

Credit Suisse Funds AG

CS ETF (CH)

Umbrella Fund under Swiss Law of the "Other Funds for Traditional Investments" Type

Audited Annual Report as at May 31, 2012

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Management and statutory bodies

Management Company

Credit Suisse Funds AG, Zurich

Board of Directors

- Heinz Hofmann, Chairman
- Luca Diener, Vice President, Managing Director, Credit Suisse AG, Zurich
- Paul H. Arni, Member (as of January 25, 2012), Managing Director, Credit Suisse AG, Zurich
- Lars Kalbreier, Member (as of October 14, 2011), Managing Director, Credit Suisse AG, Zurich
- Maurizio Pedrini, Member, Managing Director, Credit Suisse AG, Zurich
- Jürg Roth, Member (as of March 28, 2012), Managing Director, Credit Suisse AG, Zurich
- Christian Schärer, Member, Managing Director, Credit Suisse AG, Zurich
- Dr. Thomas Schmuckli, Member, Managing Director, Credit Suisse AG, Zurich
- Mario Seris, Member, Managing Director, Credit Suisse AG, Zurich
- Christian Mesenholl, Member (until September 13, 2011), Director, Credit Suisse AG, Zurich
- Nicole Pauli, Member (until December 13, 2011), Managing Director, Credit Suisse AG, Zurich

Executive Board

- Thomas Schärer, Chief Executive Officer
- Petra Reinhard, Deputy CEO
- Michael Bünzli, Member, Legal Counsel
- Thomas Federer, Member, Performance & Risk Management
- Patrick Tschumper, Member, COO
- Thomas Vonaesch, Member, Real Estate Fund Management
- Gabriele Wyss, Member, Compliance

Custodian Bank

Credit Suisse AG, Zurich

Audit Company

KPMG AG, Zurich

Information on third parties

Delegation of investment decisions

Investment decisions in respect of the subfunds have been delegated to Credit Suisse AG, Zurich.

Delegation of other specific duties

The Fund Management Company has delegated certain fund administration duties to Credit Suisse AG, Zurich. These duties include providing legal and tax advice, managing the Fund Management Company's finances, real estate portfolio management and administration, facility management, human resources, the Management Information System (MIS), project and user support for fund accounting, risk management, and monitoring of the investment guidelines.

Further specific duties may be delegated to Credit Suisse AG, Zurich. Precise details of how its remit is to be fulfilled are laid down in an agreement between the Fund Management Company and Credit Suisse AG, Zurich.

Representative and Paying Agent in the Principality of Liechtenstein

LGT Bank in Liechtenstein AG, Herrengasse 12, FL-9490 Vaduz

Highlights

Key figures	31.05.2012	31.05.2011	31.05.2010	31.05.2009
Total net assets				
in millions CHF	450.4	597.1	492.2	255.2
Units in circulation	4 954 669.000	5 720 583.000	5 060 961.000	3 113 298.000
Net asset value per unit in CHF	90.8977	104.3796	97.2634	81.9691
Review period from	01.06.2011	01.06.2010	01.06.2009	01.06.2008
to	31.05.2012	31.05.2011	31.05.2010	31.05.2009
Distribution per unit in CHF	1.18*	1.14**	2.12***	1.44****

* Interim distribution on 27.02.2012 of CHF 0.34

* Interim distribution on 08.03.2012 of CHF 0.32

* Interim distribution on 23.04.2012 of CHF 0.52

** Interim distribution on 03.03.2011 of CHF 0.80

** Interim distribution on 18.04.2011 of CHF 0.34

*** Interim distribution on 02.03.2010 of CHF 0.32

*** Interim distribution on 04.03.2010 of CHF 0.28

*** Interim distribution on 01.04.2010 of CHF 0.54

*** Interim distribution on 22.04.2010 of CHF 0.46

*** Interim distribution on 04.05.2010 of CHF 0.52

**** Interim distribution on 27.02.2009 of CHF 0.26

**** Interim distribution on 18.03.2009 of CHF 0.20

**** Interim distribution on 07.04.2009 of CHF 0.32

**** Interim distribution on 24.04.2009 of CHF 0.32

**** Interim distribution on 06.05.2009 of CHF 0.34

Depositaries

Credit Suisse, Zurich

Eurex GCM Agent

Breakdown by sector and exchange rate

% of total assets	31.05.2012	Exchange rate as at	31.05.2012
Banks and other financial institutions	13.93	Euro	1.201520
Building materials and construction	5.68		
Biotechnology	1.23		
Chemicals	8.52		
Computer hardware and network providers	0.47		
Electrical appliances and components	3.95		
Petroleum	3.77		
Finance, holding and miscellaneous companies	10.13		
Mechanical engineering and industrial equipment	1.49		
Food and soft drinks	9.38		
Pharmaceuticals, cosmetics and medical products	23.07		
Telecommunications	2.25		
Watch and clock industry, jewellery	3.29		
Circulation and transport	1.65		
Insurance	10.57		
Total % of total assets	99.39		

Unaudited Report on Activities from June 1, 2011 to May 31, 2012*

The Swiss stock market recorded a decline in the past financial year of exchange traded fund CS ETF (CH) on SLI®. During the period under review, the Swiss Leader Index (SLI®), including reinvested dividends, dropped from about 1289 to 1,141 points, which corresponds to a decline of 11.49%.

At the end of the period under review, the SLI® index basket comprised 30 stocks. On this date, the fund's net assets amounted to CHF 450.37 million. Several interim distributions took place in the first

half of the year in particular, owing to a number of dividend payments that were made in a short space of time. The regular payout is still made on the third Tuesday of the next-but-one month after the end of the financial year.

* The information stated relates to the period under review and is not indicative of future returns.

**Assets as at
May 31, 2012**

	31.05.2012	31.05.2011
	CHF	CHF
Assets		
Bank deposits, including fiduciary investments with third-party banks, divided into:		
– Sight deposits	1 419 848.25	2 712 612.14
Securities, including securities loaned and pledged, divided into:		
– Shares and other equity instruments and rights	447 783 530.20	593 057 005.86
Other assets	1 349 968.11	1 577 577.40
Total fund assets minus:	450 553 346.56	597 347 195.40
Other liabilities	185 244.01	234 883.44
Net assets	450 368 102.55	597 112 311.96
Number of units in circulation	4 954 669.000	5 720 583.000
Net asset value per unit	90.8977	104.3796

Net asset value per unit

Net assets at beginning of review period	597 112 311.96	492 246 163.06
Extraordinary distribution	–5 959 188.80	–6 582 900.44
Issue of units	44 080 065.45	103 918 838.00
Redemption of units	–111 258 513.85	–36 848 225.20
Other items from unit transactions	–12 163 137.93	–2 985 019.90
Total income	–61 443 434.28	47 363 456.44
Net assets at end of review period	450 368 102.55	597 112 311.96

Changes in units in circulation

Number at beginning of the review period	5 720 583.000	5 060 961.000
Number of units issued	482 831.000	1 031 177.000
Number of units redeemed	–1 248 745.000	–371 555.000
Number at the end of the review period	4 954 669.000	5 720 583.000

Off-balance-sheet business

	31.05.2012		31.05.2011	
	Equivalent underlying value in fund currency	As a % of net fund assets	Equivalent underlying value in fund currency	As a % of net fund assets
Exposure-increasing derivative positions:				
– Market risk (risk of change in share price)	2 555 000.00	0.57	3 965 360.00	0.66
Total exposure-increasing positions	2 555 000.00	0.57	3 965 360.00	0.66

Volume of securities lent and income from lending commissions

– Volume of securities lent	24 180 321.00	15 062 226.00
– Income from commissions	37 266.42	29 800.54

Statement of income from June 1, 2011 to May 31, 2012	01.06.2011– 31.05.2012 CHF	01.06.2010– 31.05.2011 CHF
Income		
Income from bank balances	1 496.33	2 681.31
Securities income, divided into:		
– Shares and other equity instruments and rights, including bonus shares	8 265 712.79	8 493 960.32
– Substitute payments	0.00	81 077.20
– Securities Lending	37 266.42	29 800.54
Current net income paid in upon the issue of units	–2 687.17	17 875.55
Total income minus:	8 301 788.37	8 625 394.92
Interest due	93.03	1 731.03
Audit costs	26 301.20	24 732.88
Statutory remuneration to:		
– Management Company	1 694 048.02	1 945 436.21
– Custodian Bank	145 204.17	166 751.66
Other expenses	39 323.20	36 476.57
Current net income paid out upon the redemption of units	25 327.12	24 482.58
Net income	6 371 491.63	6 425 783.99
Realized capital gains	18 280 215.96	21 093 929.83
Realized capital losses	–28 396 922.10	–22 555 464.55
Realized income	–3 745 214.51	4 964 249.27
Unrealized capital gains/losses	–57 698 219.77	42 399 207.17
Total income	–61 443 434.28	47 363 456.44
Application of results		
Net income of financial year	6 371 491.63	6 425 783.99
Carried forward from preceding year	391 049.29	548 165.74
Net income available for distribution	6 762 540.92	6 973 949.73
Extraordinary distribution within reporting period	5 959 188.80	6 582 900.44
Carried forward from preceding year	803 352.12	391 049.29

Composition of portfolio, and changes in holdings

Description	31.05.2011 number/ nominal value	Purchases ¹	Disposals ¹	31.05.2012 ² number/ nominal value	Market value CHF	% of total assets
Securities traded on an exchange						
Shares						
Banks and other financial institutions						
Credit Suisse Group AG	662 753	510 371	282 651	890 473	16 393 607.93	3.64
Julius Baer Gruppe AG	282 361	55 395	71 789	265 967	8 101 354.82	1.80
UBS AG	3 062 504	1 281 125	849 026	3 494 603	38 265 902.85	8.49
					62 760 865.60	13.93
Building materials and construction						
Geberit AG	56 351	8 958	14 020	51 289	9 642 332.00	2.14
Holcim Ltd	336 431	65 689	93 224	308 896	15 939 033.60	3.54
					25 581 365.60	5.68
Biotechnology						
Actelion Ltd	163 730	30 844	43 216	151 358	5 550 297.86	1.23
					5 550 297.86	1.23
Chemicals						
Clariant AG	361 790	107 038	88 147	380 681 ²	3 766 838.50	0.84
Givaudan AG	11 441	2 243	2 910	10 774	9 701 987.00	2.15
Lonza Group AG	66 574	12 986	16 776	62 784 ²	2 167 303.68	0.48
Syngenta AG	89 953	11 246	28 062	73 137	22 745 607.00	5.05
					38 381 736.18	8.52
Computer hardware and network providers						
Logitech International SA	214 415	58 119	56 363	216 171 ²	2 135 769.48	0.47
					2 135 769.48	0.47
Electrical appliances and components						
ABB Ltd	1 234 261	285 873	348 990	1 171 144	17 813 100.24	3.95
					17 813 100.24	3.95
Petroleum						
Transocean Ltd	357 636	245 845	167 532	435 949	16 971 494.57	3.77
					16 971 494.57	3.77
Finance, holding and miscellaneous companies						
Adecco SA	175 635	35 365	44 882	166 118 ²	6 262 648.60	1.39
Cie Financière Richemont	508 851	53 374	177 849	384 376	21 275 211.60	4.72
SGS SA	7 488	1 459	1 894	7 053	12 349 803.00	2.74
Sonova Holding AG	66 705	13 226	16 767	63 164	5 747 924.00	1.28
Weatherford Intl AG	1 036 425	84 215	1 120 640			
					45 635 587.20	10.13
Mechanical engineering and industrial equipment						
Schindler Holding AG		73 011	10 442	62 569	6 719 910.60	1.49
					6 719 910.60	1.49
Food and soft drinks						
Nestle SA	1 028 549	118 847	379 324	768 072	42 282 363.60	9.38
					42 282 363.60	9.38
Pharmaceuticals, cosmetics and medical products						
Nobel Biocare Holding AG	169 153	32 671	50 508	151 316 ²	1 546 449.52	0.34
Novartis AG	1 045 774	208 682	384 998	869 458	43 864 156.10	9.74
Roche Holding GS	402 681	49 676	177 907	274 450	41 606 620.00	9.23
Synthes Inc	97 970	32 653	24 001	106 622	16 910 249.20	3.75
					103 927 474.82	23.07
Telecommunications						
Swisscom AG	30 481	5 980	7 750	28 711	10 129 240.80	2.25
					10 129 240.80	2.25
Watch and clock industry, jewellery						
The Swatch Group AG	42 144	8 219	10 666	39 697	14 826 829.50	3.29
					14 826 829.50	3.29
Circulation and transport						
Kühne & Nagel International AG	76 661	15 067	19 518	72 210 ²	7 452 072.00	1.65
					7 452 072.00	1.65
Insurance						
Bâloise Holding	68 327	13 236	17 206	64 357	3 854 984.30	0.86
Swiss Life Holding	37 562	7 271	9 452	35 381 ²	2 754 410.85	0.61
Swiss Re AG	467 462	82 266	150 895	398 833	22 334 648.00	4.96
Zurich Financial Services AG	104 063	33 812	43 860	94 015	18 671 379.00	4.14
					47 615 422.15	10.57
Total shares					447 783 530.20	99.39
Total securities traded on an exchange					447 783 530.20	99.39
Securities without market						
Rights						
Banks and other financial institutions						
Credit Suisse Group AG		907 761	907 761		0.00	0.00
					0.00	0.00
Total rights					0.00	0.00
Total securities without market					0.00	0.00
Other investments						
Financial Futures						
SLI Swiss Leader Index Juni 2011	388		388			
SLI Swiss Leader Index September 2011		500	500			
SLI Swiss Leader Index Dezember 2011		93	93			
SLI Swiss Leader Index März 2012		177	177			
SLI Swiss Leader Index Juni 2012		1 039	747	292		
					0.00	0.00
Total Financial Futures					0.00	0.00
Total other investments					0.00	0.00
Total investments					447 783 530.20	99.39

Description	31.05.2011 number/ nominal value	Purchases ¹	Disposals ¹	31.05.2012 ² number/ nominal value	Market value CHF	% of total assets
Cash at banks					1 419 848.25	0.32
Other assets					1 349 968.11	0.30
Total assets					450 553 346.56	100.00
Other liabilities					185 244.01	0.04
Net assets					450 368 102.55	99.96

¹ Inclusive of purchases/sales and corporate actions

² Securities holdings loaned wholly or in part (securities lending)

List of sight and time deposits as at May 31, 2012

Account management	Account type	Currency	Interest rate	Maturity	31.05.2012	31.05.2011	Change
Credit Suisse, Zurich	Current account	CHF	0.125	daily	1 223 654.96	2 377 436.66	-1 153 781.70
Credit Suisse, Zurich	Current account	EUR	0.20	daily	35 758.20	27 326.99	8 431.21
Credit Suisse, Zurich	Margin account	CHF	0.125	daily	153 229.10	301 669.04	-148 439.94

Highlights

Key figures	31.05.2012	31.05.2011	31.05.2010	31.05.2009
Total net assets in millions CHF	3 112.3	3 386.1	3 645.7	3 712.8
Units in circulation	52 053 461.000	51 076 952.000	57 754 341.000	69 416 812.000
Net asset value per unit in CHF	59.7913	66.2933	63.1238	53.4852
Review period from	01.06.2011	01.06.2010	01.06.2009	01.06.2008
to	31.05.2012	31.05.2011	31.05.2010	31.05.2009
Distribution per unit in CHF	1.36*	1.22**	1.70***	1.32****

* Interim distribution on 23.04.2012 of CHF 0.50

* Interim distribution on 08.03.2012 of CHF 0.38

* Interim distribution on 27.02.2012 of CHF 0.48

** Interim distribution on 18.04.2011 of CHF 0.40

** Interim distribution on 03.03.2011 of CHF 0.38

** Interim distribution on 24.02.2011 of CHF 0.44

*** Interim distribution on 02.03.2010 of CHF 0.42

*** Interim distribution on 04.03.2010 of CHF 0.32

*** Interim distribution on 01.04.2010 of CHF 0.24

*** Interim distribution on 19.04.2010 of CHF 0.50

*** Interim distribution on 04.05.2010 of CHF 0.22

**** Interim distribution on 29.04.2009 of CHF 0.40

**** Interim distribution on 24.04.2009 of CHF 0.22

**** Interim distribution on 16.03.2009 of CHF 0.28

**** Interim distribution on 27.02.2009 of CHF 0.42

Depositaries

Credit Suisse, Zurich

Eurex GCM Agent

Breakdown by sector and exchange rate

% of total assets	31.05.2012	Exchange rate as at	31.05.2012
Banks and other financial institutions	9.24	Euro	1.201520
Building materials and construction	1.71		
Biotechnology	0.60		
Chemicals	5.08		
Electrical appliances and components	4.87		
Petroleum	1.97		
Finance, holding and miscellaneous companies	6.00		
Food and soft drinks	25.14		
Pharmaceuticals, cosmetics and medical products	34.76		
Telecommunications	1.09		
Watch and clock industry, jewellery	1.59		
Insurance	6.70		
Total % of total assets	98.75		

Unaudited Report on Activities from June 1, 2011 to May 31, 2012*

The Swiss stock market recorded a decline in the past financial year of the exchange traded fund CS ETF (CH) on SMI®. During the period under review, the Swiss Market Index (SMI®), including reinvested dividends, rose from about 10,658 to 9,863, which corresponds to a drop of 7.46%. On this date, the SMI index basket comprised 20 stocks. From the start of the year to the end of May, the SMI recorded a slight loss of 2.0%. At the end of the financial year, the fund's net assets amounted to CHF 3,112.34

million. Several interim distributions took place in the first half of the year in particular, owing to a number of dividend payments that were made in a short space of time. The regular payout is still made on the third Tuesday of the next-but-one month after the end of the financial year.

* The information stated relates to the period under review and is not indicative of future returns.

**Assets as at
May 31, 2012**

	31.05.2012	31.05.2011
	CHF	CHF
Assets		
Bank deposits, including fiduciary investments with third-party banks, divided into:		
– Sight deposits	20 278 129.00	54 787 548.45
Securities, including securities loaned and pledged, divided into:		
– Shares and other equity instruments and rights	3 074 518 587.92	3 318 042 215.33
Other assets	18 675 472.23	14 414 247.75
Total fund assets minus:	3 113 472 189.15	3 387 244 011.53
Other liabilities	1 128 025.37	1 182 380.65
Net assets	3 112 344 163.78	3 386 061 630.88
Number of units in circulation	52 053 461.000	51 076 952.000
Net asset value per unit	59.7913	66.2933
Net asset value per unit		
Net assets at beginning of review period	3 386 061 630.88	3 645 671 160.10
Extraordinary distribution	–75 466 608.26	–62 645 919.94
Issue of units	503 784 697.55	116 198 535.40
Redemption of units	–489 338 738.95	–552 403 193.55
Other items from unit transactions	50 238 373.84	15 358 280.28
Total income	–262 935 191.28	223 882 768.59
Net assets at end of review period	3 112 344 163.78	3 386 061 630.88
Changes in units in circulation		
Number at beginning of the review period	51 076 952.000	57 754 341.000
Number of units issued	9 002 588.000	1 845 979.000
Number of units redeemed	–8 026 079.000	–8 523 368.000
Number at the end of the review period	52 053 461.000	51 076 952.000

Off-balance-sheet business

	31.05.2012		31.05.2011	
	Equivalent underlying value in fund currency	As a % of net fund assets	Equivalent underlying value in fund currency	As a % of net fund assets
Exposure-increasing derivative positions:				
– Market risk (risk of change in share price)	37 810 800.00	1.21	68 016 830.00	2.01
Total exposure-increasing positions	37 810 800.00	1.21	68 016 830.00	2.01
Volume of securities lent and income from lending commissions				
– Volume of securities lent	55 900 750.00		73 686 843.00	
– Income from commissions	105 498.81		93 796.57	

**Statement of
income from
June 1, 2011 to
May 31, 2012**

	01.06.2011– 31.05.2012 CHF	01.06.2010– 31.05.2011 CHF
Income		
Income from bank balances	41 186.45	27 181.14
Securities income, divided into:		
– Shares and other equity instruments and rights, including bonus shares	87 860 140.62	71 725 704.18
– Substitute payments	181 110.00	1 367 669.80
– Securities Lending	105 498.81	93 796.57
Current net income paid in upon the issue of units	–35 004.54	–45 527.55
Total income minus:	88 152 931.34	73 168 824.14
Interest due	100.07	2 540.33
Audit costs	26 301.20	24 732.88
Statutory remuneration to:		
– Management Company	11 301 035.50	12 386 624.64
– Custodian Bank	968 660.24	1 061 710.68
Other expenses	146 038.42	175 175.48
Current net income paid out upon the redemption of units	–149 903.95	–163 123.68
Net income	75 860 699.86	59 681 163.81
Realized capital gains	80 581 507.15	95 575 988.65
Realized capital losses	–131 753 081.79	–90 904 745.44
Realized income	24 689 125.22	64 352 407.02
Unrealized capital gains/losses	–287 624 316.50	159 530 361.57
Total income	–262 935 191.28	223 882 768.59
Application of results		
Net income of financial year	75 860 699.86	59 681 163.81
Carried forward from preceding year	2 703 438.53	5 668 194.66
Net income available for distribution	78 564 138.39	65 349 358.47
Extraordinary distribution within reporting period	75 466 608.26	62 645 919.94
Carried forward from preceding year	3 097 530.13	2 703 438.53

Composition of portfolio, and changes in holdings

Description	31.05.2011 number/ nominal value	Purchases ¹	Disposals ¹	31.05.2012 ² number/ nominal value	Market value CHF	% of total assets
Securities traded on an exchange						
Shares						
Banks and other financial institutions						
Credit Suisse Group AG	4 655 370	1 274 430	970 298	4 959 502	91 304 431.82	2.93
Julius Baer Gruppe AG	864 263	170 017	144 021	890 259 ²	27 117 289.14	0.87
UBS AG	14 989 972	2 949 858	2 493 984	15 445 846	169 132 013.70	5.43
					287 553 734.66	9.24
Building materials and construction						
Holcim Ltd	1 029 760	202 048	197 863	1 033 945	53 351 562.00	1.71
					53 351 562.00	1.71
Biotechnology						
Actelion Ltd	501 150	98 207	92 722	506 635	18 578 305.45	0.60
					18 578 305.45	0.60
Chemicals						
Givaudan AG		41 017	4 949	36 068 ²	32 479 234.00	1.04
Lonza Group AG	203 776	23 100	226 876			
Syngenta AG	395 683	77 604	69 325	403 962	125 632 182.00	4.04
					158 111 416.00	5.08
Electrical appliances and components						
ABB Ltd	9 656 853	1 902 597	1 586 574	9 972 876	151 687 443.96	4.87
					151 687 443.96	4.87
Petroleum						
Transocean Ltd	1 402 173	417 714	246 742	1 573 145 ²	61 242 534.85	1.97
					61 242 534.85	1.97
Finance, holding and miscellaneous companies						
Adecco SA	537 588	106 904	88 462	556 030 ²	20 962 331.00	0.67
Cie Financière Richemont	2 183 347	429 599	363 949	2 248 997	124 481 983.95	4.00
SGS SA	22 915	4 495	3 802	23 608 ²	41 337 608.00	1.33
					186 781 922.95	6.00
Food and soft drinks						
Nestle SA	14 492 918	2 793 770	3 068 916	14 217 772	782 688 348.60	25.14
					782 688 348.60	25.14
Pharmaceuticals, cosmetics and medical products						
Novartis AG	10 320 697	2 689 659	1 774 901	11 235 455	566 828 704.75	18.21
Roche Holding GS	2 938 584	578 248	489 906	3 026 926	458 881 981.60	14.74
Synthes Inc	299 868	108 468	51 456	356 880	56 601 168.00	1.82
					1 082 311 854.35	34.76
Telecommunications						
Swisscom AG	93 300	18 384	15 586	96 098	33 903 374.40	1.09
					33 903 374.40	1.09
Watch and clock industry, jewellery						
The Swatch Group AG	128 995	25 406	21 534	132 867	49 625 824.50	1.59
					49 625 824.50	1.59
Insurance						
Swiss Re AG	1 430 827	299 195	256 482	1 473 540	82 518 240.00	2.65
Zurich Financial Services AG	613 258	122 642	100 633	635 267	126 164 026.20	4.05
					208 682 266.20	6.70
Total shares					3 074 518 587.92	98.75
Total securities traded on an exchange					3 074 518 587.92	98.75
Securities without market						
Rights						
Banks and other financial institutions						
Credit Suisse Group AG		5 134 950	5 134 950			
					0.00	0.00
Total rights					0.00	0.00
Total securities without market					0.00	0.00
Other investments						
Financial Futures						
SMI SWISS MARKET INDEX 20/06/2011	1 037	10	1 047			
SMI SWISS MARKET INDEX 19/09/2011		906	906			
SMI SWISS MARKET INDEX 19/12/2011		1 339	1 339			
SMI SWISS MARKET INDEX 19/03/2012		621	621			
SMI SWISS MARKET INDEX 18/06/2012		1 255	607	648		
					0.00	0.00
Total Financial Futures					0.00	0.00
Total other investments					0.00	0.00
Total investments					3 074 518 587.92	98.75
Cash at banks					20 278 129.00	0.65
Other assets					18 675 472.23	0.60
Total assets					3 113 472 189.15	100.00
Other liabilities					1 128 025.37	0.04
Net assets					3 112 344 163.78	99.96

¹ Inclusive of purchases/sales and corporate actions

² Securities holdings loaned wholly or in part (securities lending)

List of sight and time deposits as at May 31, 2012

Account management	Account type	Currency	Interest rate	Maturity	31.05.2012	31.05.2011	Change
Credit Suisse, Zurich	Current account	CHF	0.125	daily	15 586 537.90	46 874 223.76	-31 287 685.86
Credit Suisse, Zurich	Current account	EUR	0.20	daily	52 020.92	32 658.08	19 362.84
Credit Suisse, Zurich	Margin account	CHF	0.125	daily	4 629 086.92	7 873 281.64	-3 244 194.72

Highlights

Key figures	31.05.2012	31.05.2011	31.05.2010	31.05.2009
Total net assets in millions CHF	934.2	1 512.4	1 147.5	592.0
Units in circulation	8 030 290.000	10 510 798.000	8 985 764.000	5 640 498.000
Net asset value per unit in CHF	116.3383	143.8936	127.7039	104.9622
Review period from	01.06.2011	01.06.2010	01.06.2009	01.06.2008
to	31.05.2012	31.05.2011	31.05.2010	31.05.2009
Distribution per unit in CHF	1.14*	0.62**	1.80***	1.78****

* Interim distribution on 02.05.2012 von CHF 0.54
 ** Interim distribution on 06.05.2011 von CHF 0.62
 *** Interim distribution on 29.03.2010 von CHF 0.46
 **** Interim distribution on 27.04.2010 von CHF 0.72
 ***** Interim distribution on 11.05.2010 von CHF 0.62
 ***** Interim distribution on 26.03.2009 von CHF 0.52
 ***** Interim distribution on 16.04.2009 von CHF 0.32
 ***** Interim distribution on 06.05.2009 von CHF 0.68
 ***** Interim distribution on 18.05.2009 von CHF 0.26

Annual distribution for 2012**1. For unitholders domiciled in Switzerland and abroad**

Gross	CHF 0.600
Total from income	CHF 0.600
Less 35% Swiss withholding tax	CHF 0.210
Net distribution from capital gains	CHF 0.390
Coupon no.	14

Payable on or after July 19, 2012 at CREDIT SUISSE AG, Zurich, and at their branch offices in Switzerland

Depositaries

Credit Suisse, Zurich
 Eurex GCM Agent

**Breakdown
by sector and
exchange rate**

% of total assets	31.05.2012
Banks and other financial institutions	4.18
Building materials and construction	8.99
Chemicals	10.07
Computer hardware and network providers	1.99
Retail trade	2.76
Electronics and semiconductors	1.64
Finance, holding and miscellaneous companies	10.95
Real estate	8.53
Internet, software and services	1.35
Mechanical engineering and industrial equipment	11.22
Food and soft drinks	12.44
Pharmaceuticals, cosmetics and medical products	6.35
Watch and clock industry, jewellery	4.14
Circulation and transport	6.95
Insurance	8.13
Total % of total assets	99.68
Exchange rate as at	31.05.2012
Euro	1.201520

**Unaudited
Report on
Activities from
June 1, 2011 to
May 31, 2012***

The Swiss stock market recorded a decline in the past financial year of the exchange traded fund CS ETF (CH) on SMIM®. During the period under review, the Swiss Market Index MID (SMIM®), including reinvested dividends, dropped from 1,678 to 1,370, which corresponds to a loss of 18.34%. At the end of the period under review, the SMIM index basket comprised 30 stocks. The assets in the CS ETF on SMIM® are managed on an indexed basis in accordance with the full replication method; all index

changes in the fund portfolio were therefore taken into account. At the end of the financial year, the fund's net assets amounted to CHF 934.23 million. An interim distribution of CHF 0.54 took place in the first half of the year. The regular payout is still made on the third Tuesday of the next-but-one month after the end of the financial year.

* The information stated relates to the period under review and is not indicative of future returns.

**Assets as at
May 31, 2012**

	31.05.2012	31.05.2011
	CHF	CHF
Assets		
Bank deposits, including fiduciary investments with third-party banks, divided into:		
– Sight deposits	187 341.99	4 137 014.95
Securities, including securities loaned and pledged, divided into:		
– Shares and other equity instruments and rights	931 714 113.07	1 503 605 287.00
Other assets	2 768 414.85	5 368 153.51
Total fund assets minus:	934 669 869.91	1 513 110 455.46
Other liabilities	439 202.09	674 158.19
Net assets	934 230 667.82	1 512 436 297.27
Number of units in circulation	8 030 290.000	10 510 798.000
Net asset value per unit	116.3383	143.8936

Net asset value per unit

Net assets at beginning of review period	1 512 436 297.27	1 147 517 061.39
Extraordinary distribution	–4 438 605.60	–6 516 694.76
Issue of units	54 437 638.20	308 232 074.70
Redemption of units	–349 950 069.70	–93 150 078.10
Other items from unit transactions	–58 126 545.56	–20 502 855.84
Total income	–220 128 046.79	176 856 789.90
Net assets at end of review period	934 230 667.82	1 512 436 297.27

Changes in units in circulation

Number at beginning of the review period	10 510 798.000	8 985 764.000
Number of units issued	470 813.000	2 196 152.000
Number of units redeemed	–2 951 321.000	–671 118.000
Number at the end of the review period	8 030 290.000	10 510 798.000

Off-balance-sheet business

	31.05.2012		31.05.2011	
	Equivalent underlying value in fund currency	As a % of net fund assets	Equivalent underlying value in fund currency	As a % of net fund assets
Exposure-increasing derivative positions:				
– Market risk (risk of change in share price)	2 344 720.00	0.25	8 901 360.00	0.59
Total exposure-increasing positions	2 344 720.00	0.25	8 901 360.00	0.59

Volume of securities lent and income from lending commissions

– Volume of securities lent	113 042 445.00	90 168 778.00
– Income from commissions	763 299.96	489 602.96

**Statement of
income from
June 1, 2011 to
May 31, 2012**

	01.06.2011– 31.05.2012 CHF	01.06.2010– 31.05.2011 CHF
Income		
Income from bank balances	4 836.66	5 700.15
Securities income, divided into:		
– Shares and other equity instruments and rights, including bonus shares	11 413 668.19	15 000 358.99
– Substitute payments	585 685.35	332 533.20
– Securities Lending	763 299.96	489 602.96
Current net income paid in upon the issue of units	66 410.30	–181 260.90
Total income minus:	12 833 900.46	15 646 934.40
Interest due	224.90	1 034.20
Audit costs	26 301.25	24 732.88
Statutory remuneration to:		
– Management Company	4 844 972.22	6 146 569.48
– Custodian Bank	322 998.15	409 771.30
Other expenses	65 122.54	73 492.19
Current net income paid out upon the redemption of units	757 805.11	–82 005.72
Net income	6 816 476.29	9 073 340.07
Realized capital gains	64 165 766.61	52 852 474.18
Realized capital losses	–92 098 354.32	–48 473 517.62
Realized income	–21 116 111.42	13 452 296.63
Unrealized capital gains/losses	–199 011 935.37	163 404 493.27
Total income	–220 128 046.79	176 856 789.90
Application of results		
Net income of financial year	6 816 476.29	9 073 340.07
Carried forward from preceding year	3 579 762.26	1 023 116.95
Net income available for distribution	10 396 238.55	10 096 457.02
Extraordinary distribution within reporting period	4 438 605.60	6 516 694.76
Net income earmarked for distribution to investors	4 818 174.00	0.00
Carried forward from preceding year	1 139 458.95	3 579 762.26

Composition of portfolio, and changes in holdings

Description	31.05.2011 number/ nominal value	Purchases ¹	Disposals ¹	31.05.2012 ² number/ nominal value	Market value CHF	% of total assets
Securities traded on an exchange						
Shares						
Banks and other financial institutions						
Gam Holding AG	2 971 359	254 980	1 244 055	1 982 284	20 219 296.80	2.16
Valiant Holding	227 096	20 733	70 633	177 196 ²	18 871 374.00	2.02
					39 090 670.80	4.18
Building materials and construction						
Geberit AG	593 004	37 541	183 451	447 094	84 053 672.00	8.99
					84 053 672.00	8.99
Chemicals						
Clariant AG	3 807 207	739 475	1 228 264	3 318 418 ²	32 835 746.11	3.51
Givaudan AG	120 378	361	120 739			
Lonza Group AG		661 754	114 469	547 285	18 892 278.20	2.02
Sika AG	30 934	2 830	9 627	24 137	42 360 435.00	4.53
					94 088 459.31	10.07
Computer hardware and network providers						
Logitech International SA	2 256 324	355 441	727 398	1 884 367 ²	18 617 545.96	1.99
					18 617 545.96	1.99
Retail trade						
Dufry AG		283 176	48 962	234 214	25 763 540.00	2.76
					25 763 540.00	2.76
Electronics and semiconductors						
OC Oerlikon Corp AG		1 933 387	47 383	1 886 004	15 295 492.44	1.64
					15 295 492.44	1.64
Finance, holding and miscellaneous companies						
Meyer Burger Technology AG	657 643	87 211	209 036	535 818 ²	8 198 015.40	0.88
Pargesa Holding SA	392 176	39 200	122 515	308 861 ²	16 385 076.05	1.75
Partners Group Holding		205 125	33 136	171 989	27 690 229.00	2.96
Petroplus Holdings AG	1 370 477	111 545	1 482 022			
Sonova Holding AG	701 947	66 737	218 084	550 600	50 104 600.00	5.36
					102 377 920.45	10.95
Real estate						
PSP Swiss Property AG	507 021	46 278	157 688	395 611	32 440 102.00	3.47
Swiss Prime Site AG	781 824	71 389	243 182	610 031	47 277 402.50	5.06
					79 717 504.50	8.53
Internet, software and services						
Temenos Group AG	1 029 054	99 213	320 398	807 869 ²	12 602 756.40	1.35
					12 602 756.40	1.35
Mechanical engineering and industrial equipment						
Georg Fischer AG	55 934	7 378	17 299	46 013	15 644 420.00	1.67
Schindler Holding AG	699 005	63 736	217 331	545 410	58 577 034.00	6.27
Sulzer AG	338 974	30 754	105 354	264 374	30 614 509.20	3.28
					104 835 963.20	11.22
Food and soft drinks						
Aryzta AG	1 222 948	190 558	383 368	1 030 138	45 120 044.40	4.83
Barry Callebaut AG	26 147	77	26 224			
Chocoladefabriken Lindt & Sprüngli AG	13 037	1 401	4 049	10 389	29 307 369.00	3.14
Chocoladefabriken Lindt & Sprüngli AG	1 570	161	487	1 244 ²	41 866 820.00	4.48
					116 294 233.40	12.44
Pharmaceuticals, cosmetics and medical products						
Galenica AG	69 654	6 352	21 657	54 349 ²	31 603 943.50	3.38
Nobel Biocare Holding AG	1 780 027	161 337	622 331	1 319 033 ²	13 480 517.26	1.44
Straumann Holding AG	121 349	12 073	37 893	95 529 ²	14 233 821.00	1.52
					59 318 281.76	6.35
Watch and clock industry, jewellery						
The Swatch Group AG	765 773	73 491	238 695	600 569	38 706 672.05	4.14
					38 706 672.05	4.14
Circulation and transport						
Kühne & Nagel International AG	806 720	73 568	250 831	629 457 ²	64 959 962.40	6.95
Panalpina Welttransport Holding AG	181 224	546	181 770			
					64 959 962.40	6.95
Insurance						
Bâloise Holding	719 002	65 566	223 555	561 013	33 604 678.70	3.60
Helvetia Holding AG	86 988	7 925	27 039	67 874	18 376 885.50	1.97
Swiss Life Holding	395 265	36 018	122 871	308 412 ²	24 009 874.20	2.57
					75 991 438.40	8.13
Total shares					931 714 113.07	99.68
Total securities traded on an exchange					931 714 113.07	99.68
Other investments						
Financial Futures						
SMI Mid Cap 20/06/2011	634	54	688			
SMI Mid Cap 19/09/2011		1 141	1 141			
SMI Mid Cap 19/12/2011		2 385	2 385			
SMI Mid Cap 19/03/2012		478	478			
SMI Mid Cap 18/06/2012		2 338	2 126	212		
					0.00	0.00
Total Financial Futures					0.00	0.00
Total other investments					0.00	0.00
Total investments					931 714 113.07	99.68
Cash at banks					187 341.99	0.02
Other assets					2 768 414.85	0.30
Total assets					934 669 869.91	100.00
Other liabilities					439 202.09	0.05
Net assets					934 230 667.82	99.95

¹ Inclusive of purchases/sales and corporate actions

² Securities holdings loaned wholly or in part (securities lending)

List of sight and time deposits as at May 31, 2012

Account management	Account type	Currency	Interest rate	Maturity	31.05.2012	31.05.2011	Change
Credit Suisse, Zurich	Current account	CHF	0.125	daily	176 512.92	3 520 353.78	-3 343 840.86
Credit Suisse, Zurich	Current account	EUR	0.20	daily	928.50	4 597.90	-3 669.40
Credit Suisse, Zurich	Margin account	CHF	0.125	daily	9 713.46	611 023.55	-601 310.09

Highlights

Key figures	31.05.2012	31.05.2011	31.05.2010
Total net assets in millions CHF	248.7	249.4	155.8
Units in circulation	2 640 473.000	2 591 451.000	1 568 325.000
Net asset value per unit in CHF	94.1974	96.2222	99.3175
Review period from	01.06.2011	01.06.2010	02.07.2009
to	31.05.2012	31.05.2011	31.05.2010
Distribution per unit in CHF	3.18*	2.82**	2.48***

* inkl. Interim distribution on 17.01.2012 von CHF 1.68

** inkl. Interim distribution on 18.01.2011 von CHF 1.38

*** inkl. Interim distribution on 19.01.2010 von CHF 1.02

Annual distribution for 2012**1. For unitholders domiciled in Switzerland and abroad**

Gross	CHF 1.500
Total from income	CHF 1.500
Less 35% Swiss withholding tax	CHF 0.525
Net distribution from capital gains	CHF 0.975
Coupon no.	6

Payable on or after July 19, 2012 at CREDIT SUISSE AG, Zurich, and at their branch offices in Switzerland

Depositaries

Credit Suisse, Zurich

**Breakdown
by country of
domicile**

% of total assets	31.05.2012
Switzerland	98.32
Total % of total assets	98.32

**Unaudited
Report on
Activities from
June 1, 2011 to
May 31, 2012***

In the past financial year of CS ETF (CH) on Swiss Bond Index Domestic Government 1–3, the backdrop of the European debt crisis made for turbulent conditions in the global bond markets. Swiss government debt became a safe haven for embattled investors, witnessing a significant fall in yields across all maturities.

During the period under review, the Swiss Bond Index Domestic Government 1–3 Total Return advanced from 101.68 to 103.05, which corresponds to a modest increase of 1.35%.

At the end of the financial year, the Swiss Bond Index Domestic Government 1–3 index basket con-

tained two Swiss Confederation bonds with maturity dates of January 6, 2014 and November 9, 2014. The remaining term to maturity of the index portfolio was 1.8 years and the average modified duration was 1.81 years. The fund's net assets totaled CHF 248.73 million.

There were two distributions over the past financial year: of CHF 1.44 per unit in July 2011 and CHF 1.68 per unit in January 2012.

* The information stated relates to the period under review and is not indicative of future returns.

**Assets as at
May 31, 2012**

	31.05.2012	31.05.2011
	CHF	CHF
Assets		
Bank deposits, including fiduciary investments with third-party banks, divided into:		
– Sight deposits	355 105.53	553 574.70
Securities, including securities loaned and pledged, divided into:		
– Bonds, convertible bonds, warrant bonds and other debt instruments and rights	244 613 269.50	243 919 521.55
Other assets	3 826 019.67	4 949 683.96
Total fund assets minus:	248 794 394.70	249 422 780.21
Other liabilities	68 731.25	67 765.06
Net assets	248 725 663.45	249 355 015.15
Number of units in circulation	2 640 473.000	2 591 451.000
Net asset value per unit	94.1974	96.2222
Net asset value per unit		
Net assets at beginning of review period	249 355 015.15	155 762 195.52
Ordinary annual distribution	–4 027 838.40	–2 586 203.12
Extraordinary distribution	–4 612 728.96	–3 009 755.16
Issue of units	69 565 825.80	114 201 334.25
Redemption of units	–64 551 197.50	–14 773 747.20
Other items from unit transactions	–72 656.82	988 199.27
Total income	3 069 244.18	–1 227 008.41
Net assets at end of review period	248 725 663.45	249 355 015.15
Changes in units in circulation		
Number at beginning of the review period	2 591 451.000	1 568 325.000
Number of units issued	727 350.000	1 177 088.000
Number of units redeemed	–678 328.000	–153 962.000
Number at the end of the review period	2 640 473.000	2 591 451.000
Off-balance-sheet business		
Volume of securities lent and income from lending commissions		
– Volume of securities lent	0.00	0.00
– Income from commissions	646.95	0.00

**Statement of
income from
June 1, 2011 to
May 31, 2012**

	01.06.2011– 31.05.2012 CHF	01.06.2010– 31.05.2011 CHF
Income		
Income from bank balances	639.80	144.17
Securities income, divided into:		
– Bonds, convertible bonds, warrant bonds and other debt instruments and rights	8 968 625.96	6 312 097.66
– Securities Lending	646.95	0.00
Current net income paid in upon the issue of units	627 923.44	1 050 874.80
Total income minus:	9 597 836.15	7 363 116.63
Interest due	10.27	36.93
Audit costs	26 301.25	26 732.88
Statutory remuneration to:		
– Management Company	379 530.19	302 153.02
– Custodian Bank	75 905.33	60 430.52
Other expenses	27 430.53	20 792.14
Current net income paid out upon the redemption of units	498 362.54	183 124.79
Net income	8 590 296.04	6 769 846.35
Realized capital gains	497 778.77	168 647.82
Realized capital losses	–5 678 518.35	–5 540 705.05
Realized income	3 409 556.46	1 397 789.12
Unrealized capital gains/losses	–340 312.28	–2 624 797.53
Total income	3 069 244.18	–1 227 008.41
Application of results		
Net income of financial year	8 590 296.04	6 769 846.35
Carried forward from preceding year	30 327.52	1 925.77
Net income available for distribution	8 620 623.56	6 771 772.12
Extraordinary distribution within reporting period	4 612 728.96	3 009 755.16
Net income earmarked for distribution to investors	3 960 709.50	3 731 689.44
Carried forward from preceding year	47 185.10	30 327.52

Composition of portfolio, and changes in holdings

Description	31.05.2011 number/ nominal value	Purchases ¹	Disposals ¹	31.05.2012 ² number/ nominal value	Market value CHF	% of total assets
Securities traded on an exchange						
Bonds						
Switzerland						
4 Schweiz 00/13	138 375 000	34 479 000	172 854 000			
2 Schweiz 05/14		73 536 000	6 508 000	67 028 000	70 798 325.00	28.46
4.25 Schweiz 94/14	88 826 000	116 926 000	43 717 000	162 035 000	173 814 944.50	69.86
					244 613 269.50	98.32
Total bonds					244 613 269.50	98.32
Total securities traded on an exchange					244 613 269.50	98.32
Total investments					244 613 269.50	98.32
Cash at banks					355 105.53	0.14
Other assets					3 826 019.67	1.54
Total assets					248 794 394.70	100.00
Other liabilities					68 731.25	0.03
Net assets					248 725 663.45	99.97

¹ Inclusive of purchases/sales and corporate actions

² Securities holdings loaned wholly or in part (securities lending)

List of sight and time deposits as at May 31, 2012

Account management	Account type	Currency	Interest rate	Maturity	31.05.2012	31.05.2011	Change
Credit Suisse, Zurich	Current account	CHF	0.125	daily	355 105.53	553 574.70	-198 469.17

Highlights

Key figures	31.05.2012	31.05.2011	31.05.2010	31.05.2009
Total net assets in millions CHF	605.7	581.2	645.0	568.0
Units in circulation	6 082 775.000	6 034 952.000	6 502 720.000	5 847 845.000
Net asset value per unit in CHF	99.5725	96.3093	99.1924	97.1286
Review period from	01.06.2011	01.06.2010	01.06.2009	01.06.2008
to	31.05.2012	31.05.2011	31.05.2010	31.05.2009
Distribution per unit in CHF	2.46*	2.56**	2.68***	2.84****

* inkl. Interim distribution on 17.01.2012 of CHF 1.22

** inkl. Interim distribution on 18.01.2011 of CHF 1.30

*** inkl. Interim distribution on 19.01.2010 of CHF 1.36

**** inkl. Interim distribution on 20.01.2009 of CHF 1.44

Annual distribution for 2012**1. For unitholders domiciled in Switzerland and abroad**

Gross	CHF 1.240
Total from income	CHF 1.240
Less 35% Swiss withholding tax	CHF 0.434
Net distribution from capital gains	CHF 0.806
Coupon no.	17

Payable on or after July 19, 2012 at CREDIT SUISSE AG, Zurich, and at their branch offices in Switzerland

Depositories

Credit Suisse, Zurich

**Breakdown
by country of
domicile**

% of total assets	31.05.2012
Switzerland	97.95
Total % of total assets	97.95

**Unaudited
Report on
Activities from
June 1, 2011 to
May 31, 2012***

In the past financial year of CS ETF (CH) on Swiss Bond Index Domestic Government 3–7, the backdrop of the European debt crisis made for turbulent conditions in the global bond markets. Swiss government debt became a safe haven for embattled investors, witnessing a significant fall in yields across all maturities.

During the period under review, the Swiss Bond Index Domestic Government 3–7 Total Return advanced from 122.63 to 130.34, an increase of 6.29%.

At the end of the financial year, the Swiss Bond Index Domestic Government 3–7 basket contained five Swiss Confederation bonds with maturity dates

ranging from June 2015 to January 2018. The remaining term to maturity of the index portfolio was 4.22 years and the modified duration was 4.22 years.

All changes in the composition of the index were reflected in the fund's portfolio.

At the end of the financial year, the fund's net assets of CS ETF (CH) on Swiss Bond Index Domestic Government 3–7 totaled CHF 605.68 million.

There were two distributions over the past financial year: of CHF 1.26 per unit in July 2011 and CHF 1.22 per unit in January 2012.

* The information stated relates to the period under review and is not indicative of future returns.

Assets as at May 31, 2012	31.05.2012 CHF	31.05.2011 CHF
Assets		
Bank deposits, including fiduciary investments with third-party banks, divided into:		
– Sight deposits	390 648.55	241 570.25
Securities, including securities loaned and pledged, divided into:		
– Bonds, convertible bonds, warrant bonds and other debt instruments and rights	593 397 336.60	569 639 948.20
Other assets	12 018 336.12	11 467 004.27
Total fund assets minus:	605 806 321.27	581 348 522.72
Other liabilities	129 357.07	126 411.86
Net assets	605 676 964.20	581 222 110.86
Number of units in circulation	6 082 775.000	6 034 952.000
Net asset value per unit	99.5725	96.3093
Net asset value per unit		
Net assets at beginning of review period	581 222 110.86	645 020 287.88
Ordinary annual distribution	–7 794 196.20	–9 646 548.12
Extraordinary distribution	–7 608 422.64	–8 907 030.60
Issue of units	54 946 923.35	129 456 409.05
Redemption of units	–50 489 570.90	–172 231 127.90
Other items from unit transactions	277 610.14	–1 942 130.68
Total income	35 122 509.59	–527 748.77
Net assets at end of review period	605 676 964.20	581 222 110.86
Changes in units in circulation		
Number at beginning of the review period	6 034 952.000	6 502 720.000
Number of units issued	558 253.000	1 313 540.000
Number of units redeemed	–510 430.000	–1 781 308.000
Number at the end of the review period	6 082 775.000	6 034 952.000
Off-balance-sheet business		
Volume of securities lent and income from lending commissions		
– Volume of securities lent	55 890 192.00	8 948 146.00
– Income from commissions	20 170.20	13 575.85

**Statement of
income from
June 1, 2011 to
May 31, 2012**

	01.06.2011– 31.05.2012 CHF	01.06.2010– 31.05.2011 CHF
Income		
Income from bank balances	395.12	1 786.02
Securities income, divided into:		
– Bonds, convertible bonds, warrant bonds and other debt instruments and rights	16 207 298.29	17 592 027.93
– Substitute payments	75 257.00	1 267 557.50
– Securities Lending	20 170.20	13 575.85
Current net income paid in upon the issue of units	347 042.54	524 128.65
Total income minus:	16 650 163.15	19 399 075.95
Interest due	100.02	24.40
Audit costs	26 301.25	24 732.88
Statutory remuneration to:		
– Management Company	912 526.50	998 362.88
– Custodian Bank	182 505.37	199 672.53
Other expenses	44 519.28	42 650.33
Current net income paid out upon the redemption of units	321 093.18	1 555 038.91
Net income	15 163 117.55	16 578 594.02
Realized capital gains	4 046 594.61	9 674 308.62
Realized capital losses	–264 378.31	–7 091 382.86
Realized income	18 945 333.85	19 161 519.78
Unrealized capital gains/losses	16 177 175.74	–19 689 268.55
Total income	35 122 509.59	–527 748.77
Application of results		
Net income of financial year	15 163 117.55	16 578 594.02
Carried forward from preceding year	92 084.27	24 560.37
Net income available for distribution	15 255 201.82	16 603 154.39
Extraordinary distribution within reporting period	7 608 422.64	8 907 030.60
Net income earmarked for distribution to investors	7 542 641.00	7 604 039.52
Carried forward from preceding year	104 138.18	92 084.27

Composition of portfolio, and changes in holdings

Description	31.05.2011 number/ nominal value	Purchases ¹	Disposals ¹	31.05.2012 ² number/ nominal value	Market value CHF	% of total assets
Securities traded on an exchange						
Bonds						
Switzerland						
3.75 Schweiz 01/15	67 262 000	12 594 000	21 532 000	58 324 000 ²	65 229 561.60	10.77
2.5 Schweiz 03/16	127 110 000	23 783 000	40 673 000	110 220 000	120 856 230.00	19.95
3 Schweiz 03/18	129 550 000	24 245 000	41 461 000	112 334 000	130 167 022.50	21.49
3 Schweiz 04/19		95 800 000		95 800 000	114 404 360.00	18.88
2 Schweiz 05/14	35 108 000	3 137 000	38 245 000			
2 Schweiz 05/16	54 627 000	10 222 000	17 479 000	47 370 000 ²	51 585 930.00	8.52
4.25 Schweiz 97/17	106 052 000	19 861 000	33 955 000	91 958 000	111 154 232.50	18.35
					593 397 336.60	97.95
Total bonds					593 397 336.60	97.95
Total securities traded on an exchange					593 397 336.60	97.95
Total investments					593 397 336.60	97.95
Cash at banks					390 648.55	0.06
Other assets					12 018 336.12	1.98
Total assets					605 806 321.27	100.00
Other liabilities					129 357.07	0.02
Net assets					605 676 964.20	99.98

¹ Inclusive of purchases/sales and corporate actions

² Securities holdings loaned wholly or in part (securities lending)

List of sight and time deposits as at May 31, 2012

Account management	Account type	Currency	Interest rate	Maturity	31.05.2012	31.05.2011	Change
Credit Suisse, Zurich	Current account	CHF	0.125	daily	390 648.55	241 570.25	149 078.30

Highlights

Key figures	31.05.2012	31.05.2011	31.05.2010	31.05.2009
Total net assets in millions CHF	79.4	56.1	74.1	56.7
Units in circulation	657 233.000	509 799.000	658 753.000	555 941.000
Net asset value per unit in CHF	120.8521	109.9959	112.4830	101.9494
Review period from	01.06.2011	01.06.2010	01.06.2009	01.06.2008
to	31.05.2012	31.05.2011	31.05.2010	31.05.2009
Distribution per unit in CHF	2.50*	2.66**	2.86***	2.82****

* inkl. Interim distribution on 17.01.2012 of CHF 1.26

** inkl. Interim distribution on 18.01.2011 of CHF 1.36

*** inkl. Interim distribution on 19.01.2010 von CHF 1.42

**** inkl. Interim distribution on 20.01.2009 von CHF 1.42

Annual distribution for 2012**1. For unitholders domiciled in Switzerland and abroad**

Gross	CHF 1.240
Total from income	CHF 1.240
Less 35% Swiss withholding tax	CHF 0.434
Net distribution from capital gains	CHF 0.806
Coupon no.	17

Payable on or after July 19, 2012 at CREDIT SUISSE AG, Zurich, and at their branch offices in Switzerland

Depositories

Credit Suisse, Zurich

Eurex GCM Agent

**Breakdown
by country of
domicile**

% of total assets	31.05.2012
Switzerland	98.41
Total % of total assets	98.41

**Unaudited
Report on
Activities from
June 1, 2011 to
May 31, 2012***

In the past financial year of CS ETF (CH) on Swiss Bond Index Domestic Government 7–15, the backdrop of the European debt crisis made for turbulent conditions in the global bond markets. Swiss government debt became a safe haven for embattled investors, witnessing a significant fall in yields across all maturities along the curve.

During the period under review, the Swiss Bond Index Domestic Government 7–15 Total Return rose from 138.45 to 156.01 points, a strong increase of 12.68%.

At the end of the financial year, the Swiss Bond Index Domestic Government 7–15 basket contained 5 Swiss Confederation bonds with maturity dates

ranging from May 2019 to February 2023. The remaining term to maturity of the index portfolio was 7.89 years and the modified duration was 7.86 years.

All changes in the composition of the index were reflected in the fund's portfolio.

At the end of the financial year, the net assets of CS ETF (CH) on Swiss Bond Index Domestic Government 7-15 totaled CHF 79.43 million.

There were two distributions over the past financial year: of CHF 1.30 per unit in July 2011 and CHF 1.26 per unit in January 2012.

* The information stated relates to the period under review and is not indicative of future returns.

**Assets as at
May 31, 2012**

	31.05.2012	31.05.2011
	CHF	CHF
Assets		
Bank deposits, including fiduciary investments with third-party banks, divided into:		
– Sight deposits	445 777.34	140 249.81
Securities, including securities loaned and pledged, divided into:		
– Bonds, convertible bonds, warrant bonds and other debt instruments and rights	78 202 011.05	55 233 481.20
Other assets	820 112.89	738 176.53
Total fund assets minus:	79 467 901.28	56 111 907.54
Other liabilities	39 919.04	36 099.01
Net assets	79 427 982.24	56 075 808.53
Number of units in circulation	657 233.000	509 799.000
Net asset value per unit	120.8521	109.9959

Net asset value per unit

Net assets at beginning of review period	56 075 808.53	74 098 508.95
Ordinary annual distribution	–662 738.70	–1 018 893.60
Extraordinary distribution	–828 127.44	–895 298.88
Issue of units	39 358 374.85	22 449 717.90
Redemption of units	–23 505 110.60	–38 414 912.70
Other items from unit transactions	169 248.09	–502 290.25
Total income	8 820 527.51	358 977.12
Net assets at end of review period	79 427 982.24	56 075 808.53

Changes in units in circulation

Number at beginning of the review period	509 799.000	658 753.000
Number of units issued	344 538.000	197 681.000
Number of units redeemed	–197 104.000	–346 635.000
Number at the end of the review period	657 233.000	509 799.000

Off-balance-sheet business

	31.05.2012		31.05.2011	
	Equivalent underlying value in fund currency	As a % of net fund assets	Equivalent underlying value in fund currency	As a % of net fund assets
Exposure-increasing derivative positions:				
– Market risk (interest rate risk)	150 270.00	0.19	280 700.00	0.50
Total exposure-increasing positions	150 270.00	0.19	280 700.00	0.50

Volume of securities lent and income from lending commissions

– Volume of securities lent	0.00	0.00
– Income from commissions	1 531.10	0.00

**Statement of
income from
June 1, 2011 to
May 31, 2012**

	01.06.2011– 31.05.2012 CHF	01.06.2010– 31.05.2011 CHF
Income		
Income from bank balances	480.87	325.16
Securities income, divided into:		
– Bonds, convertible bonds, warrant bonds and other debt instruments and rights	1 882 009.75	1 900 064.00
– Securities Lending	1 531.10	0.00
Current net income paid in upon the issue of units	205 555.26	159 242.58
Total income minus:	2 089 576.98	2 059 631.74
Interest due	0.05	19.98
Audit costs	26 301.25	24 732.88
Statutory remuneration to:		
– Management Company	119 878.56	108 462.68
– Custodian Bank	23 975.65	21 692.53
Other expenses	21 681.20	16 880.73
Current net income paid out upon the redemption of units	259 209.47	330 745.52
Net income	1 638 530.80	1 557 097.42
Realized capital gains	3 110 600.23	3 029 011.25
Realized capital losses	–147 341.86	–1 582 115.95
Realized income	4 601 789.17	3 003 992.72
Unrealized capital gains/losses	4 218 738.34	–2 645 015.60
Total income	8 820 527.51	358 977.12
Application of results		
Net income of financial year	1 638 530.80	1 557 097.42
Carried forward from preceding year	10 220.72	11 160.88
Net income available for distribution	1 648 751.52	1 568 258.30
Extraordinary distribution within reporting period	828 127.44	895 268.88
Net income earmarked for distribution to investors	814 968.92	662 738.70
Carried forward from preceding year	5 655.16	10 220.72

Composition of portfolio, and changes in holdings

Description	31.05.2011 number/ nominal value	Purchases ¹	Disposals ¹	31.05.2012 ² number/ nominal value	Market value CHF	% of total assets
Securities traded on an exchange						
Bonds						
Switzerland						
3 Schweiz 04/19	16 181 000	11 779 000	27 960 000			
2.25 Schweiz 05/20	10 972 000	15 035 000	6 225 000	19 782 000	22 798 755.00	28.69
2 Schweiz 10/21	9 263 000	11 385 000	5 456 000	15 192 000	17 261 150.40	21.72
4 Schweiz 98/23	12 301 000	14 255 000	7 379 000	19 177 000	25 935 933.65	32.64
2 Schweiz 11/22	1 430 000	11 391 000	2 141 000	10 680 000	12 206 172.00	15.36
Total bonds					78 202 011.05	98.41
Total securities traded on an exchange					78 202 011.05	98.41
Other investments						
Financial Futures						
FUTURES 6% CH 8-13J 09/06/2011	2		2			
FUTURES 6% CH 8-13J 09/09/2011		2	2			
FUTURES 6% CH 8-13J 19/12/2011		2	2			
FUTURES 6% CH 8-13J 09/03/2012		1	1			
FUTURES 6% CH 8-13J 08/06/2012		1		1		
					0.00	0.00
Total Financial Futures					0.00	0.00
Total other investments					0.00	0.00
Total investments					78 202 011.05	98.41
Cash at banks					445 777.34	0.56
Other assets					820 112.89	1.03
Total assets					79 467 901.28	100.00
Other liabilities					39 919.04	0.05
Net assets					79 427 982.24	99.95

¹ Inclusive of purchases/sales and corporate actions

² Securities holdings loaned wholly or in part (securities lending)

List of sight and time deposits as at May 31, 2012

Account management	Account type	Currency	Interest rate	Maturity	31.05.2012	31.05.2011	Change
Credit Suisse, Zurich	Current account	CHF	0.125	daily	411 326.23	133 550.17	277 776.06
Credit Suisse, Zurich	Margin account	CHF	0.125	daily	34 451.11	6 699.64	27 751.47

**Notes to the
Annual Report
as at
May 31, 2012**

Note 1: Sales restrictions USA

Under US law, units of the subfunds may be neither offered nor sold in, nor delivered to, the United States of America.

Investors who are United States citizens or are subject to US income tax are therefore advised to consult a tax advisor before purchasing units of the subfunds. Under US tax laws, such purchases may have adverse consequences for these investors. The fund management company does not provide investors with Qualified Electing Fund election information as per section 1293 of the US Internal Revenue Code.

Note 2: Key figures and technical data

Fund	Unit class	Swiss securities number	Currency	Custodian bank fee	Management commission ¹	Total Expense Ratio (TER) ²	Portfolio Turnover Rate (PTR) ³
CS ETF (CH) on SLI [®]	A	3 176 893	CHF	0.03%	0.35%	0.39%	31.04%
CS ETF (CH) on SMI [®]	A	889 976	CHF	0.03%	0.35%	0.39%	6.35%
CS ETF (CH) on SMIM [®]	A	1 985 280	CHF	0.03%	0.45%	0.49%	28.42%
CS ETF (CH) on Swiss Bond Index Domestic Government 1–3	A	10 253 078	CHF	0.03%	0.15%	0.20%	215.39%
CS ETF (CH) on Swiss Bond Index Domestic Government 3–7	A	1 699 984	CHF	0.03%	0.15%	0.19%	17.11%
CS ETF (CH) on Swiss Bond Index Domestic Government 7–15	A	1 699 986	CHF	0.03%	0.15%	0.24%	35.91%

¹ Information regarding the SFA guideline on transparent management fees: From the sales-related component of the management fee, the fund management is able to offer refunds to the following institutional investors which, in a business sense, hold fund units for third parties: Life insurance companies, Pension funds and other retirement benefits institutions, Investment foundations, Swiss fund management companies, Foreign fund management companies, Investment companies. The fund management may also draw on the sales-related component of the management fee to pay commission on fund unit holdings to the following fund distributors/distribution partners: authorized distributors, fund management companies, banks, brokers, Swiss Post, and insurance companies, distribution partners that place fund units exclusively with institutional investors that have a professional treasury, asset managers. The fund manager has not concluded any fee-sharing agreements or agreements with regard to retrocessions in the form of "soft commissions".

² TER (Total Expense Ratio) describes the sum of all periodic costs and commissions that are charged to the fund's assets. It is expressed retroactively as a percentage of average fund assets. Any reimbursements/commissions for client unit holdings from target funds have been credited to the fund and thus reduce the TER.

³ The PTR (Portfolio Turnover Rate) is an indicator of the relevance of ancillary costs incurred by the Fund in the purchase and sale of investments, and denotes the portfolio turnover rate of the fund portfolio. The PTR shows how many transactions have been carried out on the assets of an investment fund or a security portfolio – mostly on the basis of an annual calculation.

Note 3: Fund performance

Fund/Benchmark	Unit class	Inception-date	Swiss securities number	Currency	01.01.2012–30.05.2012 ¹	Cumulative since launch	2011 ¹	2010 ¹	2009 ¹
CS ETF (CH) on SLI [®]	A	29.06.2007	3 176 893	CHF	2.8%	–11.7%	3.6%	29.7%	
Swiss Leader Index (SLI [®])				CHF	2.9%	–11.3%	4.0%	30.3%	
CS ETF (CH) on SMI [®]	A	06.10.1999	889 976	CHF	1.9%	–5.0%	0.8%	21.6%	
Swiss Market Index (SMI [®])				CHF	2.1%	–4.6%	1.2%	22.1%	
CS ETF (CH) on SMIM [®]	A	08.12.2004	1 985 280	CHF	2.0%	–20.4%	16.5%	30.6%	
SMI MID Index (SMIM [®])				CHF	2.2%	–19.9%	17.0%	31.2%	
CS ETF (CH) on Swiss Bond Index Domestic Government 1–3	A	02.07.2009	10 253 078	CHF	0.2%	1.9%	1.0%	0.4%	–
Swiss Bond Index Domestic Government 1–3				CHF	0.3%	–	1.3%	0.7%	–
CS ETF (CH) on Swiss Bond Index Domestic Government 3–7	A	18.11.2003	1 699 984	CHF	0.8%	–	5.4%	2.1%	3.4%
Swiss Bond Index Domestic Government 3–7				CHF	0.9%	–	5.7%	2.4%	3.7%
CS ETF (CH) on Swiss Bond Index Domestic Government 7–15	A	18.11.2003	1 699 986	CHF	2.1%	–	10.1%	5.6%	4.5%
Swiss Bond Index Domestic Government 7–15				CHF	2.3%	–	10.5%	5.9%	4.9%

Source: Lipper, a Reuters Company

¹ Fund performance is based on officially published net asset values which in turn are based on stock exchange closing prices at the end of the month in question.

Historical performance is no indicator of current or future performance. The performance data given does not take into account commissions and costs incurred in the purchase or redemption of fund units.

Note 4: Use of the registered trademarks SLI[®], SMI[®], SMIM[®], Swiss Bond Index Domestic Government[®]

SLI[®], SMI[®], SMIM[®] and Swiss Bond Index Domestic Government[®] are registered trademarks of the SIX Swiss Exchange. The subfunds are in no way (either explicitly or tacitly) supported by – and have not been ceded, sold or advertised by – the SIX Swiss Exchange. Nor does the SIX Swiss Exchange provide any guarantee for the results generated by the use of the indices or their subindices ("the Indices") and/or for the level of the Indices at any given time or on any given date.

The indices are composed and calculated exclusively by the SIX Swiss Exchange. The SIX Swiss Exchange is not liable for any errors in the indices arising from negligent or other action, nor is the SIX Swiss Exchange obliged to draw attention to such errors.

Note 5: Valuation of the Fund's Assets and the Units

1. The net asset value of each subfund is calculated in Swiss francs at the market value as of the end of the financial year and for each day on which units are issued or redeemed. The subfund's assets will not be calculated on days when the stock exchanges / markets in the main investment countries of the subfund concerned are closed (e.g. bank and stock exchange holidays).
2. Securities traded on a stock exchange or another regulated market open to the public shall be valued at the current prices paid on the main market. Other investments or investments for which no current market value is available shall be valued at the price which would probably be obtained in a diligent sale at the time of the valuation. In such cases, the fund management company shall use appropriate and recognized valuation models and principles to determine the market value.
3. The net asset value of a unit of a subfund is determined by the market value of that subfund's assets, minus all that subfund's liabilities, divided by the number of units of that subfund in circulation. It will be rounded up or down to four places after the decimal point of the unit of account.

Note 6: Amendments to the fund contract as of October 15, 2011

The Swiss Financial Market Supervisory Authority FINMA issued an order on October 7, 2011 approving the amendments to the fund contract proposed by the management company and the custodian bank. These amendments entered into force on October 15, 2011. The publication in the Schweizerischen Handelsamtsblatt and on the electronic platform Swiss Fund Data (www.swissfunddata.ch), published on September 8, 2011, reads as follows:

Mitteilung an die Anleger des CS ETF (CH)

Die Anleger werden darauf hingewiesen, dass aufgrund der Umfirmierung der Fondsleitung Credit Suisse Asset Management Funds AG in **Credit Suisse Funds AG** sämtliche Fondsverträge innert Kürze überarbeitet und entsprechend angepasst werden.

Diese Publikation erfolgt lediglich zu Informationszwecken. Die Rechte der Anlegerinnen und Anleger werden durch die Umfirmierung nicht berührt (Art. 41 Abs. 1 KKV). Art. 27 Abs. 3 KAG betreffend Einwendungsrecht zugunsten der Anleger findet daher keine Anwendung.

Report of the audit company

As collective investment scheme regulatory auditors, we have audited the financial statements of the **CS ETF (CH)** Umbrella Fund, with the subfunds

- CS ETF (CH) on SLI®
- CS ETF (CH) on SMI®
- CS ETF (CH) on SMIM®
- CS ETF (CH) on Swiss Bond Index Domestic Government 1–3
- CS ETF (CH) on Swiss Bond Index Domestic Government 3–7
- CS ETF (CH) on Swiss Bond Index Domestic Government 7–15

which comprise the statement of net assets and the income statement, the statement of the appropriation of available earnings and the disclosure of the total costs as well as the supplemental disclosures in accordance with article 89 paragraph 1 lit. b–h of the Swiss Collective Investment Schemes Act (CISA) for the year ended May 31, 2012.

Responsibility of the Fund Management Company's Board of Directors

The Board of Directors of the Fund Management Company is responsible for the preparation of the financial statements in accordance with the requirements of the Swiss Collective Investment Schemes Act, the related ordinances as well as the investment fund agreement and the prospectus with integrated fund contract. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors of the Fund Management Company is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Responsibility of the audit company for collective investment schemes

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the existence and effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended May 31, 2012 comply with the Swiss Collective Investment Schemes Act, the related ordinances as well as the investment fund agreement and the prospectus with integrated fund contract.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and article 127 CISA as well as on independence (article 11 AOA) and that there are no circumstances incompatible with our independence.

KPMG AG

Markus Schunk
Licensed Audit Expert
Auditor in Charge

Jakub Pesek
Licensed Audit Expert

Zurich, August 22, 2012

This report is an English translation of the original German version.
In case of discrepancies the original version takes precedence.



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