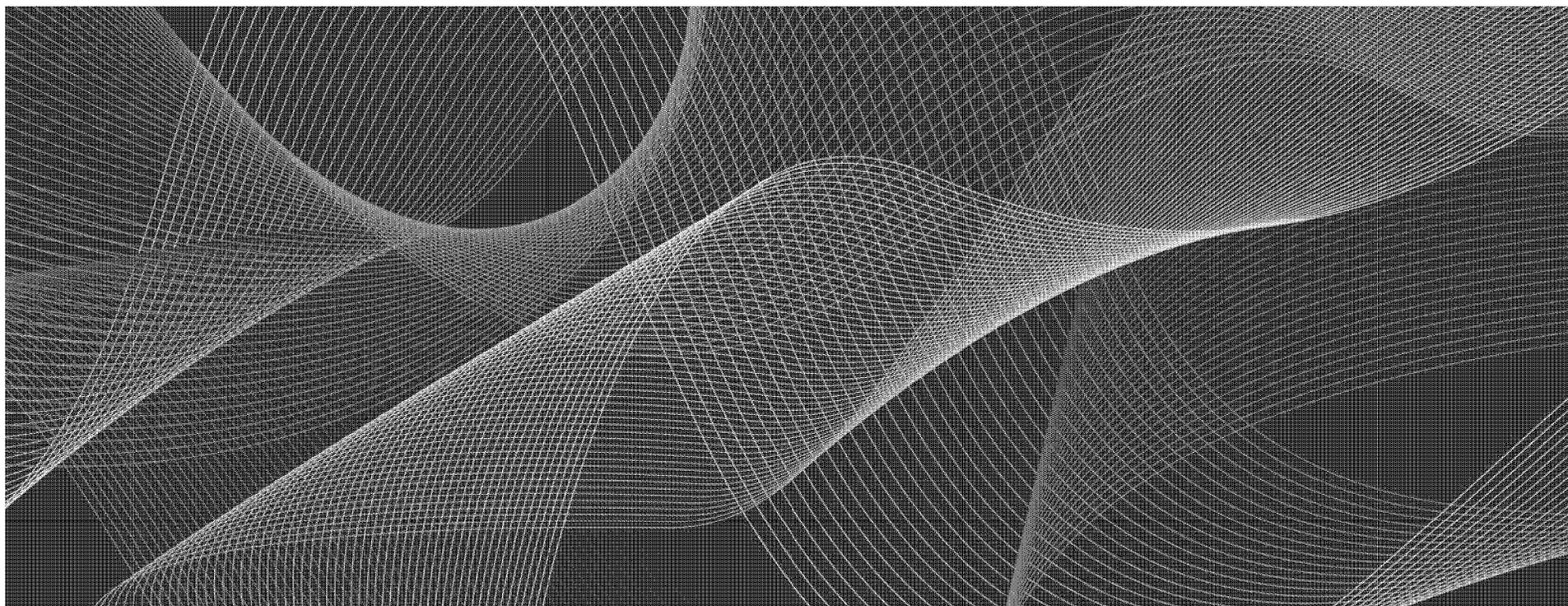


LEHMAN BROTHERS

Information as of 5/30 unless
otherwise indicated

Global Treasury

Global Liquidity MIS



Confidential Presentation

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Executive Dashboard

	30-May	29-May	Δ DoD	29-Feb	Δ vs. 2/29
Liquidity Pool (Smm)	44,640	43,037	1,603	34,270	10,370
CP outstanding (Smm)	7,973	10,781	(2,808)	8,005	(32)
Repo Book (excl. Treas, Agy, MBS, G1 & CWL)					
Shell (\$bn)	120.5	122.9	(2.4)	126	(6)
Allocation (\$bn)	105.3	107.0	(1.7)	116	(11)
Overfunding (\$bn)	15.2	15.9	(0.7)	9	6
LBI Box (Smm)					
Actionable	4,125	2,442	1,683	3,351	774
Non-actionable	5,554	4,764	790	4,987	567
Total LBI Box	9,679	7,206	2,473	8,338	1,341
LBIE Box (Smm)					
Actionable	4,906	6,385	(1,479)	6,024	(1,118)
Non-actionable	8,135	10,085	(1,950)	8,428	(293)
Total LBIE Box	13,041	16,470	(3,429)	14,452	(1,411)
Gross Balance Sheet (Smm) - 5/29/08 v 5/28/08	744,751	754,798	(10,047)	396,673	348,078
Net Balance Sheet (Smm) - 5/29/08 v 5/28/08	366,377	378,057	(11,680)	786,035	(419,658)
RWL - Boxed MV Outside of Banks (Smm)	794	1,749	(955)		
RWL - Pledged MV Outside of Banks (Smm)	989	916	73		
CWL - Boxed Position Outside of Banks (Smm)	17,212	18,883	(1,671)		
CWL - Pledged MV Outside of Banks (Smm)	12,324	12,623	(299)		
Corporate Loans Outside of Banks (Smm)					
Funded	19,604	20,233	(629)		
Unfunded	13,677	13,823	(146)		
Total	33,281	34,056	(775)		

Key Priorities

	Objective	Step	Owner	Senior Sponsor	Deadline
LBHI	Increase LBHI cash cap surplus				
Term CP	Raise Term CP (1 month+)	Assess price elasticity of term CP market for LEH Adjust pricing accordingly if right tradeoff	Conetta Conetta / Tonucci	Lessing / Wait	Continuous Continuous
Other unsecured					
	Broker term money	Contact brokers around term unsecured funding	Engel		Continuous
	Structured notes	Increase issuance of CLN/ELN to \$500 mm/wk Minimize debt retirements <i>* Reassess funding at risk</i> <i>* Agree on policy on debt retirement</i>	Engel / Issuing desks Giacone Engel / Felder / Tonucci		30-Apr 7-Apr 3-Apr
	Long-term debt	Seek LTD issuance opportunities	Merli / Felder		Continuous
	Converts / Others	Look for non-traditional sources of cash capital	Merli / Felder / Sherman	Callan / Lowitt	Continuous
Bank facilities				Lessing / Wait	
	SMBC	Close SMBC cash capital facility (\$500 mm)	Boyle		15-Apr
	Wells Fargo	Close Wells Fargo cash capital facility (\$1 bn)	Boyle		15-Apr
	WestLB	Close WestLB cash capital facility	Boyle		15-Jun
	ABN Amro	Reinstate ABN Amro facility	Boyle		15-Apr
	Citibank facility	Close Citibank facility (\$1 bn)	Hughson		31-May
Asset sale	Meet balance sheet /cash cap Q2 targets	Produce unencumbered box report on a daily basis Identify assets for sale <i>* Resi mortgages</i> <i>* Commercial real estate</i> <i>* Loans</i> <i>* IMD</i> <i>* Principal Investing</i> <i>* Equities</i> <i>* Other fixed income</i> <i>* IBD</i>	Azerad Primiano Hughson Morton Seery Komaroff / Calao Muller Whalen / Donini FID Exec Committee Winchenbaugh / Wieseneck Domenici	Morton Morton Morton Walker / Odrich / Amato Goldfarb McDade Morton McGee	Continuous Continuous Continuous Continuous Continuous Continuous Continuous Continuous Continuous 30-Apr
Asset securitization	Freedom II	Create \$5 bn Freedom II CLO	Domenici		30-Apr
	European Securitization	Create \$5 bn European vehicle w/ECB eligible sec.	Pellerani / Assi		30-Apr
LBI	Make LBI funding self sufficient				
Box	Reduce box funded by unsecured	Reduce MTS box Increase "actionability" of TMS box <i>* Reconcile TMS box with depot reports</i> <i>* Move TMS assets into MTS for secured funding</i>	Fleming / Coghlan Azerad / Fleming Malin		Continuous 7-Apr 30-Apr
		Sell assets in non-actionable boxes	Coghlan	Morton / McDade	Continuous
Secured funding	Increase secured funding	Create daily repo MIS Increase secured funding	Azerad Feraca / Tonucci		2-Apr Continuous
Exchange margins	Minimize margin postings	Create actionable MIS to understand margin flows Work with Ops and Business to minimize margins	Fleming / Azerad Fleming / Tonucci / Ullman	Blackwell	15-Apr Continuous
Derivatives	Minimize derivative margin postings	Create actionable MIS to understand margin flows Work with Ops and Business to minimize margins	Fleming / Azerad Fleming / Crepeau / Kaushik		15-Apr Continuous
Prime Broker	Reduce 15c3 lockups	Calculate 15c3 formula every day Work with FINRA to change formula (\$800 mm)	Stucchio / Fleming Stucchio / Fleming		Continuous 2-Apr
LBIE	Make LBIE funding self sufficient				
Box	Reduce box funded by unsecured	Sell assets in non-actionable boxes	Assi / Higgins		Continuous
Secured funding	Increase secured funding	Create daily repo MIS Increase secured funding	Azerad Feraca / Pellerani		2-Apr Continuous
Prime Broker	Reduce LBIE on CFC to zero	Increase secured funding Raise haircuts on hard to fund collateral	Coghlan / Feraca Coghlan / Feraca	Wickham Wickham	30-Apr 15-Apr
LBBAG	Increase funding through LBBAG				
Deposits	Increase deposits in LBBAG	Increase funding in LBBAG by \$3bn	Pellerani / Olivier		31-Jul
Loan funding	Increase loan funding in LBBAG by \$2bn	Identify and move loans to LBBAG	Pellerani / Seery		31-Jul
Reverse repo	Increase reverse repos by \$1bn (ex ECB)	Identify and move hard to fund securities to LBBAG	Pellerani		31-May

Holdings Liquidity

Reported Liquidity Pool

LBHI Reportable Liquidity as of May 30, 2008			LBHI Reportable Liquidity as of May 29, 2008			DoD Changes		
<i>By Investments:</i>			<i>By Investments:</i>			<i>By Investments:</i>		
-Deposits/MMF			-Deposits/MMF			-Deposits/MMF		
-New York	550		-New York	14,278		-New York	(13,729)	
-London	664	1,213	-London	11,012	25,290	-London	(10,349)	(24,077)
-Boxed Inventory in LBHI		3,899	-Boxed Inventory in LBHI		4,411	-Boxed Inventory in LBHI		(512)
-Boxed Inventory in LBI			-Boxed Inventory in LBI			-Boxed Inventory in LBI		-
-Treasury Managed	27,760		-Treasury Managed	3,976		-Treasury Managed	23,784	
-Other	1,094	28,854	-Other	-	3,976	-Other	1,094	24,878
-Boxed Inventory in LBIE			-Boxed Inventory in LBIE			-Boxed Inventory in LBIE		
-Treasury Managed	-		-Treasury Managed	-		-Treasury Managed	-	
-Other	8,022	8,022	-Other	6,707	6,707	-Other	1,315	1,315
-Boxed Inventory in Storm		885	-Boxed Inventory in Storm		885	-Boxed Inventory in Storm		-
-Boxed Inventory in LBF		-	-Boxed Inventory in LBF		-	-Boxed Inventory in LBF		-
-Boxed Inventory in LBAH		28	-Boxed Inventory in LBAH		28	-Boxed Inventory in LBAH		-
-Boxed Inventory in LB Re UK 3		1,640	-Boxed Inventory in LB Re UK 3		1,640	-Boxed Inventory in LB Re UK 3		-
-Boxed Inventory in Helsinki		100	-Boxed Inventory in Helsinki		100	-Boxed Inventory in Helsinki		-
Reportable Liquidity		44,640	Reportable Liquidity		43,037	Reportable Liquidity		1,603
<i>By Region:</i>			<i>By Region:</i>			<i>By Region:</i>		
-New York		33,302	-New York		22,665	-New York		10,637
-London		11,338	-London		20,372	-London		(9,034)
Reportable Liquidity		44,640	Reportable Liquidity		43,037	Reportable Liquidity		1,603

Sources & Uses Of Cash

	8-May	9-May	12-May	13-May	14-May	15-May	16-May	19-May	20-May	21-May	22-May	23-May	27-May	28-May	29-May	30-May	Period-to-date from Mar 17
BOD LBHI Liquidity Pool Position	36.7	37.6	39.2	39.7	37.5	38.3	38.1	37.6	36.5	38.1	37.4	39.3	40.2	41.7	43.1	43.0	31.1
Unsecured Facilities:																	
Chase	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
European	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SMBC (JPY)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.1)
Sub total	-	(0.1)															
Secured Facilities:																	
SMBC (JPY)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.5
MetLife	-	0.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.5
Belmont (Conduit)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1.4)
Fidelity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.8)
ABN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.3)
West LB	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1.6)
Sub total	-	0.5	-	(3.0)													
LTD Activity																	
LTD Settlements	1.0	2.0	-	0.0	-	-	-	-	0.0	-	0.2	0.0	0.3	0.1	-	-	11.7
LTD Maturities	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.0)	(0.0)	-	(0.0)	(0.2)	(0.0)	(2.4)	(0.0)	(5.9)
Sub total	1.0	2.0	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.0)	(0.0)	0.2	(0.0)	0.1	0.1	(2.4)	(0.0)	5.8
STD Activity																	
CP Issuance	5.7	5.0	4.6	3.8	4.6	4.8	4.7	3.8	4.0	4.8	4.0	4.0	4.4	4.0	4.0	1.1	240.4
Bank Loan drawdown	0.0	1.5	1.2	0.0	-	-	-	0.6	0.8	0.1	0.1	0.0	0.1	0.1	0.1	-	12.0
STD Maturities:																	
Short-Term BV notes	(0.0)	-	(0.0)	-	(0.0)	(0.0)	(0.0)	(0.0)	-	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.6)
CP	(5.4)	(5.4)	(4.4)	(4.0)	(4.2)	(4.0)	(5.2)	(4.7)	(3.6)	(4.5)	(4.7)	(4.0)	(4.3)	(4.1)	(3.9)	(3.9)	(244.4)
Bank Loans	(0.6)	(0.0)	(0.9)	(1.2)	(0.0)	(1.3)	(0.4)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.0)	(0.1)	(0.1)	(11.9)
Letters of Credit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub total	(0.3)	1.1	0.5	(1.4)	0.3	(0.5)	(0.9)	(0.3)	1.1	0.3	(0.9)	0.0	0.1	(0.1)	0.1	(2.9)	(4.4)
Loan Funding	0.1	(1.9)	0.1	0.1	0.9	(0.1)	0.8	0.1	0.3	0.1	1.0	1.4	0.2	1.0	1.1	2.4	11.0
Derivatives	(0.2)	0.3	0.3	0.1	0.3	(0.0)	-	(0.4)	0.1	(0.3)	0.6	(0.4)	0.4	0.3	(0.2)	(0.5)	(1.6)
Intercompany funding																	
Intercompany funding	-	(0.1)	0.3	(1.0)	(0.4)	0.2	(0.4)	-	0.9	(0.3)	(0.1)	0.9	(0.3)	(0.0)	0.1	1.2	2.9
Capital injection/repatriation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.7	0.8	0.1
Sub total	-	(0.1)	0.3	(1.0)	(0.4)	0.2	(0.4)	-	0.9	(0.3)	(0.1)	0.9	(0.3)	(0.0)	0.8	1.9	2.9
ABCP Investment	-	-	(0.8)	-	-	-	-	-	(0.1)	-	-	-	-	-	-	-	(0.0)
Other	0.4	(0.3)	0.2	(0.0)	(0.3)	0.2	(0.0)	(0.3)	(0.6)	(0.5)	0.9	(1.0)	0.9	0.2	0.6	0.3	2.7
EOD LBHI Liquidity Pool Position	37.6	39.2	39.7	37.5	38.3	38.1	37.6	36.5	38.1	37.4	39.3	40.2	41.7	43.1	43.0	44.3	44.3
Outstanding CP balance	11.3	10.9	11.1	10.9	11.2	12.0	11.6	10.7	11.1	11.4	10.6	10.7	10.8	10.6	10.8	8.0	

Liquidity Projection

	Q2 '08												
	30-May	2-Jun	3-Jun	4-Jun	5-Jun	6-Jun	9-Jun	10-Jun	11-Jun	12-Jun	13-Jun	16-Jun	17-Jun
BOD LBHI Liquidity Pool Position	43.0	44.6	42.3	41.9	41.7	40.8	40.3	40.0	39.9	39.7	39.6	39.0	39.1
Unsecured Facilities:													
Chase	-	-	-	-	-	-	-	-	-	-	-	-	-
European	-	-	-	-	-	-	-	-	-	-	-	-	-
Secured Facilities:													
Citibank	-	-	-	-	-	-	-	-	-	-	-	-	-
MetLife	-	-	-	-	-	-	-	-	-	-	-	-	-
SMBC	0.4	-	-	-	-	-	-	-	-	-	-	-	-
SocGen	0.1	-	-	-	-	-	-	-	-	-	(0.1)	-	-
HSBC	0.5	-	-	-	-	-	-	-	-	-	-	-	-
LTD Settlements	-	-	-	-	-	-	-	-	-	-	-	-	-
LTD Maturities	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.2)	(0.0)	(0.0)	(0.1)	-	(0.0)	(0.0)	(0.0)
CP Issuance	1.1	-	-	-	-	-	-	-	-	-	-	-	-
Bank Loan drawdown	-	-	-	-	-	-	-	-	-	-	-	-	-
STD Maturities:													
Short-Term BV notes	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	-	(0.0)	(0.0)	-	(0.0)	(0.0)	(0.0)	(0.0)
CP	(3.9)	(1.3)	(0.5)	(0.1)	(0.9)	(0.1)	(0.3)	(0.1)	(0.1)	(0.1)	(0.5)	(0.1)	(0.1)
Bank Loans	(0.1)	-	-	-	-	-	-	-	-	-	-	(1.2)	-
Letters of Credit	-	-	-	-	-	-	-	-	-	-	-	-	-
Business Requirements:													
Loan Funding	-	-	-	-	-	(0.2)	-	-	-	-	-	-	-
Loan Syndication/Securitization	1.9	-	-	-	-	-	-	-	-	-	-	1.5	-
Loan transfer to Bankhaus	0.5	-	-	-	-	-	-	-	-	-	-	-	-
Derivatives	(0.5)	-	-	-	-	-	-	-	-	-	-	-	-
IMD B/S reduction	0.2	-	-	-	-	-	-	-	-	-	-	-	-
Project School	-	-	-	-	-	-	-	-	-	-	-	-	-
KBC Fund	0.5	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany funding	1.2	(1.0)	-	-	-	-	-	-	-	-	-	-	-
Capital Injection/Repatriation	0.8	-	-	-	-	-	-	-	-	-	-	-	-
Lux Certificate Issuance	(0.6)	-	-	-	-	-	-	-	-	-	-	-	-
Hot Money	(0.4)	-	-	-	-	-	-	-	-	-	-	-	-
Other	(0.1)	-	-	-	-	-	-	-	-	-	-	-	-
EOD LBHI Liquidity Pool Position	44.6	42.3	41.9	41.7	40.8	40.3	40.0	39.9	39.7	39.6	39.0	39.1	38.9
Outstanding CP balance	8.0	6.7	6.2	6.1	5.1	5.1	4.8	4.7	4.6	4.5	4.0	3.9	3.8

Note: The projection assumes no rollover of CP, Banklines and LC

Commercial Paper

	30-May	31-May	1-Jun	2-Jun	3-Jun	4-Jun	5-Jun	6-Jun	7-Jun	8-Jun	9-Jun	10-Jun	11-Jun
London													
Beginning Bal.	3,766	1,537	1,537	1,537	1,537	1,340	1,340	1,133	1,110	1,110	1,110	972	972
Maturing Roll	(2,426) 197	-	-	-	(197)	-	(207)	(23)	-	-	(138)	-	-
Ending Bal.	1,537	1,537	1,537	1,537	1,340	1,340	1,133	1,110	1,110	1,110	972	972	972
Δ	(2,229)	-	-	-	(197)	-	(207)	(23)	-	-	(138)	-	-
New York													
Beginning Bal.	7,015	6,436	6,436	6,436	5,156	4,884	4,752	4,022	3,986	3,971	3,971	3,830	3,773
Maturing Roll	(1,467) 888			(1,281)	(271)	(132)	(730)	(36)	(15)		(141)	(57)	(146)
Ending Bal.	6,436	6,436	6,436	5,156	4,884	4,752	4,022	3,986	3,971	3,971	3,830	3,773	3,627
Δ	(579)	-	-	(1,281)	(271)	(132)	(730)	(36)	(15)	-	(141)	(57)	(146)
Global													
Beginning Bal.	10,781	7,973	7,973	7,973	6,693	6,224	6,092	5,155	5,096	5,081	5,081	4,802	4,745
Maturing Roll	(3,893) 1,085	-	-	(1,281)	(468)	(132)	(937)	(59)	(15)	-	(279)	(57)	(146)
Ending Bal.	7,973	7,973	7,973	6,693	6,224	6,092	5,155	5,096	5,081	5,081	4,802	4,745	4,599

LEHMAN BROTHERS

Cash Capital – 5/23 Reporting Period

In Stmt	Friday, May 23, 2008							WOW May-23 vs. May-16						
	LBJ	LBK	Other Eur Reg Entity	LBH	LOTC	LBH	Adjusted Total (note 3)	LBJ	LBK	Other Eur Reg Entity	LBH	LOTC	LBH	Adjusted Total
Total Sources	1,595	19,399		13,135	620	143,715	158,247		540	(162)	33	(45)	114	447
Usage														
CEO	-	258	-	0	-	2,665	2,923	-	17	-	0	-	20	37
COMMODITIES TRADING	-	-	-	-	-	1,133	1,133	-	-	-	-	-	(150)	(150)
DCM ABS	-	-	-	-	-	1,891	1,891	-	-	-	-	-	14	14
EUROPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FID CORPORATE	120	1,678	-	2,244	-	4,501	8,543	23	30	-	185	-	(317)	(78)
FOREIGN EXCHANGE	-	234	-	82	-	1,009	1,326	-	(29)	-	(4)	-	(5)	(88)
GLOBAL RATES	169	4,634	-	1,207	-	3,482	9,492	(9)	230	-	(213)	-	(107)	(90)
HIGH GRADE CREDIT	87	497	-	722	-	821	2,126	(9)	(105)	-	5	-	68	(33)
HIGH YIELD	36	351	81	448	-	9,331	10,248	31	39	16	(22)	-	(23)	41
LEVERAGED FINANCE	-	-	-	-	-	652	652	-	-	-	-	-	(125)	(125)
MUNICIPALS	-	24	-	214	-	1,016	1,254	-	-	-	(24)	-	0	(24)
OTHER BANKING	-	-	-	-	-	1,292	1,292	-	-	-	-	-	(9)	(9)
PROP TRADING	-	-	-	-	-	604	604	-	-	-	-	-	(1)	(1)
REAL ESTATE	319	40	142	154	-	37,066	37,742	0	(9)	36	(2)	-	(2,571)	(2,546)
SALES/RESEARCH/ADMIN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SECURITIZED PRODUCTS	30	278	44	1,944	-	14,299	16,594	(6)	(5)	2	424	-	962	1,378
Non One Rate Entities	-	-	-	-	-	250	250	-	-	-	-	-	-	-
Bankhaus and subdnt	-	-	-	-	-	1,724	1,724	-	-	-	-	-	-	-
Unallocated LBI Box	-	-	-	1,909	-	1,909	1,909	-	-	-	606	-	-	606
Total FID	761	7,994	267	8,927		81,787	99,705	47	168	53	955		(2,292)	(1,069)
AMERICAS CASH	-	-	-	85	-	0	85	-	-	-	2	-	(9)	2
ASIA CASH	98	103	-	96	-	257	458	(15)	6	-	2	-	(10)	(19)
CONVERTIBLES PRODUCT	-	267	-	96	-	13	375	-	13	-	-	-	(13)	-
EQUITIES CORPORATE	46	1,630	-	270	-	1,035	2,982	4	888	-	(64)	-	72	900
EQUITIES SUPPORT	-	1	-	-	-	-	1	-	(9)	-	-	-	(9)	-
EQUITY STRATEGIES	-	225	-	28	-	228	492	-	(9)	-	(29)	-	22	(27)
EUROPE CASH	-	248	-	30	-	25	303	-	(18)	-	(9)	-	(9)	(26)
EVENT DRIVEN	-	6	-	11	-	0	17	-	5	-	1	-	0	6
GLOBAL PORTFOLIO	117	195	-	98	-	43	453	(28)	1	-	(60)	-	1	(86)
VOLATILITY AMERICAS	-	17	-	482	946	564	2,009	-	(2)	-	(89)	(53)	0	(143)
VOLATILITY ASIA	62	587	-	21	-	1,434	2,104	(9)	(154)	-	-	-	1	(568)
VOLATILITY EUROPE	-	763	-	65	-	1,997	2,825	-	(196)	-	(9)	-	89	(115)
Non Treasury Entities	-	-	-	-	-	14	14	-	-	-	-	-	-	-
Bankhaus	-	-	-	565	-	-	565	-	-	-	(109)	-	-	(109)
Unallocated LBI Box	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total EQ	323	4,052		1,751	946	5,610	12,683	(39)	543		(362)	(53)	(274)	(186)
CLEARING AND EXECUTION	-	1	-	89	-	0	1	-	0	-	0	-	(9)	0
EQUITY FINANCING	396	1,126	-	80	-	300	1,911	(73)	(510)	-	(60)	-	107	(533)
EQUITY SYNTHETICS	-	618	-	102	19	839	1,577	-	44	-	2	-	(46)	1
FID FUTURES	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FIRM FINANCING	(9)	565	0	17	-	470	1,051	0	(184)	-	(6)	-	3	(188)
GENERALIST PRIME SVCS COR	-	-	-	-	-	-	-	-	-	-	-	-	-	-
STRUCTURED TRANSACTIONS	-	221	-	0	-	244	465	-	-	-	(2)	-	(1)	(3)
Unallocated LBI Box	-	-	-	201	-	201	201	-	-	-	(11)	-	-	(11)
Total CMPS	396	2,530	0	409	19	1,852	5,206	(73)	(650)		(74)		64	(734)
ALTERNATIVES	-	-	-	131	-	6	7	-	-	-	-	-	-	-
ASSET MANAGEMENT PRINCIPAL INV	-	-	278	131	-	2,763	3,172	-	-	-	(1)	-	1	0
ASSET MGMT ADMINISTRATION	-	-	-	-	-	13	13	-	-	-	-	-	-	-
IMD CORPORATE	-	-	-	-	-	516	516	-	-	-	-	-	-	-
MFI EQUITY	-	-	-	-	-	131	131	-	-	-	-	-	-	-
MFI FIXED INCOME	-	-	-	-	-	91	91	-	-	-	-	-	-	-
MFI SUPPORT	-	-	-	-	-	2	2	-	-	-	-	-	(9)	-
NEUBERGER BERMAN PRIV ASST MGT	-	-	-	1	-	-	-	-	-	-	0	-	-	-
PIM ASSET MGMT INTRA DIV ELIM	-	-	-	-	-	-	-	-	-	-	-	-	(9)	-
PIM PRE-ALLOCATED	-	2	-	84	-	2	87	-	0	-	0	-	(9)	0
PRIVATE EQUITY	-	-	-	-	-	5,703	5,703	-	-	-	-	-	(5)	(5)
Unallocated LBI Box	-	-	-	78	-	78	78	-	-	-	1	-	-	1
Total IMD		2	278	294		9,226	9,800		0		(1)		(4)	(4)
DIRECT PRINCIPAL INVESTMENTS	-	-	-	24	-	330	354	-	-	-	-	-	(22)	(22)
GLOBAL OPPORTUNITIES GROUP	76	-	-	-	-	227	303	(1)	-	-	-	-	(14)	(14)
GLOBAL PRINCIPAL STRATEGIES	1	213	-	323	-	1,827	2,363	(9)	(5)	-	16	-	6	17
GLOBAL TRADING STRATEGIES	-	206	1	607	-	1,068	1,881	-	(21)	0	(64)	-	(3)	(121)
Unallocated LBI Box	-	-	-	1,151	-	1,151	1,151	-	-	-	2	-	-	2
Total PI	77	419	1	2,104		3,482	6,053	(1)	(26)	0	(46)		(65)	(138)
Non Trading Assets (note 1)	387	14	1,555	401	-	9,445	11,802	8	(213)	-	(28)	-	31	(202)
Gross-up for Self-funding Trades	-	-	-	-	-	92	92	-	-	-	-	-	-	-
Contingent Collateralization	-	17	43	34	-	90	184	-	-	-	-	-	-	-
Intercompany Subdnt	-	-	-	-	-	18,467	18,467	-	-	-	-	-	-	-
Intercompany Funding from Holdings	-	-	-	-	-	2,768	2,768	-	-	-	-	-	33	33
Reg-T Margin	-	-	-	-	-	185	185	-	-	-	-	-	560	560
Unallocated ITS Box	-	-	-	-	-	-	-	-	-	-	-	-	500	500
FX Revaluation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Derivative Activity	-	-	-	-	-	(2,518)	(2,518)	-	-	-	-	-	(1,112)	(1,112)
Pending Loan Syndication	-	-	-	-	-	1,000	1,000	-	-	-	-	-	-	-
Other Cash Capital Usage	-	-	-	-	-	1,611	1,611	-	-	-	-	-	-	-
LBI Group Box Adjustment	-	-	-	-	-	2,000	2,000	-	-	-	-	-	-	-
Other Box Updates	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unallocated LBI Box	-	-	-	-	-	(376)	(376)	-	-	-	-	-	-	-
Rehypothecable Client Collateral	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BVH Correction	-	-	-	-	-	(453)	(453)	-	-	-	-	-	230	230
Reduction in Contingent Commitments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Uses	1,943	15,028	2,144	13,920	699	134,595	146,974	(57)	(179)	53	443	(53)	(2,329)	(2,153)
Cash Capital Position before I/C	(148)	4,371	(1,126)	(785)	31	9,129	11,273	57	718	(215)	(410)	8	2,443	2,600
Trapped Cash Capital (bonus)	-	-	661	616	-	(661)	616	-	-	-	-	-	-	-
Intercompany Margin	-	(2,400)	-	2,400	-	-	-	-	-	-	-	-	-	-
Other Intercompany	634	898	500	1,431	173	(3,636)	-	-	729	92	(232)	(9)	(579)	0
Repayment of Intercompany	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Capital Position after I/C	286	2,870	36	3,663	204	4,832	11,889	57	1,447	(123)	(643)	(2)	1,863	2,600
L3C3 Shortfall	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Their Shortfall	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bankhaus Shortfall	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of Reg Entity Intercompany	(286)	(888)	(35)	(1,431)	(173)	2,823	-	(57)	(729)	123	232	9	421	(9)
Coverage of Reg Entities CC Shortfall by LBH	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Capital Position		1,971		2,231	31	7,655	11,889		718		(410)	8	2,285	2,600
Total Firm Cash Capital Usage						150,592								

LBHI Cash Capital Projections – by Week

CC Projection for the week ending 5/23/2008 7.7

Change in Liabilities	
Projected Structured Issuance	0.2
Sumitomo CC facility drawdown	0.4
Roll into Current Portion	(0.2)
<i>Total Change in Liabilities</i>	<u>0.3</u>
Change in Business Usage	
Total Fundings	-
CASA RMBS	1.0
Freedom 3 (Pine) securitization	0.7
Loan transfer to Bankhaus	0.6
NPL securitization	0.4
SMBC syndication	0.4
ELQ securitization	0.3
Total Syndications	<u>3.3</u>
<i>Total Change in Business Usage</i>	<u>3.3</u>
IMD - Asset Mgmt Seed (Anti-Benchmark \$0.2bn, Alpha Funds \$0.1bn)	0.3
IMD - PE Warehouse net of GP/LP Fund Investments	0.6
Fund of funds funding (KBC)	0.5
LBIE subdebt repayment	0.7
LBI subdebt injection to affiliates	0.5
LBB dividend payment	0.3
Pine contingent collateralization	(0.2)

CC Projection for the month ending 5/31/2008 14.0

Change in Liabilities	
Projected Structured Issuance	0.1
Roll into Current Portion	(0.7)
<i>Total Change in Liabilities</i>	<u>(0.6)</u>
Change in Business Usage	
Total Fundings	-
Asia CDO (King Fisher)	0.5
Total Syndications	<u>0.5</u>
<i>Total Change in Business Usage</i>	<u>0.5</u>
NPL transfer from LBB	(0.2)

CC Projection for the week ending 6/6/2008 13.7

CC Projection for the week ending 6/6/2008 13.7

Change in Liabilities	
Projected Structured Issuance	0.1
Roll into Current Portion	(0.1)
<i>Total Change in Liabilities</i>	<u>0.0</u>
Change in Business Usage	
Total Fundings	-
Total Syndications	-
<i>Total Change in Business Usage</i>	<u>-</u>

CC Projection for the week ending 6/13/2008 13.8

Change in Liabilities	
Projected Structured Issuance	0.1
Roll into Current Portion	(0.2)
<i>Total Change in Liabilities</i>	<u>(0.1)</u>
Change in Business Usage	
Total Fundings	-
Repayment of Imperial Tobacco	0.5
Total Syndications	<u>0.5</u>
<i>Total Change in Business Usage</i>	<u>0.5</u>

CC Projection for the week ending 6/20/2008 14.1

Change in Liabilities	
Projected Structured Issuance	0.1
Well's Fargo secured CC facility drawdown	0.5
Roll into Current Portion	(0.3)
<i>Total Change in Liabilities</i>	<u>0.3</u>
Change in Business Usage	
Funding of Taiwan High Speed Rail Co.	(1.0)
Total Fundings	<u>(1.0)</u>
Total Syndications	-
<i>Total Change in Business Usage</i>	<u>(1.0)</u>
Pyxis Unwind	1.1

CC Projection for the month ending 6/30/2008 14.5

Balance Sheet

<i>in millions</i>	Gross Balance Sheet	Daily Variance	Net Balance Sheet	Daily Variance
Fixed Income	496,957	(6,040)	224,340	(7,505)
Equities	158,395	(3,256)	63,383	(624)
IBD	1,434	(5)	1,434	(5)
IMD	15,135	(68)	11,892	(79)
Principal Investments	13,972	1,797	9,805	(989)
Other	58,858	(2,475)	55,523	(2,478)
Total Firm	744,751	(10,047)	366,377	(11,680)

Gross Balance Sheet is \$744.8B, an decrease of (\$10.0B) over prior day. Net Balance Sheet is \$366.4B, a decrease of (\$11.7B) over prior day.

Net Variance as follows:

FIXED INCOME

- Global Rates decreased (\$6.5B) - Gilts; Options Inflation; Coupon Trading; US Swaps; Pass Thru
- High Grade Credit decreased (\$0.9B) - HG Short-Term Credit US
- Securitized Products decreased (\$1.1B) - Prin Finance-Europe; Insurance Solutions Amer
- Real Estate decreased (\$0.8B) - CMBS Europe and Americas; Prin Tran Americas

NON CORE

- Global Principal Strategies decreased (\$0.9B) - due to divestiture of business
- Treasury decreased (\$2.5B) - cash at banks

PRIME SERVICES

- Liquid Markets Financing increased \$1.4B - fails

Variances across other businesses totaled (\$0.4B)

LBSF

	23-May	27-May	28-May	29-May	30-May	May MTD	April monthly	March monthly
Collateral margin receipt	(179)	(201)	125	(385)	(662)	(1,231)	(2,274)	(1,244)
Swap activity	(48)	334	219	184	417	1,024	1,575	(1,429)
RegT / Exchange margin	(35)	389	23	25	(20)	166	141	154
LBIE BTB	0	0	2	0	0	2	(0)	(353)
Other	0	0	0	100	100	200	0	(500)
Total LBSF	(262)	522	368	(76)	(165)	161	(558)	(3,373)

Debt Buybacks

◆ Debt Buybacks as of May 30th, 2008 (in millions)

Month End	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	YTD
<i>Structured</i>	(238)	(507)	(449)	(192)	(1,294)	(587)	(3,268)
<i>Plain Vanilla</i>	(168)	(194)	(550)	(160)	(44)	(318)	(1,433)
<i>Extendible</i>	(26)	(5)	(56)	(346)	(48)	-	(481)
Debt Buy Backs Total	(432)	(705)	(1,055)	(698)	(1,386)	(905)	(5,181)

Date	5/24/2008	5/25/2008	5/26/2008	5/27/2008	5/28/2008	5/29/2008	6-day
<i>Structured</i>	-	-	-	(23)	(28)	(83)	(134)
<i>Plain Vanilla</i>	-	-	-	(0)	-	-	(0)
<i>Extendible</i>	-	-	-	-	-	-	-
Debt Buy Backs Total	-	-	-	(24)	(28)	(83)	(135)

Note: debt buy backs are based on settlement date;
Bankhaus notes are excluded

◆ Debt held in inventory as of March 31st, 2008 (in millions)

	Entity	Total
	BV	(165)
	LBBAG	(13)
	LBHI	(58)
Current Portion Total		(235)
	BV	(584)
	LBHI	(294)
Long Term Debt Total		(878)
Grand Total		(1,113)

Bank Facilities In Pipeline

GLOBAL CREDITOR RELATIONS

New Cash Capital and RSF Raising Opportunities Pipeline 2008

As of May 21, 2008

Summary of Timeline	Total
To be closed in 1 month	
To be closed in 2 months	1,000
To be closed in 3 months	100
To be closed in 4 months	
TBD	600
TOTAL PENDING	1,700
To be approached in 4 months	300
To be approached in 5 months	200
GRAND TOTAL	2,200

I. PENDING

Bank Name	Region/ Person Responsible	Secured or Unsecured	Anticipated Collateral if Secured	Anticipated Tenor	Anticipated Currency	Anticipated Credit Ask from the Prospect (\$mm)	COMMENTS
BNPP	US/Karen	Unsecured	n/a	18 months non-extendable	US\$	250	Expected to close by June 30.
Deutsche Bank	Europe/Joe	Secured	Corporate Loans	3-year bullet	EUR	450	negotiating on loan portfolio details
First Commercial Bank	Taiwan/Nigel	Unsecured	n/a	3-year bullet	US\$	150	FCB awaiting confirmation from syndicate members on commitment level and pricing. Regroup call with FCB 04/30
SMBC	US/Emil	Secured	Corporate Loans	12 month Bullet	US\$	350	Expected to close by June 30. Will have commitment letter.
SMBC	Japan/Tatsushi	Secured	Small Commercial Whole Loans	12 month Bullet	JPY	300	Expected close by June 30.
Chuo Mitsui Trust & Banking	Japan/Tatsushi	Unsecured	n/a	5-year bullet	US\$	100	Expected close by July 31.
Maybank	Asia/Nigel	Unsecured	n/a	2 year bullet	HKD	100	Expected to close June 30.
SUB - TOTAL						1,700	

II. OPPORTUNITIES: To be approached in 3 months

Bank Name	Region	Secured or Unsecured	Anticipated Collateral if Secured	Anticipated Tenor	Anticipated Currency	Anticipated Credit Ask from the Prospect (\$mm)	COMMENTS
Banco de Oro / Equitable	Asia/Nigel	Unsecured	n/a	18 month extendable	PHP	50	Visited BDO in manila on 04/16 and in regular dialogue. They are awaiting Q2 results.
Hua Nan (upsized, conversion to Multi CCY)	Asia/Nigel	Unsecured	n/a	3-year bullet	Various	50	
Metrobank	Asia/Nigel	Unsecured	n/a	13 month extendable	PHP	100	Visited Metrobank in manila on 04/16. We are now keeping regular dialogue. They are awaiting Q2 results.
West LB	US/Karen	Secured	Equities	TBD	US\$	100	Waiting for WLB to establish new limits for B.D.
SUB - TOTAL						300	

III. To be approached in 4 months

Bank Name	Region	Secured or Unsecured	Anticipated Collateral if Secured	Anticipated Tenor	Anticipated Currency	Anticipated Credit Ask from the Prospect (\$mm)	COMMENTS
Bank of East Asia	Asia/Nigel	Secured	Commercial WL	12 month extendable	HKD	50	
To be approached 4 Q 2008							
BBVA	US/Amberish	Secured	TBD			150	
SUB - TOTAL						200	
TOTAL						2,200	

European Securitization Pipeline

◆ To be updated

US Securitization Pipeline

Deal	Owner	Est. Funding (\$bn)	Category	Timing
In progress				
Golden Gate	McBeth	0.80	Asset Backed	TBD
Asian CDO	Hindle	0.80	Corporate	June
Citi CWL facility	Primiano	0.30	Commercial	June
Total		1.90		

US Residential Wholeloans and Mortgage Servicing Rights

Loan Database Summary Report
 US Residential Wholeloan (MTS) and Mortgage Servicing Rights
 May 30, 2008
 (\$millions)

	SettleDate Long Inventory	Reverses Balance Sheet	Pledged Market Value	Box Market Value	MTD BoxMV Change
Residential Wholeloan (MTS)	6,825	458	1,014	6,269	-1,727
Outside of Banks					
Prime	599	0	257	341	-307
Subprime	859	0	449	410	-665
Other	0	325	283	42	-155
Outside of Banks Total	1,458	325	989	794	-1,127
Banks					
Prime	1,860	0	12	1,849	-637
Subprime	3,015	0	-19	3,035	8
Other	491	133	32	592	28
Banks Total	5,367	133	24	5,476	-600
Mortgage Servicing Rights	1,689	0	19	1,671	28
Other Wholeloan	227	0	0	227	12
Grand Total	8,741	458	1,032	8,167	-1,687

Financi ng Deal Type	Repo Counterparts	Principal	Pledged Market Value
RE	LEHMAN	30	-30
RE Total		30	-30
REH	Fidelity	200	-204
	ROWAN	112	-114
	RICOH		
REH Total		312	-318
RET	STATE STREET	500	-341
	DANSKE BANK	300	-225
	LEHMAN	80	-95
RET Total		880	-660
Grand Total		1,222	-1,008

Commercial Wholeloans

Commercial Wholeloans
May 30, 2008
(\$millions)

Cumulative LTV	1st Lien	Senior	2nd Lien	Mezzanine	3rd Lien	Bridge Equity	Equity	B Note	Line of Credit	REO	Other	IO	Personal Loan	Unknown	Grand Total	Pledged Market Value	Box Market Value	MTD BoxMV Change
LTV<50%	1,219	0	61	160	0	0	0	0	0	0	3	0	54	546	2,043	1,491	553	-434
LTV<60%	1,971	0	82	527	0	0	0	0	0	0	3	0	54	559	3,197	2,248	950	-565
LTV<70%	3,798	0	406	1,244	0	0	0	3	0	0	3	0	54	856	6,366	4,422	1,943	-1,350
LTV<80%	4,780	0	439	2,353	0	0	0	3	0	0	3	0	54	1,390	9,023	6,397	2,626	-2,406
LTV<90%	6,337	0	461	3,902	0	0	2	22	0	0	3	0	54	3,069	13,850	9,738	4,112	-3,963
LTV<=100%	7,253	0	478	4,495	0	0	2	22	69	22	9	0	55	3,521	15,928	11,063	4,865	-4,934
LTV>100%	16	0	0	1	0	0	0	0	0	0	0	0	0	1	18	17	1	-1
LTV Unknown	1,286	215	29	635	0	1,413	1,741	0	0	899	2	0	0	7,371	13,590	1,244	12,347	-669
Total Outside of Banks	8,555	215	507	5,131	0	1,413	1,743	22	69	920	12	0	56	10,894	29,536	12,324	17,212	-5,605
Banks	2,129	4	97	1,104	0	0	0	0	0	0	0	0	0	310	3,645	13	3,631	-2,850
Grand Total	10,684	219	604	6,235	0	1,413	1,743	22	69	920	12	0	56	11,204	33,180	12,337	20,843	-8,455

CurrentPropertyType	1st Lien	Senior	2nd Lien	Mezzanine	3rd Lien	Bridge Equity	Equity	B Note	Line of Credit	REO	Other	IO	Personal Loan	Unknown	Grand Total	Pledged Market Value	Box Market Value	MTD BoxMV Change
Outside of Banks	8,555	215	507	5,131	0	1,413	1,743	22	69	920	12	0	56	10,894	29,536	12,324	17,212	-5,605
blank	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-97
Condo	160	0	28	202	0	0	71	2	0	106	0	0	0	0	568	218	350	-42
Condo Conversion	405	0	13	147	0	0	11	0	0	25	0	0	0	0	600	403	197	-73
Healthcare	24	0	3	2	0	0	10	0	0	3	0	0	0	0	43	17	26	-4
Industrial	77	0	0	339	0	462	45	0	0	0	0	0	0	0	922	325	597	-187
Land - Non Residential	1,851	0	20	279	0	0	343	0	0	94	2	0	54	0	2,644	1,062	1,583	-144
Land - Residential	1,642	0	52	292	0	0	416	0	0	37	0	0	0	0	2,439	1,274	1,165	-159
Land / SF	30	0	0	96	0	0	0	0	0	0	0	0	0	0	126	0	126	-28
Lodging	1,570	0	0	635	0	0	123	0	0	58	0	0	0	0	2,387	1,820	567	-514
Mixed Use	166	0	0	12	0	0	0	0	0	0	0	0	0	0	178	0	178	-66
Mobile Home	0	0	0	0	0	0	0	0	0	6	0	0	0	0	6	0	6	0
Multi Family	511	0	41	826	0	0	182	0	0	551	0	0	0	0	2,111	725	1,386	-527
Office	1,723	0	331	2,019	0	951	366	20	0	20	3	0	0	0	5,434	2,600	2,834	-2,438
Other	42	0	0	77	0	0	108	0	64	6	6	0	1	0	305	70	235	-166
Retail	49	0	17	8	0	0	11	0	0	13	0	0	0	0	99	20	79	-703
Self Storage	86	0	0	0	0	0	0	0	0	0	0	0	0	0	86	45	41	-14
Single Family	14	0	2	16	0	0	57	0	0	0	0	0	0	0	90	17	72	-16
Unknown	206	215	0	180	0	0	0	0	5	0	0	0	0	10,894	11,499	3,729	7,771	-426
Banks	2,129	4	97	1,104	0	0	0	0	0	0	0	0	0	310	3,645	13	3,631	-2,850
Grand Total	10,684	219	604	6,235	0	1,413	1,743	22	69	920	12	0	56	11,204	33,180	12,337	20,843	-8,455

LEHMAN BROTHERS

Corporate Loans

Loan Database Summary Report
 Corporate Loans
 May 30, 2008
 (Millions)

Entity Type	As of May 30, 2008						MTD BoxMY Change
	Total	UnfundedUS D	FundedMY	Pledged Market Value	Box Market Value	Box Market Value	
Outside of Banks	33,282	13,677	19,604	8,164	11,440	-5,496	
AAA	1,332	1,325	8	0	8	2	
AA	645	645	0	0	0	0	
AA-	50	50	0	0	0	-29	
A+	1,154	1,154	0	0	0	0	
A	1,026	976	51	42	9	-34	
A-	226	190	36	36	0	-104	
BBB+	4,547	1,690	2,857	1,500	1,358	-1,205	
BBB	3,863	875	2,989	271	2,717	1,170	
BBB-	619	316	303	227	76	5	
BB+	913	358	555	345	29	-92	
BB	497	306	191	134	57	-77	
BB-	1,894	997	897	363	534	-192	
B+	2,499	1,056	1,443	1,048	395	-1,377	
B	1,484	407	1,077	566	511	-427	
B-	899	133	766	220	547	-200	
CCC+	607	0	607	177	429	-45	
CCC	8	0	8	8	0	-5	
CCC-	13	0	13	6	7	-8	
CC	167	145	22	2	20	-6	
D	0	0	0	0	0	0	
NR/NA	10,839	3,056	7,783	3,039	4,744	-874	
Banks	24,059	18,057	6,002	0	6,002	43	
Grand Total	57,341	31,734	25,606	8,164	17,442	-3,453	

Funding Entity	FundedMY	Pledged Market Value	Box Market Value
Outside of Banks	19,604	8,164	11,440
AEGIS	144	144	0
DRESDNER	567	567	0
FREEDOM	1,528	1,528	0
LBHI & Other	13,124	1,684	11,440
SPRUCE	1,653	1,653	0
PINE	844	844	0
SMBC	202	202	0
Banks	6,002	0	6,002
Bankhaus	3,456	0	3,456
LBB	305	0	305
LBCB	2,241	0	2,241
Grand Total	25,606	8,164	17,442

	Funded Loans by Bucket\$			Count of Funded Loans			Total FundedM V	Total Funded Count
	\$10- \$20mm	< \$10mm	> \$20mm	\$10- \$20mm	< \$10mm	> \$20mm		
Outside of Banks	1,625	1,827	16,011	117	762	175	19,604	1054
AAA		8			1		8	1
AA							0	0
AA-							0	0
A+							0	0
A	12	7	32	1	1	1	51	3
A-		2	34		1	1	36	2
BBB+	59	8	2,790	4	2	10	2,857	16
BBB	61	41	2,886	4	7	16	2,989	27
BBB-	49	46	208	4	11	4	303	19
BB+	75	47	432	6	15	5	555	26
BB	39	29	123	3	13	2	191	18
BB-	131	159	607	10	45	6	897	61
B+	119	181	1,002	8	50	17	1,443	75
B	82	142	853	6	45	9	1,077	60
B-	57	88	621	4	23	7	766	34
CCC+	25	9	573	2	2	5	607	9
CCC		8			1		8	1
CCC-		13			5		13	5
CC			22			1	22	1
D		0			1		0	1
NR/NA	915	1,039	5,829	65	539	91	7,783	695
Banks	707	533	4,762	47	122	91	6,002	240
Grand Total	2,332	2,360	20,773	164	884	246	25,606	1294

Bankhaus Pipeline

Bankhaus Loan Pipeline Report June, 2008 (\$millions)

Loan Type	Deal	Commitment	Funded
US HY	Sonic VFN	100	84
EU HG	Deutsche Telekom	223	105
EU HY	Converteam	78	0
May Pipeline		401	189

Broker Dealers

Repo Book

Global Over / (Under) Funding Summary as of May 30th, 2008

Principal in \$Bn's

Region	Shell Booked Summary	Principal	Region	Collateral Allocated Summary	Principal	Over / (Under) Funding
Asia	Equities	1.7	Asia	Equities	1.6	0.0
				EMG	0.0	(0.0)
Asia Total		1.7	Asia Total		1.7	-
Europe	Asset Backs - Investment Grade	20.0	Europe	Asset Backs - Investment Grade	18.7	1.3
	Asset Backs - Non-Investment Grade	0.0		Asset Backs - Non-Investment Grade	0.1	(0.0)
	C1 - Investment Grade Convertibles	0.8		C1 - Investment Grade Convertibles	0.9	(0.1)
	C2 - Non-Investment Grade Convertibles	1.2		C2 - Non-Investment Grade Convertibles	1.3	(0.1)
	Corporates - Investment Grade	4.3		Corporates - Investment Grade	5.0	(0.7)
	Corporates - Non-Investment Grade	5.3		Corporates - Non-Investment Grade	2.6	2.7
	EMG	5.4		EMG	7.1	(1.7)
	Equities	12.0		Equities	13.9	(1.9)
	Money Markets	0.0		Money Markets	0.0	(0.0)
	Private Labels - Investment Grade	0.0		Private Labels - High Yield	0.0	(0.0)
				Private Labels - Investment Grade	0.0	(0.0)
Europe Total		49.0	Europe Total		49.5	(0.5)
U.S.	Asset Backs - Investment Grade	8.4	U.S.	Asset Backs - Investment Grade	6.7	1.7
	Asset Backs - Non-Investment Grade	3.5		Asset Backs - Non-Investment Grade	1.9	1.6
				C1 - Investment Grade Convertibles	0.6	(0.6)
	C2 - Non-Investment Grade Convertibles	0.7		C2 - Non-Investment Grade Convertibles	1.0	(0.3)
	Corporates - Investment Grade	3.5		Corporates - Investment Grade	7.8	(4.3)
	Corporates - Non-Investment Grade	11.4		Corporates - Non-Investment Grade	5.6	5.8
	Equities	8.7		Equities	7.9	0.8
	Money Markets	7.4		Money Markets	7.3	0.2
	Muni	2.4		Muni	2.2	0.3
	Private Labels - High Yield	1.2		Private Labels - High Yield	2.3	(1.1)
	Private Labels - Investment Grade	21.5		Private Labels - Investment Grade	9.9	11.6
	Wholeloan Residential	1.1		Wholeloan Residential	1.1	-
U.S. Total		69.8	U.S. Total		54.1	15.7
Grand Total		120.5	Grand Total		105.3	

Private Label & Corporate Overfunding **15.2**

LBI Box

LBI Actionable and Non-Actionable Box (TMS and LBI MTS)

LBI Box (in millions)	30-May Current Day	29-May Prior Day	Daily Change	vs. 04/30 MTDΔ
Actionable	4,125	2,442	1,682	710
Non-Actionable	5,554	4,764	790	373
Total LBI Box	9,678	7,206	2,472	1,083
Treasuries in the Box	763	55	707	555

LBI Actionable Box

Asset Type	30-May Current Day	29-May Prior Day	Daily Change	vs. 04/30 MTDΔ
Actionable				
Agency	106	2	105	105
Asset Backs - (A1, A2, A3)	37	0	37	37
Asset Backs - Investment Grade	128	17	111	32
Asset Backs - Non Investment Grade	13	0	13	-15
CMO Agencies	0	0	0	0
Convertibles	183	127	56	13
Corporate - (A1, A2, A3)	0	0	0	0
Corporate - Investment Grade	363	168	195	39
Corporate - Non Investment Grade	128	117	11	23
Equity	1,955	1,612	343	56
Governments - Investment Grade	109	0	109	109
Governments - Non Investment Grade	0	0	0	-6
MBS	0	0	0	0
MMPS	0	0	0	-3
Money Markets - (A1, A2, A3)	10	0	10	10
Muni - (A1, A2, A3)	8	1	8	8
Muni - Investment Grade	110	88	22	-84
Muni - Non Investment Grade	0	0	0	0
Preferreds	44	70	-26	-130
Private Label - Investment Grade	155	174	-19	-51
Sovereigns - Eurobonds	0	0	0	0
Strips	0	0	0	0
Treasuries	763	55	707	555
Warrants	12	12	0	12
Total Actionable	4,125	2,442	1,682	710

LBI Non-Actionable Box

	30-May Current Day	29-May Prior Day	Daily Change	vs. 04/30 MTDΔ
100% Cash Capital and Physical Box	4,885	4,279	606	253
Asset Backs - Non Investment Grade	0	0	0	-13
Asset Backs - NR/NA	80	5	75	5
CMO Agencies	0	0	0	0
Convertibles	23	23	0	23
Corporate - Investment Grade	167	167	0	-2
Corporate - Non Investment Grade	4	3	1	-4
Corporate - NR/NA	1,100	920	180	-17
Equity	217	129	89	114
Equity - Limited Partnership	625	625	0	-23
Equity - Restricted	1,138	1,148	-10	-71
Fund Units	117	117	0	102
Governments - NR/NA	0	0	0	0
Lehman Paper	159	185	-26	-168
Muni - (A1, A2, A3)	4	4	0	4
Muni - Investment Grade	7	7	0	-28
Muni - NR/NA	257	234	23	15
Muni - RIBS	96	93	3	-32
Preferreds	77	77	-1	-23
Preferreds - Restricted	277	278	-1	249
Private Label - Investment Grade	53	53	0	53
Private Label - Non Investment Grade	26	43	-18	-107
Private Label - NR/NA	163	6	157	156
Private Label (IOs)	151	13	138	39
Sovereigns - Locals	0	0	0	0
Warrants	8	8	0	2
Warrants - Restricted	137	139	-3	-19
Boxed for DRD	457	458	-1	-6
Chilled Positions	23	19	4	-63
Record Date Positions	188	7	181	188
Total Non-Actionable	5,554	4,764	790	373

LBIE Box

Actionable Box by Entity & Asset Category

\$ in MM	30-May		29-May		Δ DoD		Δ vs. 4/30		4/30/2008	
	LBIE		LBIE		LBIE		LBIE		LBIE	
	Investment	Non Investment	Investment	Non Investment	Investment	Non Investment	Investment	Non Investment	Investment	Non Investment
AGENCY	2	0	2	0	0	0	2	0	0	0
ASSET BACKS	36	9	36	9	(0)	0	(1)	0	37	8
BRADY BONDS	0	0	0	0	0	0	0	0	0	0
CANADIAN	8	0	9	0	(1)	0	(21)	0	29	0
CMO AGENCIES	221	3	404	3	(183)	(0)	(63)	(3)	284	6
CONVERTIBLES	16	236	16	236	(0)	1	3	174	13	63
CORPORATE	636	124	291	99	345	25	398	(171)	238	295
CORPORATE - NON G7	11	3	10	2	0	1	(19)	(0)	30	3
EQUITY	1,374	1,058	2,141	1,820	(767)	(762)	(317)	(351)	1,691	1,409
FUND UNITS	0	13	0	13	0	(0)	0	(14)	0	27
GOVERNMENTS	656	136	698	193	(43)	(57)	202	(343)	453	479
LEHMAN PAPER	0	0	0	0	0	0	0	0	0	0
MMPS	0	0	0	0	0	0	0	0	0	0
MONEY MARKETS	0	0	0	0	0	0	0	0	0	0
NULL	0	0	0	0	0	0	0	0	0	0
OPTIONS	0	0	0	0	0	0	0	0	0	0
OTHER	0	0	0	0	0	0	0	0	0	0
PREFERRED	32	92	32	116	(0)	(25)	26	(85)	6	177
PRIVATE LABEL	12	0	12	0	0	0	0	0	5	0
SOVEREIGNS - EUROBONDS	2	71	2	71	(0)	(0)	1	(10)	2	81
SOVEREIGNS - LOCALS	1	68	1	95	0	(27)	1	(8)	0	76
TREASURIES	13	0	(1)	0	14	0	13	0	0	0
UNASSIGNED	0	0	0	0	0	0	0	0	0	0
UNITS	0	0	0	0	0	0	0	0	0	0
UNKNOWN	0	0	0	0	0	0	0	0	0	0
WARRANTS	0	46	0	46	(0)	0	0	(4)	0	50
WHOLELOAN	0	28	0	28	0	(0)	0	28	0	0
TOTAL	3,018	1,888	3,652	2,732	(634)	(844)	229	(786)	2,703	2,674

Non Actionable by Entity & Asset Category

\$ in MM	30-May		29-May		Δ DoD		Δ vs. 4/30		4/30/2008	
	LBIE		LBIE		LBIE		LBIE		LBIE	
	Investment	Non Investment	Investment	Non Investment	Investment	Non Investment	Investment	Non Investment	Investment	Non Investment
AGENCY	0	0	0	0	0	0	0	0	0	0
ASSET BACKS	61	139	1	979	60	(840)	61	69	0	70
BRADY BONDS	0	0	0	0	0	0	0	0	0	0
CANADIAN	0	0	0	0	0	0	0	0	0	0
CMO AGENCIES	2	10	2	10	1	(0)	(338)	(0)	340	10
CONVERTIBLES	121	842	121	874	(0)	(32)	(54)	52	176	790
CORPORATE	63	1,069	81	2,090	(17)	(1,021)	(118)	(709)	181	1,778
CORPORATE - NON G7	27	597	26	698	1	(101)	(1)	(54)	27	652
EQUITY	0	1,066	0	1,146	0	(80)	0	(146)	0	1,212
FUND UNITS	0	2,636	0	2,728	0	(92)	0	(178)	0	2,814
GOVERNMENTS	0	55	0	49	0	5	(5)	(124)	5	179
LEHMAN PAPER	0	1,037	0	1,046	0	(9)	0	471	0	566
MMPS	0	0	0	0	0	0	0	0	0	0
MONEY MARKETS	0	0	0	0	0	0	0	0	0	0
NULL	0	32	0	99	0	(68)	0	(201)	0	233
OPTIONS	0	25	0	24	0	0	0	0	0	24
OTHER	0	0	0	7	0	(7)	0	(7)	0	7
PREFERRED	0	5	0	8	0	(3)	0	(8)	(0)	13
PRIVATE LABEL	0	32	0	17	0	15	0	14	0	18
SOVEREIGNS - EUROBONDS	0	(11)	0	11	0	(23)	0	(21)	0	10
SOVEREIGNS - LOCALS	0	(3)	0	(3)	0	(0)	0	(13)	0	10
TREASURIES	0	0	0	0	0	0	0	0	0	0
UNASSIGNED	0	0	0	0	0	0	0	0	0	0
UNITS	0	10	0	15	0	(5)	0	1	0	9
UNKNOWN	0	1	0	4	0	(3)	0	0	0	1
WARRANTS	0	319	0	50	0	270	0	286	0	33
WHOLELOAN	0	0	0	0	0	0	0	0	0	0
TOTAL	275	7,860	231	9,853	44	(1,993)	(454)	(570)	729	8,430

	30-May	29-May	Δ DoD	Δ vs. 4/30
LBIE Actionable	4,906	6,385	(1,478)	(471)
LBIE Non-Actionable	<u>8,135</u>	<u>10,085</u>	<u>(1,950)</u>	<u>(1,024)</u>
Total	13,042	16,469	(3,428)	(1,495)

LBIE Prime Broker : Hot Cash and Dry Powder

PRIME BROKER HOT CASH

Hot Cash by Client - 30th May

Client	USD mm's
MARBLE BAR	760,979,504
TIGER ASIA	531,884,071
AMBER	434,393,135
SAILFISH	311,685,325
GLG	309,181,555
GALLEON	215,454,913
INVEST CORP OF DUBAI	162,058,272
RIDGECREST	75,047,044
SENTURION ASSET	73,860,830
GSAM	70,321,932
CAXTON INTERNATIONAL	55,364,168
ONE EAST	54,701,829
KING STREET	53,558,896
CENTAURUS	52,329,523
BLUECREST	44,150,241
Total Top 15	3,204,971,236
Other	761,863,405
Total	3,966,834,641
Seg cash	902,852,106
Grand Total	3,063,982,535

Hot Cash by Client - 29th May

Client	USD mm's
MARBLE BAR	778,955,285
TIGER ASIA	560,979,036
AMBER	446,408,765
SAILFISH	311,685,325
GLG	303,427,666
CENTAURUS	235,635,171
GALLEON	163,282,398
INVEST CORP OF DUBAI	162,058,272
SYSTEIA - PB	123,475,291
OCH ZIFF	101,812,723
SENTURION ASSET	76,558,431
GSAM	70,234,712
KING STREET	69,256,253
ONE EAST	55,770,334
OLIVANT ADVISERS	55,200,122
Total Top 15	3,514,739,784
Other	820,996,461
Total	4,335,736,244
Seg cash	804,480,326
Grand Total	3,531,255,918

Hot Cash by Client - 28th May

Client	USD mm's
MARBLE BAR	837,358,270
TIGER ASIA	574,535,660
AMBER	454,635,508
GLG	307,334,726
SAILFISH	298,725,181
GALLEON	232,139,375
INVEST CORP OF DUBAI	162,058,272
SYSTEIA - PB	124,213,108
OLIVANT ADVISERS	112,411,322
SENTURION ASSET	76,539,019
GSAM	70,416,048
CENTAURUS	63,998,077
OCH ZIFF	61,998,579
ONE EAST	57,194,572
FIDAC	50,464,584
Total Top 15	3,484,022,300
Other	854,647,586
Total	4,338,669,886
Seg cash	778,384,075
Grand Total	3,560,285,811

PB Liquidity Model**30-May = Cash Generation of \$13,179m**

(Generation of \$15,340m less \$2,160m in Chase and BONY)

29-May = Cash Generation of \$14,065m

(Generation of \$15,747m less \$1,683m in Chase and BONY)

28-May = Cash Generation of \$13,228m

(Generation of \$14,944m less \$1,716m in Chase and BONY)

27-May = Cash Generation of \$12,533m

(Generation of \$14,296m less \$1,763m in Chase and BONY)

23-May = Cash Generation of \$12,286m

(Generation of \$14,378m less \$2,092m in Chase and BONY)

DRY POWDER

PB Dry Powder Report as at 30/05

Sum of US Value (\$mm)	Governments		Equities			Convertibles		Corporates		Grand Total	High Grade	Low Grade
	G1	G2	E1	E2	E3	C1	C2	K1	K2			
US			507	428	40	1	58	22	209	1,265	959	307
Main Countries	211		292	82	411	2	296	7	47	1,347	593	754
2nd tier Countries			32	81	63		58		67	301	113	188
Emerging Countries		32		2	117		173	1	100	424	3	421
Grand Total	211	32	831	593	631	3	585	29	422	3,338	1,668	1,670

Exchange Margins

◆ Work in progress

LBI & LBIE Payables

	8-May	9-May	12-May	13-May	14-May	16-May	19-May	20-May	21-May	22-May	23-May	27-May	28-May	29-May	30-May
<u>Payables</u>															
LBI	1,378	2,633	3,857	2,287	2,330	804	1,531	686	248	830	1,643	1,781	1,956	2,376	3,094
LBIE	8,530	9,669	10,251	6,172	7,356	7,633	6,903	8,829	4,607	4,726	4,805	5,032	8,427	13,654	9,890
<u>Trapped Cash</u>															
LBI	1,628	733	676	579	457	3,068	3,036	3,601	4,343	3,900	2,762	2,912	1,808	1,902	327
LBIE	2	34	18	176	24	10	4	10	2,293	2,701	2,273	3,648	3,978	3,175	7,343
<u>Treasurv Investment</u>															
LBI	3,006	3,366	4,534	2,866	2,787	3,872	4,567	4,287	4,591	4,730	4,405	4,693	3,764	4,278	3,420
LBIE	8,532	9,703	10,269	6,348	7,380	7,643	6,907	8,839	6,901	7,427	7,078	8,680	12,405	16,829	17,234

Lehman Brothers Bankhaus

LBBAG Liquidity Projection for Current Week

◆ To be updated

LBBAG Reverse Repo Details

6/2/2008

in USDmm

Cash Capital Assets		5,643
7th Avenue	Swap Receivables with LCPI	190
Non-ECB-eligible MBS	Eurosail non-ECB eligible	742
Excalibur	CLO	3,061
R3	CLO	350
Freedom	ABS (CLO)	1,300
Non-Cash Capital Assets		
Bonds	all with LBIE @ EUROCLEAR	855
High Grade (Set 0)	BBB and better	233
High Yield (Set 1)	BBB-CCC	622
High Yield (Set 2)	CCC and worse	0
High Yield (Set 3)	B+ and better	0
Equity	all with LBIE @ JPM CHASE	2,720
O/N (Overnight)	Non Major Index (<\$5)	0
T/N (Tom/Next)	Non listed	777
6m Term	Non Major Index	1,943
Other		287
Quantum (Camulos)	terminates 10/1/08	287
Back to Back		13,099
ECB	STORM	9,512
	A&L	1,553
LBIE - STORM	Roundtrip	1,834
7th Ave with Commerzbank and LCPI	Swap Receivables	200
TOTAL		22,604