

Flash - Mortgage Update - March 07

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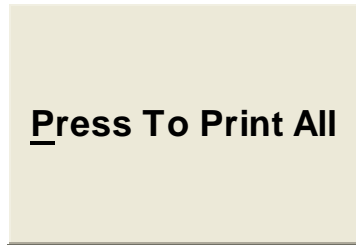


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Revenues

**Securitized Products
Revenues - BPM Format
Fiscal Year 2008**

	1	Mar	Mar	Q1	Feb	Jan	Dec
	YTD						
<u>America</u>							
Agency PT & Options	79.2	19.5	59.7	22.4	29.2	8.0	
Agency Remics / Strips	63.9	(6.4)	70.4	12.7	46.3	11.4	
Mortgage Finance	2.0	(0.0)	2.0	(0.0)	0.1	2.0	
Non-Prime	(252.7)	(223.9)	(28.8)	98.6	(100.9)	(26.4)	
Prime	(1,004.2)	(311.5)	(692.6)	(293.3)	(351.9)	(47.4)	
Principle Finance Residential	17.8	10.7	7.1	2.5	2.1	2.5	
ABS Trading	420.0	51.0	369.0	83.4	137.0	148.7	
ABS New Issue	(8.2)	(12.0)	3.8	(1.2)	2.3	2.7	
Insurance Products	9.7	6.4	3.4	5.4	(2.0)	(0.0)	
Non-Residential Trading	(53.1)	(41.6)	(11.5)	(13.1)	1.4	0.2	
Special Opportunities Group	6.5	2.0	4.5	3.5	(0.8)	1.8	
House - Risk	(48.1)	(9.3)	(38.8)	(18.7)	(13.2)	(6.9)	
House - Admin	0.5	(0.0)	0.5	(0.0)	0.6	(0.1)	
Subtotal Americas	(766.7)	(515.4)	(251.3)	(98.0)	(249.8)	96.5	
Aurora	58.7	15.3	43.4	13.2	12.7	17.5	
Campus Door	10.2	1.1	9.1	1.8	5.9	1.4	
BNC	(14.3)	(0.8)	(13.5)	(4.6)	(4.6)	(4.3)	
SBF	21.8	5.8	16.0	4.7	5.9	5.4	
Subtotal Origination Americas	76.4	21.4	55.0	15.1	19.8	20.1	
TOTAL AMERICAS	(690.4)	(494.0)	(196.4)	(82.9)	(230.1)	116.6	
<u>Europe</u>							
ABS New Issue	4.9	5.5	(0.6)	-	(0.0)	(0.6)	
ABS Secondary Other	19.5	3.1	16.4	12.9	3.5	-	
RMBS Secondary	55.2	3.4	51.8	34.3	7.4	10.1	
MBS Non-Captive	(55.7)	(10.8)	(44.8)	(39.1)	(5.7)	-	

MBS Trading Secondary	7.8	1.8	6.0	5.6	0.4	0.0
Principle Finance	16.4	1.0	15.4	14.1	0.4	0.9
SP NPLs Europe	0.2	(0.5)	0.7	1.0	(0.3)	(0.0)
SF Prop Trading	(0.3)	(0.3)				
Insurance Solutions	(0.0)	0.0	(0.0)	0.0	(0.0)	0.0
Legacy	(30.2)	(27.0)	(3.2)	(3.2)		
Subtotal Trading Europe	17.7	(23.8)	41.6	25.5	5.6	10.5
SPML	(44.6)	(30.2)	(14.4)	(18.2)	10.6	(6.9)
ELQ	(26.7)	(8.6)	(18.1)	(20.4)	0.8	1.5
Preferred Mortgages	(47.2)	(26.1)	(21.1)	(18.7)	(7.0)	4.6
Capstone	15.2	4.0	11.2	3.9	4.5	2.9
MBS Captive Hedging	(5.2)	0.2	(5.5)	(0.1)	(7.1)	1.7
MBS Captive Retained Classes	(137.5)	(59.6)	(77.9)	(63.6)	(14.0)	(0.3)
Subtotal Origination Europe	(246.0)	(120.2)	(125.8)	(117.0)	(12.2)	3.5
TOTAL EUROPE	(228.3)	(144.1)	(84.2)	(91.5)	(6.6)	14.0
Asia						
ABS New Issue	(0.8)	4.0	(4.8)	(13.4)	7.5	1.1
MBS Trading	1.0	(0.4)	1.3	0.5	0.5	0.3
Principle Finance	2.3	(0.2)	2.4	1.5	0.8	0.1
SP Australia	-	-	-	-	-	-
Subtotal Asia	2.4	3.4	(1.0)	(11.4)	8.8	1.6
Japan	3.3	0.7	2.6	0.9	0.4	1.2
Korea	8.6	0.3	8.2	1.3	5.7	1.2
Subtotal Origination Asia	11.8	1.0	10.8	2.2	6.1	2.4
TOTAL ASIA	14.2	4.4	9.8	(9.1)	14.9	4.0
TOTAL	(904.5)	(633.6)	(270.8)	(183.6)	(221.8)	134.6

NOTE: Securitized Products Revenues (50% of pass-thrus)

SECURITIZED PRODUCTS MARCH COMMENTARY

SECURITIZED PRODUCTS (-634mm)

SECURITIZED PRODUCTS AMERICAS (-494mm)

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ABS Derivatives: +66mm

+119mm MTM from single name CDS/ABX, as the desk remarked many positions, with some marks from Peloton bids. Also there was significant trading P&L from matching positions between counterparties.

(48.3mm) from the YTD transfer of ABS CDO P&L. (24mm) from the increase of ACA counterparty risk reserve.

+36mm from ABX flow trading, as the desk traded 14.4B in transacted notional, and ABX spreads generally widened 50-100bps across most series.

(18mm) from MTM losses in short positions in corporate CDS, mainly from short positions in Itraxx, CDX, MGIC, PMI Group, and Capital One as spreads tightened.

Non Prime: -224mm

-296mm loss on investment grade and non-investment grade nonprime securities

-64mm loss on first and second lien whole loan positions

+66mm gain on credit & interest rate hedges (ABX/CMBX, CDS, IR Swaps, Treasuries, Eurodollar futures)

+3mm loan servicing revenue

-2mm Feb aging charges

+18mm Monthly carry

+48mm release of Rep & Warrant reserves

+2mm release of aged core reserves

Prime: -312mm

-282mm of MTM/Trading on Prime Srs, Subs, Secondary and Residual Fixed, Hybrid and MTA positions

+6mm of MTM gains on Prime Whole Loan positions

+4mm of MTM Gains on Residual Fixed, Hybrid and MTA positions

-52mm of MTM Losses on Hedge positions including ABX, TRS and Single Name CDS positions

-26mm of MTM Losses on Interest Rate hedge positions including Swaps and TSYs

-17mm in Fixed, Hybrid and OA Servicing revenue

+16mm on Recent Secutizations (+31mm on LMT 08-1; -22mm on LMT 08-2; +6mm on SASC 08-RF)

+45mm in Carry across all Prime positions

-3mm in Prime Aging related charges

Non-Residential Trading: -42mm

-42mm MTM on Campus Door whole loans [432mm notional marked down by -9.6]

+28mm Non Residential whole loan/Security MTM offset by -27mm ABX/CMBX/TRS/CDS credit hedge losses

-1mm Interest rate swap MTM

+567k Capital Crossing March P&L

House: (-9mm)

MTM losses primarily in a long 200mm ABX A 07-1 position, as spreads widened 44bps to 2473bps.

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SECURITIZED PRODUCTS MARCH COMMENTARY

Origination: +21mm

+21mm Operating revenues from Affiliates (+15mm ALS; +6mm SBF; +1mm Campus Door; -1mm BNC)

ABS Secondary: -15mm

+25mm MTM gains on ABX MTM on AAA_071 (short 290mm) AA_071 (short 75mm) AAA_061 (short 25mm) and AA_061(short 25mm)

-26.5mm Trading & MTM losses on Floating Rate Home Equity ABS positions

-15mm MTM losses on BLTN 2006-1A

2mm MTM gains on Corp CDS on Ambac, XLCA, FSA

Agency PT & Options: +20mm

MTM, Carry and Trading Gains in 30 Year FNMA passthrough positions.

Remics: -6mm

-18mm Loss on Long IO positions

+27mm Gains on Long PO positions

-3mm Loss on Eurodollar Futures

-5mm Loss from various FNMA SF 30 Yr 6.0/6.5 coupons

-7mm Loss in short 300mm Treasury Notes.

Principal Finance Residential: +11mm

+5mm in Greentree Equity MTM

+3.5mm Greentree Warehouse Facility commitment fee

+1mm in Fees and Carry related to the GMAC RFC warehouse facility

+400k in Fees and Carry related to the Security National facility

ABS New Issue: -12mm

-14mm Ihop/Applebee's (-25mm bond writedowns; +4mm hedges; +6mm carry)

+1.5mm securitization P&L (+200K CCIT 08-A2, +700k +320k CCIT 08-A3, +395k American Express IT 08-1, +250k Student Loan 08-1)

+0.9mm ABCP JV Split Fees

Mortgage Finance: 0mm

No significant revenue items to highlight

Insurance Solutions +6mm

+2mm in LeRe related revenue

+3mm in Golden Gate syndicate/retainer fees

+1.5mm in Fees/Carry related to Golden Gate Notes

SECURITIZED PRODUCTS MARCH COMMENTARY

Special Opportunities Group +2mm

+1mm from MTM and trading in Royal Bank of Scotland short equity

SECURITIZED PRODUCTS EUROPE (-144mm)

SECURITIZED PRODUCTS ASIA +4mm

+3mm upfront fee and prepayment fee on SFCG FR2

+1mm Japan principal transactions

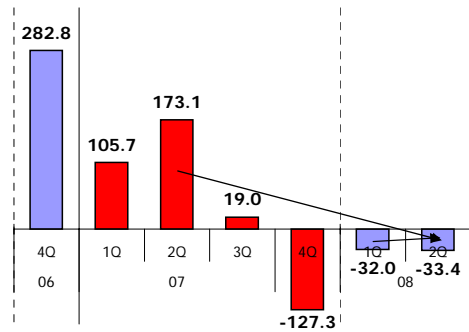
Prime P&L		
March YTD		
Writedowns / Markups	1	
Whole Loans	(252)	
Securities	(1,494)	
Residuals	66	(1,679)
Hedges		
ABX / CDS	99	
Corp CDS / Bond Index (1)	183	281
Securitized		
Prime	(13)	
Option ARM	-	(13)
Agency Deliveries		3
Whole Loan Sales		-
Servicing (including Carry)		
Fixed Rate Servicing	229	
Hybrid Servicing	142	
Option Arm Servicing	107	477
Increase in Rep and Warrants Reserves		
First Magnus	17	
Non First Magnus	(65)	(48)
Countrywide Commitment Fees		6
Carry		146
Other - Secondary trading; Aging Charges; LTD		(178)
Total Prime YTD P&L per GL		<u>(1,004)</u>
(1) Bond Index hedges are AAA		

Non Prime P&L		
March YTD		
Writedowns - Subprime		
Whole Loans	(233)	
Securities	(536)	
Residuals	(54)	(823)
Hedges		
ABX / CDS	581	
Corp CDS / Bond Index (1)	(8)	
Interest Rate Hedges / Eurodollars / Equity	55	628
Securitized - Subprime		(55)
Servicing		6
Counterparty rep and warrant reserve release		44
Reverse Mtges (2)		
Writedowns	(40)	
Securitized	-	
Hedge Losses	(13)	
Other - Carry; Secondary trading; LTD	6	(47)
Scratch & Dent (2)		
Writedowns	(226)	
Securitized	-	
ABX / CDS	126	
Counterparty rep and warrant reserve release	4	
Other - Carry; Secondary trading; LTD	16	(80)
Carry		68
Other - Subprime - Secondary trading; LTD		6
Total Non Prime YTD P&L per GL		<u>(253)</u>
(1) Bond Index hedges are AAA		
(2) Reverse Mtges and Scratch & Dent are not related to Subprime		

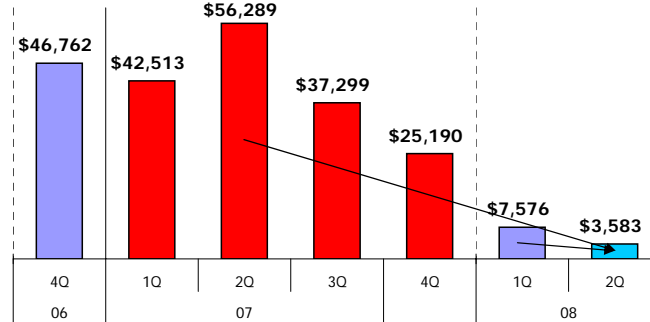
Securitization Revenues

Revenue

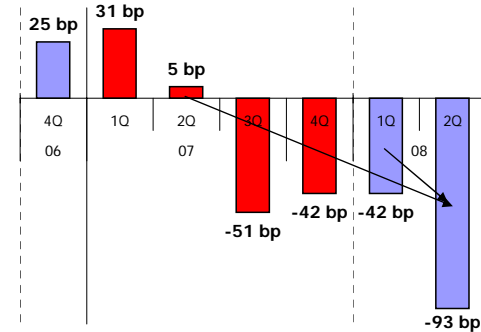
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Volume



Margin



Securitization Revenue (a)

	FY 06		FY 07			FY 08		
	4Q 06	1Q 07	2Q07	3Q07	4Q07	1Q08	2Q08	
Agency CMO	\$ 13.2	\$ 5.5	\$ 18.2	\$ 8.2	\$ 2.2	\$ 7.4	\$ -	
Prime Securitization	24.4	17.7	9.6	2.36	0.79	16.24	-	
Prime Agency Deliveries	24.0	15.3	32.2	0.4	2.8	0.2	-	
Prime WL Sales	3.0	0.9	-	-	-	-	-	
Option ARMs	24.5	18.1	17.3	(20.0)	(21.7)	-	-	
NonPrime	105.4	6.0	15.6	9.0	(36.3)	(55.9)	-	
Scratch&Dent	n/a	5.0	39.4	25.2	-	-	-	
LBSBC	n/a	-	10.0	-	(32.6)	-	-	
Reverse Mtg.	n/a	-	5.1	-	-	-	-	
Esoteric	52.9	-	-	-	-	-	-	
Syndicate MB	n/a	7.3	7.3	2.6	0.9	-	-	
Europe	30.0	29.9	18.3	(8.8)	(62.1)	-	(33.4)	
Asia	5.5	-	-	-	18.5	-	-	
Totals	\$ 282.8	\$ 105.7	\$ 173.1	\$ 19.0	\$ (127.3)	\$ (32.0)	\$ (33.4)	

Securitization Volume (b)

	FY 06		FY 07			FY 08		
	4Q 06	1Q 07	2Q07	3Q07	4Q07	1Q08	2Q08	
Agency CMO	\$ 2,119	\$ 5,834	\$ 13,031	\$ 8,049	\$ 2,862	\$ 4,450	\$ 699	
Prime Securitization	6,987	7,694	12,925	7,595	3,808	859	150	
Prime Agency Deliveries	6,097	4,673	3,898	3,176	570	489	-	
Prime WL Sales	449	203	-	78	-	37	-	
Option ARMs	11,566	3,620	6,123	5,763	982	-	-	
NonPrime	12,713	4,909	5,602	1,143	1,267	1,701	-	
Scratch&Dent	n/a	296	478	179	866	-	-	
LBSBC	n/a	29	352	529	700	40	-	
Reverse Mtg.	n/a	-	701	-	-	-	-	
Esoteric	1,544	-	-	-	-	-	-	
Syndicate MB	n/a	8,943	12,027	7,511	10,943	-	-	
Europe	5,192	6,312	1,151	3,276	2,920	-	2,735	
Asia	96	-	-	-	270	-	-	
Totals	\$ 46,762	\$ 42,513	\$ 56,289	\$ 37,299	\$ 25,190	\$ 7,576	\$ 3,583	

Securitization Margin (a)/(b)

	FY 06		FY 07			FY 08		
	4Q 06	1Q 07	2Q07	3Q07	4Q07	1Q08	1Q08	
Agency CMO	9 bp	14 bp	10 bp	8 bp	17 bp	17 bp	0 bp	
Prime Securitization	23	7	3	2	189	189	0	
Prime Agency Deliveries	33	83	1	50	4	4	0	
Prime WL Sales	44	0	0	0	0	0	0	
Option ARMs	50	28	-35	-221	0	0	0	
NonPrime	12	28	79	-286	-328	-328	0	
Scratch&Dent	169	824	1409	0	0	0	0	
LBSBC	0	284	0	-466	0	0	0	
Reverse Mtg.	0	73	0	0	0	0	0	
Esoteric	0	0	0	0	0	0	0	
Syndicate MB	8	6	3	1	0	0	0	
Europe	47	159	-27	-213	0	0	-122	
Asia	0	0	0	685	0	0	0	
Totals	25 bp	31 bp	5 bp	-51 bp	-42 bp	-42 bp	-93 bp	

		Revenue	Volume	Margin
06	4Q	\$ 282.8	\$ 46,762	25 bp
07	1Q	\$ 105.7	\$ 42,513	31 bp
	2Q	\$ 173.1	\$ 56,289	5 bp
	3Q	\$ 19.0	\$ 37,299	-51 bp
	4Q	\$ (127.3)	\$ 25,190	-42 bp
08	1Q	\$ (32.0)	\$ 7,576	-42 bp
	2Q	\$ (33.4)	\$ 3,583	-93 bp
	YoY	-119%	-94%	-98 bp
	QoQ	4%	-53%	-51 bp

Global Securitization Margin Analysis

(\$ in millions)

	2Q08	1Q08	4Q07	3Q07	2Q07	1Q07	4Q06	3Q06	2Q06	1Q06	4Q05	3Q05	2Q05	1Q05	4Q04	3Q04	2Q04	1Q04
Securitization Revenue - A 1																		
Agency CMO	-	7.42	2.22	8.19	18.23	5.46	13.15	13.92	24.19	13.35	13.25	11.88	8.82	10.46	8.14	14.30	27.29	17.54
Prime Securitization	-	16.24	0.79	2.36	9.62	17.73	24.41	27.62	53.79	20.73	16.21	21.75	33.72	54.32	40.89	24.40	63.50	76.84
Prime Agency Deliveries	-	0.21	2.84	0.38	32.18	15.27	24.00	18.20	27.40	23.40	-	-	-	-	-	-	-	-
Prime WL Sales	-	-	-	-	-	0.90	3.04	4.34	5.65	2.10	-	-	-	-	-	-	-	-
Option ARMs	-	-	(21.67)	(19.96)	17.30	18.08	24.48	39.00	45.70	17.65	16.94	-	(1.13)	-	-	-	-	-
NonPrime	-	(55.86)	(36.25)	9.03	15.58	6.02	105.37	68.41	117.13	108.78	114.70	100.35	90.67	117.40	45.16	104.92	109.58	57.55
Scratch&Dent	-	-	-	25.21	39.40	5.00	n/a	n/a	n/a	n/a	2.00	3.00	3.25	5.00	n/a	n/a	n/a	n/a
LBSBC	-	-	(32.61)	-	10.00	-	n/a	n/a	n/a	n/a	22.00	-	22.00	n/a	n/a	n/a	n/a	n/a
Reverse Mtg.	-	-	-	-	5.15	-	n/a	n/a	n/a	n/a	n/a	n/a	19.00	n/a	n/a	n/a	n/a	n/a
Esoteric	-	-	-	-	-	-	52.89	7.91	29.28	-	-	-	19.75	-	-	-	-	-
Syndicate MB	-	-	0.94	2.61	7.32	7.29	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Europe	(33.37)	-	(62.09)	(8.80)	18.30	29.93	29.98	-	20.26	20.65	21.42	41.13	15.50	30.15	-	24.00	2.11	24.50
Asia	-	-	18.50	-	-	-	5.50	-	-	-	-	-	-	-	-	-	-	-
Totals	(33.37)	(31.98)	(127.33)	19.01	173.09	105.67	282.81	179.40	323.39	206.67	206.53	178.11	211.57	217.32	94.18	167.61	202.49	176.44

Securitization Volume - B

Agency CMO	699	4,450	2,862	8,049	13,031	5,834	2,119	5,178	7,196	7,376	6,811	10,230	4,608	5,666	6,058	7,505	9,981	6,201
Prime Securitization	150	859	3,808	7,595	12,925	7,694	6,987	7,230	7,498	7,953	9,093	11,567	11,228	8,943	7,535	6,778	8,068	9,333
Prime Agency Deliveries	-	489	570	3,176	3,898	4,673	6,097	4,348	4,942	6,312	-	-	-	-	-	-	-	-
Prime WL Sales	-	37	-	78	-	203	449	1,126	1,089	464	-	-	-	-	-	-	-	-
Option ARMs	-	-	982	5,763	6,123	3,620	11,566	7,732	6,043	5,721	5,191	2,650	735	-	-	-	-	-
NonPrime	-	1,701	1,267	1,143	5,602	4,909	12,713	13,085	10,224	11,109	14,471	12,692	12,213	9,197	6,931	12,946	8,971	5,764
Scratch&Dent	-	-	866	179	478	296	n/a	n/a	n/a	n/a	222	230	171	152	n/a	n/a	n/a	n/a
LBSBC	-	40	700	529	352	29	n/a	n/a	n/a	n/a	336	n/a	445	n/a	n/a	n/a	n/a	n/a
Reverse Mtg.	-	-	-	-	701	-	n/a	n/a	n/a	n/a	n/a	n/a	504	n/a	n/a	n/a	n/a	n/a
Esoteric	-	-	-	-	-	-	1,544	1,832	504	-	-	-	279	-	-	-	-	-
Syndicate MB	-	-	10,943	7,511	12,027	8,943	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Europe	2,735	-	2,920	3,276	1,151	6,312	5,192	-	1,386	2,121	1,215	1,760	752	1,348	-	2,088	612	2,195
Asia	-	-	270	-	-	-	96	-	-	-	-	-	-	-	-	-	-	-
Totals	3,583	7,576	25,190	37,299	56,289	42,513	46,762	40,531	38,881	41,056	37,338	39,129	30,936	25,305	20,523	29,318	27,632	23,493

Securitization Margin - A/B

Agency CMO	0.00%	0.17%	0.08%	0.10%	0.14%	0.09%	0.62%	0.27%	0.34%	0.18%	0.19%	0.12%	0.19%	0.18%	0.13%	0.19%	0.27%	0.28%
Prime Securitization	0.00%	1.89%	0.02%	0.03%	0.07%	0.23%	0.35%	0.38%	0.72%	0.26%	0.18%	0.19%	0.30%	0.61%	0.54%	0.36%	0.79%	0.82%
Prime Agency Deliveries	0.00%	0.04%	0.50%	0.01%	0.83%	0.33%	0.39%	0.01%	0.55%	0.37%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prime WL Sales	0.00%	0.00%	0.00%	0.00%	0.00%	0.44%	0.68%	0.39%	0.52%	0.45%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Option ARMs	0.00%	0.00%	-2.21%	-0.35%	0.29%	0.52%	0.21%	0.50%	0.76%	0.31%	0.33%	0.00%	-0.15%	0.00%	0.00%	0.00%	0.00%	0.00%
NonPrime	0.00%	-3.28%	-2.88%	0.82%	0.29%	0.13%	0.83%	0.52%	1.15%	0.98%	0.79%	0.79%	0.74%	1.28%	0.65%	0.81%	1.22%	1.00%
Scratch&Dent	0.00%	0.00%	0.00%	14.09%	8.24%	1.69%	-	-	-	-	0.90%	1.30%	1.90%	3.29%	-	-	-	-
LBSBC	0.00%	0.00%	-4.66%	0.00%	3.06%	0.00%	-	-	-	-	6.55%	0.00%	4.94%	0.00%	-	-	-	-
Reverse Mtg.	0.00%	0.00%	0.00%	0.00%	0.73%	0.00%	-	-	-	-	0.00%	0.00%	3.77%	0.00%	-	-	-	-
Esoteric	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.43%	0.43%	5.81%	0.00%	0.00%	0.00%	7.07%	0.00%	0.00%	0.00%	0.00%	0.00%
Syndicate MB	0.00%	0.00%	0.01%	0.03%	0.06%	0.08%	-	-	-	-	-	-	-	0.00%	-	-	-	-
Europe	-1.22%	0.00%	-2.13%	-0.27%	1.59%	0.47%	0.58%	0.00%	1.46%	0.97%	1.76%	2.34%	2.06%	2.24%	0.00%	1.15%	0.34%	1.12%
Asia	0.00%	0.00%	6.85%	0.00%	0.00%	0.00%	5.73%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Totals	-0.93%	-0.42%	-0.51%	0.05%	0.31%	0.25%	0.60%	0.44%	0.83%	0.50%	0.55%	0.46%	0.68%	0.86%	0.46%	0.57%	0.73%	0.75%

NIM Volume

Agency CMO	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prime Securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prime Agency Deliveries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prime WL Sales	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Option ARMs	-	-	-	-	61	121	-	-	-	-	-	-	-	-	-	-	-	-
NonPrime	-	-	9	46	153	246	-	-	-	-	-	-	-	-	-	-	-	-

Global Securitization Margin Analysis

(\$ in millions)

	2Q08	1Q08	4Q07	3Q07	2Q07	1Q07	4Q06	3Q06	2Q06	1Q06	4Q05	3Q05	2Q05	1Q05	4Q04	3Q04	2Q04	1Q04
Securitization Revenue - A 1																		
Agency CMO	-	7.42	2.22	8.19	18.23	5.46	13.15	13.92	24.19	13.35	13.25	11.88	8.82	10.46	8.14	14.30	27.29	17.54
Prime Securitization	-	16.24	0.79	2.36	9.62	17.73	24.41	27.62	53.79	20.73	16.21	21.75	33.72	54.32	40.89	24.40	63.50	76.84
Prime Agency Deliveries	-	0.21	2.84	0.38	32.18	15.27	24.00	18.20	27.40	23.40	-	-	-	-	-	-	-	-
Scratch&Dent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LBSBC	-	40	-	29	25	29	-	-	-	-	-	-	-	-	-	-	-	-
Reverse Mitg.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Esoteric	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Syndicate MB	-	-	-	-	-	140	-	-	-	-	-	-	-	-	-	-	-	-
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Asia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	-	40	9	75	239.6	536.3												

Balance Sheet (Flash)

1

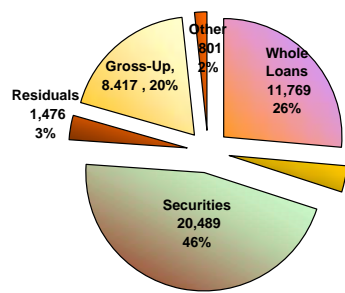
SECURITIZED PRODUCTS BALANCE SHEET

As of 3/31/2008 (all figures in \$MM)

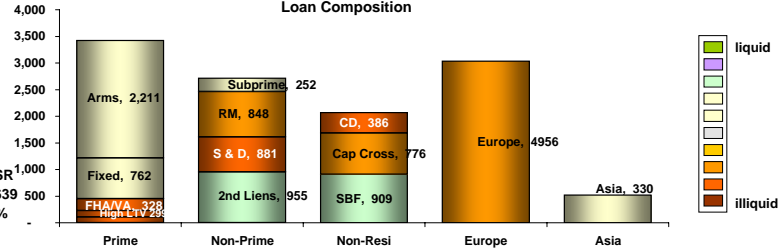
Global SP - Assets

	1	US	Europe	Asia	Total
Mtg & ABS GAAP		31,860	11,840	891	44,592
REO		500			500
Gov't Agencies		8,722	-	42	8,764
Corporate Debt		397	306	467	1,170
Derivatives		4,865			4,865
Other		1,063	408	468	1,940
Total		47,408	12,555	1,869	61,832

Global GAAP Mortgage Assets



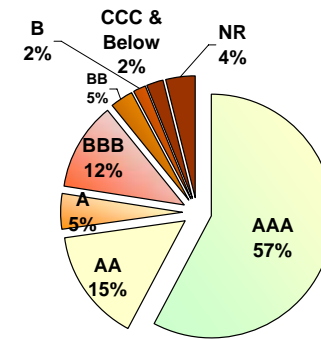
Loan Composition



Inventory & Other Asset Detail, Most to Least Liquid - 2/29/08

	Prime	Non-Prime	Non-Resi	ABS New	ABS Sec	ABS Deriv	Remics	PFR	Spec Opp.	Other	Europe	Asia	Total
Gross Up	4,426	2,361	488								1,142		8,417
Agencies	1,325	0			2		7,373			23			8,722
Sec - IG	5,481	1,297	597	1,849	1,693	143	37			49	6,843	371	18,360
WL	3,432	2,713	2,071								3,035	519	11,769
Prin. Loans								295		102	306	343	1,047
MSR	1,570	37	33										1,639
Sec -NIG	349	62	86	197	766	124	-			73	469	1	2,129
Residuals	988	100	37								350		1,476
Deriv B/S		887			433	3,546							4,865
REO	225	275	-										500
Op. Co.	759	-	78										837
Cash Collat					210								210
Other	(108)	25		(952)	(97)	99	(7)	293		1,563	408	592	1,817
Total	18,447	7,757	3,390	1,094	3,006	3,912	7,403	588	-	1,810	12,555	1,827	61,790

Global Securities by Rating



Balance Sheet Trend

	Prime	Non-Prime	Non-Resi	ABS New	ABS Sec	ABS Deriv	Remics	PFR	Spec Opp.	Other*	Europe	Asia	Total
Q1 07	23,004	12,671	865	23	1,397	306	6,345	226	170	4,190			49,198
Q2 07	27,472	14,485	1,531	156	1,465	316	8,176	154	132	3,623			57,510
Q3 07	27,375	16,212	3,233	223	2,376	636	9,406	351	257	3,741			63,811
Q4 07*	22,574	12,508	3,541	809	5,191	379	6,929	468	881	3,687			56,967
Q2 08	18,447	7,757	3,390	1,094	3,006	3,912	7,403	588	-	1,810			47,408
Δ vs Q4 07	-4,127	-4,751	-151	285	-2,185	3,533	474	120	-881	-1,876			-9,559

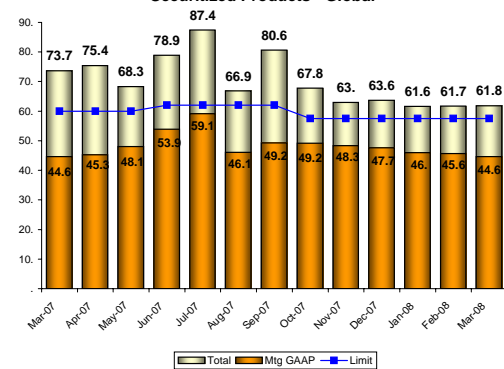
* Includes 50% PassThru balance sheet until 9/07

ROA Trend

	Prime	Non-Prime	Non-Resi	ABS New	ABS Sec	ABS Deriv	Remics	PFR	Spec Opp.	Other*	Europe	Asia	Total
Q1 07	1.9%	-7.5%	1.2%	603.6%	-0.4%	270.1%	1.1%	-38.2%	11.5%	2.3%			1.70%
Q2 07	0.2%	-3.5%	5.0%	117.9%	5.7%	170.6%	0.8%	34.4%	39.4%	0.0%			1.07%
Q3 07	-3.0%	-5.8%	-6.3%	23.3%	-5.7%	356.3%	-0.7%	3.3%	9.9%	-1.3%			0.02%
Q4 07*	-5.2%	-16.1%	-11.8%	2.2%	0.1%	290.2%	0.4%	2.3%	6.0%	-0.8%			-3.83%
Q2 08	-31.5%	-12.9%	-4.7%	-8.7%	10.0%	51.0%	10.0%	18.9%	2.3%	-11.8%			-6.57%
Δ vs Q4 07	-26.3%	3.2%	7.1%	-10.9%	9.9%	-239.2%	9.6%	16.6%	-3.8%	-11.0%			-2.7%

* Includes 50% PassThru P&L to date

Securitized Products - Global



Global Mortgage

Whole Loa	11,769
MSR	1,639
Securities	20,489
Residuals	1,476
Gross-Up	8,417
Other	801

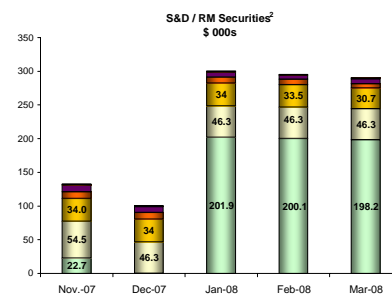
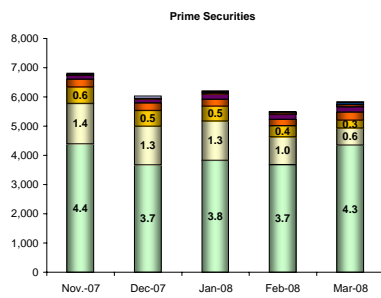
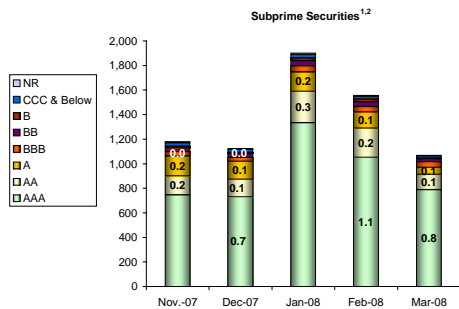
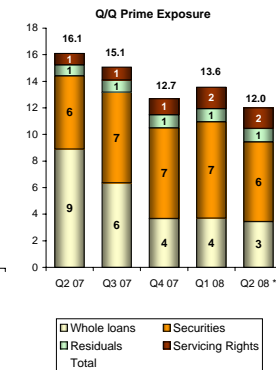
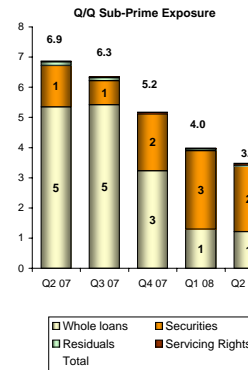
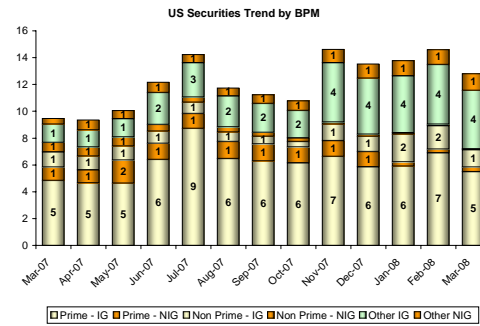
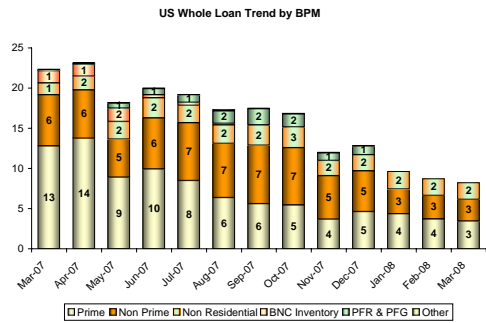
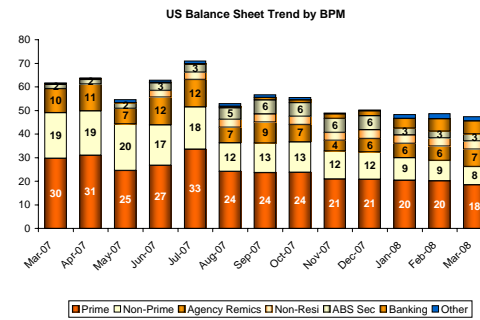
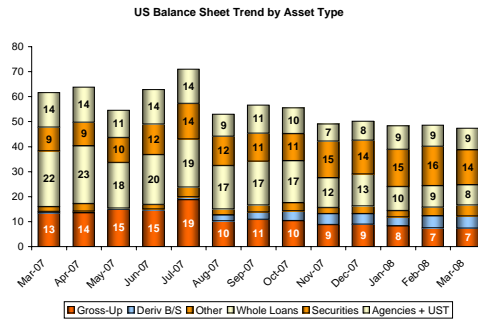
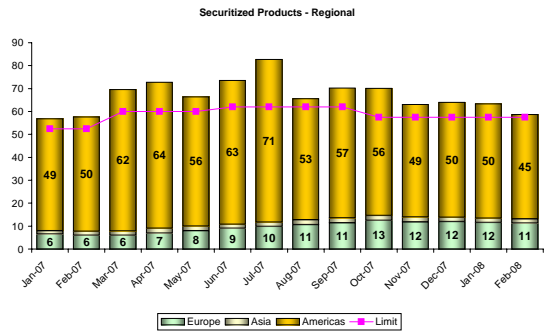
Loan Summary

	SBF	Cap Cross	CD	2nd Liens	S & D	RM	Subprime	High LTV	Neg Am	FHA/VA	Fixed	Arms
Prime								106	124	223	762	2,211
Non-Prime				955	658	848	252					
Non-Resi	909	776	386									
Europe	3,035											
Asia	519											

Securities by Rating

AAA	11,841
AA	3,068
A	945
BBB	2,429
BB	614
B	313
CCC & Below	487
NR	791
	20,489

	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08
PassThru	4.1	2.6	1.9	5.4	4.7	1.3	10.5	17.8					
Americas	61.7	63.8	56.5	62.8	71.	52.9	56.7	53.2					
Europe	5.9	6.9	7.9	9.	9.9	10.6	11.4	12.5					
Asia	1.9	2.	2.	1.7	1.9	2.1	2.1	2.1					
Total	73.7	75.4	68.3	78.9	87.4	66.9	80.6	67.8	63.	63.6	61.6	61.7	61.8
Mtg GAAP	44.6	45.3	48.1	53.9	59.1	46.1	49.2	49.2	48.3	47.7	46.	45.6	44.6
FAS140	13.4	13.5	14.8	14.7	18.7	10.2	11.1	10.3	10.1	10.5	9.5	8.5	8.4
Limit	60.	60.	60.	62.	62.	62.	62.	57.5	57.5	57.5	57.5	57.5	57.5



Subprime Aging (in Months)^{1,2}

	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08
AAA	1	2	2	3	4
AA	5	7	4	4	6
A	8	9	8	9	8
BBB	4	5	6	6	7
BB	3	4	5	6	5
B	7	8	4	4	4
CCC & Below	9	9	10	12	11
NR	7	2	3	3	4

Prime Aging (in Months)

	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08
AAA	4	6	6	5	5
AA	4	5	6	6	6
A	4	5	6	4	5
BBB	5	6	7	5	7
BB	7	8	9	7	8
B	11	12	10	10	10
CCC & Bel	15	15	9	8	10
NR	10	4	5	5	9

S&D / RM Aging (in Months)²

	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08
AAA	3	14	2	3	3
AA	9	7	8	9	10
A	6	5	6	7	8
BBB	8	9	8	8	8
BB	7	8	9	9	10
B	1	2	3	4	5
CCC & Bel	4	4	4	3	4
NR	1	1	0	0	0

1) Sub-Prime Only. Does not contain S&D and RM (Option ARM)
 2) Sum of Sub-Prime and S&D and RM will result in Non-Prime Sub-Total

* S&D and RM separated from Non-Prime Sub-Total.

US Balance Sheet Trend

	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08
Gross-Up	13.4	13.5	14.8	14.6	18.7	10.2	10.8	10.3	8.7	8.9	8.3	7.4	7.3
Deriv B/S	0.6	0.6	0.4	0.5	1.1	2.4	3.0	3.9	4.4	4.3	3.5	4.9	4.9
Other	1.9	3.1	0.1	1.8	4.0	2.4	2.8	3.2	2.5	3.0	2.5	3.4	4.4
Whole Loans	22.3	23.2	18.2	20.0	19.2	17.3	17.5	16.9	11.9	12.8	9.6	8.7	8.2
Securities	9.5	9.3	10.1	12.2	14.2	11.7	11.2	10.8	14.6	13.5	14.9	15.7	13.9
Agencies + US1 Limit	14.0	14.1	10.9	13.8	13.8	8.9	11.4	10.4	7.0	7.7	9.4	8.5	8.7
	47.5	47.5	47.5	49.5	49.5	49.5	49.5	45.0	45.0	45.0	45.0	45.0	45.0
Total	61.7	63.8	54.5	62.8	71.0	52.9	56.7	55.5	49.1	50.2	48.3	48.6	47.4

US Balance Sheet by BPM

	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08
Prime	30	31	25	27	35	24	24	24	21	21	20	20	18
Non-Prime	19	19	20	17	18	12	13	13	12	12	9	9	8
Agency Remics	10	11	7	12	12	7	9	7	4	6	6	6	7
Non-Resi	0	0	0	3	3	3	3	4	3	4	4	3	3
ABS Sec	2	2	2	3	3	5	6	6	6	6	3	3	3
Banking	0	0	0	0	0	1	1	1	2	2	4	5	6
Other	0	0	1	1	1	1	1	1	0	0	2	2	2
	62	64	55	63	71	53	57	56	49	50	48	49	47

Whole Loan Trend by BPM

	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08
Prime	12.8	13.7	8.9	9.9	8.5	6.4	5.6	5.5	3.7	4.6	4.4	3.7	3.4
Non Prime	6.4	6.0	4.8	6.4	7.2	6.8	7.3	7.1	5.4	5.1	3.0	2.9	2.7
Non Residentia	1.5	1.7	2.2	2.5	2.1	2.3	2.5	2.6	1.9	2.0	2.2	2.1	2.1
BNC Inventory	1.5	1.5	1.6	0.4	0.4	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PFR & PFG	0.1	0.1	0.6	0.7	0.9	1.5	2.0	1.7	0.9	1.1	0.0	0.0	0.0
Other	0.1	0.1	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.1	0.0	0.0	0.0
Total	22.3	23.2	18.2	20.0	19.2	17.3	17.5	16.9	12.0	12.8	9.6	8.7	8.2

Securities by BPM

	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Feb-08
Prime - IG	4.8	4.6	4.6	6.4	8.7	6.5	6.3	6.2	6.6	5.9	5.9	6.9	5.5
Prime - NIG	1.0	1.0	1.7	1.2	1.1	1.3	1.3	1.2	1.2	1.1	0.3	0.3	0.3
Non Prime - IG	1.2	1.0	1.1	0.9	0.8	0.7	0.6	0.4	1.2	1.1	2.1	1.8	1.3
Non Prime - NIG	0.7	0.7	0.7	0.5	0.4	0.4	0.3	0.3	0.2	0.1	0.1	0.1	0.1
Other IG	1.4	1.3	1.4	2.4	2.6	2.3	2.2	2.0	4.4	4.2	4.2	4.5	4.4
Other NIG	0.4	0.7	0.6	0.8	0.6	0.6	0.7	0.7	1.0	1.1	1.1	1.1	1.2

	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Subprime Ag	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08
Subprime Sec	745.5	727.9	1332.3	1050.7	788.8	AAA	1	2	2	3	4
AAA	153.0	143.3	257.3	237.8	124.4	AA	5	7	4	4	6
AA	164.7	148	157	132.3	56.7	A	8	9	8	9	8
A	33.6	32.1	49	44.6	45.8	BBB	4	5	6	6	7
BBB	30.2	28.8	42.4	39.9	19.8	BB	3	4	5	6	5
BB	15.8	12.6	22.1	20.6	11.3	B	7	8	4	4	4
B	27.9	22.2	28.8	21.5	15.8	CCC & Below	9	9	10	12	11
CCC & Below	9.4	7.4	11.4	8.7	6.5	NR	7	2	3	3	4
NR	1,180.1	1,122.3	1900.3	1556.1	1069.1						

	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Prime Aging	Nov-07	Dec-07	Jan-08	Feb-08	Feb-08
Prime Sec	4,390.5	3667.5	3820.1	3671.9	4342.7	AAA	4	6	6	5	5
AAA	1,380.8	1320	1347.5	954	584.5	AA	4	5	6	6	6
AA	563.9	544.6	505.2	379.4	272.1	A	4	5	6	4	5
A	269.1	259.8	238.8	223.6	281.7	BBB	5	6	7	5	7
BBB	128.7	121.9	179.5	167.7	177.9	BB	7	8	9	7	8
BB	36.7	35.4	58.8	56.7	81.1	B	11	12	10	10	10
B	2.9	2.8	15	16.3	61	CCC & Below	15	15	9	8	10
CCC & Below	35.5	84.2	42.5	32.5	28.5	NR	10	4	5	5	9
NR	6808.1	6,036.2	6,207.4	5,502.1	5,829.5						

	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	S&D / RM Ag	Nov-07	Dec-07	Jan-08	Feb-08	Feb-08
S&D / RM	22.7	201.9	200.1	198.2	198.2	AAA	3	14	2	3	3
AAA	54.5	46.3	46.3	46.3	46.3	AA	9	7	8	9	10
AA	34.0	34	34	33.5	30.7	A	6	5	6	7	8
A	9.9	9.9	9.3	8.3	6.3	BBB	8	9	8	8	8
BBB	9.7	6.7	6.9	6	7.1	BB	7	8	9	9	10
BB	0.9	0.9	0.9	0.8	1.8	B	1	2	3	4	5
B	0.8	0.7	0.8	0.2	0.1	CCC & Below	4	4	4	3	4
CCC & Below	0.1	0.1	0	0	0	NR	1	1	0	0	0
NR	132.6	100.6	300.1	295.2	290.5						

Securitized Products - Subprime Balance Sheet 2007 & 2008
(all figures in \$MM)

	Q2 07	Q3 07	Q4 07	Q1 08	Q2 08 *
Whole loans	5,351	5,417	3,226	1,295	1,206
Securities	1,367	799	1,889	2,599	2,180
Residuals	117	101	30	61	59
Servicing Rig	35	27	25	30	29
Total	6,871	6,343	5,170	3,985	3,475

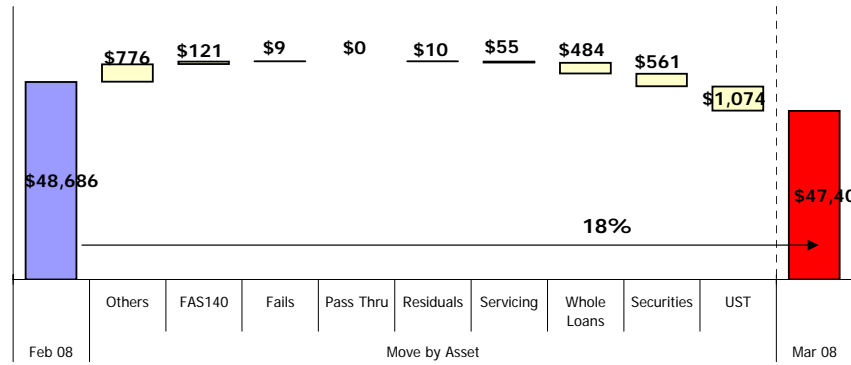
* as of 3/31/08

Securitized Products - Prime Balance Sheet 2007 & 2008
(all figures in \$MM)

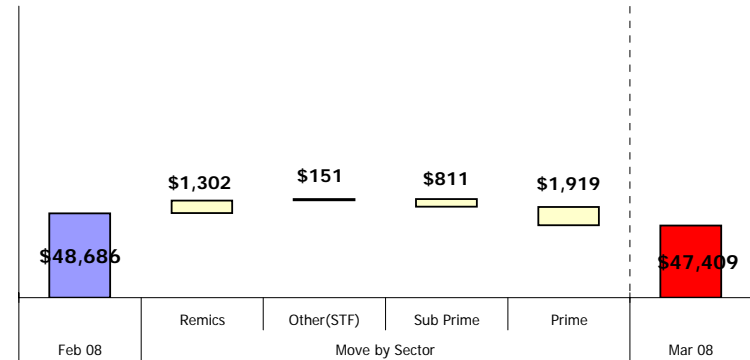
	Q2 07	Q3 07	Q4 07	Q1 08	Q2 08 *
Whole loans	8,885	6,351	3,672	3,696	3,432
Securities	5,519	6,807	6,808	7,261	6,014
Residuals	814	926	997	978	988
Servicing Rig	876	995	1,202	1,623	1,570
Total	16,094	15,079	12,679	13,557	12,003

Detail Balance Sheet for Mortgages
SP Americas - Mar 08

Balance Sheet Move by Asset



Balance Sheet Move by Sector



Balance

	Mar-08				
	Prime	Non Prime	Remics	Other(STF)	Total
Whole Loans	\$ 3,425	\$ 2,713	\$ -	\$ 2,077	\$ 8,215
Securities	7,081	1,360	7,405	5,602	21,447
FAS140	4,426	2,361		488	7,275
Pass Thru				-	0
Residuals	970	100	-	37	1,107
Servicing	1,570	37		33	1,639
UST	93		5	0	98
Others	875	1,187	-	5,561	7,623
Fails	8	-	(7)	2	3
Total	\$ 18,447	\$ 7,757	\$ 7,403	\$ 13,801	\$ 47,409

	Feb-08				
	Prime	Non Prime	Remics	Other(STF)	Total
Whole Loans	\$ 3,696	\$ 2,931	\$ -	\$ 2,072	\$ 8,699
Securities	8,538	1,852	6,019	5,600	22,008
FAS140	4,230	2,431		493	7,154
Pass Thru				-	-
Residuals	978	102	-	37	1,117
Servicing	1,623	38		34	1,694
UST	1,102		70	0	1,173
Others	197	1,215	-	5,435	6,848
Fails	2	0	12	(21)	(6)
Total	\$ 20,365	\$ 8,569	\$ 6,102	\$ 13,651	\$ 48,686

\$ Move

	Prime	Non Prime	Remics	Other(STF)	Total
Whole Loans	\$ (271)	\$ (219)	\$ -	\$ 5	\$ (484)
Securities	(1,457)	(492)	1,386	3	(561)
FAS140	196	(69)	-	(5)	121
Pass Thru	-	-	-	-	-
Residuals	(8)	(2)	-	0	(10)
Servicing	(53)	(1)	-	(1)	(55)
UST	(1,009)	-	(65)	-	(1,074)
Others	678	(28)	-	126	776
Fails	5	(0)	(19)	23	9
Total	\$ (1,919)	\$ (811)	\$ 1,302	\$ 151	\$ (1,278)

Allocation of PassThru Balance Sheet stopped at end of Sept. '07

Move by Asset			Feb 08	48686.4372	48686.4372	Label
Whole Loans	-484.05028	7	1 Move by Ass	Others	775.541316	48686.4372 775.541316 \$776
Securities	-560.85788	8	2	FAS140	121.032776	49461.9785 121.032776 \$121
FAS140	121.032776	2	3	Fails	9.14169	49583.0113 9.14169 \$9
Pass Thru	0	4	4	Pass Thru	0	49592.153 0 \$0
Residuals	-9.710554	5	5	Residuals	-9.710554	49582.4424 9.710554 -\$10
Servicing	-54.6492	6	6	Servicing	-54.6492	49527.7932 54.6492 -\$55
UST	-1074.3214	9	7	Whole Loans	-484.05028	49043.743 484.050276 -\$484
Others	775.54	1	8	Securities	-560.85788	48482.8851 560.857877 -\$561
Fails	9.14169	3	9	UST	-1074.3214	47408.5637 1074.3214 -\$1,074
			Mar 08		47408.5637	47408.5637 0

-3%

Move by Sector			Feb 08	48686.4372	48686.4372	Label
Prime	-1918.7418	4	1 Move by Sect	Remics	1301.50638	48686.4372 1301.50638 \$1,302
Sub Prime	-811.29766	3	2	Other(STF)	150.659563	49987.9436 150.659563 \$151
Remics	1301.50638	1	3	Sub Prime	-811.29766	49327.3055 811.297665 -\$811
Other(STF)	150.659563	2	4	Prime	-1918.7418	47408.5637 1918.7418 -\$1,919
			Mar 08		47408.5637	47408.5637 0

Detail Balance Sheet for Mortgages
SP Americas - Mar 08

1

Category	Mar-08					Feb-08					Jan-08				
	Prime	NonPrime	Remics	Other (STF)	Total	Prime	NonPrime	Remics	Other (STF)	Total	Prime	NonPrime	Remics	Other (STF)	Total
Whole Loans	3,425	2,713	-	2,077	8,215	3,760	2,935	-	2,072	8,767	4,370	3,037	-	2,226	9,634
Securities	7,081	1,360	7,405	5,602	21,447	6,953	1,852	5,944	5,548	20,296	8,549	2,200	5,592	5,372	21,713
Residuals	970	100	-	37	1,107	978	102	-	37	1,117	930	119	-	72	1,121
Servicing	1,570	37	-	33	1,639	1,353	38	-	34	1,424	959	38	-	35	1,032
UST	93	-	-	0	98	1,102	-	0	1,173	1,060	-	-	203	192	1,454
FAST40	4,426	2,361	-	488	7,275	3,817	2,835	70	548	7,201	4,725	3,070	-	519	8,314
Fails	8	-	(7)	2	3	-	-	-	-	-	(338)	(0)	(3)	(11)	(352)
Others	875	1,187	-	5,561	7,623	197	1,009	-	4,305	5,511	174	1,015	271	3,907	5,367
Pass Thru	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	18,447	7,757	7,403	13,801	47,409	18,161	8,770	6,014	12,544	45,489	20,429	9,480	6,063	12,313	48,285

Details for Securities Components

MBS Pools	672	0	2,392	-	3,064	1,052	0	1,829	-	2,880	1,819	0	1,529	-	3,348
CMO	324	0	5,032	24	5,381	310	0	4,159	23	4,492	433	0	4,113	23	4,568
Securities - IG	5,481	1,297	37	4,331	11,146	5,229	1,754	32	4,422	11,436	5,912	2,087	26	4,257	12,281
Securities - NR	368	62	-	1,247	1,677	273	98	-	1,103	1,474	296	113	-	1,092	1,501
Future Settlement	236	-	(56)	-	179	90	-	(75)	-	15	90	-	(75)	-	15
Total Securities	7,081	1,360	7,405	5,602	21,447	6,953	1,852	5,944	5,548	20,296	8,549	2,200	5,592	5,372	21,713

Category	Q4 2007					Q3 2007					Q2 2007				
	Prime	NonPrime	Remics	Other (STF)	Total	Prime	NonPrime	Remics	Other (STF)	Total	Prime	NonPrime	Remics	Other (STF)	Total
Whole Loans	3,672	5,425	-	2,820	11,917	6,351	6,932	-	4,031	17,314	8,885	6,726	-	1,959	17,570
Securities	8,537	1,321	4,372	5,068	19,298	7,730	937	6,434	2,689	17,791	8,285	1,522	6,571	2,105	18,483
Residuals	938	61	0	50	1,050	948	167	-	48	1,162	875	211	-	71	1,157
Servicing	1,202	33	-	24	1,269	894	35	-	29	958	865	42	-	-	907
UST	1,181	-	105	113	1,399	1,424	-	128	52	1,603	674	3	15	79	771
FAST40	4,801	3,833	-	515	9,149	6,213	3,650	-	326	10,189	5,930	8,915	-	-	14,845
Fails	0	(0)	2	1	3	58	(9)	2	(88)	(37)	430	109	18	76	633
Others	242	1,145	0	3,647	5,035	475	667	(124)	1,309	2,327	66	530	-	783	1,379
Pass Thru	-	-	-	-	-	-	-	-	1,279	1,279	-	-	-	1,918	1,918
Total	20,573	11,819	4,480	12,249	49,120	24,092	12,380	6,440	9,674	52,586	26,009	18,058	6,605	6,991	57,662

Details for Securities Components

MBS Pools	1,189	0	411	-	1,600	560	0	578	-	1,138	1,349	0	2,121	-	3,470
CMO	427	0	3,646	23	4,097	394	0	5,719	15	6,128	1,383	0	5,243	18	6,644
Securities - IG	6,619	1,218	325	4,111	12,273	6,464	716	187	2,110	9,477	4,627	1,061	0	1,371	7,059
Securities - NR	247	103	-	934	1,284	321	221	-	565	1,107	842	461	34	717	2,055
Future Settlement	54	-	(10)	-	44	(9)	-	(50)	-	(59)	83	-	(828)	-	(744)
Total Securities	8,537	1,321	4,372	5,068	19,298	7,730	937	6,434	2,689	17,791	8,285	1,522	6,571	2,105	18,483

Securitized Products Business - Balance Sheet Detail, Mar 31 2008

(in millions)	US Prime	US 2nd Lien	US Sub-Prime	US Non-Prime	US S&D / RM	Other US ABS	Total US Resi Non Agency	US Agency Residential	Total US Residential	Non Resi Mortg.	Sub-Total SP US	Sub-Total SP EUR	Sub-Total SP ASIA	Total SP
1														
Whole loans	3,432	955	252	1,206	1,506	0	6,145		6,145	2,002	8,147	3,035	519	11,701
Whole Loans (incl. pending)	3,432	955	252	1,207	1,506		6,144		6,144	2,002	8,147	3,035	519	11,701
Pending Whole Loans	(0)	-	(0)	(0)	0		-		-	-	-	-	-	-
Origination WL Inventory	-	-	-	-	-	-	-		-	68	68	-	-	68
Securities	5,830	21	1,048	1,069	291	4,932	12,122		12,122	683	12,805	7,312	372	20,490
IG Retained Interests	4,236	1	1,000	1,001	84	2,285	7,606		7,606	597	8,203	645		8,848
NIG Retained Interests	286	5	44	49	9	576	920		920	86	1,006	184	1	1,190
FAS140 NIG	(77)	-	(19)	(19)	(6)	(0)	(102)		(102)	(6)	(108)	-		(108)
Agented	(8)	(1)	(0)	(1)	-	(526)	(534)		(534)	(0)	(534)	-		(534)
Net NIG Retained Interest	201	4	25	29	3	50	283		283	80	363	184	-	547
Other Traded Securities	1,308	15	5	20	197	2,072	3,596		3,596	0	3,597	6,484	372	10,452
Residuals	812	0	57	57	41	-	910		910	37	947	350	-	1,298
FAS140 Resid	(84)	(0)	(56)	(56)	(6)	-	(146)		(146)	(0)	(146)	-		(146)
Agented	(23)	-	(0)	(0)	-	-	(23)		(23)	(0)	(23)	-		(23)
Net Retained Interest	705	0	1	1	34	-	740		740	37	778	-	-	778
Traded Residuals (Agented)	176	-	2	2	0	-	178		178	0	178	-	-	178
Gross-Up	4,426	343	1,313	1,656	705	-	6,787		6,787	488	7,275	1,142	-	8,417
FAS140 Derivatives	4,398	343	1,031	1,374	692	-	6,465		6,465	488	6,953	865	-	7,818
FAS140 Repurchase Option	-	-	282	282	13	-	295		295	-	295	-	-	295
Non Performing Loans	27	-	-	-	-	-	27		27	-	27	-	-	27
FIN 46 Gross-Up	-	-	-	-	-	-	-		-	-	-	277	-	277
Servicing Rights	1,570	2	27	29	7	-	1,606		1,606	33	1,639	-	-	1,639
Other	-	-	-	-	-	801	801		801	-	801	-	-	801
Total Mortgage Inventory (GAAP)	16,246	1,322	2,699	4,020	2,550	5,733	28,548		28,548	3,312	31,860	11,840	891	44,592
Real Estate Owned	225	0	74	74	201	-	500		500	-	500	-	-	500
Total Real Estate Owned (REO)	225	0	74	74	201	-	500		500	-	500	-	-	500
Pass Thru's	-	-	-	-	-	-	-		-	-	-	-	-	-
MBS Pools	908	-	-	0	-	-	908	2,335	3,243	-	3,243	-	-	3,243
Agency CMO's	324	-	-	0	-	18	342	5,032	5,374	-	5,374	-	42	5,416
Treasuries	93	-	-	-	-	7	100	5	105	-	105	-	-	105
Total Govt & Agencies Inventory (GAAF)	1,325	-	-	0	-	24	1,350	7,373	8,722	-	8,722	-	42	8,764
Total Corporate Debt and Other (GAAP)	-	-	-	-	-	397	397		397	-	397	306	467	1,170
Total Corporate Equities (GAAP)	-	-	0	0	-	17	17		17	-	17	44	-	60
Other GAAP Line Items	1,417	-	912	912	-	3,511	5,840	(7)	5,834	78	5,912	365	468	6,745
Total Securitized Products	19,212	1,322	3,684	5,006	2,751	9,683	36,652	7,366	44,018	3,390	47,408	12,555	1,869	61,832

#

2nd Lien Info

BPM Level : G **Trader Ser Adj Comment** **BPM Level 2**
 NON-PRIME W SECOND LI Whole Loans Per ALS
 NON-PRIME W Second lien Whole Loans Pending
 Second Lien Secondary
 SECOND LIEN SERVICING

REO

BPM Level : G Grade	BPM Level : G BPM Level : G Trader Ser B Grade	Trader Sector	BPM Level Grade
PRIME-AME REO	NON-PRIME R NON-PRIME R SECOND LI N REO	NON PERFORMING/SCRATCH & DENT	NON RESI REO
	NON-PRIME R Second lien N REO	REVERSE MORTGAGES	

Whole Loans

BPM Level : G Grade	BPM Level : G Trader Ser A BPM Level : LI Grade	C BPM Level 2	BPM Level Grade
PRIME-AME WL	NON-PRIME W NON PERI A PRIN FINAN LIIG	Y AGENCY REMICS/STRIPS-AMER NON RESI WL	
	NON-PRIME W REVERSE A ABS DERIV LIIG	Y BPM Level 2	
BP Grade Adj Comment	A BPM Level : G Trader Ser A Grade	Y AGENCY PT & OPTNS-AMERICA	BPM Level G Adj Comment
PR WL Whole Loans Pending	W NON-PRIME W NON PERI A ABS-SECON LIIG	Yes	NON RESI W Whole Loans Pending
	W NON-PRIME W REVERSE A HOUSE-AD LIIG	Yes	
	BPM Level : G Adj Comm A HOUSE-RIS LIIG	Yes	BPM Level G Adj Comment
	NON-PRIME A BNC Holdin A MORTGAC LIIG	Yes	NON RESI A Capital Crossing Inventory
	A PRIN. FIN LIIG	Yes	
	0 A INSURAN LIIG	Yes	
	A AGENCY R LIIG	Yes	
	A ALS LIIG	Yes	

Subsidiary WL

IG RI

BP Grade	LEHMAN MGR C Consolidate LI BPM Level : G Trader Ser L S&D/RM G LEHMAN MGR	Consolidated LI BPM Level 2 Grade	LEHMAN MGR
PR IG LB	Y Yes LI NON-PRIME IG NON PERI LI Other	Yes	LI NON RESID IG LB
	IG REVERSE LI Other	Agented LI BPM Level 2 Grade	LEHMAN MGR
	Consolidate LI Trader Sect G Trader Ser LEHMAN MGR	Agented	LI NON RESID IG LB
	Yes LI Second Lien IG NON PERI LB		Yes
	Second Lien IG REVERSE LB	Agented	Agented
BP Grade	LEHMAN MGR A BPM Level : LI Trader Sect G Trader Sector		
PR IG LB	A NON-PRIME LI Second Lien IG SCRATCH & DENT + REV MTGS		

NIG/NR RI

BP Grade	LEHMAN MGR C Consolidate LI BPM Level : G Trader Ser Agented G LEHMAN MGR Consolidated	Consolidated LI BPM Level 2 Grade	LEHMAN MGR
PR NIG LB	Y Yes LI NON-PRIME NI NON PERI Agented NILB Yes	Yes	LI NON RESID NIG LB
PR NR LB	Y Yes LI NON-PRIME NI REVERSE Agented NILB Yes	Yes	LI NON RESID NR LB
	LI NON-PRIME NI NON PERFORMING/SCRATCH & DENT		
	LI NON-PRIME NI REVERSE MORTGAGES	Agented LI BPM Level 2 Grade	BPM Level 2
	Consolidate LI Trader Sect G Trader Ser LEHMAN MGR	Agented	LI NON RESID NIG
	Yes LI Second Lien NI SCRATCH LB	Agented	LI NON RESID NR
	NR		
BP Grade	LEHMAN MGR C Consolidate LI Trader Sect Grade		
PR NIG LB	Y Yes LI Second Lien NIG		
PR NR LB	Y Yes LI Second Lien NR		
Ag LEHMAN M BPM Level 2 G Consolidate LI BPM Level : G Grade			
Ag LB	NON-PRIME-A NI Yes LI NON-PRIME NIG		
Ag LB	NON-PRIME-A NI Yes LI NON-PRIME NR		
BP Grade	LEHMAN MGR A BPM Level : LI Trader Sect G Trader Sector		
PR NIG LB	A NON-PRIME LI Second Lien NI NON PERFORMING/SCRATCH & DENT		
PR NR LB	A NON-PRIME LI Second Lien NI REVERSE MORTGAGES		

Non-Resi RI

BPM Level : G Grade	Consolidated G LEHMAN M C Agented
HOUSE-RIS NIG	Yes IC LB S Agented
HOUSE-RIS NR	Yes IC LB C Agented
	Yes IC LB C Agented
	Yes IC LB A Agented

E ABS-SECONDARY-AMERICAS
 E HOUSE-ADMIN
 E HOUSE-RISK
 E MORTGAGE FINANCE AMERICAS
 E PRIN. FINANCE-AMERICAS
 E AGENCY REMICS/STRIPS-AMER

Other

BP Product Name	BPM Level	Product Name	BPM Level 2	BPM Level 2	Adj Comment
PR Adjustment		NON-PRIME Adjustment	A	PRIN FINANCE	PRIN FINANC Report Settlement Date Balance - a/c 11010
	BPM Level : Grade	NON-PRIME Equity	A	ABS DERIVA	M ABS DERIV Report Settlement Date Balance - a/c 11011
			A	ABS-NEW ISSI	M ABS-NEW ISS Report Settlement Date Balance - a/c 11012
			A	ABS-SECONI	M ABS-SECON Report Settlement Date Balance - a/c 11013
			A	HOUSE-ADMIN	M HOUSE-ADMIN Report Settlement Date Balance - a/c 11014
			A	HOUSE-RISK	M HOUSE-RISK Report Settlement Date Balance - a/c 11015
			A	MORTGAGE F	M MORTGAGE F Report Settlement Date Balance - a/c 11016
			A	PRIN. FINANC	M PRIN. FINANC Report Settlement Date Balance - a/c 11017

Other Detail

BP Adj Comme	Trader Sectc	Adj Comment A	Trader Sec B	Bi Adj Comme B	Bi Adj Comment	Grade
PR MTS Trade I	SECOND LIEN	MTS Trade Da	M NON PERFN	(MTS Trade	Al MTS Trade Date Impact	
BP Adj Comme	Second lien wh	MTS Trade Da	M REVERSE	Bi Adj Comme	H MTS Trade Date Impact	Adjustment
PR Fails - True	i Second Lien	Si MTS Trade	Date Impact	N Fails - True	H MTS Trade Date Impact	
BP Adj Comme	SECOND LIEN	MTS Trade Date	Impact	Bi Adj Comme	Al MTS Trade Date Impact	
PR FIN 46	Gross up - a/c	GAJB	11061	N FIN 46	GRCA MTS Trade Date Impact	
BP Adj Comment				Bi Adj Comme	A MTS Trade Date Impact	
PR Report Settlement	Date Balance	- a/c	11010	N Report Sett	Bi Adj Comment	
				Bi Adj Comme	Al Fails - True up MTS Fails	
				N LBSF, LBFF	H Fails - True up MTS Fails	
	Adj Comment		BPM Level : G	Adj Comme	H Fails - True up MTS Fails	
ALS Cash			NON-PRIME	Ac BNC Holdin	Al Fails - True up MTS Fails	
ALS Other Assets			NON-PRIME	Ac BNC Holdin	Al Fails - True up MTS Fails	
					Bi Adj Comment	
					N MTS Trade Date Impact	
					Bi Adj Comment	
					N Fails - True up MTS Fails	
					Bi Adj Comment	
					N FIN 46 GROSS UP	
					Bi Adj Comment	
					N Report Settlement Date Balance - a/c 1101	G Adjustments
					Al LBSF Deriv	
					Bi Adj Comme	BPM Level 2
					Al LBSF Deriv	NON RESIDENTIAL TRADING
					Al LBIE Deriv	NON RESIDENTIAL TRADING

Reconciliation

BPM Level 2	Grade	Adj Comment
A	PRIN FINANCE	RESIDENTIAL
A	ABS DERIVATIVES	
A	ABS-NEW ISSUE	AM
A	ABS-SECONDARY-AMERICAS	
A	HOUSE-ADMIN	
A	HOUSE-RISK	
A	MORTGAGE FINANCE	AMERICAS
A	PRIN. FINANCE-AMERICAS	
A	INSURANCE SOLUTIONS	AMER
	B Grade	Adj Comment
		N Adjustment Capital Crossing Cash
		N Adjustment Capital Crossing Others assets
	B Grade	
		N Adjustment

Agency

BPM Level	Grade	Bi Grade	B Grade	Bi Grade	Bi Grade
PRIME-AME	Agency	N Agency	Al Agency	Al Agency	H Agency

Balance Sheet Strat
As Of: 3/31/2008

Agency	1	
IG	11,145,969,175	Securities (by BPM)
NIG	1,323,652,280	Prime- Americas
NIG-Residual	1,126,386,892	Non-Prime Americas
NR	334,402,773	Reverse Mortgage
	22,652,714,977	Scratch & Dent
		ABS Secondary (Subprime)
		Other
Whole Loans	8,146,876,496	
REO WL	499,884,976	
Adjustment	13,255,115,764	13,930,411,120
Servicing	1,639,386,687	
PFR	1,198,079,764	
Equity	16,505,018	Agency
	24,755,848,705	Non-Agency
		8,722,303,857
		13,930,411,120
Total Balance Sheet:	47,408,563,682	22,652,714,977

Prime	3,425,159,832
Non-Prime	1,206,488,833
Reverse Mortgage	848,045,608
Scratch & Dent	658,173,854
Other	2,009,008,369
Total	8,146,876,496

Residential	6,137,868,127
Non-Residential	2,009,008,369
Total	8,146,876,496

FAS 140 Gross Up	7,274,764,006
Derivative MTM	432,678,330
Origination Inventory	184,626,385
Other	5,363,047,043
Total	13,255,115,764

Prime	4,425,573,804
Non-Prime	2,361,314,091
Non-Residential	487,876,111
Total	7,274,764,006

	Prime- Americas	Non-Prime Americas	Seconds	Scratch & Dent	Reverse Mortgage	ABS Sec(Subprime)	Other	Total Americas
Agency	1,325,175,783	-	-	125,928	-	-	7,397,002,146	8,722,303,857
IG	5,480,934,612	1,013,966,171	1,666,953	207,866,503	73,731,394	1,038,836,382	3,328,967,160	11,145,969,175
NIG	320,072,892	40,705,795	6,196,253	9,012,698	-	69,971,591	877,693,051	1,323,652,280
NIG-Residual	989,256,221	59,008,558	242,554	5,092,400	35,498,929	20	37,288,210	1,126,386,892
NR	28,457,847	6,454,392	-	-	-	3,065,879	296,424,655	334,402,773
Total	8,143,897,355	1,120,134,916	8,105,760	222,097,529	109,230,323	1,111,873,872	11,937,375,222	22,652,714,977
Excl. Agency	6,818,721,572	1,120,134,916	8,105,760	221,971,601	109,230,323	1,111,873,872	4,540,373,076	13,930,411,120

	Prime- Americas	Non-Prime Americas	Seconds	Scratch & Dent	Reverse Mortgage	ABS Sec(Subprime)	Other	Total Americas
Agency	1,325,175,783	-	-	125,928	-	-	7,397,002,146	8,722,303,857
AAA	4,342,745,367	788,418,430	362,500	198,225,857	-	545,037,628	1,751,235,089	7,626,024,871
AA+	195,317,132	65,827,807	-	-	-	108,713,315	3,904,234	373,762,488
AA	312,586,450	38,447,111	-	-	46,312,848	78,524,955	38,843,701	514,715,065
AA-	76,549,714	20,156,831	-	-	-	103,833,600	-	200,540,145
A+	94,486,624	18,839,694	180,464	3,314,157	-	29,481,871	40,785,984	187,088,794
A	122,722,286	15,805,936	-	-	27,418,546	68,642,570	102,483,297	337,072,635
A-	54,857,691	21,720,795	120,955	-	-	57,300,825	43,959,555	177,959,821
BBB+	77,543,611	9,639,240	-	1,681,914	-	25,774,790	14,360,564	129,000,119
BBB	126,951,254	11,011,090	818,069	3,820,321	-	10,901,320	78,186,905	231,688,959
BBB-	77,174,483	24,099,237	184,965	824,254	-	10,625,508	1,255,207,831	1,368,116,278
BB+	51,341,340	9,881,572	2,690,593	4,150,223	-	2,031,609	107,067,721	177,163,058
BB	87,240,322	6,460,624	704,662	2,910,113	-	25,184,772	167,108,876	289,609,369
BB-	39,359,255	31,180	-	-	-	5,082,236	17,671,647	62,144,318
B+	23,908,956	25,034	-	1,057,270	-	4,007,501	22,346,161	51,344,922
B	37,787,055	9,794,983	-	-	-	10,467,759	103,808,491	161,858,288
B-	19,392,841	1,373,653	107,754	754,254	-	4,157,853	68,662,701	94,449,056
CCC & Below	61,043,123	13,138,749	2,693,244	140,838	-	19,039,861	391,027,454	487,083,269
NR	28,457,847	6,454,392	-	-	-	3,065,879	296,424,655	334,402,773
Residual	989,256,221	59,008,558	242,554	5,092,400	35,498,929	20	37,288,210	1,126,386,892
	8,143,897,355	1,120,134,916	8,105,760	222,097,529	109,230,323	1,111,873,872	11,937,375,222	22,652,714,977

FAS140 DSUM Criteria

Adj Commr BPM Level 2
FAS140 DNON-PRIME-AMERICAS

Adj Commr BPM Level 2
FAS140 DPRIME-AMERICAS

Adj Commr BPM Level 2
FAS140 DNON RESIDENTIAL TRADING

Origination Inventory DSUM Criteria

Adj Comment
ALS Cash
ALS Other Asstes
BNC Holding Inventory - a/c 11061
BNC Holding, Inc - Other Assets
Capital Crossing Cash
Capital Crossing Inventory
Capital Crossing Others assets

Whole Loan Criteria

BPM Leve Grade
PRIME-AN WL

BPM Leve Grade
NON-PRIN WL

BPM Leve Grade
REVERSE WL

BPM Leve Grade
SCRATCH I WL

BPM Leve Grade
OTHER WL

BPM Leve Grade
NON RESIWL

SP US - Other BPM2 Detail Breakout

As of: 3/31/2008

<u>Agency CMO</u>		<u>ABS Secondary</u>		<u>ABS Derivatives</u>		<u>Non-Residential</u>		<u>ABS New Issue</u>		<u>House Risk</u>	
Agency	7,372,608,747	Agency	1,654,171	Agency	-	Agency	-	Agency	-	Agency	22,739,228
AAA	1	AAA	502,055,267	AAA	14,866,679	AAA	512,023,484	AAA	636,850,965	AAA	887,922
AA+		AA+	582,443	AA+	3,321,791	AA+		AA+		AA+	
AA		AA	10,299,277	AA	20,095,529	AA	8,447,944	AA		AA	
AA-	-	AA-	-	AA-	-	AA-	-	AA-	-	AA-	-
A+		A+	16,335,333	A+	11,769,250	A+	12,681,401	A+		A+	
A		A	96,984,617	A	5,496,682	A		A		A	
A-	-	A-	16,724,782	A-	12,980,498	A-	13,241,732	A-	-	A-	1,012,543
BBB+		BBB+	13,640,140	BBB+	720,424	BBB+		BBB+		BBB+	
BBB		BBB	23,647,013	BBB	7,568,222	BBB	46,970,671	BBB		BBB	
BBB-	-	BBB-	38,591,903	BBB-	1,685,030	BBB-	3,271,714	BBB-	1,211,659,184	BBB-	-
BB+		BB+	86,272,679	BB+	14,459,460	BB+	6,335,582	BB+		BB+	
BB		BB	34,694,632	BB		BB	33,592,963	BB	98,821,281	BB	
BB-	-	BB-	5,407,397	BB-	5,249,598	BB-	7,014,652	BB-	-	BB-	-
B+		B+	3,006,870	B+	19,339,291	B+		B+		B+	
B		B	61,732,580	B	8,375,259	B	33,700,652	B		B	
B-	-	B-	39,187,327	B-	29,475,374	B-	-	B-	-	B-	-
CCC & Belo	-	CCC & Belo	370,717,077	CCC & Belo	15,009,161	CCC & Belo	5,301,214	CCC & Belo	-	CCC & Belo	1
NR	-	NR	106,111,825	NR	18,560,372	NR	260,268	NR	98,374,844	NR	297,659
Residual	-	Residual	-	Residual	28,511	Residual	37,259,697	Residual	-	Residual	-
	7,409,741,295		1,427,645,333		189,001,131		720,101,974		2,045,706,274		24,937,353
Excl. Agency	37,132,548	Excl. Agency	1,425,991,162	Excl. Agency	189,001,131	Excl. Agency	720,101,974	Excl. Agency	2,045,706,274	Excl. Agency	24,937,353

<u>Mortgage Finance Americas</u>		<u>Principle Finance Americas</u>		<u>Insurance Solutions</u>		<u>Total</u>	
Agency	-	Agency	-	Agency	-	Agency	7,397,002,146
AAA	-	AAA	-	AAA	47,418,224	AAA	1,751,235,089
AA+		AA+		AA+		AA+	3,904,234
AA	951	AA		AA		AA	38,843,701
AA-	-	AA-	-	AA-	-	AA-	-
A+		A+		A+		A+	40,785,984
A	1,998	A		A		A	102,483,297
A-	-	A-	-	A-	-	A-	43,959,555
BBB+		BBB+		BBB+		BBB+	14,360,564
BBB	999	BBB		BBB		BBB	78,186,905
BBB-	-	BBB-	-	BBB-		BBB-	1,255,207,831
BB+		BB+		BB+		BB+	107,067,721
BB		BB		BB		BB	167,108,876
BB-	-	BB-	-	BB-		BB-	17,671,647
B+		B+		B+		B+	22,346,161
B		B		B		B	103,808,491
B-	-	B-	-	B-		B-	68,662,701
CCC & Belo	-	CCC & Belo	1	CCC & Belo		CCC & Belo	391,027,454
NR	-	NR	72,819,687	NR		NR	296,424,655
Residual	-	Residual	2	Residual	-	Residual	37,288,210
	3,948		72,819,690		47,418,224		11,937,375,222
Excl. Agency	3,948	Excl. Agency	72,819,690	Excl. Agency	47,418,224	Excl. Agency	4,540,373,076

Agency	7,397,002,146
IG	3,328,967,160
NIG	877,693,051
NIG-Residual	37,288,210
NR	296,424,655
Excl. Agency	11,937,375,222
	4,540,373,076

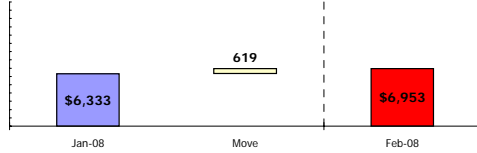
**SECURITIZED PRODUCTS
SUMMARY BALANCE SHEET
Mar-08**

	Actual 31-Mar-2008			Target 31-Mar-2008		Forecast vs. Target 31-Mar-08	
	Net	Shorts	Gross	Net	Gross	Net	Gross
SP TRADING-AMERICAS							
ABS-NEW ISSUE-AM	1,094	0	1,094	0	0	1,094	1,094
ABS SECONDARY	3,022	455	3,477	2,075	4,783	947	(1,306)
AGENCY REMICS/STRIPS-AMER	7,403	38	7,441	6,000	6,227	1,403	1,214
Garvey	3,968	33	4,001	2,703	2,900	1,265	1,101
Fixed Rate - Winkler	1,703	14	1,718	2,425	2,509	(721)	(792)
Hargrave Hybrids	1,261	11	1,271	1,297	1,359	(36)	(88)
Secondary - Schoenfeld	126	1	128	99	105	27	22
Subordinates - Nicklas	666	6	672	273	306	394	366
Agency Arms - Hargrave	669	6	675	550	583	119	92
Glover - Prime Legacy	5,654	47	5,701	5,154	5,435	500	266
TOTAL PRIME-AMERICAS	14,048	117	14,165	12,500	13,197	1,548	968
Subprime - Miller/Ziffer	3,532	0	3,532	5,508	5,508	(1,976)	(1,976)
Glover - Legacy Securities	1,992	25	2,017	1,992	2,139	0	(122)
TOTAL NON-PRIME-AMERICAS	5,524	25	5,549	7,500	7,647	(1,976)	(2,097)
Wallace-Portnoy	2,370	219	2,589	1,000	2,303	1,370	286
Wallace-Toppe	13	1	14	0	7	13	7
Capital Crossing	147	0	147	0	0	147	147
TOTAL NON RESIDENTIAL TRADING	2,529	220	2,749	1,000	2,869	1,529	(120)
MORTGAGE ARB-AMERICAS	0	0	0	100	100	(100)	(100)
MORTGAGE FINANCE AMERICAS	0	0	0	0	0	0	0
HOUSE-RISK	90	189	280	0	1,127	90	(847)
HOUSE-ADMIN	4	(9)	(5)	0	(53)	4	48
PRIN FINANCE RESIDENTIAL	189	0	467	0	0	189	467
CAMPUS DOOR	373	0	373	0	0	373	373
COHANE RAFFERTY LLC	0	9	9	0	53	0	(44)
prime	4,398	0	4,398	7,000	7,000	(2,602)	(2,602)
non-resi	488	0	488	0	0	488	488
non-prime	2,066	0	2,066	6,825	6,825	(4,759)	(4,759)
Countrywide Derivatives FAS 140 to Long Inventory	6,953	0	6,953	13,825	13,825	(6,872)	(6,872)
ABS DERIVATIVES	4,070	25	3,271	2,000	2,147	2,070	1,124
INSURANCE SOLUTIONS AMER	950	0	950	0	0	950	950
SPECIAL OPPORTUNITIES GP	399	44	443	0	262	399	181
TOTAL SP TRADING-AMERICAS	46,650	1,113	47,217	45,000	52,184	1,650	(4,967)
SP ORIGATION AMERICAS							
ALS	759	0	759	0	0	759	759
BNC	0	0	0	0	0	0	0
Campus Door	0	83	83	0	0	0	83
Finance America Inventory	0	0	0	0	0	0	0
TOTAL SP AMERICAS	47,409	1,113	48,059	45,000	52,184	2,409	(4,208)
SP TRADING EUROPE							
ABS SECONDARY OTHER EUROPE	465	0	465	4,000	4,143	(3,535)	(3,678)
INSURANCE SOLUTIONS EUROPE	2	0	2	500	518	(498)	(516)
MBS NON-CAPTIVE EUROPE	440	0	440	0	0	440	440
MBS TRADING SECONDARY EUROPE	81	40	122	2,000	2,071	(1,919)	(1,950)
PRIN. FINANCE-EUROPE	1,327	1	1,328	1,000	1,036	327	292
RMBS SECONDARY EUROPE	431	0	431	500	518	(69)	(87)
SF NPLS EUROPE	651	0	651	0	0	651	651
SP LEGACY BOND EUROPE	1,040	0	1,040	0	0	1,040	1,040
TOTAL SP TRADING EUROPE	4,436	42	4,478	8,000	8,286	(3,564)	(3,808)
SP ORIGATION - EUROPE							
ELO	846	0	846	500	518	346	329
SPML	1,147	0	1,147	0	0	1,147	1,147
MBS CAPTIVE RETAINED CLASSES	5,980	0	5,980	2,000	2,071	3,980	3,908
PREFERRED MORTGAGES	369	0	369	0	0	369	369
TOTAL SP - EUROPE	12,778	42	12,820	10,500	10,875	2,278	1,945
SP TRADING ASIA							
Projected Balance Sheet							
ABS-NEW ISSUE-ASIA	610	0	610	1,000	1,000	(390)	(390)
PRIN. FINANCE-ASIA	689	0	689	500	500	189	189
MORTGAGE TRADING ASIA	43	0	43	0	0	43	43
TOTAL SP TRADING ASIA	1,342	0	1,342	1,500	1,500	(158)	(158)
SP ORIGATION ASIA							
JAPAN	373	0	373	250	250	123	123
KOREA	156	0	156	250	250	(94)	(94)
TOTAL SP - ASIA	1,870	0	1,870	2,000	2,000	(130)	(130)
INTL RESORT LENDING	7	0	7	0	0	7	7
TOTAL SP - LATIN AM	7	0	7	0	0	7	7
TOTAL SECURITIZED PRODUCTS	62,064	1,155	62,756	57,500	65,059	4,564	(2,387)

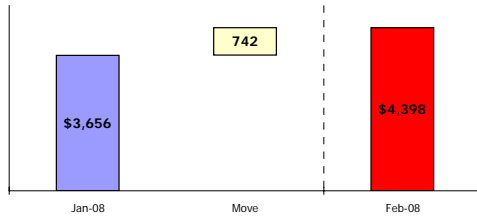
	Net Target	Gross Target	Net Variance	Gross Variance
TOTAL	57,500	65,059	4,564	(2,304)
SP	43,675	51,234	11,436	4,486
FAS 140	13,825	13,825	(6,872)	(6,872)

SP Americas - FAS140 Derivative Balance Sheet Gross-up

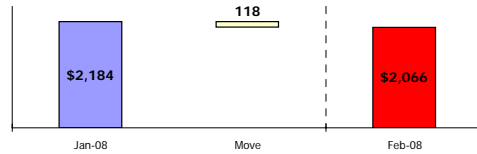
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Derivative Gross-up: Total of Prime and Sub Prime



Breakout of Derivative Gross-up: Prime



Breakout of Derivative Gross-up: Sub Prime



Leading Deal	Sector	Category	(\$ in millions)	
			Feb-08	Mar-08
LBSBC 2007-2	Various subprime	Non-Residen	295	280
LBSBC 07-3	Various subprime	Non-Residen	198	208
LXS 2007-12N-3	Prime - NegAm	Prime	169	169
LXS 2007-9	Prime - ARM	Prime	320	305
LXS 2007-8H	Prime - High LTV	Prime	829	821
LXS 2007-6	Prime-ARM	Prime	609	596
LXS 2007-3	Prime - Fixed	Prime	330	326
LXS 2007-3	Prime - Hybrid	Prime	330	326
LXS 2007-20N	Prime - ARM	Prime	147	200
LXS 2006 12N	Prime	Prime	-	786
SARM 2007-11	Prime - Hybrid	Prime	195	154
SARM 2007-4	Prime - ARM	Prime	412	407
SARM 2007-2	Prime - ARM	Prime	314	310
SASCO 07-BNC1	Subprime	Sub Prime	274	239
SASC 2007-RM1	Subprime	Sub Prime	460	451
SASC 2006-Z	Subprime / High LTV	Sub Prime	66	35
SASC 2006-S4	Subprime Seconds	Sub Prime	148	163
SASC 2006-S3	Subprime Seconds	Sub Prime	110	44
SASC 2006-S2	Subprime Seconds	Sub Prime	183	136
SASC 2006-RM1	Subprime	Sub Prime	-	-
SASC 2005-RM1	Subprime	Sub Prime	243	239
SASC 2002-RM1	Subprime	Sub Prime	3	2
BNCMT 2007-4	Subprime	Sub Prime	274	235
SASCO 2007-BC4	Subprime	Sub Prime	423	521

Total	\$ 6,333	\$ 6,953	\$ 619
Non-Resi	\$ 493	\$ 488	\$ (5)
Prime	\$ 3,656	\$ 4,398	\$ 742
Sub Prime	2,184	2,066	(118)
Total	\$ 6,333	\$ 6,953	\$ 619

			Lower	Upper	Label
Non-Resi	Jan-08	\$ 493	\$ 493		0
	Move	\$ (5)	\$ (5)		5
	Feb-08	\$ 488	\$ 488		0
Prime	Jan-08	\$ 3,656	\$ 3,656		0
	Move	\$ 742	\$ 3,656		742
	Feb-08	\$ 4,398	\$ 4,398		0
Sub Prime	Jan-08	2,184	\$ 2,184		0
	Move	(118)	\$ 2,066		118
	Feb-08	2,066	\$ 2,066		0
Total	Jan-08	\$ 6,333	\$ 6,333		0
	Move	\$ 619	\$ 6,333		619
	Feb-08	\$ 6,953	\$ 6,953		0

Risk Management

1

Non Agency Residential Exposure by Asset Class 3-31-08

(In millions)	US Prime	US ABS Der	US NonPrime	US House	US ABS Sec	US ABS NI	US Sub-Prime	US 2nd Lien	US S&D	US RM	US Heloc	US CDO	Total US Residential	Sub-Total SP EUR	Sub-Total SP ASIA	Total Residential	US Non-Resi SBF	US Non-Resi Cap Crossing	US Non-Resi Campus Door	** US Non-Resi Other ABS	Total Non-Resi	Total Resi and Non Resi
ASSETS																						
Whole loans	3,432						252	955	658	848			6,144	3,035	519	9,699	909	776	386	-	2,071	11,769
Securities	6,014	78	1,048	-	1,033		2,160	21	246	74	141	167	8,822	7,312	372	16,506	683	-	-	3,300	3,983	20,489
AAA	4,525	21	788	-	524		1,333	0	226	-	127	11	6,223	4,215	-	10,438	512	-	-	891	1,403	11,841
AA	585	10	124	-	282		415	0	0	46	-	23	1,070	1,979	-	3,049	8	-	-	11	19	3,068
A	273	16	56	-	140		212	0	3	27	9	30	556	243	-	799	26	-	-	121	147	945
BBB	282	18	32	-	30		79	14	7	-	2	2	388	404	297	1,088	50	-	-	1,291	1,341	2,429
BB	178	2	16	-	31		49	3	7	-	2	19	258	85	-	343	47	-	-	224	271	614
B	81	2	11	-	17		30	0	2	-	-	57	170	6	-	176	34	-	-	104	138	313
CCC & Below	61	10	13	-	8		32	3	0	-	-	15	110	-	-	110	5	-	-	372	377	487
NR	29	-	7	-	3		10	-	-	-	0	10	48	381	75	504	0	-	-	286	287	791
Residuals	988						59	0	5	35			1,088	350	-	1,439	37	-	-	-	37	1,476
Servicing Rights	1,570						27	2	7	-			1,606			1,606	33	-	-	-	33	1,639
Other																				801	801	801
Total Cash Positions	12,003	78	1,048		1,033		2,497	978	916	957	141	167	17,660	10,698	891	29,250	1,662	776	386	4,101	6,925	36,174
HEDGES *																						
ABX	(44)	1,074	(1,009)	25	(231)	-	(141)	-					(186)			(186)	(49)				(49)	(235)
AAA	(28)	328	(167)	-	(198)	-	(37)	-					(65)			(65)	(20)				(20)	(85)
AA	26	522	(291)	-	(33)	-	198	-					224			224	(14)				(14)	210
A	(0)	59	(217)	22	-	-	(136)	-					(136)			(136)	(10)				(10)	(146)
BBB	(42)	165	(335)	3	-	-	(167)	-					(209)			(209)	(4)				(4)	(214)
CMBX	(616)	-	(483)	-	-	-	(483)	-					(1,099)			(1,099)	(225)				(225)	(1,324)
AAA	(179)	-	(183)	-	-	-	(183)	-					(362)			(362)	(23)				(23)	(384)
AA	(32)	-	(28)	-	-	-	(28)	-					(60)			(60)	(23)				(23)	(83)
A	(325)	-	(201)	-	-	-	(201)	-					(526)			(526)	(99)				(99)	(625)
BBB	(80)	-	(71)	-	-	-	(71)	-					(151)			(151)	(81)				(81)	(232)
CDS																						
Single Name	843	(1,407)	(124)	-	-	-	(1,530)	-					(687)	22		(665)	(7)				(7)	(672)
AAA	865	(290)	-	-	-	-	(290)	-					575	(1)		574	-				-	574
AA	-	(17)	-	-	-	-	(17)	-					(17)			(17)	-				-	(17)
A	(10)	(161)	(43)	-	-	-	(204)	-					(214)			(214)	(7)				(7)	(221)
BBB	(46)	(746)	(17)	-	-	-	(763)	-					(810)	7		(803)	-				-	(803)
BB & Below	34	(193)	(63)	-	-	-	(256)	-					(222)	16		(206)	-				-	(206)
Corp	(3,104)	(996)	(2,292)	-	(332)	(252)	(3,872)	-					(6,977)			(6,977)	(261)				(261)	(7,238)
AAA	(4)	(31)	-	-	(160)	(135)	(326)	-					(331)			(331)	-				-	(331)
AA	(447)	(440)	(1,016)	-	(74)	-	(1,529)	-					(1,977)			(1,977)	(88)				(88)	(2,064)
A	(2,406)	(464)	(1,277)	-	(98)	(117)	(1,955)	-					(4,361)			(4,361)	(173)				(173)	(4,535)
BBB	(247)	(61)	-	-	-	-	(61)	-					(308)			(308)	-				-	(308)
Bond Index TRS (AAA)	(694)	(4)	-	-	-	-	(4)	-					(699)			(699)	-				0	(699)
Bond Index TRS/CMBS (AAA)	-	-	(207)	-	-	-	(207)	-					(207)			(207)	(615)				(615)	(821)
Single Name TRS	-	329	-	-	728	-	1,057	-					1,057			1,057	-				-	1,057
AAA	-	233	-	-	-	-	233	-					233			233	-				-	233
AA	-	-	-	-	-	-	-	-					0			0	-				-	0
A	-	-	-	-	-	-	-	-					0			0	-				-	0
BBB	-	-	-	-	-	-	-	-					0			0	-				-	0
BB & Below	-	96	-	-	728	-	824	-					824			824	-				-	824
RPX (NR)	-	-	-	-	-	-	-	-					0			0	-				-	0
Total Hedges	(3,616)	(1,004)	(4,114)	25	165	(252)	(5,181)	-	-	-	-	-	(6,797)	22	-	(6,775)	(1,156)	-	-	-	(1,156)	(9,931)
NET EXPOSURE	8,387	(926)	(3,066)	25	1,198	-	(2,684)	978	916	957	141	167	8,863	10,720	891	20,474	506	776	386	4,101	5,768	26,243

**ABS CDO Positions
as of Mar 31, 2008**

USD millions

Assets	1 Note	Long Positions			Hedges			Net exposure		
		Notional	Exposure	Av price	Notional	VOD 0	Av price	Notional	VOD 0	
Super senior - High Grade Ceago (AAA)	CDO US	1	841	513	61.00%	(841)	(513)	61.01%	0	(0)
Unfunded CDO (SS - Mezz) - Corona (AAA)	CDO US	2	721	359	49.88%				721	359
Other retained - High Grade	CDO US		117	44	37.75%	(31)	(15)	50.14%	86	29
Other retained - Mezz	CDO US		189	39	20.47%	(505)	(80)	15.80%	(317)	(41)
Warehouse - CDOs	CDO US		41	23	56.46%	-	-		41	23
High grade ABS CDOs	Securitized Products		34	14	42.51%	-	-		34	14
Mezz ABS CDOs	Securitized Products		432	92	21.20%	(1,162)	(372)	32.00%	(730)	(280)
ABS CDO square transactions	Securitized Products		452	61	13.48%	-	-		452	61
Mezz ABS CDOs	CDO London					(419)	(60)	14.32%	(419)	(60)
ABS CDO square transactions	CDO London					-	-		-	-
Sub total			2,825	1,145	40.52%	(2,958)	(1,040)	35.16%	(133)	105
ABS single names in warehouse	CDO US		166	64	38.18%				166	64
Single name CDS macro hedges	CDO US					(1,027)	(299)	29.06%	(1,027)	(299)
Single name CDS macro hedges	Securitized Products					(836)	(165)	19.72%	(836)	(165)
Other long ABS risk in the CDO book	CDO London		491	157	31.98%				491	157
			3,482	1,365	39.21%	(4,822)	(1,504)	31.19%	(1,339)	(138)

Note

1 hedge protection from XL Capital; underlying ABS in the CDO are rated AA/AAA
2 hedge protection from ACA Capital; underlying ABS in the synthetic CDO are rated BBB/A - super senior attachment point is 50%; only 4% of the underlyings are CDO; collateral vintage is 2005/2006; 95% credit reserve against current ACA hedge MTM

Per FO

Net exposure

notionals

Ceago	807.5	(807.5)	850.0	(850.0)
corona	600.0		750.0	
mezz retained	107.9	(294.8)	251.5	(598.5)
HG	172.0	(155.6)	250.2	(196.6)
secondary inv	185.4	(639.0)	809.1	(1,862.7)
	<u>1,872.8</u>	<u>(1,896.9)</u>	<u>2,910.8</u>	<u>(3,507.8)</u>

Reconciliation to FO CDO presentation

USD millions

	<u>Net exposure</u>	<u>Notional</u>	<u>Comments</u>
Per FO presentation	(24)	(597)	
ACA hedges excluded from Secondary book single names	(190)	(410)	should not be excluded as they are already excluded from the positions
FO analysis excludes London CDO positions	(29)	(64)	
FO analysis excludes certain CDO equity positions	46	91	Belle Haven etc
Positions sold in first week of Nov	25	63	FO analysis is as at 7th Nov vs 31 Oct for Finance
Additional shorts executed in early Nov	40		
Incorrect FO exclusion of certain Mezzanine hedges		(80)	
FO office exposure on clean basis	10		actual exposure is to dirty prices
Other factors	4	9	
Net exposure per Finance	<u>(118)</u>	<u>(988)</u>	

CDO

longs	-45
increased hedge	-42
additional warehouse GE	48

	notional		net VOD 0	
mezz retained	750.0		600.0	
mezz related	251.5		107.9	
HG retained	250.2		172.0	
secondary inv	<u>809.1</u>		<u>185.4</u>	
	2,060.8			1,065.3
mezz hedges	(294.8)		(294.8)	
HG hedges	(155.6)		(155.6)	
macro hedges	(639.0)		(639.0)	
	(1,089.4)			(1,089.4)

Securitized Products ABX/CDS Positions										(in millions)	
	Prime	ABS Deriv	NonPrime	ABS Sec	ABS NI	Non-Resi	House	Total SubPrime	Total		
ABX											
1	\$ (28)	\$ 328	\$ (167)	\$ (198)	\$ -	\$ (20)	\$ -	\$ (57)	\$ (85)		
AA	26	522	(291)	(33)	-	(14)	-	184	210		
A	(0)	59	(217)	-	-	(10)	22	(146)	(146)		
BBB	(42)	165	(335)	-	-	(4)	3	(172)	(214)		
SubTotal	(44)	1,074	(1,009)	(231)	-	(49)	25	(191)	(235)		
CMBX											
AAA	\$ (179)	\$ -	\$ (183)	\$ -	\$ -	\$ (23)	\$ -	\$ (205)	\$ (384)		
AA	(32)	-	(28)	-	-	(23)	-	(50)	(83)		
A	(325)	-	(201)	-	-	(99)	-	(300)	(625)		
BBB	(80)	-	(71)	-	-	(81)	-	(152)	(232)		
SubTotal	(616)	-	(483)	-	-	(225)	-	(708)	(1,324)		
CDS											
AAA	\$ 865	\$ (290)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (290)	\$ 575		
AA	-	(17)	-	-	-	-	-	(17)	(17)		
A	(10)	(161)	(43)	-	-	(7)	-	(211)	(221)		
BBB	(46)	(746)	(17)	-	-	-	-	(763)	(810)		
BB & Below	34	(193)	(63)	-	-	-	-	(256)	(222)		
SubTotal	843	(1,407)	(124)	-	-	(7)	-	(1,537)	(694)		
Corp											
AAA	\$ (4)	\$ (31)	\$ -	\$ (160)	\$ (135)	\$ -	\$ -	\$ (326)	\$ (331)		
AA	(447)	(440)	(1,016)	(74)	-	(88)	-	(1,617)	(2,064)		
A	(2,406)	(464)	(1,277)	(98)	(117)	(173)	-	(2,129)	(4,535)		
BBB	(247)	(61)	-	-	-	-	-	(61)	(308)		
BB & Below	-	-	-	-	-	-	-	-	-		
SubTotal	(3,104)	(996)	(2,292)	(332)	-	(261)	-	(4,133)	(7,238)		
Bond Index TRS (AAA)	\$ (694)	\$ (4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4)	\$ (699)		
Bond Index TRS/CMBS (AAA)	\$ -	\$ -	\$ (207)	\$ -	\$ -	\$ (615)	\$ -	\$ (821)	\$ (821)		
Single Name TRS											
AAA	\$ -	\$ 233	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 233	\$ 233		
AA	-	-	-	-	-	-	-	-	-		
A	-	-	-	-	-	-	-	-	-		
BBB	-	-	-	-	-	-	-	-	-		
BB & Below	-	96	-	728	-	-	-	824	824		
SubTotal	-	329	-	728	-	-	-	1,057	1,057		
RPX (NR)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Total	(3,616)	(\$1,004)	(\$4,114)	\$165	\$0	(\$1,156)	\$25	(\$6,337)	(\$9,953)		
Total by Rating											
AAA	\$ (40)	\$ 236	\$ (556)	\$ (358)	\$ (135)	\$ (658)	\$ -	\$ (1,471)	\$ (1,511)		
AA	(454)	66	(1,334)	(107)	-	(124)	-	(1,500)	(1,953)		
A	(2,741)	(566)	(1,738)	(98)	(117)	(289)	22	(2,785)	(5,526)		
BBB	(415)	(643)	(424)	-	-	(85)	3	(1,149)	(1,564)		
BB & Below	34	(98)	(63)	728	-	-	-	567	602		
NR	-	-	-	-	-	-	-	-	-		
Total	\$ (3,616)	\$ (1,004)	\$ (4,114)	\$ 165	\$ -	\$ (1,156)	\$ 25	\$ (6,337)	\$ (9,953)		

CDS on CDO	ABS Deriv	ABX - CDS on CDO	ABS Deriv
AAA	\$ 1,275	AAA	\$ -
AA	(95)	AA	(0)
A	(109)	A	(7)
BBB	(67)	BBB	(174)
BB & Below	(87)	BB & Below	-
SubTotal	\$ 917	SubTotal	\$ (180)

ABX Spreads Move (Bps)	03/31/08	02/29/08	01/31/08	12/31/07	11/30/07	08/31/07	05/31/07	02/28/07	11/30/06	Mar Chg	Feb Chg	Jan Chg	Dec Chg	Q1 '08 Chg	Q4 '07 Chg	Q3 '07 Chg	Q2 '07 Chg	Q1 '07 Chg	08 YTD Change
AAA 06-1	288	250	141	179	153	82	13	26	8	38	109	(38)	26	97	71	69	(13)	18	135
AA 06-1	1,167	1,089	648	601	560	264	30	45	10	78	441	47	41	529	296	234	(16)	35	607
A 06-1	2,628	2,550	1,825	1,717	1,674	868	104	196	43	78	726	108	43	876	806	764	(93)	154	954
BBB 06-1	3,930	3,788	3,417	3,207	3,237	1,866	381	652	120	143	371	209	(30)	550	1,371	1,485	(271)	532	693
BBB- 06-1	4,254	4,152	3,934	3,585	3,559	2,403	762	1,134	232	103	218	348	26	593	1,155	1,642	(373)	903	695
AAA 06-2	437	468	246	237	236	106	22	26	8	(31)	223	8	1	232	131	84	(5)	18	201
AA 06-2	1,798	1,747	1,198	1,179	1,189	495	31	65	13	51	549	19	(10)	558	694	464	(34)	52	609
A 06-2	2,643	2,629	2,187	1,941	1,916	1,331	169	300	55	13	443	246	25	714	584	1,162	(131)	245	727
BBB 06-2	3,061	2,971	2,830	2,734	2,722	1,970	721	986	198	90	141	96	12	249	752	1,249	(265)	787	339
BBB- 06-2	3,256	3,174	3,096	2,951	2,953	2,281	1,197	1,452	307	83	78	144	(2)	221	672	1,084	(255)	1,146	303
AAA 07-1	651	568	389	367	345	98	21	25	1	83	179	22	22	223	247	77	(4)	24	306
AA 07-1	2,148	1,991	1,592	1,480	1,455	741	29	37	(3)	157	399	112	24	536	714	712	(7)	40	693
A 07-1	2,473	2,429	2,247	2,072	2,007	1,487	228	302	53	44	182	64	422	520	1,260	(74)	249	466	
BBB 07-1	2,753	2,704	2,635	2,471	2,463	2,039	983	1,146	229	49	69	164	8	241	424	1,056	(163)	917	290
BBB- 07-1	2,990	2,965	2,871	2,724	2,712	2,312	1,403	1,532	415	25	94	147	11	253	400	909	(129)	1,116	278
AAA 07-2	723	612	470	416	454	166	111	142	11	142	54	(38)	158	288	166	-	-	-	269
AA 07-2	1,906	1,787	1,507	1,377	1,502	627	118	281	130	(125)	286	875	627	-	-	-	-	-	404
A 07-2	2,255	2,186	1,966	1,897	1,884	1,312	69	220	69	12	302	572	1,312	-	-	-	-	-	371
BBB 07-2	2,517	2,450	2,359	2,246	2,314	1,850	67	92	113	(68)	136	465	1,850	-	-	-	-	-	203
BBB- 07-2	2,556	2,486	2,413	2,313	2,347	1,937	70	73	100	(33)	139	410	1,937	-	-	-	-	-	209

Net PnL from Hedges and Writedowns

1

		2008	
		Total	
		Mar	Q1
W/downs	\$	(853)	\$ (2,544)
Hedges		52	1,413
	\$	(801)	\$ (1,132)

		2008		2008		2008		2008		2008		2008		2008	
		Prime		NonPrime		ABS		CDO		Marco		Other		Europe	
		Mar	Q1	Mar	Q1	Mar	Q1	Mar	Q1	Mar	Q1	Mar	Q1	Mar	Q1
W/downs	\$	(271)	\$ (1,407)	\$ (360)	\$ (728)	\$ 3	\$ (17)	\$ 3	\$ (24)	\$ -	\$ -	\$ (75)	\$ (161)	\$ (154)	\$ (208)
Hedges		(53)	334	74	620	121	160	(69)	264	(3)	(36)	(7)	72	(11)	(0)
	\$	(324)	\$ (1,074)	\$ (286)	\$ (108)	\$ 124	\$ 144	\$ (65)	\$ 240	\$ (3)	\$ (36)	\$ (82)	\$ (89)	\$ (165)	\$ (208)

Hedges - Revenue

1

	2008		
	Mar	Q1	YTD
Prime	\$ (53)	\$ 334	\$ 281
Non Prime	74	620	695
ABS	121	140	281
CDO	(69)	264	195
Macro Hedge	(3)	(36)	(39)
Other	(7)	72	65
Europe	(11)	(0)	(12)
Total	\$ 52	\$ 1,413	\$ 1,465

Cash Position Writedowns

	2008		
	Mar	Q1	YTD
Nims	\$ (0)	\$ (46)	\$ (46)
Bonds	(618)	(1,820)	(2,438)
Wholeloans	(239)	(745)	(984)
Residuals	4	56	70
Total	\$ (853)	\$ (2,544)	\$ (3,398)

Mar 08						
Prime	Non Prime	ABS	CDO	Other	Europe	Net
\$ -	\$ (0)					\$ (0)
(282)	(296)	3	3	(47)		(618)
6	(64)			(28)	(154)	(239)
4						4
\$ (271)	\$ (360)	\$ 3	\$ 3	\$ (75)	\$ (154)	\$ (853)

Q1						
Prime	Non Prime	ABS	CDO	Other	Europe	Net
\$ -	\$ (46)	\$ -	\$ -	\$ -	\$ -	\$ (46)
(1,212)	(286)	(17)	(24)	(161)	(122)	(1,820)
(258)	(390)	-	-	-	(97)	(745)
63	(8)	-	-	-	11	66
\$ (1,407)	\$ (728)	\$ (17)	\$ (24)	\$ (161)	\$ (208)	\$ (2,544)

NOTE: Non Prime writedowns includes reverse mortgages and scratch & dent