AAA	1'861.6	19	4.7	9	9.5	14
AA	4'415.0	44	23.2	44	29.7	43
A	2'401.0	24	14.3	27	18.1	26
BBB	598.2	6	5.4	10	6.5	9
BB or lower	724.2	7	5.4	10	5.9	8
Total	10'000.0	100	53.0	100	69.7	100

¹ OTC contracts, excluding OTC option sales.

² Using Standard & Poor's rating structure, and taking collateral into consideration, where applicable.

³ In addition to the legally enforceable netting agreements to reduce counterparty risk, the Bank holds pledged assets amounting to CHF 10.8 billion for 2002 (2001: CHF 9.3 billion).

⁴ Potential exposures: Positive replacement values plus add-on's.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Additional information on the consolidated off balance sheet business

	Contract volume ¹					Gross replacement values (RV)			
	Remaining life			31.12.02	31.12.01	31.12.02		31.12.01	
	< 1 year	1-5 years	> 5 years			Positive RV ⁵	Negative RV ⁵	Positive RV ⁵	Negative RV ⁵
OPEN DERIVATIVE CONTRACTS	< 1 year CHF bn	1-5 years CHF bn	> 5 years CHF bn	Total CHF bn	Total CHF bn	CHF bn	CHF bn	CHF bn	CHF bn
Interest rate instruments									
OTC FRAs and other forward contracts	484.5	31.3	1.8	517.6	318.0	0.8	0.8	2.5	2.5
Swaps	2'846.2	2'312.0	1'915.3	7'073.5	5'504.1	165.2	158.0	80.9	79.9
Options bought	249.0	375.5	284.0	908.5	790.8	20.6	-	14.1	-
Options sold	224.9	390.3	316.6	931.8	854.9	-	22.5	-	16.2
Traded Futures	368.3	95.7	-	464.0	580.4	-	-	-	-
Options	764.0	35.7	-	799.7	1'103.2	-	-	-	-
Total interest rate instruments	4'936.9	3'240.5	2'517.7	10'695.1	9'151.4	186.6	181.3	97.5	98.6
Foreign exchange contracts									
OTC Forward contracts ^{2,3}	597.1	20.6	1.1	618.8	1'121.8	12.8	13.5	18.9	16.6
Swaps ⁴	227.1	111.6	70.2	408.9	385.6	16.5	19.0	14.9	17.9
Options bought	155.7	11.3	0.8	167.8	214.9	4.2	-	5.7	-
Options sold	148.2	12.1	0.8	161.1	201.2	-	4.1	-	5.7
Traded Futures	1.8	0.2	-	2.0	1.3	-	-	-	-
Options	0.4	-	-	0.4	0.6	-	-	-	-
Total foreign exchange contracts	1'130.3	155.8	72.9	1'359.0	1'925.4	33.5	36.6	39.5	40.2
Precious metal contracts									
OTC Forward contracts ²	8.6	6.1	3.2	17.9	19.3	0.8	1.0	0.6	0.7
Options bought	0.3	0.1	0.3	0.7	4.4	0.1	-	0.7	-
Options sold	0.5	-	-	0.5	5.6	-	1.5	-	1.1
Traded Futures	-	-	-	-	-	-	-	-	-
Options	-	-	-	-	-	-	-	-	-
Total precious metal contracts	9.4	6.2	3.5	19.1	29.3	0.9	2.5	1.3	1.8
Equity/index contracts									
OTC Forward contracts	11.2	23.6	4.3	39.1	38.5	2.0	0.7	3.5	1.8
Options bought	30.0	32.6	7.9	70.5	88.0	8.7	-	9.2	-
Options sold	33.0	49.4	5.5	87.9	96.3	-	11.4	-	11.9
Traded Futures	22.1	0.1	-	22.2	37.9	-	-	-	-
Options	107.0	11.3	-	118.3	124.1	-	-	-	-
Total equity/index contracts	203.3	117.0	17.7	338.0	384.8	10.7	12.1	12.7	13.7
Other contracts									
OTC Forward contracts	26.5	127.2	21.1	174.8	111.0	4.2	4.9	2.9	3.3
Options bought	1.2	0.7	-	1.9	4.1	0.1	-	0.6	-
Option sold	0.9	0.3	-	1.2	2.5	-	-	-	0.2
Traded Futures	0.1	-	-	0.1	1.6	-	-	-	-
Options	-	-	-	-	2.1	-	-	-	-
Total other contracts	28.7	128.2	21.1	178.0	121.3	4.3	4.9	3.5	3.5
TOTAL	6'308.6	3'647.7	2'632.9	12'589.2	11'612.2	236.0	237.4	154.5	157.8
<i>of which OTC contract volume</i>	<i>5'044.9</i>	<i>3'504.7</i>	<i>2'632.9</i>	<i>11'182.5</i>	<i>9'761.0</i>	-	-	-	-
Replacement value taking into consideration legally enforceable netting agreements						53.0 ⁶	54.4	49.7 ⁶	53.0

¹ Gross volume of purchases and sales (proprietary and customer transactions).

² Including outstanding spot transactions.

³ Of which up to one month: CHF 286.2 billion (2001: CHF 296.8 billion)

⁴ Cross-currency interest rate swaps.

⁵ No replacement values are shown for traded derivatives (futures and traded options) subject to daily margining requirements. Total positive and negative replacement values on traded derivatives amount to CHF 1.3 billion (2001: CHF 1.5 billion) and CHF 1.0 billion (2001: CHF 0.5 billion) respectively.

⁶ In addition to the legally enforceable netting agreements to reduce counterparty risk, the Bank holds pledged assets amounting to CHF 10.8 billion for 2002 (2001: CHF 9.3 billion).

REPORT OF THE GROUP AUDITORS TO THE ANNUAL GENERAL MEETING OF
CREDIT SUISSE FIRST BOSTON, ZURICH

As Group auditors of Credit Suisse First Boston, we have audited the consolidated financial statements (consolidated balance sheet, consolidated income statement, consolidated statement of cash flows and notes to consolidated financial statements) for the year ended December 31, 2002. The consolidated financial statements are the responsibility of the Board of Directors. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with auditing standards promulgated by the Swiss profession and with the International Standards on Auditing issued by the International Federation of Accountants (IFAC), which require that an audit be planned and performed to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. We have examined, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. We have also assessed the accounting principles used, significant estimates made and the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss accounting rules for banks and comply with the requirements of Swiss law.

We recommend that the consolidated financial statements submitted to you be approved.

KPMG Klynveld Peat Marwick Goerdeler SA

Brendan R Nelson Stephen Bryans

Chartered Accountant Chartered Accountant

Auditors in Charge

Zurich, February 21, 2003

**REGISTERED OFFICE
OF THE ISSUER**

Uetlibergstrasse 231
PO BOX 900, CH-8070
Zurich
Switzerland

TRANSFER OFFICE

Credit Suisse First Boston (Hong Kong) Limited
45th Floor, Two Exchange Square
Central
Hong Kong

LIQUIDITY PROVIDER

Cheung's Securities Brokers Limited
19th Floor, Bank Center
636 Nathan Road
Kowloon
Hong Kong

LEGAL ADVISERS

As to Hong Kong law
Allen & Overy
9th Floor
Three Exchange Square
Central
Hong Kong

AUDITORS

To the Issuer
KPMG Klynveld Peat Marwick Goerdeler SA
Badenerstrasse 172
8004 Zurich
Switzerland

SPONSOR AND MANAGER

Credit Suisse First Boston (Hong Kong) Limited
45th Floor, Two Exchange Square
Central
Hong Kong

