

19 April 2007

Mr. Lawrence W. Smith
Director of Technical Applications and Implementation Activities
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116
USA
director@fasb.org



LETTER OF COMMENT NO. 74

Re: File Reference No. 1520-100 - Invitation to Comment: “*Valuation Guidance for Financial Reporting*”

Dear Mr. Smith:

Credit Suisse Group (“CSG”) appreciates the opportunity to express our views on the Financial Accounting Standard Board’s (“FASB”) Invitation to Comment: ‘*Valuation Guidance for Financial Reporting*’ as posted to the FASB’s website. CSG’s consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States (“US GAAP”).

We agree that the consistent application of valuation methodologies is vital to both the accuracy and comparability of US GAAP financial statements. However, we believe the FASB should focus its efforts exclusively on the numerous major accounting projects currently on its agenda along with the convergence with the International Accounting Standards Board, before commencing with further analysis on the issue of valuation, especially when considering the recent issuance of FAS 157 - *Fair Value Measurements*.

The application of the various valuation models and techniques currently used in practice has not been viewed by most analysts as a weakness in financial reporting, despite the lack of formal valuation requirements in current US GAAP. Furthermore, the stated objective behind FAS 157 was to create a single definition of fair value and to provide a framework for measuring fair value to increase consistency and comparability in fair value measurements and we believe FAS 157 achieves these objectives.

Therefore, we believe the FASB should defer until it can be observed how FAS 157 is being applied in practice before commencing with a new project on valuation. Should the FASB in the future wish to provide further guidance on this issue, we do not believe this should be in the form of a prescriptive set of rules but rather at the conceptual level only, solely outlining what types of valuation models would be acceptable.

CREDIT SUISSE GROUP
Paradeplatz 8
PO Box 1
8070 Zurich
Switzerland

The diversity of items to be accounted for at fair value is already very broad and therefore it would require many years of work to produce a set of valuation standards that would cover most specific valuations issues arising in practice.

Any conceptual guidance should be determined in cooperation with the various valuation associations that are widely accepted as the experts in their field. Any conceptual guidance adopted by the FASB should be owned and administered by the FASB but due to the high level nature of the guidance, this would not require the FASB to become a team of valuation experts. The objective should be to set boundaries for valuation professionals to be working under but this guidance should not be detailing the exact steps to be performed in the valuation itself. However, having a valuation advisory board made up of valuation specialists along with FASB members would be advisable.

Any high level guidance adopted by the FASB should not be adopted in isolation and we believe this should be a joint project with the IASB.

In conclusion, we believe that this is not the appropriate time for the FASB to be focusing on non-accounting issues affecting financial reporting, especially when considering the recent issuance of FAS 157. However, if this project were still to commence at a future date, only high level conceptual guidance should be provided.

If you have any questions or would like any additional information on the comments we have provided, please do not hesitate to contact Eric Smith in New York on 212-538-5984 or John Karvellas in Zurich on ++41 44 332 2785.

Sincerely,



Rudolf Bless
Managing Director
Chief Accounting Officer



John Karvellas
Vice President
Accounting Policy and Assurance