

Mortgage Update - November 07

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Revenues

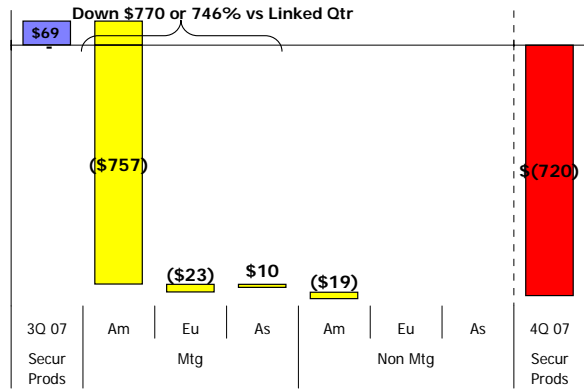
Securitized Products
Revenues - BPM Format
Fiscal Year 2007

	Nov YTD	Nov	Oct	Sep	Q4	Aug	July	June	Q3	May	Apr	Mar	Q2	Feb	Jan	Dec	Q1
America																	
Agency PT & Options	34.5	(10.3)	10.6	11.3	11.6	1.7	6.9	5.7	14.3	1.9	(1.8)	2.1	2.2	2.5	0.1	3.8	6.3
Agency Remics / Strips	26.2	(3.3)	1.9	9.2	7.8	(47.0)	14.3	17.1	(15.6)	5.9	1.0	8.9	15.8	12.3	5.1	0.8	18.2
Mortgage Finance	22.2	1.6	(0.1)	(0.3)	1.2	0.0	3.0	1.8	4.9	2.0	4.7	1.0	7.7	1.8	3.1	3.4	8.4
Non-Prime	(1,101.6)	(200.1)	(225.8)	(76.8)	(502.7)	(153.1)	(150.2)	68.3	(235.0)	59.1	(162.3)	(22.6)	(125.8)	(276.0)	14.3	23.6	(238.1)
Prime	(373.1)	(258.4)	(30.6)	(3.8)	(292.9)	(168.9)	(56.6)	21.9	(203.5)	14.4	(2.2)	4.2	16.3	74.6	25.9	6.4	106.9
Principle Finance Residential	(2.8)	1.7	0.6	0.4	2.7	0.7	0.7	1.5	2.9	9.6	1.4	2.3	13.3	(26.4)	2.8	1.9	(21.6)
ABS Derivatives	1,182.8	66.2	77.6	131.2	275.0	179.3	320.3	67.1	566.6	25.2	38.9	70.7	134.8	186.3	11.8	8.2	206.3
ABS New Issue	104.3	3.1	4.7	2.7	10.5	3.3	0.5	9.3	13.1	10.8	31.9	3.3	46.0	20.8	3.7	10.2	34.7
ABS Secondary	(12.1)	(42.1)	8.5	35.4	1.8	(13.7)	(22.2)	2.8	(33.1)	8.1	8.0	4.6	20.7	(6.3)	2.2	2.5	(1.5)
Insurance Products	21.3	0.1	0.3	0.3	0.7	0.3	8.0	1.2	9.5	1.1	7.1	0.2	8.4	0.1	0.2	2.4	2.6
Non-Residential Trading	(134.4)	(82.8)	(23.2)	1.2	(104.8)	(33.6)	(3.6)	(13.8)	(51.0)	0.4	9.3	9.2	18.9	1.1	0.5	0.8	2.5
Special Opportunities Group	37.5	6.7	3.6	3.0	13.3	2.0	1.9	2.4	6.3	3.2	8.7	1.1	13.0	2.0	2.0	0.8	4.8
House - Risk	(109.8)	(5.3)	(94.8)	5.7	(94.4)	1.1	(82.0)	3.9	(77.0)	(6.8)	(5.1)	(6.8)	(18.6)	61.9	14.1	4.3	80.3
House - Admin	(0.2)	(0.1)	(0.1)	(0.1)	(0.2)	0.2	(0.1)	(0.1)	0.0	0.2	(0.1)	(0.1)	0.1	(0.1)	(0.1)	(0.1)	(0.2)
Subtotal Americas	(305.3)	(523.0)	(266.7)	119.5	(670.2)	(227.5)	41.0	189.1	2.5	135.1	(60.5)	78.3	152.9	54.5	85.8	69.2	209.5
Aurora	302.3	15.5	15.4	17.6	48.5	23.5	26.2	26.8	76.5	29.5	30.7	32.9	93.1	27.4	30.7	26.0	84.1
Campus Door	16.8	0.5	5.4	2.5	8.5	2.1	0.5	1.0	3.6	1.0	0.2	0.4	1.6	0.6	2.0	0.6	3.2
BNC	(261.1)	(53.2)	(38.0)	3.6	(87.6)	(18.2)	(5.8)	10.8	(13.2)	(11.8)	(47.0)	(40.3)	(99.1)	(51.1)	(12.2)	2.2	(61.1)
SBF	62.5	7.3	4.2	5.2	16.7	6.9	4.7	5.8	17.4	5.1	5.0	4.8	14.8	3.8	4.6	5.2	13.6
Subtotal Origination Americas	120.6	(29.9)	(13.1)	28.9	(14.0)	14.3	25.6	44.4	84.3	23.7	(11.2)	(2.2)	10.4	(19.3)	25.1	34.0	39.9
TOTAL AMERICAS	(184.7)	(552.9)	(279.8)	148.5	(684.2)	(213.3)	66.6	233.5	86.8	158.8	(71.6)	76.1	163.3	35.3	110.9	103.2	249.4
Europe																	
ABS New Issue	28.7	0.4	2.3	(0.1)	2.6	(0.0)	10.8	4.5	15.3	4.2	(0.0)	2.3	6.5	4.0	0.0	0.2	4.3
ABS Secondary	24.6	30.8	9.4	(18.7)	21.5	(25.1)	(5.5)	6.5	(24.2)	22.1	6.0	1.5	29.6	(4.4)	(0.3)	2.3	(2.4)
MBS Captive	108.6	(2.1)	4.2	(3.6)	(1.5)	0.8	39.7	10.5	51.1	12.9	7.2	9.5	29.7	15.0	12.5	1.8	29.3
MBS Trading	(41.3)	(33.2)	0.7	(5.1)	(37.5)	(8.2)	1.4	0.5	(6.3)	0.1	(0.0)	2.1	2.3	(0.0)	0.3	(0.0)	0.2
Principle Finance	13.0	15.5	(3.0)	1.1	13.6	(11.0)	(13.2)	(0.9)	(25.0)	14.1	0.4	3.1	17.7	5.4	0.6	0.8	6.7
SP NPLs Europe	(26.6)	11.7	(3.4)	(3.4)	4.9	(3.4)	(3.6)	(4.0)	(11.1)	(4.1)	(3.5)	(4.4)	(12.0)	(3.7)	(3.3)	(1.4)	(8.4)
Insurance Solutions	(0.8)	(0.8)	0.0	0.0	(0.8)	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal Trading Europe	106.1	22.3	10.3	(29.9)	2.8	(46.8)	29.6	17.0	(0.2)	49.4	10.1	14.2	73.7	16.4	9.8	3.7	29.8
SPML	(124.7)	(61.8)	(22.1)	(34.0)	(117.9)	(33.1)	(2.3)	(1.0)	(36.4)	3.3	(1.9)	9.5	10.9	13.4	3.6	1.6	18.7
ELQ	51.0	38.6	0.9	(1.8)	37.6	(0.1)	9.3	0.6	9.8	0.9	0.9	0.1	1.8	1.5	0.3	(0.0)	1.8
Preferred Mortgages	(21.9)	(44.7)	10.8	28.0	(5.9)	(16.8)	(15.0)	(0.5)	(32.4)	(3.6)	0.9	6.7	4.0	12.7	(3.2)	3.0	12.4
Capstone	55.8	8.2	5.5	3.6	17.3	5.8	4.1	6.3	16.3	1.4	2.7	2.6	6.7	12.3	1.9	1.4	15.6
Subtotal Origination Europe	(39.7)	(59.8)	(5.0)	(4.1)	(68.9)	(44.2)	(3.9)	5.4	(42.7)	2.0	2.5	18.8	23.3	39.9	2.6	6.0	48.6
TOTAL EUROPE	66.3	(37.5)	5.3	(34.0)	(66.2)	(91.0)	25.7	22.4	(42.9)	51.3	12.7	33.0	97.0	56.3	12.5	9.7	78.4
Asia																	
ABS New Issue	29.6	(3.4)	0.4	1.5	(1.5)	2.3	1.3	2.0	5.6	5.0	4.6	7.0	16.6	3.6	3.0	2.2	8.9
MBS Trading	5.4	0.3	0.5	0.3	1.1	0.4	0.3	0.3	1.0	0.2	0.1	0.3	0.6	0.2	1.6	0.9	2.8
Principle Finance	12.0	3.2	0.1	(0.1)	3.2	1.5	0.4	0.2	2.0	6.5	0.2	0.1	6.9	(0.0)	(0.1)	(0.0)	(0.1)
SP Australia	(0.0)	-	-	-	-	-	0.0	(0.0)	(0.0)	0.0	-	-	0.0	-	-	-	-

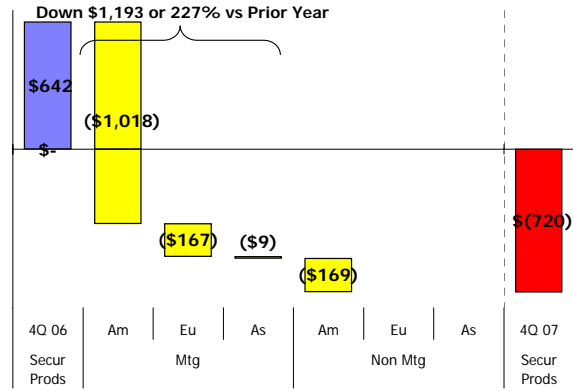
Subtotal Asia	46.9	0.1	0.9	1.7	2.7	4.1	2.1	2.4	8.6	11.8	4.9	7.4	24.1	3.9	4.6	3.1	11.6
Japan	22.0	15.4	0.1	1.5	17.1	0.7	1.1	0.5	2.3	0.7	0.8	0.5	2.1	(0.2)	0.4	0.4	0.6
Korea	1.0	0.4	0.4	0.9	1.6	0.2	0.2	(0.4)	(0.0)	(0.5)	0.3	(0.0)	(0.3)	0.1	(0.1)	(0.3)	(0.3)
Subtotal Origination Asia	23.0	15.8	0.5	2.4	18.7	0.9	1.3	0.1	2.3	0.2	1.1	0.4	1.7	(0.0)	0.3	0.0	0.3
TOTAL ASIA	69.9	15.9	1.4	4.1	21.4	5.0	3.3	2.5	10.9	12.0	6.0	7.8	25.8	3.8	4.9	3.2	11.8
TOTAL	(48.5)	(574.4)	(273.1)	118.5	(729.0)	(299.3)	95.6	258.4	54.7	222.1	(53.0)	117.0	286.1	95.3	128.3	116.0	339.7

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

Revenue Comparison: Vs. Linked Qtr



Revenue Comparison: Vs. Prior Year



	Qtrly Revenue			\$ Delta	
	4Q 07	3Q 07	4Q 06	4Q vs. 3Q	Q 07 vs. Q 06
Mtg-Am	\$ (622)	\$ 135	\$ 396	\$ (757)	\$ (1,018)
Mtg-Eu	(66)	(43)	100	(23)	(167)
Mtg-As	21	11	30	10	(9)
Non Mtg-Am	(53)	(34)	116	(19)	(169)
Non Mtg-Eu	-	-	-	-	-
Non Mtg-As	-	-	-	-	-
Total	\$ (720)	\$ 69	\$ 642	\$ (789)	\$ (1,362)
Mtg	\$ (667)	\$ 103	\$ 526	\$ (770)	\$ (1,193)
Non Mtg	(53)	(34)	116	(19)	(169)
Total	\$ (720)	\$ 69	\$ 642	\$ (789)	\$ (1,362)

NOTE: Includes 100% of Pass-Thrus

		Linked Qtr					
		Lower	Upper			Label	
Secur Prods	3Q 07	69.1085704	69.1085704	0	0	69	
Mtg	Am	-756.87273	-687.76416	756.872731	69	-687.76416	-\$757
	Eu	-23.250808	-711.01497	23.2508084		-687.76416	-23 -\$23
	As	10.4335763	-711.01497	10.4335763		-687.76416	-10 \$10
Non Mtg	Am	-19.249893	-719.83129	19.2498933		-711.01497	-19 -\$19
	Eu	0	-719.83129	0		-719.83129	0 \$0
	As	0	-719.83129	0		-719.83129	0 \$0
Secur Prods	4Q 07	\$ (720)	-719.83129	719.831286		-719.83129	0 -\$720

\$ Delta (770)
 % Delta -746%

Down \$770 or 746% vs Linked Qtr

		Prior Year					
		Lower	Upper			Label	
Secur Prods	4Q 06	641.711923	641.711923	0	0	641.711923	
Mtg	Am	-1017.5438	-375.83189	1017.54382	641.711923	-375.83189	-\$1,018
	Eu	-166.52239	-542.35429	166.522393		-375.83189	-166.52239 -\$167
	As	-8.5297908	-550.88408	8.52979075		-542.35429	-8.5297908 -\$9
Non Mtg	Am	-168.94721	-719.83129	168.947209		-550.88408	-168.94721 -\$169
	Eu	0	-719.83129	0		-719.83129	0 \$0
	As	0	-719.83129	0		-719.83129	0 \$0
Secur Prods	4Q 07	-719.83129	-719.83129	719.831286		-719.83129	-719.83129 -\$720

\$ Delta (1,193)
 % Delta -227%

Down \$1,193 or 227% vs Prior Year

Securitized Products Global Revenue Summary

As of 11/30/07 (Q4 2007)

(in 000's)

	Q4 2007 vs. Q3 2007				Q4 2007 vs. Q4 2006			
	Q4 2007	Q3 2007	\$ CHANGE	% CHANGE	Q4 2007	Q4 2006	\$ CHANGE	% CHANGE
Americas								
Agency PT & Options	11,618	14,334	(2,716)	-19%	11,618	16,777	(5,159)	-31%
Agency Remics / Strips	7,795	(15,603)	23,398	-150%	7,795	16,953	(9,158)	-54%
Mortgage Finance	1,243	4,864	(3,621)	-74%	1,243	6,132	(4,889)	-80%
Non-Prime	(502,724)	(235,001)	(267,723)	114%	(502,724)	124,946	(627,670)	-502%
Prime	(292,851)	(203,524)	(89,327)	44%	(292,851)	82,198	(375,049)	-456%
Principle Finance Residential	2,715	2,911	(196)	-7%	2,715	5,426	(2,710)	-50%
ABS Derivatives	275,023	566,645	(291,622)	-51%	275,023	11,379	263,644	2317%
ABS New Issue	10,538	13,117	(2,579)	-20%	10,538	18,924	(8,386)	-44%
ABS Secondary	1,820	(33,072)	34,892	-106%	1,820	9,403	(7,584)	-81%
Insurance Products	739	9,469	(8,730)	-92%	739	9,464	(8,725)	-92%
Non-Residential Trading	(104,815)	(50,991)	(53,825)	106%	(104,815)	53,686	(158,501)	-295%
Special Opportunities Group	13,275	6,328	6,947	110%	13,275	23,008	(9,733)	-42%
House - Risk	(94,400)	(77,004)	(17,395)	23%	(94,400)	15,919	(110,318)	-693%
House - Admin	(169)	40	(209)	-527%	(169)	(111)	(58)	0%
Subtotal Americas	(670,194)	2,514	(672,708)	-26761%	(670,194)	394,102	(1,064,296)	-270%
Aurora	48,536	76,546	(28,010)	-37%	48,536	79,587	(31,051)	-39%
Campus Door	8,450	3,554	4,896	138%	8,450	1,954	6,496	332%
BNC	(87,630)	(13,230)	(74,400)	562%	(87,630)	3,600	(91,230)	-2534%
SBF	16,653	17,408	(755)	-4%	16,653	15,439	1,214	8%
Subtotal Origination Americas	(13,991)	84,278	(98,269)	-117%	(13,991)	100,580	(114,571)	-114%
TOTAL AMERICAS	(684,184)	86,792	(770,976)	-888%	(684,184)	494,682	(1,178,866)	-238%
EUROPE	(66,161)	(42,924)	(23,237)	54%	(66,161)	100,348	(166,509)	-166%
ASIA	21,376	10,862	10,515	97%	21,376	29,905	(8,529)	-29%
TOTAL	(728,970)	54,729	(783,699)	-1432%	(728,970)	624,935	(1,353,904)	-217%

**Securitized Products
Revenues - Rating Agency Format**

	Q4 2007	Q3 2007	Q2 2007	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006	FY 2006	FY 2005	FY 2004
AMERICAS											
PRIME	-	3,608	3,199	18,489	23,998	18,200	27,400	23,400	92,998	150,868	217,214
ALT-A	(244,054)	(130,590)	106,296	172,545	139,145	176,145	189,371	107,704	612,365	510,049	499,440
SUB-PRIME	(426,037)	218,434	(192,966)	(57,156)	94,893	126,375	236,511	102,530	560,309	1,214,667	1,071,007
ABS Derivatives Trading (Sales Credits)	40,017	25,469	37,920	33,710	23,094	-	-	-	23,094		
WAREHOUSING LINES	2,715	2,903	13,249	(21,634)	5,415	4,754	5,244	6,730	22,143	37,507	35,650
PASS-THRU	18,282	28,759	4,404	12,575	33,554	10,049	15,212	9,274	68,089	50,192	79,252
REMIC	7,796	(15,606)	15,794	18,179	16,944	13,288	27,488	13,319	71,039	100,676	138,560
BANKING	1,242	4,863	7,738	8,380	6,132	12,521	7,243	8,207	34,102	54,023	36,348
OTHER	(21,727)	(2,732)	46,453	10,485	52,604	22,885	38,400	32,561	146,450	114,608	108,700
TOTAL MORTGAGES AMERICAS	(621,765)	135,108	42,086	195,573	395,779	384,216	546,870	303,724	1,630,589	2,232,591	2,186,172
EUROPE	(66,175)	(42,924)	97,018	78,380	100,347	134,742	158,502	89,404	482,995	388,794	318,509
ASIA	21,376	10,942	25,812	11,847	29,905	10,125	16,168	3,570	59,768	33,452	34,564
INTERNATIONAL MORTGAGES	(44,799)	(31,982)	122,830	90,227	130,253	144,867	174,669	92,974	542,763	422,246	353,073
TOTAL GLOBAL MORTGAGES	(666,564)	103,125	164,916	285,800	526,032	529,084	721,539	396,698	2,173,353	2,654,836	2,539,246
INTERNATIONAL PERCENTAGE	7%	-31%	74%	32%	25%	27%	24%	23%	25%	16%	14%
NON MORTGAGES AMERICAS											
ABS	12,416	(19,795)	66,688	33,166	11,950	34,656	56,852	86,766	190,224	187,539	103,913
SMALL BUSINESS LENDING	(68,582)	(35,416)	31,295	14,963	70,123	13,942	34,319	12,136	130,521	101,679	-
STUDENT LOANS	(11,115)	5,396	4,060	4,476	1,131	2,407	-	-	3,538	-	-
PRINCIPAL	13,276	6,328	12,953	4,897	23,013	12,623	4,677	15,218	55,532	53,031	60,463
INSURANCE	739	9,469	8,415	2,641	9,464	2,418	19,531	10,185	41,598	21,819	21,667
	-	-	-	-	-	-	-	-	-	-	-
TOTAL NON MORTGAGES AMERICAS	(53,267)	(34,017)	123,411	60,143	115,680	66,047	115,379	124,306	421,412	364,068	186,043
INTERNATIONAL NON MORTGAGES	-	-	-	-	-	-	-	-	-	-	-
TOTAL GLOBAL NON MORTGAGES	(53,267)	(34,017)	123,411	60,143	115,680	66,047	115,379	124,306	421,412	364,068	186,043

TOTAL SECURITIZED PRODUCTS	(719,831)	69,109	288,327	345,943	641,712	595,130	836,918	521,004	2,594,764	3,018,904	2,725,289
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NOTE: INCLUDES 100% OF PASS-THRU

SECURITIZED PRODUCTS Q4 COMMENTARY

SECURITIZED PRODUCTS -729mm

SECURITIZED PRODUCTS AMERICAS -684mm

ABS Derivatives: +275mm

+109mm MTM gains in single name CDS/ABX hedges, primarily from an 859mm equivalent short in BBB- 06-2 as spreads widened 672bps to 2953bps
+402mm MTM gains in CDS on CDO from ratings downgrades and spread widening.
(311mm) MTM losses in cash CDO positions from ratings downgrades and spread widening.
+99.3mm MTM gains in ABX flow trading as the desk traded 77.4B in notional and spreads widened an average of over 500bps.
(26mm) MTM losses in long single name TRS positions as spreads widened.

Non Prime: -503mm

-400mm loss on Residual, NIM bond, and NIG bond positions
-433mm loss on first and second lien whole loan positions
+343mm gain on credit hedge of ABX, TRS, and Single Name CDS
+14mm loan servicing revenue
-23mm securitization revenues on issuance of \$1.33bn (Margin of -177 bps)
-4mm increase in rep and warrants reserve

Prime: -293mm

+375mm of MTM Gains on Hedge positions including ABX, TRS, Interest Rate Swaps and Single Name CDS positions
-562mm of MTM Losses on Prime Subordinate Fixed, Hybrid and MTA positions
-89mm of MTM Losses on Prime Whole Loan positions (including -13mm relating to first magnus)
-78mm in Misc Secondary Trading, Carry, MTM
-38mm related to an increase of the First Magnus / ALS Rep & Warrant Reserves
+14mm in Securitization revenue related to the \$456mm FNR 07-103 securitization
-18mm in losses on Prime New Issue positions related to recent securitizations
+102mm in Servicing & IO revenue
+6mm in Countrywide Commitment Fees
-3mm in misc Fees including LTD, Interest Allocation, etc
Prime Q4 Volumes were 3.8bn compared to 7.5bn in Q3. Option Arm volumes were 1bn in Q4 vs 3.2bn in Q3

Non-Residential Trading: -105mm

SECURITIZED PRODUCTS Q4 COMMENTARY

-24mm MTM P&L highlighted by -21mm due to Greenpoint trust positions write off and -3mm MTM losses for various heloc positions
-22.5mm Campus Door student loans: highlighted by -15mm in MTM and -7.5mm Trading P&L transfer to Campus Door origination
+19mm in gains related to Capital Crossing P&L (+15mm trading; +4m Origination)
-46mm Whole loan markdowns
-33mm loss on LBSBC 07-3 (Notional of \$700mm; margin -466 bps)

House: -94mm

MTM in long 200mm A 07-1 as spreads widened 520bps to 2007bps, and long 125mm BBB 07-1 as spreads widened 424bps to 2463bps.

Origination: -14mm

-14mm Operating revenues from Affiliates; ALS +49mm, BNC (-88mm), SBF +17mm, +8mm Campus Door.

ABS Secondary: +2mm

+20mm Net MTM P&L on various insurance/franchise ABS positions (+12mm on Broadhollow; +7mm on Maryland Trust 2007
+19mm Net MTM and Trading P&L on fixed and floating rate Home Equity ABS Positions
+2mm in Net trading P&L on CAT ABS positions
-23mm Net P&L in Sub-prime Secondary
-21mm Net P&L in Capital and Insurance ABS

Agency PT & Options: +12mm

+11mm in MTM and trading gains in 30 Year & 15 Year FNMA passthrough positions.

Remics: +8mm

+40mm Trading & MTM gains on Inverse floaters & Inverse IO positions.
-39mm Trading & MTM gains on Long IO positions
+36mm Trading & MTM gains on Long PO positions
-37mm loss on Eurodollar Futures as swaps rates decreased.
+8mm gain on interest rates Swaps
+1mm securitization P&L (+346k FHR 3355; +690k FNR 07-88)

Principal Finance Residential: +3mm

No significant revenue items to highlight

SECURITIZED PRODUCTS Q4 COMMENTARY

ABS New Issue: +11mm

+5mm in monthly ABCP Fees
+8mm in Securitization Fee Revenues highlighted by +5mm Securitization Fee on IHOP/Applebee's and AmeriCredit Automobile Receivables Trust 2007 D-F deal
-8mm relating to Dunkin and Sonic positions (-6mm MTM Dunkin; -6mm MTM Sonic; +4mm fee reimbursement from IBD)
+6mm tax credits for Project Finance

Mortgage Finance: +1mm

+1.5mm in Securitization Fee Income from ResMae Mortgage Loan Trust 2007-1

Insurance Solutions +1mm

No significant revenue items to highlight

Special Opportunities Group +13mm

+5mm related to Net Interest Income on Cap One (+2mm) and Golden Gate (+2.5mm) Structured Notes
+4mm related to sale proceeds: +2mm from Seaside Notes; +2mm from ProMarketing positions
+2mm in MTM P&L: +2mm Petroleum Realty mark up
+1mm related to a true up of the Prospective Deal Reserve
+1mm Net P&L on AerCap equity positions: -1mm MTM; +2mm liquidity reserve release

SECURITIZED PRODUCTS EUROPE -66mm

(-86mm) in Q4 writedowns
-22mm in Q4 securitization revenues

SECURITIZED PRODUCTS ASIA +21mm

+18.3mm securitization revenues from LSTaRS-2; size of 250mm
+8.1mm interest income and origination fee release for SFCG LMP-1, SFCG WM-2, and SFCG FR-2 loan facilities
+2.6mm MTM gain of GTSTARS Thai NPL Portfolio
+1.8mm fee allocation for PSR Golf, LJAC 5, and LJAC 6 transactions
-6.2mm MTM loss of NIS TMK Bonds after allocation to HGC
-10mm MTM loss of GMO Vega II Trust Certificates

SECURITIZED PRODUCTS Q4 2007 vs Q3 2007 COMMENTARY

SECURITIZED PRODUCTS (Q4 revenues of -729mm compared to +55mm in Q3; a decrease of -784mm)

SECURITIZED PRODUCTS AMERICAS (Q4 revenues of -684mm compared to +87mm in Q3; a decrease of -771mm)

ABS Derivatives

Revenues were +275mm in Q4 vs. +567mm in Q3, a decrease of -292mm as spreads continued to widen in Q4 as they had in Q3, but to a lesser degree for most ABX series.

ABX BBB- 06-2 widened 672bps in Q4, versus a widening of 1084bps in Q3.

Q4 MTM on CDS on CDO positions were +402mm, offset by (-313mm) of MTM on cash CDO positions, vs. +378mm CDS on CDO and (-84mm) in cash CDO positions in Q3. Q4 MTM gains in long Bond Index TRS positions were +18mm, vs. +92mm in Q3. Single name CDS/ABX was +109mm in Q4 vs. +145mm in Q3.

Non Prime

Q4 revenues were a loss of (-503mm) compared to a loss of (-235mm) in Q3 (a decrease in revenues of -268mm)

Non prime Q4 volumes were 1.3bn compared to 1.1bn in Q3; Non prime Q4 margins were -185 bps compared to 82 bps in Q3.

This is primarily due to -23mm revenues on \$659mm SASCO 2007-BNC1 deal in November

Scratch & Dent Q4 volumes were 866mm compared to 179mm in Q3; Q4 margins were 0 bps compared to 1,408 bps in Q3.

This is primarily due to +25mm revenues on 179mm SASCO 2007-TC1 in June (desk was able to opportunistically source low priced collateral)

Increase in writedowns qtr over qtr; (-849mm) in Q4 from writedowns on whole loans, residuals, NIMs, NIG bonds compared to a loss of (-567mm) in Q3 (including -8mm first magnus)

Securitization revenues decreased qtr over qtr; -23mm in Q4 compared to +34mm in Q3

Partially offset by an increase in hedge gains from prior qtr; +344mm hedge gains in Q4 compared to gains on hedges of +272mm in Q3

Q4 rep and warrants reserve were increased by 4mm in Q4 compared to 46mm increase in rep and warrant reserves in Q3

Prime

Q4 revenues were a loss of (-293mm) compared to a loss of (-204mm) in Q3 (a decrease in revenues of -90mm)

Credit concerns and liquidity issues continued to have ill effects on the Prime business during Q4 07.

Prime Q4 Volumes were 3.8bn compared to 7.6bn in Q3. Option Arm volumes were 1bn in Q4 vs 5.8bn in Q3

Increase in writedowns qtr over qtr; (-807mm) in Q4 from writedowns (including -13mm first magnus) compared to a loss of (-789mm) in Q3 (including -17mm first magnus)

Partially offset by an by hedge gains which decreased from prior qtr; +403mm hedge gains in Q4 compared to gains on hedges of +562mm in Q3

The Prime desk also lost -38mm in Q4 from increase in rep and warrant reserves compared to -61mm in Q3

Prime servicing and IO revenues were +102mm for Q4.

House

Revenues were (-94mm) in Q4 vs. (-77mm) in Q3 (a decrease of -17mm)

Q4 MTM was from long 200mm A 07-1 as spreads widened 520bps to 2007bps, and long 125mm BBB 07-1 as spreads widened 424bps to 2463bps.

In Q3 there was (113mm) MTM from spread widening on long ABX, but this was partially offset by +30mm MTM from spread widening on short single name CDS

Origination

Origination revenues were a loss of -14mm in Q4 compared to a gain of +84mm in Q3 (an decrease of -98mm)

BNC decreased -74mm qtr over qtr; ALS decreased -28mm; Campus Door increased +5mm; SBF decreased -1mm

ABS Secondary

Q4 revenues were +2mm compared to a loss of (-33mm) in Q3 (an increase of +35mm)

Q4 started off with +35mm in September mostly from trading activity; Oct saw a slowdown in trading with making +9mm for the month; Nov had -42mm of which -39mm was from writedowns Q3 had writedowns of (-28mm).

ABS New Issue

Q4 revenue were a gain of +11mm compared to a gain of +13mm in Q3 (a decrease of -2mm)
Decrease was primarily due to MTM losses on Dunkin and Sonic positions

Remics

Q4 revenues were a gain of +8mm in Q4 compared to a loss of -16mm in Q3 (an increase in revenues of +24mm)
Increase was primarily due MTM gains on long agency positions as spreads tightened & partially offset by a decrease in securitization revenues
Securitization revenues were +2mm in Q4 compared to +7mm in Q3 (a decrease of -5mm)

Agency PT & Options

Q4 revenues were a gain of +12mm compared to a gain of +14mm in Q3 (a decrease in revenues of -2mm)
No significant items to highlight

Principal Finance Residential

Q4 revenues were a gain of +3mm, consistent with Q3 revenues of +3mm
Source of the revenues was primarily Interest from funded commitments

Mortgage Finance

Q4 revenues were a gain of +1mm compared to a gain of +5mm in Q3 (a decrease of -4mm)
Decrease was primarily due to a decrease in agented MBS securitization revenues (1mm in Q4 compared to 3mm in Q3)

Insurance Solutions

Q4 revenues were a gain of +1mm compared with revenues of +9mm in Q3 (decrease of 8mm)
Decrease was primarily due to the slow down in the market for the insurance sector

Special Opportunities Group

Q4 revenues were a gain of +13mm compared to a gain of +6mm in Q3 (an increase of +7mm)
Increase was primarily due to +4mm in the sale proceeds form Seaside Notes and ProMarketing positions and +2mm mark up in Petroleum Realty positions

Non-Residential Trading

Q4 revenues were a loss of (-105mm) compared to a loss of (-51mm) in Q3 (a decrease of -54mm)
Q4 had a loss of -23mm from Campus Door student loans writedowns
Greenpoint positions write downs of -20mm in Q4 vs. -46mm in Q3
SBF/SBA Whole loan markdowns in Q4 totaled a loss of -45mm vs. a loss of -15mm in Q3
Capital Crossing P&L in Q4 was +19mm compared to +11mm in Q3
-33mm loss on LBSBC 07-3 (Notional of \$700mm; margin -466 bps) in Q4 vs. 0 P&L on LBSBC 07-2 (Notional of \$501mm; margin of 0)

SECURITIZED PRODUCTS EUROPE

Q4 revenues were a loss of (-66mm) compared to a loss of (-43mm) in Q3 (a decrease of -23mm)
Decrease primarily due to lower securitization revenues (-22mm Q4; -9mm Q3)

SECURITIZED PRODUCTS ASIA

Q4 revenues were a gain of +21mm compared to a gain of +11mm in Q3 (an increase of +10mm)
Increase primarily from +18.5mm securitization revenues in Q4
Q4 also had (-5mm) loss from NIS/Stella Hills net markdown due to credit spread widening

SECURITIZED PRODUCTS Q4 2007 vs Q4 2006 COMMENTARY

SECURITIZED PRODUCTS (Q4 07 revenues of -729mm compared to +625mm in Q4 06; a decrease of -1.4bn)

SECURITIZED PRODUCTS AMERICAS (Q4 07 revenues of -684mm compared to +495mm in Q4 06; a decrease of -1.2bn)

ABS Derivatives

Revenues were +275mm in Q4 '07 vs. +11mm in Q4 '06, as trading volumes have increased substantially in ABX, single name CDS, and CDS on CDO over the past year, and spreads have increased dramatically across all ratings.

Non Prime

Q4 07 revenues were a loss of (-503mm) compared to a gain of +125mm in Q4 06 (a decrease in revenues of -628mm).

-400mm loss on Residual, NIM bond, and NIG bond positions in Q4 07 compared to -37mm in Q4 06

-433mm loss on first and second lien whole loan positions in Q4 07 compared to \$0 in Q4 06

+343mm gains on credit hedge of ABX, TRS, and Single Name CDS in Q4 07 vs. gains of \$6mm in Q4 06

+14mm loan servicing revenue in Q4 07 vs. gains of +\$10.5mm in Q4 06

-23mm securitization revenues on issuance of \$1.33bn (Margin of -177 bps) in Q4 07 vs.

Q4 06 which had Securitization revenue totaling +\$130mm on issuance of \$14.2bn

(Margin of +115 bps)

Prime

Q4 07 revenues were a loss of (-293mm) compared to +82mm gain in Q4 06 (a decrease in revenues of -373mm)

Prime Q4 07 Volumes were 3.8bn compared to 7bn in Q4 06. Option Arm volumes were 1bn in Q4 vs 11.6bn in Q4 06

Q4 07 revenues were driven by writedown losses of (-807mm) of which -681mm on Subordinate and Residual Positions and -126mm in Whole loan writedowns.

Losses in Q4 07 partially offset by hedge position gains of +403mm.

House

Revenues were (-94mm) in Q4 '07 vs. 16mm in Q4 '06. Q4 '07 MTM was mainly from the ABX positions below, but there were no derivatives in House-Risk in '06.

Q4 '07 MTM was from long 200mm A 07-1 as spreads widened 520bps to 2007bps, and long 125mm BBB 07-1 as spreads widened 424bps to 2463bps.

Origination

Origination revenues were a loss of -14mm in Q4 compared to a gain of +101mm in Q4 06 (a decrease of -115mm)

Main drivers were: Loss of -88mm BNC Q4 07 compared to gain of +4mm in Q4 06 and gain of +49mm ALS Q4 07 compared to +80mm Q4 06

ABS Secondary

Q4 07 revenues were a gain of +2mm compared to a gain of +9mm in Q4 06 (a decrease in revenues of -7mm).

Decrease was primarily due to Q4 07 writedowns in floating and fixed rate Home equity ABS positions

ABS New Issue

Q4 07 revenues were a gain of +11mm compared to a gain of +19mm in Q4 06 (a decrease of -8mm)

Decrease primarily from smaller Q4 07 deal revenues and mark down of Dunkin and Sonic positions (-8mm)

Remics

Q4 revenues were a gain of +8mm in Q4 2007 compared to a gain of +17mm in Q4 2006 (a decrease in revenues of -9mm)

Primarily due to a decrease in securitization revenues; Securitization revenues were +2mm in Q4 2007 compared to +13mm in Q4 2006 (a decrease of -11mm)

Agency PT & Options

Q4 2007 revenues were a gain of +12mm compared to a gain of +17mm Q4 2006 (a decrease of -5mm)

No significant items to highlight

Principal Finance Residential

Q4 07 revenues were a gain of +3mm compared to a gain of +5mm in Q4 06 (a decrease of -2mm)

Decrease was primarily due to less interest income due to fewer amount of warehouse facilities as a result of the deterioration of the Mortgage market

Mortgage Finance

Q4 07 revenues were a gain of +1mm compared to a gain of +6mm in Q4 06 (a decrease of -5mm)

Decrease was primarily due to a decrease in agented MBS securitization revenues (+1mm in Q4 07 compared to +5mm in Q4 06)

Insurance Solutions

Q4 07 revenues were a gain of +1mm compared to a gain of +9mm in Q4 06 (a decrease of -8mm)

Decrease was primarily due to a lower activity in the Insurance sector

Special Opportunities Group

Q4 07 revenues were a gain of +13mm compared to a gain of +23mm in Q4 06 (a decrease of -10mm)

Decrease was primarily due to -2mm mark down of Dunkin and Hertz VFNs and fewer active positions in the sector

Non-Residential Trading

Q4 07 revenues were a loss of (-105mm) compared to a gain of +54mm in Q4 06 (a decrease of -159mm)

Decrease was primarily due to -24mm MTM on Greepoint and other heloc positions

-23mm Campus Door campus door student loan writedowns in Q4 07 vs. 0 MTM in Q4 06

-46mm in Whole loan markdowns for Q4 07 vs. +10mm in Q4 06

-33mm loss on LBSBC 07-3 (Notional of \$700mm; margin -466 bps) in Q4 07 vs. gains of \$35mm in Q4 06 (Notional of \$643mm; margin of +537 bps)

Capital Crossing P&L in Q4 07 was +19mm compared to 0 in Q4 06

SECURITIZED PRODUCTS EUROPE

Q4 07 revenues were a loss of (-66mm) compared to a gain of +100mm in Q4 06 (a decrease of -166mm)

Decrease primarily due to -86mm in writedowns taken in Q4 07 as well as lower securitization revenues (-22mm Q4 07; +30mm Q4 06)

SECURITIZED PRODUCTS ASIA

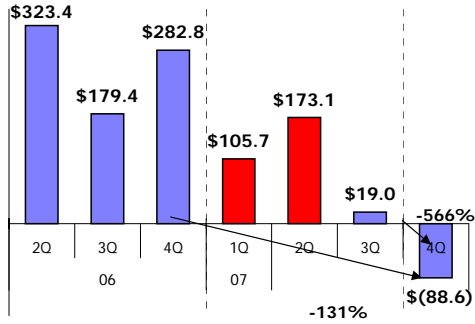
Q4 07 revenues were a gain of +21mm compared to a gain of +30mm in Q4 06 (a decrease of -9mm)

Decrease primarily due to (-10mm) MTM loss of GMO Vega II Trust Certificates and (-6mm) MTM loss on NIS TMK bonds both in Q4 07

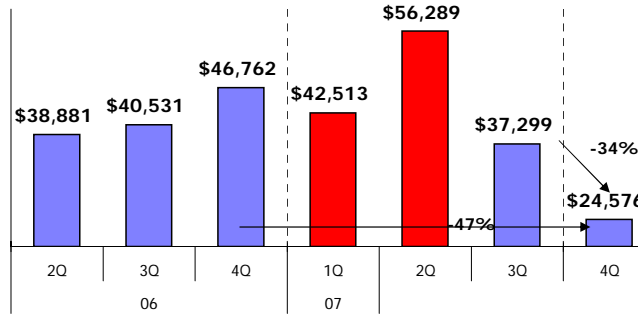
This is partially offset by increase of +13mm in securitization gains (+18mm LSTaRS 2 in Q4 07; +5.5mm LSTaRS 1 in Q4 06)

Securitization Revenues

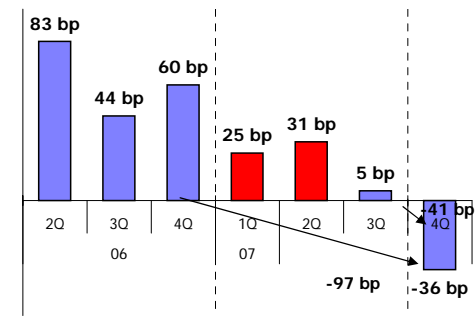
Revenue



Volume



Margin



Securitization Revenue (a)

	FY 06			FY 07			
	2Q 06	3Q 06	4Q 06	1Q 07	2Q07	3Q07	4Q07
Agency CMO	\$ 24.2	\$ 13.9	\$ 13.2	\$ 5.5	\$ 18.2	\$ 8.2	\$ 1.9
Prime Securitization	53.8	27.6	24.4	17.7	9.62	2.36	7.70
Prime Agency Deliveries	27.4	18.2	24.0	15.3	32.2	0.4	-
Prime WL Sales	5.7	4.3	3.0	0.9	-	-	-
Option ARMs	45.7	39.0	24.5	18.1	17.3	(20.0)	0.4
NonPrime	117.1	68.4	105.4	6.0	15.6	9.0	(23.3)
Scratch&Dent	n/a	n/a	n/a	5.0	39.4	25.2	-
LBSBC	n/a	n/a	n/a	-	10.0	-	(32.6)
Reverse Mtg.	n/a	n/a	n/a	-	5.1	-	-
Esoteric	29.3	7.9	52.9	-	-	-	-
Syndicate MB	n/a	n/a	n/a	7.3	7.3	2.6	0.9
Europe	20.3	-	30.0	29.9	18.3	(8.8)	(62.1)
Asia	-	-	5.5	-	-	-	18.5
Totals	\$ 323.4	\$ 179.4	\$ 282.8	\$ 105.7	\$ 173.1	\$ 19.0	\$ (88.6)

Securitization Volume (b)

	FY 06			FY 07			
	2Q 06	3Q 06	4Q 06	1Q 07	2Q07	3Q07	4Q07
Agency CMO	\$ 7,196	\$ 5,178	\$ 2,119	\$ 5,834	\$ 13,031	\$ 8,049	\$ 2,862
Prime Securitization	7,498	7,230	6,987	7,694	12,925	7,595	3,808
Prime Agency Deliveries	4,942	4,348	6,097	4,673	3,898	3,176	570
Prime WL Sales	1,089	1,126	449	203	-	78	-
Option ARMs	6,043	7,732	11,566	3,620	6,123	5,763	982
NonPrime	10,224	13,085	12,713	4,909	5,602	1,143	1,267
Scratch&Dent	n/a	n/a	n/a	296	478	179	866
LBSBC	n/a	n/a	n/a	29	352	529	700
Reverse Mtg.	n/a	n/a	n/a	-	701	-	-
Esoteric	504	1,832	1,544	-	-	-	-
Syndicate MB	n/a	n/a	n/a	8,943	12,027	7,511	10,329
Europe	1,386	-	5,192	6,312	1,151	3,276	2,920
Asia	-	-	96	-	-	-	270
Totals	\$ 38,881	\$ 40,531	\$ 46,762	\$ 42,513	\$ 56,289	\$ 37,299	\$ 24,576

Securitization Margin (a)/(b)

	FY 06			FY 07			
	2Q 06	3Q 06	4Q 06	1Q 07	2Q07	3Q07	4Q07
Agency CMO	34 bp	27 bp	62 bp	9 bp	14 bp	10 bp	7 bp
Prime Securitization	72	38	35	23	7	3	20
Prime Agency Deliveries	55	42	39	33	83	1	0
Prime WL Sales	52	39	68	44	0	0	0
Option ARMs	76	50	21	50	28	-35	5
NonPrime	115	52	83	12	28	79	-184
Scratch&Dent	0	0	0	169	824	1409	0
LBSBC	0	0	0	0	284	0	-466
Reverse Mtg.	0	0	0	0	73	0	0
Esoteric	581	43	343	0	0	0	0

Syndicate MB	0	0	0	8	6	3	1
Europe	146	0	58	47	159	-27	-213
Asia	0	0	573	0	0	0	685
Totals	83 bp	44 bp	60 bp	25 bp	31 bp	5 bp	-36 bp

		Revenue	Volume	Margin
06	2Q	\$ 323.4	\$ 38,881	83 bp
	3Q	\$ 179.4	\$ 40,531	44 bp
	4Q	\$ 282.8	\$ 46,762	60 bp
07	1Q	\$ 105.7	\$ 42,513	25 bp
	2Q	\$ 173.1	\$ 56,289	31 bp
	3Q	\$ 19.0	\$ 37,299	5 bp
	4Q	\$ (88.6)	\$ 24,576	-36 bp
	YoY	-131%	-47%	-97 bp
	Linked	-566%	-34%	-41 bp

Global Securitization Margin Analysis

(\$ in millions)

	4Q07	3Q07	2Q07	1Q07	4Q06	3Q06	2Q06	1Q06	4Q05	3Q05	2Q05	1Q05	4Q04	3Q04	2Q04	1Q04
Securitization Revenue - A																
Agency CMO	1.87	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	7.70	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	-	0.38	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	0.44	(19.96)	17.30	18.08	24.48	39.00	45.70	17.65	16.94	-	(1.13)	-	-	-	-	-
NonPrime	(23.34)	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	(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	(88.59)	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	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	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	570	3,176	3,898	4,673	6,097	4,348	4,942	6,312	-	-	-	-	-	-	-	-
Prime WL Sales	-	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	1,267	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	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	10,329	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	2,920	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	24,576	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	0.07%	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	0.20%	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%	0.01%	0.83%	0.33%	0.39%	0.42%	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%	0.44%	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	0.05%	-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	-1.85%	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%	14.09%	8.24%	1.69%	-	-	-	-	0.90%	1.30%	1.90%	3.29%	-	-	-	-
LBSBC	-4.66%	0.00%	3.06%	0.00%	-	-	-	-	6.55%	0.00%	4.94%	0.00%	-	-	-	-
Reverse Mtg.	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%	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	0.01%	0.03%	0.06%	0.08%	-	-	-	-	-	-	-	0.00%	-	-	-	-
Europe	-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	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	-0.36%	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%

Global Securitization Margin Analysis

(\$ in millions)

	4Q07	3Q07	2Q07	1Q07	4Q06	3Q06	2Q06	1Q06	4Q05	3Q05	2Q05	1Q05	4Q04	3Q04	2Q04	1Q04
Securitization Revenue - A																
Agency CMO	1.87	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	7.70	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	-	0.38	32.18	15.27	24.00	18.20	27.40	23.40	-	-	-	-	-	-	-	-
NIM Volume																
Agency CMO	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prime Securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prime Agency Deliveries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prime WL Sales	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Option ARMs	-	-	61	121	-	-	-	-	-	-	-	-	-	-	-	-
NonPrime	9	46	153	246	-	-	-	-	-	-	-	-	-	-	-	-
Scratch&Dent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LBSBC	-	29	25	29	-	-	-	-	-	-	-	-	-	-	-	-
Reverse Mtg.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Esoteric	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Syndicate MB	-	-	-	140	-	-	-	-	-	-	-	-	-	-	-	-
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Asia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	9	75	239.6	536.3												

Securitized Products
Q1 2007 Deals
\$ 000s

<u>Region</u>	<u>Desk</u>	<u>Issuing Entity</u>	<u>Short Description</u>	<u>Settle Date</u>	<u>UPB</u>	<u>Total Flash</u>	<u>Margin Bps</u>
Americas	Agency CMO	FNR 06-123	Fannie Mae	12/28/06	960,763	676	7.04
Americas	Agency CMO	FHR 3248	Freddie Mac	12/29/06	225,000	0	0.00
Americas	Agency CMO	SASCO 07-2	Re-REMIC	1/30/07	95,760	0	0.00
Americas	Agency CMO	FHR 3259	Freddie Mac	1/30/07	617,402	1,020	16.52
Americas	Agency CMO	FHR 3281	Freddie Mac	2/28/07	346,547	0	0.00
Americas	Agency CMO	FNR 07-1	Fannie Mae	1/30/07	1,342,728	2,065	15.38
Americas	Agency CMO	FNR 07-15	Fannie Mae	2/28/07	984,126	500	5.08
Americas	Agency CMO	GNR 07-7	Ginnie Mae	2/28/07	642,297	1,200	18.68
Americas	Agency CMO	SASCO 07-3	Re-REMIC	2/28/07	619,137	0	0.00
Americas	Esoteric	LBSBC NIM 2006-3	NIM	12/20/06	29,365	0	0.00
Americas	Nonprime	FFML NIM 2006-FF17	NIM	12/20/06	30,640	0	0.00
Americas	Nonprime	SASCO NIM 2006-BC4	NIM	12/20/06	57,660	0	0.00
Americas	Nonprime	SASCO NIM 2006-BC5	NIM	12/20/06	27,180	0	0.00
Americas	Nonprime	SASCO NIM 2006-BC6	NIM	1/19/07	42,800	0	0.00
Americas	Nonprime	SASCO NIM 2006-WF3	NIM	12/20/06	51,080	0	0.00
Americas	Nonprime	SASCO NIM 2007-BC1	NIM	2/20/07	36,200	0	0.00
Americas	Nonprime	BNCMT 2007-1	Various subprime	2/28/07	939,457	0	0.00
Americas	Nonprime	SASCO 2006-BC6	Various subprime	12/28/06	1,241,967	6,000	48.31
Americas	Nonprime	SASCO 2006-S4	Various subprime	12/28/06	493,307	15	0.30
Americas	Nonprime	SASCO 2006-Z	Various subprime	12/28/06	207,142	0	0.00
Americas	Nonprime	SASCO 2007-BC1	Various subprime	1/30/07	1,162,101	0	0.00
Americas	Nonprime	SASCO 2007-BC2	Various subprime	2/28/07	619,137	0	0.01
Americas	Nonprime	SASCO 2007-GEL1	Various subprime	2/9/07	296,119	5,003	168.95
Americas	Prime	SARM 2006-12	Alt A Arm	12/29/06	562,820	1,267	22.51
Americas	Prime	SARM 2007-1	Alt A Arm	1/31/07	488,231	1,768	36.21
Americas	Prime	SARM 2007-2	Alt A Arm	2/28/07	551,986	2,666	48.30
Americas	Prime	LXS 2006-20	Alt A Arm/Fixed	12/29/06	721,081	1,460	20.25
Americas	Prime	LXS 2007-1	Alt A Arm/Fixed	1/31/07	947,710	0	0.00
Americas	Prime	LXS 2007-3	Alt A Arm/Fixed	2/28/07	1,302,501	(5,000)	(38.39)
Americas	Prime	LMT 2006-9	Alt A Fixed	12/29/06	624,554	4,201	67.26

Securitized Products
Q1 2007 Deals
\$ 000s

<u>Region</u>	<u>Desk</u>	<u>Issuing Entity</u>	<u>Short Description</u>	<u>Settle Date</u>	<u>UPB</u>	<u>Total Flash</u>	<u>Margin Bps</u>
Americas	Prime	LMT 2007-1	Alt A Fixed	1/30/07	543,767	4,853	89.25
Americas	Prime	LMT 2007-2	Alt A Fixed	2/28/07	312,448	2,688	86.03
Americas	Prime	RAST 2006-A16	Alt A Fixed	12/26/06	664,784	563	8.47
Americas	Prime	RAST 2007-A3	Alt A Fixed	2/28/07	371,388	83	2.23
Americas	Prime	Fannie Hybrid Delivery	ARM	2/28/07	931,272	1,492	16.02
Americas	Prime	CitiMortgage 2006-33	Arms	12/19/06	141,908	658	46.37
Americas	Prime	CitiMortgage 2007-1	Arms	1/23/07	61,197	240	39.22
Americas	Prime	FHLMC Arm WL Delivery	Arms	12/28/06	9,963	0	0.00
Americas	Prime	FNMA Hybrid WL Delivery	Arms	1/31/07	1,273,781	3,250	25.51
Americas	Prime	Freddie Hybrid WL Delivery	Arms	1/23/07	1,184,906	1,376	11.61
Americas	Prime	SASCO 2006-RF4	FHAVA First Lien	12/11/06	213,840	(33)	(1.53)
Americas	Prime	Fannie Fixed Delivery	Fixed	2/28/07	497,156	2,055	41.34
Americas	Prime	FNMA Fixed WL Delivery	Fixed	12/29/06	379,491	2,800	73.78
Americas	Prime	FNMA Fixed WL Delivery	Fixed	1/31/07	396,223	4,294	108.37
Americas	Prime	FNW 2007-W2	Fixed	2/28/07	389,120	3,210	82.49
Americas	Prime	LXS 2007-2N	Neg AM	1/31/07	1,319,614	1,563	11.84
Americas	Prime	LXSN 06-GPM7	NIM	12/19/06	51,050	0	0.00
Americas	Prime	LXSN 06-GPM8	NIM	1/19/07	32,100	0	0.00
Americas	Prime	LXSN 07-QO8	NIM	2/28/07	38,000	8,000	2,105.26
Americas	Prime	GPMF 2006 AR8	Option ARM	12/29/06	724,924	2,000	27.59
Americas	Prime	GPMF 2007 AR1	Option ARM	2/28/07	1,454,467	6,512	44.77
Europe		EuroSail 07-1		2/28/07	1,375,885	28,900	210.05
Total					28,634,082	97,346	
Americas	Syndicate	IndyMac Home Equity Mortgage Finance		12/8/06	1,242,150	1,400	
Americas	Syndicate	GMAC Residential Funding Mortgage Finance		12/8/06	303,913	450	
Americas	Syndicate	IndyMac Home Equity Mortgage Finance		12/14/06	67,000	145	
Americas	Syndicate	IndyMac Home Equity Mortgage Finance		12/21/06	650,000	935	
Americas	Syndicate	Security National Mtge Loan Mortgage Finance		12/28/06	89,930	110	

Securitized Products

Q1 2007 Deals

\$ 000s

<u>Region</u>	<u>Desk</u>	<u>Issuing Entity</u>	<u>Short Description</u>	<u>Settle Date</u>	<u>UPB</u>	<u>Total Flash</u>	<u>Margin Bps</u>	
Americas	Syndicate	IndyMac Home Equity Mort	Mortgage Finance	12/21/06	160,000	295		
Americas	Syndicate	\$755mm Accredited Mortga	Mortgage Finance	1/22/07	755,523	1,000		
Americas	Syndicate	\$73.2mm Option One Mortg	Mortgage Finance	1/29/07	73,250	325		
Americas	Syndicate	Option One Mtge Co: \$1.75l	Mortgage Finance	1/24/07	1,800,000	1,000		
Americas	Syndicate	\$1.4B Thornburg Mortgage	Mortgage Finance	2/22/07	1,401,841	1,425		
Americas	Syndicate	American Home \$1.6bln Mo	Mortgage Finance	2/28/07	1,676,548	125		
Americas	Syndicate	Luminent Mtge Capital \$722	Mortgage Finance	2/28/07	722,709	80		
Europe	Europe	Permanent Master Issuer Pl	Syndicate-Europe	2/21/07	4,936,000	1,032		
					Total Syndicate	13,878,864	8,322	
					Grand Total	42,512,946	105,668	

Securitized Products
Q2 2007 Deals
\$ 000s

<u>Region</u>	<u>Desk</u>	<u>Issuing Entity</u>	<u>Short Description</u>	<u>Settle Date</u>	<u>UPB</u>	<u>Total Flash</u>	<u>Margin Bps</u>
Americas	Agency CMO	FNR 07-30	Fannie Mae	3/30/07	3,079,141	5,784	18.78
Americas	Agency CMO	GNR 07-9	Ginnie Mae	3/30/07	574,231	0	0.00
Americas	Agency CMO	FHR 3284	Freddie Mac	3/30/07	2,449,702	966	3.94
Americas	Agency CMO	FNR 07-39	Fannie Mae	4/30/07	872,697	400	4.58
Americas	Agency CMO	GNR 07-17	Ginnie Mae	4/30/07	726,256	950	13.08
Americas	Agency CMO	FHR 3297	Freddie Mac	4/30/07	900,553	1,178	13.08
Americas	Agency CMO	SASCO 07-3	Re-REMIC	4/30/07	158,602	2,104	132.66
Americas	Agency CMO	FNR 07-54	Fannie Mae	5/30/07	2,464,248	875	3.55
Americas	Agency CMO	GNR 07-31	Ginnie Mae	5/30/07	269,605	977	36.24
Americas	Agency CMO	FHR 3311	Freddie Mac	5/30/07	1,285,550	0	0.00
Americas	Agency CMO	SASCO 07-5	Re-REMIC	5/30/07	250,000	5,000	200.00
Americas	Esoteric	LBSBC NIM 2007-1	NIM	4/25/07	25,350	0	0.00
Americas	Esoteric	LBSBC 2007-1	Various subprime	3/30/07	327,100	10,000	305.72
Americas	Esoteric	SASCO 2007-RM1	Reverse Mortgage	5/30/07	701,087	5,150	73.46
Americas	Nonprime	SASCO 2007-GEL2	Various subprime	5/7/07	477,986	39,400	824.29
Americas	Nonprime	SASCO NIM 2007-BC2	NIM	3/20/07	21,840	0	0.00
Americas	Nonprime	BNCMT NIM 2007-1	NIM	4/20/07	25,890	0	0.00
Americas	Nonprime	SASCO NIM 2007-WF1	NIM	4/20/07	27,250	0	0.00
Americas	Nonprime	WFHET 2007-2	HELOCs	4/20/07	464,000	3,743	80.67
Americas	Nonprime	WFHET NIM 2007-2	NIM	5/18/07	19,830	0	0.00
Americas	Nonprime	BNCMT NIM 2007-2	NIM	5/21/07	36,960	0	0.00
Americas	Nonprime	SASCO NIM 2007-EQ1	NIM	5/21/07	21,274	0	0.00
Americas	Nonprime	SASCO 2007-MLN1	Various subprime	3/13/07	900,548	0	0.00
Americas	Nonprime	SASCO 2007-WF1	Various subprime	3/30/07	816,129	0	0.00
Americas	Nonprime	BNCMT 2007-2	Various subprime	4/30/07	1,055,380	0	0.00
Americas	Nonprime	SASCO 2007-EQ1	Various subprime	4/30/07	619,036	0	0.00
Americas	Nonprime	SASCO 2007-BC3	Various subprime	5/31/07	788,341	4,276	54.24
Americas	Nonprime	SASCO 2007-OSI	Various subprime	5/30/07	805,847	7,562	93.84
Americas	Prime	FNMA Fixed WL Delivery	Fixed	3/30/07	330,056	750	22.72
Americas	Prime	FNMA Fixed WL Delivery	Fixed	4/30/07	402,366	1,577	39.19

Securitized Products
Q2 2007 Deals
\$ 000s

<u>Region</u>	<u>Desk</u>	<u>Issuing Entity</u>	<u>Short Description</u>	<u>Settle Date</u>	<u>UPB</u>	<u>Total Flash</u>	<u>Margin Bps</u>
Americas	Prime	FNMA Fixed WL Delivery	Fixed	5/30/07	188,525	500	26.52
Americas	Prime	Sovereign Fixed Delivery(FN	Fixed	5/14/07	698,279	30,000	429.63
Americas	Prime	FHLMC Hybrid WL Delivery	Arms	3/30/07	772,335	(324)	(4.20)
Americas	Prime	FNMA Hybrid WL Delivery	Arms	4/30/07	568,617	71	1.25
Americas	Prime	FHLMC Hybrid WL Delivery	Arms	5/30/07	938,179	(390)	(4.16)
Americas	Prime	SASCO 2007-RF1	FHAVA First Lien	3/30/07	235,042	1,280	54.46
Americas	Prime	LXS 2007-8H(High LTV)	Alt A Arm/Fixed	5/30/07	1,088,948	(2,500)	(22.96)
Americas	Prime	CWALT 2007-T2	Fixed Rate, Subs Only	3/30/07	370,953	0	0.00
Americas	Prime	RFMSI 2007-2	Fixed Rate, Subs Only	3/30/07	472,188	0	0.00
Americas	Prime	WFMB 2007-3	Fixed Rate, Subs Only	3/30/07	1,348,185	454	3.37
Americas	Prime	LXS 2007-5H	Alt A Arm/Fixed	4/30/07	893,247	(1,505)	(16.85)
Americas	Prime	LXS 2007-6	Alt A Arm/Fixed	5/11/07	1,612,084	(7,000)	(43.42)
Americas	Prime	LXS 2007-9	Alt A Arm/Fixed	5/30/07	653,481	0	0.00
Americas	Prime	LXSN-GPM1 NIM(GPMF 200	NIM	3/8/07	36,300	0	0.00
Americas	Prime	LXSN 07-GPM2	NIM	5/18/07	24,875	0	0.00
Americas	Prime	LXS 2007-4N	Neg AM	3/30/07	2,121,137	3,876	18.27
Americas	Prime	GPMF 2007 AR2(MTA and H	Neg AM	4/30/07	1,279,245	5,661	44.25
Americas	Prime	LXS 2007-7N	Neg AM	5/30/07	2,167,194	9,524	43.95
Americas	Prime	GPMF 2007 AR3(Hybrid OA)	Neg AM	5/30/07	494,611	(1,761)	(35.60)
Americas	Prime	LMT 2007-3	Alt A Fixed	3/30/07	261,732	(649)	(24.80)
Americas	Prime	FNW 07-W3	Fixed	3/30/07	163,876	2,358	143.89
Americas	Prime	LMT 2007-4	Alt A Fixed	4/30/07	656,527	948	14.44
Americas	Prime	FNW 07-W4	Fixed	4/30/07	958,411	1,245	12.99
Americas	Prime	LMT 2007-5	Alt A Fixed	5/30/07	1,335,302	11,600	86.87
Americas	Prime	FNW 07-W6	Fixed	5/30/07	517,664	(812)	(15.69)
Americas	Prime	SARM 2007-3	Alt A Arm	3/30/07	1,144,145	481	4.20
Americas	Prime	SARM 2007-4	Alt A Arm	4/30/07	539,008	1,126	20.89
Americas	Prime	SARM 2007-5	Alt A Arm	5/30/07	673,953	2,590	38.43
Europe		EuroSail 07-2		3/30/07	1,151,000	18,300	158.99

Securitized Products
Q2 2007 Deals
\$ 000s

<u>Region</u>	<u>Desk</u>	<u>Issuing Entity</u>	<u>Short Description</u>	<u>Settle Date</u>	<u>UPB</u>	<u>Total Flash</u>	<u>Margin Bps</u>
				<u>Total</u>	<u>44,261,898</u>	<u>165,765</u>	
Americas	Syndicate	\$650mm IndyMac Home Eq Mortgage Finance		3/23/07	650,071	880	
Americas	Syndicate	\$955mm Mortgage Loan Tru Mortgage Finance		3/29/07	954,753	95	
Americas	Syndicate	\$644mm Citibank Residential Mortgage Finance		3/29/07	643,967	285	
Americas	Syndicate	\$145mm Security National Mortgage Finance		4/5/07	144,947	190	
Americas	Syndicate	\$1.042bln WaMu Asset Back Mortgage Finance		4/4/07	1,042,236	550	
Americas	Syndicate	\$673mm Option One Mortgage Mortgage Finance		3/29/07	672,544	68	
Americas	Syndicate	\$377mm Fieldstone Mortgage Mortgage Finance		4/12/07	376,652	70	
Americas	Syndicate	\$902mm Option One Mortgage Mortgage Finance		4/12/07	901,500	95	
Americas	Syndicate	\$1.267 Thornburg Mortgage Mortgage Finance		4/27/07	1,266,617	1,280	
Americas	Syndicate	\$1.428bln Option One Mortgage Mortgage Finance		4/27/07	1,428,000	155	
Americas	Syndicate	\$716mm Option One Mortgage Mortgage Finance		4/26/07	715,986	70	
Americas	Syndicate	\$1.09bln Nomura Home Eq Mortgage Finance		4/30/07	1,089,841	1,700	
Americas	Syndicate	\$1.0bln FNMA 2007-B2 Mortgage Finance		5/16/07	1,000,000	85	
Americas	Syndicate	\$165mm American Home Mortgage Finance		5/15/07	164,521	800	
Americas	Syndicate	\$975mm IndyMac Home Eq Mortgage Finance		6/12/07	975,499	1,000	
				<u>Total Syndicate</u>	<u>12,027,134</u>	<u>7,323</u>	
				<u>Grand Total</u>	<u>56,289,032</u>	<u>173,088</u>	

Securitized Products
Q3 2007 Deals
\$ 000s

<u>Region</u>	<u>Desk</u>	<u>Issuing Entity</u>	<u>Short Description</u>	<u>Settle Date</u>	<u>UPB</u>	<u>Total Flash</u>	<u>Margin Bps</u>
Americas	Agency CMO	FHR 3336	Freddie	6/29/07	616,652	2,184	35.42
Americas	Agency CMO	FHR 3339	Freddie	7/30/07	1,742,145	4,000	22.96
Americas	Agency CMO	FNR 07-64	Fannie	6/29/07	833,075	0	-
Americas	Agency CMO	FNR 07-75	Fannie	7/30/07	1,536,966	1,000	6.51
Americas	Agency CMO	GNR 07-38	Ginnie	6/29/07	590,000	0	-
Americas	Agency CMO	SASCO 07-4	Lehman	6/29/07	569,582	0	-
Americas	Agency CMO	FNR 07-88	Freddie	8/31/07	831,366	648	7.79
Americas	Agency CMO	FNR 3355	Freddie	8/31/07	1,168,114	346	2.96
Americas	Agency CMO	GNR 07-50	Freddie	8/31/07	161,255	11	0.68
Americas	Esoteric	LBSBC 2007-2	Lehman	7/16/07	500,663	0	-
Americas	Esoteric	LBSBC NIM 2007-2	Lehman	8/13/07	28,609	0	-
Europe	Europe	Eurosail NL 2007-1	Lehman	7/31/07	479,885	7,371	153.60
Europe	Europe	Eurosail UK 2007-3BL	Lehman	7/31/07	1,323,660	6,819	51.52
Europe	Europe	Eurosail 2007-4	Lehman	8/31/07	1,472,045	(22,988)	(156.16)
Americas	Nonprime	SASCO NIM 2007-BC3	Lehman	6/29/07	29,010	0	-
Americas	Nonprime	BNCMT 2007-3	Lehman	6/29/07	747,114	8,040	107.62
Americas	Nonprime	SASCO 2007-WF2	Lehman	8/31/07	349,238	985	28.20
Americas	Nonprime	SASCO 2007-TC1	Lehman	6/29/07	178,891	25,210	1,409.21
Americas	Nonprime	BNCMT NIM 2007-3	Lehman	7/20/07	17,480	0	-
Americas	Prime	Citimortgage 2007-2 Arm S	Citimortgage	6/20/07	41,847	0	-
Americas	Prime	Citimortgage 2007-3 Arm Sale	Citimortgage	6/20/07	35,966	0	-
Americas	Prime	SARM 2007-6	Lehman	6/29/07	696,885	3,409	48.92
Americas	Prime	SARM 2007-7	Lehman	7/31/07	665,199	(229)	(3.45)
Americas	Prime	SARM 2007-8	Lehman	8/31/07	634,868	0	-
Americas	Prime	LMT 2007-6	Lehman	6/29/07	297,871	3,400	114.14
Americas	Prime	LMT 2007-7	Lehman	7/31/07	799,496	2,718	34.00
Americas	Prime	LMT 2007-8	Lehman	8/31/07	653,301	(8,007)	(122.56)
Americas	Prime	LXS 2007-12N	Lehman	6/29/07	1,304,325	4,871	37.34
Americas	Prime	LXS 2007-15N	Lehman	7/31/07	2,800,313	(1,209)	(4.32)
Americas	Prime	LXS 2007-16N	Lehman	8/31/07	1,658,767	(23,619)	(142.39)

Americas	Prime	LXS 2007-11	Lehman	6/29/07	498,396	0	-
Americas	Prime	LXS 2007-10H(High LTV)	Lehman	6/29/07	964,341	(2,849)	(29.54)
Americas	Prime	LXS 2007-14H(High LTV)	Lehman	7/31/07	877,091	(470)	(5.36)
Americas	Prime	FNW 07-W7	Fannie	6/29/07	403,128	0	-
Americas	Prime	FNW 07-W9	Fannie	7/31/07	259,045	3,233	124.80
Americas	Prime	FNW 07-W8	Fannie	8/31/07	384,198	0	-
Americas	Prime	SASC 07-09	Lehman	7/25/07	38,905	1,063	273.23
Americas	Prime	WFMB 2007-AR4	Wells Fargo	8/31/07	421,915	92	2.18
Americas	Prime	FHLMC Hybrid WL Delivery	Freddie	6/28/07	1,049,797	0	-
Americas	Prime	FNMA Hybrid WL Delivery	Fannie	7/31/07	1,189,181	0	-
Americas	Prime	FNMA Fixed WL Delivery	Fannie	6/29/07	131,811	375	28.45
Americas	Prime	FNMA Fixed WL Delivery	Fannie	7/31/07	318,392	0	-
Americas	Prime	FNMA Fixed WL Delivery	Fannie	8/31/07	487,112	0	-
					Total	29,787,901	16,403
Americas	Syndicate	\$1.183bln Countrywide Hon Mortgage Finance		6/8/07	1,182,600	60	
Americas	Syndicate	\$1.282bln Countrywide Hon Mortgage Finance		5/31/07	1,282,093	65	
Americas	Syndicate	\$239mm GMAC RFC Mtge P: Mortgage Finance		6/8/07	239,164	300	
Americas	Syndicate	\$32.3mm IndyMac Home Equ Mortgage Finance		6/22/07	32,300	265	
Americas	Syndicate	\$483mm Lehman Asset Backe Mortgage Finance		6/28/07	482,675	1,200	
Americas	Syndicate	\$1.4bln Thornburg Mortgage £ Mortgage Finance		7/31/07	1,414,095	200	
Americas	Syndicate	FNR 07-95	Fannie	8/30/07	2,878,034	518	
					Syndicate Total	7,510,961	2,608
					Grand Total	37,298,862	19,011

Securitized Products

Q4 2007 Deals

\$ 000s

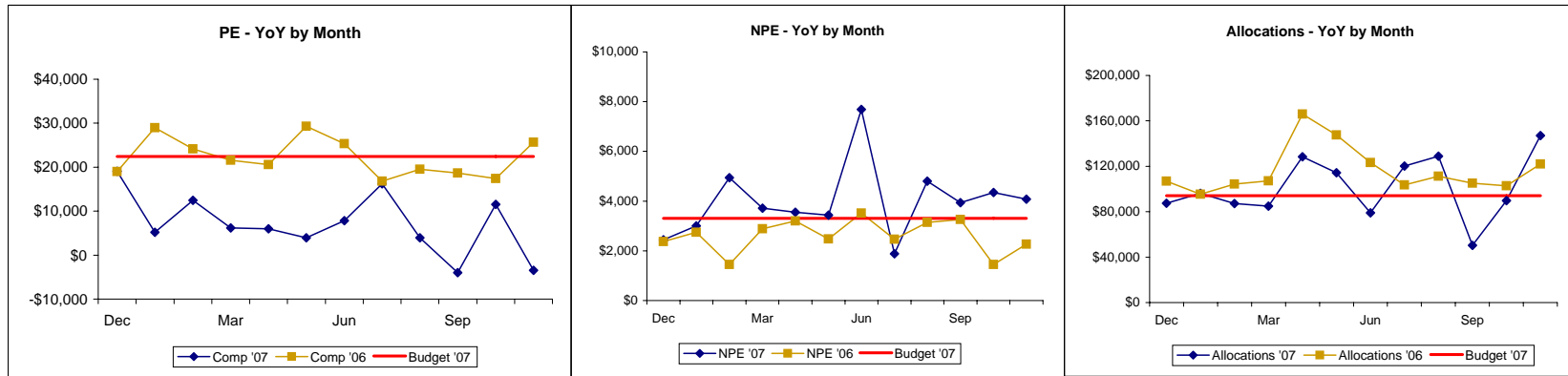
<u>Region</u>	<u>Desk</u>	<u>Issuing Entity</u>	<u>Short Description</u>	<u>Settle Date</u>	<u>UPB</u>	<u>Total Flash</u>	<u>Margin Bps</u>
Americas	Agency CMO	FNR 07-96	Fannie	9/28/2007	255,234	0	0.00
Americas	Agency CMO	FHR 3368	Freddie	9/28/2007	344,746	0	0.00
Americas	Agency CMO	GNR 07-64	Ginnie	10/30/2007	323,076	0	0.00
Americas	Agency CMO	FHR 3379	Fannie	10/30/2007	408,413	0	0.00
Americas	Agency CMO	SASCO 07-4	Lehman	10/30/2007	131,157	0	0.00
Americas	Agency CMO	FNR 07-109	Fannie	11/30/2007	1,033,227	1,867	18.07
Americas	Agency CMO	GNR 07-73	Ginnie	11/30/2007	115,385	0	0.00
Americas	Agency CMO	FHR 3393	Fannie	11/30/2007	251,203	0	0.00
Asia	Asia	L-STaRS 2	Lehman	11/16/2007	270,000	18,500	685.19
Americas	Esoteric	LBSBC 2007-3	Lehman	11/19/2007	700,317	(32,610)	(465.65)
Americas	Nonprime	SASCO NIM 2007-WF2	Lehman	9/20/2007	8,980	0	0.00
Americas	Nonprime	SASCO 07-RNP1	Lehman	10/30/2007	866,324	0	0.00
Americas	Nonprime	SASCO 07-BNC1	Lehman	11/9/2007	658,777	(23,338)	(354.26)
Americas	Nonprime	SASCO 07-SC1	Lehman	11/30/2007	599,628	0	0.00
Americas	Prime	SARM 2007-9	Lehman	9/28/2007	526,491	2,070	39.32
Americas	Prime	LMT 2007-9	Lehman	9/28/2007	310,302	0	0.00
Americas	Prime	LXS 2007-18N	Lehman	9/28/2007	535,249	442	8.26
Americas	Prime	LXS 2007-17H(High LTV)	Lehman	9/28/2007	673,000	(4,089)	(60.76)
Americas	Prime	FNR 07-103	Fannie	10/30/2007	706,797	14,309	202.45
Americas	Prime	SARM 2007-10	Lehman	10/31/2007	514,241	(4,590)	(89.26)
Americas	Prime	LMT 2007-10	Lehman	11/30/2007	627,611	0	0.00
Americas	Prime	SARM 2007-11	Lehman	11/30/2007	449,933	0	0.00
Americas	Prime	LXS 2007-20N	Lehman	11/30/2007	446,954	0	0.00
Americas	Prime	FNMA Fixed WL Delivery	Fannie	9/28/2007	176,305	0	0.00
Americas	Prime	FNMA HLNM Recourse Hybrid ARM Delivery	Fannie	11/30/2007	77,768	0	0.00
Americas	Prime	Freddie American Home Hybrid ARM Delivery	Freddie	11/30/2007	114,006	0	0.00
Americas	Prime	FHLMC AHM Fixed	Freddie	11/30/2007	159,945	0	0.00
Americas	Prime	FNMA HLTV Recourse Fixed	Fannie	11/30/2007	42,055	0	0.00
Europe	Europe	Esail 07-05 NP		11/30/2007	1,185,995	(24,557)	(207.06)
Europe	Europe	Esail 07 Prime 01 (A&L)		11/30/2007	464,085	(12,258)	(264.13)
Europe	Europe	Esail 07-06 NC		11/30/2007	752,849	(16,930)	(224.88)

Europe	Europe	Eurosail-NL-2007-02		11/30/2007	516,998	(8,343)	(161.37)
				Total	<u>14,247,049</u>	<u>(89,527)</u>	
Americas	Syndicate	FNR 07-101	Fannie	9/28/2007	1,130,851	0	
Americas	Syndicate	FNR 07-114	Fannie	11/30/2007	9,198,457	940	
				Total Syndicat	<u>10,329,308</u>	<u>940</u>	
				Grand Total	<u><u>24,576,357</u></u>	<u><u>(88,587)</u></u>	

Expenses

SP Americas Total Expenses - November 2007

	FY '07	Bgt '07	vs. Bgt '07	FY '06	vs. FY '06	Q4 '07	Q3 '07	Q2 '07	Q1 '07	FY '07	Budget '07
PE											
PE before Uplift/Compression	262,240	269,483	(7,244)	266,982	(4,743)	60,616	63,364	64,842	73,418	262,240	269,483
Uplift/Compression	(177,344)	0	(177,344)		(177,344)	(56,580)	(35,348)	(48,751)	(36,665)	(177,344)	0
Total PE	84,895	269,483	(184,588)	266,982	(182,087)	4,036	28,015	16,091	36,753	84,895	269,483
NPE											
Fixed Expenses	30,330	25,283	5,047	18,943	11,386	7,936	9,671	6,438	6,284	30,330	25,283
Variable Expenses	17,554	14,354	3,200	12,347	5,207	4,427	4,705	4,272	4,150	17,554	14,354
Total NPE	47,884	39,637	8,247	31,290	16,594	12,363	14,377	10,710	10,434	47,884	39,637
Allocations											
Banking Allocations	106,130	0	106,130	100,585	5,546	59,197	7,133	23,354	16,445	106,130	0
Cost of Sales	14,098	5,408	8,690	6,598	7,500	2,440	4,400	5,486	1,772	14,098	5,408
Dedicated Expenses	991,167	1,035,290	(44,124)	665,798	325,369	196,953	292,844	272,815	228,555	991,167	1,035,290
Shared Expenses	102,212	102,219	(7)	70,084	32,128	28,797	23,717	25,801	23,898	102,212	102,219
Total Allocations	1,213,607	1,142,917	70,689	843,064	370,543	287,386	328,094	327,456	270,671	1,213,607	1,142,917
Grand Total Expenses	1,346,386	1,447,921	(101,535)	1,072,636	273,750	303,785	370,486	354,257	317,858	1,346,386	1,447,921



NPE Actuals vs Prior Year and vs Budget (All figures run in FX Neutral currency in \$000's)
Securitized Products Business
November YTD 2007

<u>Securitized Products</u>	2007 Actual	2006 Actual	(OVER)/ UNDER	Δ%	2007 BUDGET	(OVER)/ UNDER	Δ%
Americas	30,330	17,810	(12,520)	-70%	25,283	(5,047)	-20%
Europe	18,490	10,463	(8,027)	-77%	17,797	(693)	-4%
Asia	4,886	3,210	(1,676)	-52%	3,110	(1,776)	-57%
TOTAL FIXED NPE	53,705	31,482	(22,223)	-71%	46,190	(7,515)	-16%
			-			-	
Americas	17,554	11,212	(6,342)	-57%	14,354	(3,200)	-22%
Europe	536	24	(512)	-2116%	19	(516)	-2663%
Asia	1	1	0	40%	-	(1)	-
TOTAL VARIABLE NPE	18,091	11,237	(6,853)	-61%	14,373	(3,717)	-26%
			-			-	
Americas	47,884	29,022	(18,862)	-65%	39,637	(8,247)	-21%
Europe	19,026	10,487	(8,539)	-81%	17,816	(1,210)	-7%
Asia	4,886	3,211	(1,675)	-52%	3,110	(1,776)	-57%
TOTAL NPE	71,796	42,720	(29,076)	-68%	60,563	(11,233)	-19%

<u>Securitized Products</u> <u>(exc FDIC and OTS Charges)</u>	2007 Actual	2006 Actual	(OVER)/ UNDER	Δ%	2007 BUDGET	(OVER)/ UNDER	Δ%
Americas	19,248	17,810	(1,438)	-8%	19,283	35	0%
Europe	18,490	10,463	(8,027)	-77%	17,797	(693)	-4%
Asia	4,886	3,210	(1,676)	-52%	3,110	(1,776)	-57%
TOTAL FIXED NPE	42,623	31,482	(11,141)	-35%	40,190	(2,434)	-6%
			-			-	
Americas	17,554	11,212	(6,342)	-57%	14,354	(3,200)	-22%
Europe	536	24	(512)	-2116%	19	(516)	-2663%
Asia	1	1	0	40%	-	(1)	-
TOTAL VARIABLE NPE	18,091	11,237	(6,853)	-61%	14,373	(3,717)	-26%
			-			-	
Americas	36,802	29,022	(7,780)	-27%	33,637	(3,165)	-9%
Europe	19,026	10,487	(8,539)	-81%	17,816	(1,210)	-7%
Asia	4,886	3,211	(1,675)	-52%	3,110	(1,776)	-57%

NPE Actuals vs Prior Year and vs Budget (All figures run in FX Neutral currency in \$000's)

Securitized Products Business

November YTD 2007

TOTAL NPE	<u>60,714</u>	<u>42,720</u>	<u>(17,995)</u>	<u>-42%</u>	<u>54,563</u>	<u>(6,151)</u>	<u>-11%</u>
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SECURITIZED PRODUCTS AMERICAS

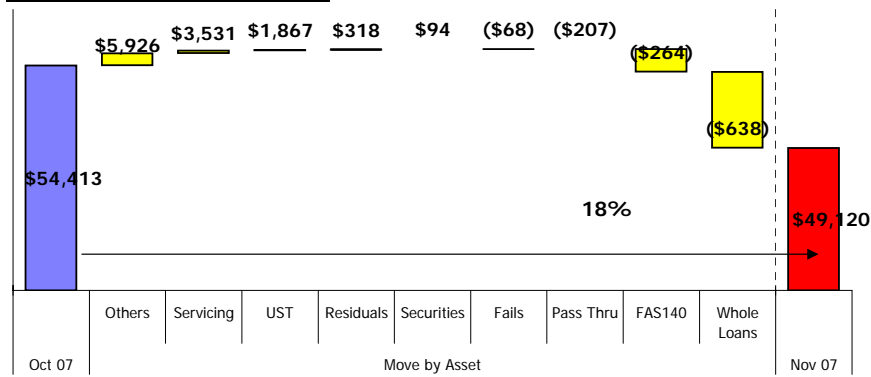
As of November YTD 2007

FIXED EXPENSES (In 000's)	2007 EXPENSE SUMMARY								2007 NPE EXPENSES				
	November 2007 YTD	November 2006 YTD	(OVER)/ UNDER	Δ%	2007 YTD BUDGET	(OVER)/ UNDER	Δ%	Q1	Q2	Q3	Q4	07 YTD	
HEADCOUNT	323	301	(22)	-7%				323	296	305	323	323	
TOTAL T & E	4,213	3,556	(657)	-18%	3,806	(407)	-11%	1,058	1,171	948	1,035	4,213	
TOTAL CORPORATE EVENTS	1,011	1,571	559	36%	1,690	679	40%	363	227	(16)	438	1,011	
TOTAL ADVERTISING/MARKETING	(0)	53	53	100%	50	51	100%	0	0	(0)	0	(0)	
TOTAL BUSINESS DEVELOPMENT	5,225	5,180	(45)	-1%	5,547	322	6%	1,421	1,398	932	1,473	5,225	
MAIL/PRINT/SUPP/REC RETENT/REP	674	644	(30)	-5%	754	79	11%	143	224	192	116	674	
TOTAL NON REAL TIME DATA & SUB	1,244	909	(335)	-37%	1,096	(148)	-14%	193	427	352	271	1,244	
TOTAL MARKET DATA	3,286	2,888	(397)	-14%	3,336	50	2%	860	766	833	826	3,286	
TOTAL COMMUNICATION	781	538	(243)	-45%	660	(121)	-18%	160	163	190	268	781	
TOTAL TECHNOLOGY	643	604	(39)	-6%	675	32	5%	187	148	184	124	643	
TOTAL SYSTEM CONSULTANTS	2	0	(2)	0%	0	(2)	-2442%	0	0	0	2	2	
TOTAL TECHNOLOGY & COMMUNICATIONS	6,630	5,583	(1,047)	-19%	6,520	(110)	-2%	1,543	1,729	1,751	1,607	6,630	
TOTAL LEGAL FEES	341	167	(174)	-104%	100	(241)	-240%	25	77	(1)	240	341	
BUSTED DEALS	271	0	(271)	0%	0	(271)	0%	0	0	0	271	271	
TEMPS	7	6	(1)	-12%	9	2	21%	10	27	(29)	0	7	
TOTAL RECRUITING	319	711	392	55%	800	481	60%	2	231	49	37	319	
TOTAL ACCOUNTING/AUDIT	89	554	465	84%	56	(33)	-58%	26	0	115	(52)	89	
TOTAL CONSULTING SERVICES	(84)	(16)	68	-422%	130	213	165%	29	(96)	(48)	31	(84)	
TOTAL TRAINING	104	64	(40)	-63%	114	10	9%	25	24	27	28	104	
TOTAL PROFESSIONAL FEES	1,047	1,486	440	30%	1,210	163	13%	117	263	113	555	1,047	
TOTAL OCCUPANCY	76	60	(16)	-27%	78	2	2%	9	23	33	11	76	
OCCUPANCY ALLOCATION	5,818	5,442	(376)	-7%	5,871	53	1%	1,463	1,494	1,438	1,422	5,818	
SECURITY	3	0	(2)	-473%	0	(3)	-812200%	0	0	0	2	3	
TOTAL OCCUPANCY	5,897	5,502	(394)	-7%	5,949	52	1%	1,472	1,518	1,471	1,436	5,897	
FUND DISTRIBUTION & ADMIN FEES	0	0	0	0%	0	0	0%	0	0	0	0	0	
NET MORTGAGE ORIG & PROCESS FEE	0	0	0	0%	0	0	0%	0	0	0	0	0	
TOTAL F A INTEREST	34	35	1	3%	26	(8)	-31%	8	8	8	10	34	
TOTAL OTHER	12,073	569	(11,504)	-2022%	6,757	(5,316)	-79%	1,865	1,675	5,565	2,968	12,073	
OTHER	12,107	604	(11,503)	-1904%	6,783	(5,324)	-78%	1,873	1,683	5,573	2,978	12,107	
RECOVERIES	(576)	(546)	30	-5%	(725)	(149)	21%	(142)	(152)	(169)	(112)	(576)	
TOTAL FIXED NPE	30,330	17,810	(12,520)	-70%	25,283	(5,047)	-20%	6,284	6,438	9,671	7,936	30,330	
VARIABLE EXPENSES (in 000's)													
TOTAL BROKERAGE/EXECUTION FEES	8,679	6,102	(2,577)	-42%	8,097	(582)	-7%	1,983	2,056	2,577	2,064	8,679	
MISC EXCHANGE FEES	75	39	(36)	-95%	53	(22)	-41%	75	0	0	0	75	
TOTAL CLEAR,AGENT & CUSTODIAL	4,838	2,204	(2,633)	-119%	2,310	(2,527)	-109%	1,128	1,196	1,053	1,461	4,838	
TOTAL REGULATORY FEES	3,962	2,867	(1,095)	-38%	3,893	(69)	-2%	965	1,020	1,075	902	3,962	
TOTAL VARIABLE NPE	17,554	11,212	(6,342)	-57%	14,354	(3,200)	-22%	4,150	4,272	4,705	4,427	17,554	
TOTAL NPE	47,884	29,022	(18,862)	-65%	39,637	(8,247)	-21%	10,434	10,710	14,377	12,363	47,884	

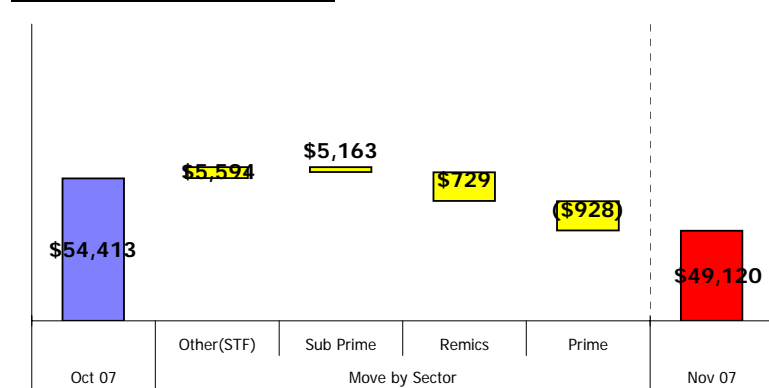
Balance Sheet

Detail Balance Sheet for Mortgages
SP Americas

Balance Sheet Move by Asset



Balance Sheet Move by Sector



Balance

	Nov-07				
	Prime	Sub Prime	Remics	Other(STF)	Total
Whole Loans	\$ 3,672	\$ 5,425	\$ -	\$ 2,820	\$ 11,917
Securities	8,537	1,321	4,372	5,068	19,298
FAS140	4,801	3,833	-	515	9,149
Pass Thru	-	-	-	-	0
Residuals	938	61	0	50	1,050
Servicing	1,202	33	-	34	1,269
UST	1,181	-	105	113	1,399
Others	242	1,145	0	3,647	5,035
Fails	0	(0)	2	1	3
Total	\$ 20,573	\$ 11,819	\$ 4,480	\$ 12,249	\$ 49,120

	Oct-07				
	Prime	Sub Prime	Remics	Other(STF)	Total
Whole Loans	\$ 5,458	\$ 7,116	\$ 0	\$ 4,224	\$ 16,798
Securities	8,655	600	7,289	2,737	19,281
FAS140	6,249	4,040	-	329	10,617
Pass Thru	-	-	-	-	-
Residuals	927	74	-	27	1,029
Servicing	1,026	33	-	28	1,087
UST	1,142	-	117	102	1,360
Others	61	487	0	3,707	4,255
Fails	24	-	(4)	(34)	(13)
Total	\$ 23,541	\$ 12,350	\$ 7,402	\$ 11,120	\$ 54,413

\$ Move

	Prime	Sub Prime	Remics	Other(STF)	Total
Whole Loans	\$ (1,786)	\$ (1,690)	\$ (0)	\$ (1,405)	\$ (4,881)
Securities	(118)	721	(2,918)	2,332	17
FAS140	(1,448)	(207)	-	187	(1,468)
Pass Thru	-	-	-	-	-
Residuals	11	(13)	0	23	21
Servicing	177	(1)	-	6	182

UST	39	-	(11)	12	39
Others	181	659	0	(60)	780
Fails	(24)	(0)	6	34	17
Total	<u>\$ (2,968)</u>	<u>\$ (531)</u>	<u>\$ (2,923)</u>	<u>\$ 1,129</u>	<u>\$ (5,293)</u>

includes 50% of PassThru Balance Sheet

Detail Balance Sheet for Mortgages
SP Americas

Category	Q4 2007					Q3 2007					Q2 2007					Q1 2007					Q4 2006				
	Prime	NonPrime	Remics	Other (STF)	Total	Prime	NonPrime	Remics	Other (STF)	Total	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	10,323	8,639	-	1,597	20,559	7,992	5,377	-	1,593	14,962
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	8,400	1,493	6,093	1,706	17,691	6,265	1,814	5,051	2,102	15,232
Residuals	938	61	0	50	1,050	948	167	-	48	1,162	875	211	-	71	1,157	655	231	-	71	958	683	496	-	71	1,250
Servicing	1,202	33	-	34	1,269	894	35	-	29	958	865	42	-	-	907	792	70	-	-	862	766	79	-	-	845
LIST	1,191	-	105	113	1,399	1,424	-	128	52	1,603	674	3	15	79	771	-	-	86	17	103	-	-	911	-	911
FA5140	4,801	3,833	-	515	9,149	6,213	3,650	-	326	10,189	5,930	8,915	-	-	14,845	4,304	5,478	-	39	9,782	1,237	3,790	-	-	5,027
Fails	0	(0)	2	1	3	58	(9)	2	(88)	(37)	430	109	18	76	633	(243)	(943)	-	(10)	(1,157)	-	-	-	-	160
Others	242	1,145	0	3,647	5,035	475	667	(124)	1,309	2,327	66	530	-	783	1,379	-	-	64	440	504	-	-	-	-	668
Pass Thru	-	-	-	-	-	-	-	-	1,279	1,279	-	-	-	1,918	1,918	-	-	-	3,603	3,603	-	-	-	-	5,760
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	24,231	14,968	6,282	7,424	52,906	16,942	11,717	5,963	10,194	44,815

Details for Securities Components

MBS Pools	1,189	0	411	-	1,600	560	0	578	-	1,138	1,349	0	2,121	-	3,470	3,210	0	4,145	2	7,357	2,410	0	1,888	56	4,354
CMO	427	0	3,646	23	4,097	394	0	5,719	15	6,128	1,383	0	5,243	18	6,644	904	0	4,487	17	5,408	532	0	2,936	18	3,486
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	4,397	1,097	81	1,167	6,743	2,996	1,404	353	1,618	6,370
Securities - NR	247	103	-	934	1,284	321	221	-	565	1,107	842	461	34	717	2,055	279	395	-	519	1,193	358	410	-	409	1,177
Future Settlement	54	-	(10)	-	44	(9)	-	(50)	-	(59)	83	-	(828)	-	(744)	(390)	-	(2,621)	-	(3,011)	(30)	-	(125)	-	(155)
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	8,400	1,493	6,093	1,706	17,691	6,265	1,814	5,051	2,102	15,232

includes 50% of PassThru Balance Sheet

SP Balance Sheet Trend 2007

	Nov-07	Oct-07	Sep-07	Aug-07	Jul-07	Jun-07	May-07	Apr-07	Mar-07	Q107	Jan-07	Dec-06	Q406
Whole Loans													
Prime	3,672	5,458	5,591	6,351	8,483	9,916	8,885	13,737	12,786	10,323	10,817	12,275	7,992
Non Prime	5,425	7,116	7,294	6,758	7,196	6,369	4,766	6,043	6,399	7,085	6,792	4,735	6,453
Non Residential	1,891	2,559	2,492	2,323	2,144	2,499	2,198	1,685	1,463	1,554	516	437	224
ALS Inventory													
BNC Inventory	-	3	32	175	388	385	1,643	1,492	1,492	1,392	1,700	1,300	1,300
Cap Crossing Inventory	76	76	78	160	85	82	82	99	99	-	-	-	-
PFR	223	848	1,007	961	824	654	530	0	0	10	10	10	180
Special Opps	706	815	991	586	89	95	94	95	100	100	105	108	104
Other					-					191			
Sub-total	11,992	16,874	17,485	17,314	19,209	19,999	18,197	23,151	22,340	20,655	19,939	18,865	16,253
(less Subsidiary inventory)	11,917	16,798			18,737	19,532	17,667	23,151	22,339	20,454	19,929	18,855	14,953
Original	11,917	16,798	17,485	17,314	18,737	19,437	17,570	23,056	22,240	20,354	19,824	18,876	14,840
Securities													
Prime - Investment Grade	6,619	6,156	6,298	6,464	8,711	6,406	4,627	4,641	4,835	4,397	2,444	2,928	2,996
Prime - Non Investment Grade	1,185	1,178	1,263	1,269	1,118	1,187	1,717	988	988	934	999	942	1,040
Non Prime - Investment Grade	1,218	412	568	716	833	926	1,061	1,016	1,155	1,097	1,087	1,893	1,404
Non Prime - Non Investment Grade	164	263	287	388	391	486	672	687	684	626	845	828	906
Other IG	4,436	2,050	2,155	2,297	2,564	2,397	1,371	1,271	1,368	1,248	1,272	1,606	1,971
Other NIG (does not include Amerfun)	985	733	662	608	607	768	607	738	428	591	780	500	481
Sub-total	14,607	10,791	11,233	11,742	14,224	12,170	10,055	9,342	9,458	8,894	7,427	8,696	8,797
Agencies													
Agency CMO	4,097	5,361	6,305	6,128	7,638	7,480	6,644	7,504	7,092	5,408	4,526	4,478	3,486
MBS Pools	1,600	3,649	4,015	1,138	6,016	6,196	3,470	6,291	6,811	7,355	4,704	4,981	4,196
Sub-total	5,697	9,010	10,320	7,266	13,654	13,676	10,114	13,796	13,903	12,763	9,231	9,459	7,682
Servicing													
Prime	1,202	1,026	1,053	894	974	945	865	794	793	792	826	778	766
Non Prime	33	33	34	35	40	45	42	64	62	70	72	79	79
Other	34	28	29	29	30	11	-	-	-	-	-	-	-
Sub-total	1,269	1,087	1,116	958	1,043	1,001	907	858	855	862	898	858	845
UST													
Sub-total	1,278	1,360	1,031	1,603	146	133	771	271	71	86	400	239	911
Other													
FAS 140 Derivative Gross-up	8,745	10,320	10,782	10,189	18,721	14,566	14,845	13,538	13,386	10,345	9,629	7,989	5,484
FAS140 120+ Repp Option Gross-Up	404	249	166	83									
Passthru JV	-	-	10,450	1,279	4,671	5,449	1,918	2,599	4,119	3,603	4,893	5,142	5,760
LBSF - Deriv B/S (ABS)	3,955	3,665	2,917	2,308	996	419	411	543	554	335	64	75	-
LBIE - Deriv B/S (ABS)	455	257	84	109	76	47	37	37	37	73	-	-	-
MTS Reverse Repo reclassified to Longs	-	845	1,004	959	822	655	-	-	-	-	-	-	-
Subsidiary Other Assets	693	692	597	641	394	402	398	436	436	243	233	310	182
Fin 46 Gross Up	63	61	61	61	84	73	76	68	-	-	-	-	-
SP America Trading Cash Collateral Re	331	498	274	113	67	67	-	-	-	-	-	-	-

Trade Impact			316		2,000		-	800	300	-	-		
Future Settlements		508	(290)		(131)	(461)	-	232	(891)	(3,270)	(65)	10	
Fails	3	(539)	114	(37)	25	426	633	246	275	(1,147)	313	36	160
Other	(298)	(171)	(535)	(368)	(316)	(386)	9	443	945	111	778	(340)	(476)
Sub-total	14,351	16,387	25,940	15,337	27,408	21,256	18,327	18,943	19,160	10,293	15,845	13,222	11,110
TOTAL	49,119	55,510	67,124	54,220	75,685	68,235	58,370	66,361	65,787	53,554	53,739	51,339	45,599
Total Ex-PassThru	49,120	55,510	56,674	52,941	71,014	62,786	56,452	63,761	61,668	49,951	48,846	46,197	39,839
Balance Sheet Target (ex PT)	45,000	45,000	49,500	49,500	49,500	49,500	47,500	47,500	47,500	40,825	40,825	40,825	39,500
Variance (ex PT)	4,120	10,510	7,174	3,441	21,514	13,286	8,952	16,261	14,168	9,126	8,021	5,372	339

**SECURITIZED PRODUCTS
SUMMARY BALANCE SHEET
Nov-07**

	Actual 30-Nov-2007			Target 30-Nov-2007		Forecast vs. Target 30-Nov-07	
	Net	Shorts	Gross	Net	Gross	Net	Gross
SP TRADING-AMERICAS							
ABS-NEW ISSUE-AM	1,148	26	1,174	0	184	1,148	990
ABS SECONDARY	2,452	311	2,737	2,075	4,096	377	(1,359)
AGENCY REMICS/STRIPS-AMER	4,480	0	4,480	5,000	5,000	(520)	(520)
Garvey	3,196	24	3,221	2,500	2,671	696	549
Fixed Rate - Winkler	3,865	29	3,894	4,000	4,207	(135)	(313)
Trust Collapse - Donovan	0	0	0	0	0	0	0
Hargrave Hybrids	6,820	52	6,872	5,000	5,366	1,820	1,506
Secondary - Schoenfeld	371	3	373	300	320	71	54
Subordinates - Nicklas	696	5	701	200	237	496	464
Agency Arms - Hargrave	825	6	831	1,000	1,044	(175)	(213)
TOTAL PRIME-AMERICAS	15,772	119	15,893	13,000	13,846	2,773	2,047
Prime - Donovan	6	0	6	0	0	6	5
Subprime - Miller/Ziffer	8,324	101	8,424	8,000	8,713	324	(289)
TOTAL NON-PRIME-AMERICAS	8,329	101	8,430	8,000	8,713	329	(284)
Wallace-Portnoy	2,440	124	2,564	1,000	1,877	1,440	687
Wallace-Toppe	8	0	8	0	3	8	5
Capital Crossing	322	0	322	0	0	322	322
TOTAL NON RESIDENTIAL TRADING	2,770	124	2,894	1,000	2,212	1,770	683
MORTGAGE ARB.-AMERICAS	0	0	0	100	100	(100)	(100)
MORTGAGE FINANCE AMERICAS	0	0	0	0	0	0	0
HOUSE-RISK	158	180	338	0	1,276	158	(938)
HOUSE-ADMIN	3	(9)	(5)	0	(63)	3	57
PRIN FINANCE RESIDENTIAL	225	0	225	0	0	225	225
CAMPUS DOOR	313	0	313	0	0	313	313

COHANE RAFFERTY LLC	2	9	11	0	63	2	(52)
Countrywide Derivatives FAS 140 to Long Inventory	8,745	0	8,745	13,825	13,825	(5,080)	(5,080)
ABS DERIVATIVES	3,438	28	3,466	2,000	2,199	1,438	1,267
SPECIAL OPPORTUNITIES GP	839	45	885	0	322	839	563
TOTAL SP TRADING-AMERICAS	48,675	935	49,584	45,000	51,773	3,675	(2,189)
SP ORIGINATION AMERICAS							
ALS	386	0	386	0	0	386	386
BNC	60	0	60	0	0	60	60
Campus Door	0	84	84	0	0	0	84
Finance America Inventory	0	0	0	0	0	0	0
TOTAL SP AMERICAS	49,120	935	50,113	45,000	51,773	4,121	(1,743)
TOTAL SP - EUROPE	11,849	0	11,761	10,500	10,875	1,349	886
Projected Balance Sheet							
TOTAL SP - ASIA	2,025	0	1,850	2,000	2,000	25	(150)
TOTAL SECURITIZED PRODUCTS	62,995	935	63,724	57,500	64,648	5,495	(1,007)

	Net Target	Gross Target	Net Variance	Gross Variance
TOTAL	57,500	64,648	5,495	(923)
SP	43,675	50,823	10,574	4,073
FAS 140	13,825	13,825	(5,080)	(5,080)

Balance Sheet Strat

As of : 11/30/07

Agency	7,139,906,064		
IG	12,273,261,620	Securities (by BPM)	
NIG	1,007,659,700	Prime- Americas	7,804,729,514
NIG-Residual	1,116,456,627	Non-Prime Americas	1,210,478,044
NR	210,430,026	Reverse Mortgage	138,594,618
	21,747,714,037	Scratch & Dent	32,980,860
		ABS Secondary (Subprime)	698,721,815
		Other	4,722,303,122
Whole Loans	10,987,925,955		
REO WL	439,843,950		
Adjustment	13,690,759,084		14,607,807,973
Servicing	1,269,393,875		
PFR	928,780,589		
Equity	55,683,831	Agency	7,139,906,064
	27,372,387,284	Non-Agency	14,607,807,973
Total Balance Sheet:	49,120,101,321		21,747,714,037

Whole Loans Detail	
Prime	3,671,759,944
Non-Prime	3,227,080,013
Reverse Mortgage	699,785,898
Scratch & Dent	1,498,424,300
Other	1,890,875,800
Total	10,987,925,955

Whole Loans	
Residential	9,097,050,155
Non-Residential	1,890,875,800
Total	10,987,925,955

Adjustment Detail	
FAS 140 Gross Up	8,745,271,299
ABS Derivative BS	4,282,737,829
Origination Inventory	768,140,667
Other	(105,390,711)
Total	13,690,759,084

Gross Up Detail	
Prime	3,429,451,233
Non-Prime	4,800,636,805
Non-Residential	515,183,261
Total	8,745,271,299

	Prime- Americas	Non-Prime Americas	Seconds	Scratch & Dent	Reverse Mortgage	ABS Sec(Subprir	Other	Total Americas
Agency	2,851,388,513	-	-	124,872	-	-	4,288,392,679	7,139,906,064
IG	6,604,243,594	996,912,236	99,890,688	18,223,906	102,934,543	651,578,658	3,820,405,588	12,294,189,213
NIG	168,280,719	53,510,048	20,435,616	11,433,239	-	47,143,154	642,250,231	943,053,007
NIG-Residual	996,730,095	29,966,737	400,604	3,323,432	35,660,075	3	50,375,681	1,116,456,627
NR	35,475,106	9,362,115	-	283	-	-	209,271,622	254,109,126
Total	10,656,118,027	1,089,751,136	120,726,908	33,105,732	138,594,618	698,721,815	9,010,695,801	21,747,714,037
Excl. Agency	7,804,729,514	1,089,751,136	120,726,908	32,980,860	138,594,618	698,721,815	4,722,303,122	14,607,807,973

	Prime- Americas	Non-Prime Americas	Seconds	Scratch & Dent	Reverse Mortgage	ABS Sec(Subprir	Other	Total Americas
Agency	2,851,388,513	-	-	124,872	-	-	4,288,392,679	7,139,906,064
AAA	4,390,537,115	729,411,532	16,064,257	1,729,504	20,992,654	349,123,217	3,390,329,158	8,898,187,437
AA+	401,353,617	17,530,792	12,688,423	158	8,174,391	50,424,597	14,018,835	504,190,813
AA	687,501,924	57,905,674	2,407,384	-	46,334,935	111,480,814	29,450,698	935,081,429
AA-	291,902,040	45,622,845	16,819,962	-	-	13,106,815	8,422,380	375,874,042
A+	133,574,595	16,698,470	1,627,116	3,628,107	-	20,799,663	71,467,289	247,795,240
A	269,365,117	35,386,078	31,374,685	-	27,432,563	37,595,474	102,835,257	503,989,174
A-	160,951,948	64,744,463	14,899,809	2,925,996	-	28,275,810	35,650,028	307,448,054
BBB+	80,737,073	2,371,370	692,470	2,298,867	-	19,645,310	14,248,462	119,993,552
BBB	97,564,336	11,253,797	1,404,447	4,543,692	-	13,830,478	110,114,871	238,711,621
BBB-	90,755,829	15,987,215	1,912,135	3,097,582	-	7,296,480	43,868,610	162,917,851
BB+	27,972,245	4,434,698	5,251,290	2,131,537	-	8,041,716	116,678,937	164,510,423
BB	84,219,662	11,491,760	3,569,078	7,544,938	-	22,721,729	47,168,314	176,715,481
BB-	16,528,448	3,533,171	1,957,582	-	-	2,818,735	14,648,268	39,486,204
B+	1,979,859	2,774,906	2,511,953	-	-	3,068,519	6,408,582	16,743,819
B	32,956,785	6,032,218	341,547	-	-	3,579,568	66,997,110	109,907,228
B-	1,773,240	2,519,189	1,638,556	936,039	-	616,994	52,544,130	60,028,148
CCC & Below	2,850,480	22,724,106	5,165,610	820,725	-	6,295,893	337,804,890	375,661,704
NR	35,475,106	9,362,115	-	283	-	-	209,271,622	254,109,126
Residual	996,730,095	29,966,737	400,604	3,323,432	35,660,075	3	50,375,681	1,116,456,627

10,656,118,027

1,089,751,136

120,726,908

33,105,732

138,594,618

698,721,815

9,010,695,801

21,747,714,037

Other BPM2 Detail Breakout

As of : 11/30/2007

<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	4,152,162,771	Agency	42,026,079	Agency	-	Agency	-	Agency	-	Agency	94,203,829
AAA	324,855,445	AAA	233,074,756	AAA	79,115,758	AAA	607,775,079	AAA	2,069,584,909	AAA	891,002
AA+		AA+	1,566	AA+	14,017,269	AA+		AA+		AA+	
AA		AA	3,587,436	AA	17,489,095	AA	8,373,215	AA		AA	
AA-	-	AA-	2,331,223	AA-	6,091,157	AA-	-	AA-	-	AA-	-
A+		A+	47,005,040	A+	4,210,895	A+	20,251,354	A+		A+	
A		A	94,276,435	A	8,556,823	A		A		A	
A-	-	A-	10,334,798	A-	8,042,722	A-	16,212,015	A-	-	A-	1,060,493
BBB+		BBB+	14,248,462	BBB+		BBB+		BBB+		BBB+	
BBB		BBB	42,541,783	BBB	23,125,675	BBB	44,446,414	BBB		BBB	
BBB-	-	BBB-	37,400,386	BBB-	1,287,357	BBB-	5,180,867	BBB-	-	BBB-	-
BB+		BB+	90,714,307	BB+	15,998,901	BB+	9,965,729	BB+		BB+	
BB		BB	21,403,668	BB		BB	25,764,646	BB		BB	
BB-	-	BB-	11,784,522	BB-	-	BB-	2,863,746	BB-	-	BB-	-
B+		B+	6,408,582	B+		B+		B+		B+	
B		B	28,149,908	B		B	38,847,202	B		B	
B-	-	B-	26,254,321	B-	26,289,809	B-	-	B-	-	B-	-
CCC & Below	-	CCC & Below	328,648,804	CCC & Below	5,989,900	CCC & Below	3,166,185	CCC & Belc	-	CCC & Below	1
NR	371,125	NR	87,559,194	NR	20,328,978	NR	2,198,580	NR	98,500,425	NR	313,320
Residual	101,610	Residual	340	Residual	-	Residual	50,273,731	Residual	-	Residual	-
	4,477,490,951		1,127,751,610		230,544,339		835,318,763		2,168,085,334		96,468,645
Excl. Agency	325,328,180	Excl. Agency	1,085,725,531	Excl. Agency	230,544,339	Excl. Agency	835,318,763	Excl. Agency	2,168,085,334	Excl. Agency	96,468,645

<u>Mortgage Finance Americas</u>		<u>Principle Finance Americas</u>		<u>Total</u>	
Agency	-		-	Agency	4,288,392,679
AAA	-		75,032,209	IG	3,390,329,158
AA+				NIG	14,018,835
AA	952			NIG-Residual	29,450,698
AA-	-			NR	8,422,380
A+					71,467,289
A	1,999				102,835,257
A-	-				35,650,028
BBB+					14,248,462
BBB	999				110,114,871
BBB-	-				43,868,610
BB+					116,678,937
BB					47,168,314
BB-	-				14,648,268
B+					6,408,582
B					66,997,110
B-	-				52,544,130
CCC & Below	-				337,804,890
NR	-				209,271,622
Residual	-				50,375,681
	3,950		75,032,209		9,010,695,801
Excl. Agency	3,950	Excl. Agency	75,032,209	Excl. Agency	4,722,303,122

Agency	4,288,392,679
IG	3,820,405,588
NIG	642,250,231
NIG-Residual	50,375,681
NR	209,271,622
Excl. Agency	4,722,303,122

Securitized Products Business - Balance Sheet Detail, Nov 30 2007

(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
Whole loans	3,672	1,113	2,114	3,227.08	2,198	0	9,097		9,097	1,891	10,988	5,010	128	16,126
Whole Loans (incl. pending)	4,530	1,113	2,114	3,227	2,245		10,001		10,001	1,891	11,892	5,010	128	17,031
Pending Whole Loans	(858)	-	-	-	(46)		(904)		(904)	(0)	(904)	-		(904)
Origination WL Inventory	-	-	-	-	-	-	-		-	76	76	-	-	76
Securities	6,808	122	1,058	1,180	133	4,587	12,708		12,708	785	13,493	5,146	423	19,062
IG Retained Interests	5,471	88	989	1,077	121	2,639	9,308		9,308	702	10,010	153		10,163
NIG Retained Interests	133	20	59	79	11	433	657		657	81	738	261	0	999
FAS140 NIG	(9)	(6)	(1)	(6)	(14)	-	(29)		(29)	(10)	(39)	-		(39)
Agented	(7)	(1)	(1)	(1)	-	(373)	(381)		(381)	(0)	(381)	-		(381)
Net NIG Retained Interest	117	13	58	71	(3)	60	246		246	71	317	261	-	578
Other Securities (Agented)	1,204	15	10	24	0	1,515	2,743		2,743	1	2,745	4,731	423	7,899
Residuals	938	0	22	22	39	0	1,000		1,000	50	1,050	-	-	1,050
FAS140 Resid	(24)	-	(20)	(20)	(13)		(57)		(57)	(21)	(78)			(78)
Agented	(29)	-	(0)	(0)	-		(29)		(29)	(0)	(29)			(29)
Net Retained Interest	885	0	2	2	26	-	913		913	29	942	-	-	942
Traded Residuals (Agented)	58	0	8	8	-		67		67		67			67
Gross-Up	4,801	1,128	817	1,945	1,888	-	8,634		8,634	515	9,149	949	-	10,098
FAS140 Derivatives	4,801	1,128	413	1,542	1,888		8,230		8,230	515	8,745	949		9,694
FAS140 Repurchase Option	-	-	404	404	-		404		404	-	404			404
Servicing Rights	1,202	3	22	25	8	-	1,235		1,235	34	1,269	-	-	1,269
Other	-	-	-	-	-	601	601		601	-	601	-	-	601
Total Mortgage Inventory (GAAP)	17,480	2,367	4,041	6,408	4,265	5,188	33,341		33,341	3,351	36,692	11,105	552	48,348
Real Estate Owned	178	0	57	58	204	0	440		440	25	465	-	-	465
Total Real Estate Owned (REO)	178	0	57	58	204	0	440		440	25	465	-	-	465
Total Govt & Agencies Inventory (GAA)	-	-	-	-	-	-	-	7,140	7,140	-	7,140	-	-	7,140
Total Corporate Debt and Other (GAAP)	-	-	-	-	-	328	328		328	-	328	247	1,017	1,592
Total Corporate Equities (GAAP)	-	-	25	25	-	31	56		56	-	56	-	-	56
Other GAAP Line Items	450	-	860	860	-	2,882	4,191	2	4,193	247	4,440	497	456	5,393
Trade Date Impact	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fails	0	-	(0)	(0)	-	1	1	2	-	-	1	-	-	1
Fin46 Gross-Up	63	-	-	-	-	-	63	-	-	-	63	-	-	63
Future Settlement	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Origination - Other Assets	386	-	60	60	-	-	446	-	-	247	693	-	-	693
LBSF/LBIE Derivatives	-	-	791	791	-	3,492	4,283	-	-	-	4,611	-	-	4,611

Trading Cash Collateral						331	331	-		662		662		
Other	-	9	9			(942)	(933)	-	-	(933)	497	456		
Total Securitized Products	18,108	2,367	4,983	7,350	4,469	8,429	38,355	7,142	45,497	3,623	49,120	11,849	2,025	62,993

MORTGAGE & REAL ESTATE HELD FOR SALE INVENTORY: November Final

Securitized Products	Q4-07	Oct-07	Sep-07	Q3-07	Q2-07	Q4-06	Chg. vs Jun +/-
RESIDENTIAL AMERICA:							
Whole Loans							
Prime	3,672	5,458	5,591	6,351	8,885	7,992	2,085
Non Prime	5,425	7,118	7,326	6,932	6,372	5,154	1,600
Other	-	-	-	-	20	1,471	(827)
FAS 140: QSPE with Derivatives							
Prime	4,801	6,507	6,713	6,213	5,930	2,045	4,015
Non Prime	3,833	3,743	3,906	3,650	8,915	3,790	4,716
FAS 140 Retained Interests							
Non Investment Grade	86	200	160	235	633	41	213
Prime	33	180	125	-	-	-	-
Non-Prime	54	20	35	-	-	-	-
Other	-	-	-	-	-	-	-
Investment Grade	2,190	1,057	1,191	1,596	785	48	-
Prime	1,130	841	915	-	-	-	-
Non-Prime	1,020	216	276	-	-	-	-
Other	40	-	-	-	-	-	-
Sub-total Whole Loans	20,008	24,083	24,887	24,977	31,540	20,342	11,802
Securities							
Retained Interest (Investment Grade)							
Prime - Investment Grade	3,797	3,675	3,876	3,709	2,836	1,855	2,374
Non Prime - Investment Grade	173	227	315	442	758	1,233	(644)
Other Investment Grade	2,289	145	192	375	164	162	341
Europe Investment Grade	153	153	153	153	153	188	(35)
	6,412	4,200	4,536	4,678	3,911	3,439	2,036
Retained Interest (Non Investment Grade)							
Prime - Non Investment Grade	1,002	865	1,027	986	1,072	902	(37)
Non Prime - Non Investment Grade	97	217	210	304	391	797	(460)
Other Non Investment Grade	60	57	86	158	93	61	88
Europe Non Investment Grade	261	261	261	261	189	214	(25)
	1,420	1,399	1,584	1,709	1,744	1,974	(434)
Sub-Total Retained Interest	7,832	5,599	6,120	6,387	5,656	5,413	1,602
Agented Securities							
Prime	1,843	1,774	1,616	1,543	1,504	1,287	514
Non Prime	38	27	73	78	105	667	(584)
ABS Secondary (includes CDO positions)	1,533	1,222	1,209	968	824	938	213
** Other (includes CDO positions)	1,266	569	564	642	577	451	409
Sub-Total Agented Securities	4,679	3,592	3,462	3,231	3,010	3,343	551
Sub-total Securities	12,511	9,191	9,583	9,618	8,666	8,756	2,154
Servicing							
Prime	1202	1026	1053	995	869	766	179
Non Prime	33	33	34	34	42	79	(34)
Sub-total Servicing	1,235	1,059	1,087	1,030	911	845	146
RESIDENTIAL EUROPE / ASSET BACKED / OTHER							
Whole Loan	5,010	6,314	5,430	4,953	3,950	-	4,730
FAS 140: QSPE with Derivatives	949	2,374	1,984	1,970	497	-	-
Securities	4,731	2,087	2,243	(0)	40	-	170
Other	-	542	531	121	6	-	6
Sub-total Residential Europe/ Asset Backed / Other	10,690	11,317	10,187	7,044	4,493	0	4,906
SUB-TOTAL RESIDENTIAL	44,444	45,650	45,744	42,669	45,610	30,142	19,007
NON-RESIDENTIAL AMERICA:							

Whole Loans (Non-Prime)	1,966	2,315	2,261	2,217	1,959	223	2,276
FAS 140: OSPE with Derivatives	515	319	328	326			
FAS 140 Retained Interests							
Non Investment Grade	31	3	3	3			
Investment Grade	654	154	154	169			
Securities	150	138	159	158	101	1	504
Servicing	34	28	29	19	-		11
SUB-TOTAL NON-RESIDENTIAL AMERICA	3,351	2,957	2,934	2,892	2,060	224	2,791
NON-RESIDENTIAL ASIA:	552	592	554	524	394	0	
SUB-TOTAL RESIDENTIALS / SECURITIZED PRODUCTS	48,348	49,199	49,232	46,085	48,063	30,367	
Real Estate	COMMERCIAL:						
FAS 140: OSPE with Derivatives	533	3,489	3,446	3,698	1,923	1,914	506
FAS 140: Retained Interest	1,291						
Securities	3,405	25	27	78	14	34	(20)
Non-Investment Grade Retained Interest	25	2,130					
Non-Consolidated Real Estate Investments	34,304	40,696	37,302	36,120	29,838	22,426	13,864
SUB-TOTAL COMMERCIAL	39,558	46,340	40,775	39,896	31,775	24,374	14,350
Other Businesses							
CDO BPM							
FAS140 Gross-up on Structured Credit Trades	1,195						
Asset-Backed Issues (CBO/CLO)	596	432		327			
CDO	887	1,024	2,455	1,192	826		
CREDIT BUSINESS CMO'S (Non-Prime)	88	123	120	178	179		
Other Asset Adjustment	-1,195	2,140	732	329	(1,209)		
SUB-TOTAL COMMERCIAL	1,571	3,719	3,307	2,026	(204)		
TOTAL MORTGAGES & ASSET-BACKED SECURITIES	89,476	99,258	93,314	88,007	79,634	54,741	36,148
Real Estate Held for Sale	20,667	20,051	20,132	19,734	15,891	9,408	7,272
Fund III Warehoused Deals	1,250	396	315	310	0		
G R A N D - T O T A L	111,393	119,704	113,761	108,051	95,524	64,149	43,420

** Carved out ABS Derivative business (which holds the CDO positions) from ABS Secondary PL2.

Q4 2007

	Other	CDO	Real Estate	Sec Prod	Total
Commercial			37,734	2,151	39,885
Gross Up		1,195	1,824	13,060	16,079
Europe Residential				10,156	10,156
Other (e.g., residential servicing, ABS)	(1,195)	1,483		5,699	5,986
US Prime				11,516	11,516
Reverse Mortg. / Scratch and Dent				2,377	2,377
Sub-Prime		88		3,388	3,476
Total	(1,195)	2,766	39,558	48,347	89,476
				Shadow	20,182

Q3 2007

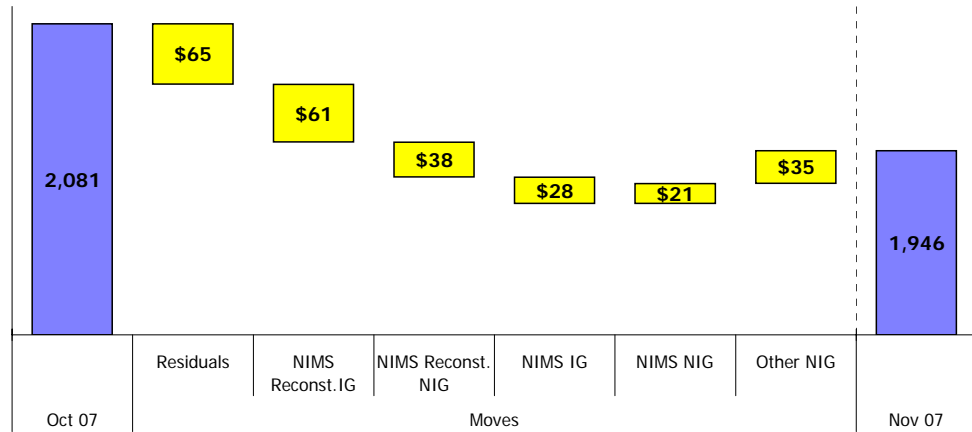
		CDO	Real Estate	Sec Prod	Total
Commercial			38,448	2,394	40,842
Gross Up			1,448	14,162	15,610
Europe Residential				5,488	5,488

Other (e.g., residential servicing, ABS)	1,192		2,997	4,189
US Prime			13,583	13,583
Reverse Mortg. / Scratch and Dent			1,727	1,727
Sub-Prime			6,063	6,063
Total	<u>1,192</u>	<u>39,896</u>	<u>46,414</u>	<u>87,502</u>

Q2 2007

	Real Estate	CDO	Sec Prod	Total
Commercial	31,775		2,060	33,835
Gross Up			16,761	16,761
Europe Residential			4,339	4,339
Other (e.g., residential servicing, ABS)		826	864	1,689
US Prime			15,165	15,165
Reverse Mortg. / Scratch and Dent			1,212	1,212
Sub-Prime			6,453	6,453
Total	<u>31,775</u>	<u>826</u>	<u>46,854</u>	<u>79,455</u>

NIG Retained Interest - Nov 07



Retained Interest

	2Q 07	Q3 07	Oct-07	Nov-07	Delta
Residuals	685	828	1,029	1,050	21
NIMS Reconst. IG	441	331	145	83	-61
NIMS Reconst. NIG	77	95	44	6	-38
NIMS IG	149	59	103	75	-28
NIMS NIG	57	196	86	21	-65
Other NIG	936	518	675	710	35
Total	2,344	2,027	2,081	1,946	-135

Retained Interest

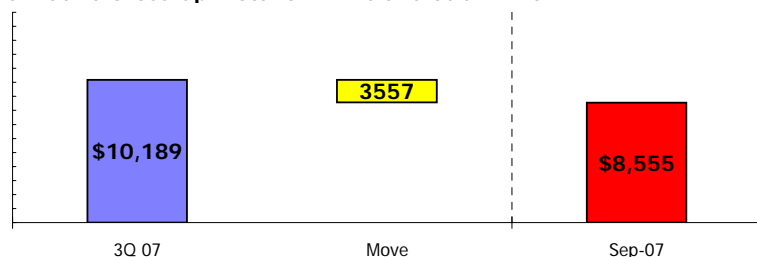
	Prime	Non-Prime	Total
Residuals	938	112	1,050
NIMS Reconst. IG	13	70	83
NIMS Reconst. NIG		6	6
NIMS IG	60	15	75
NIMS NIG	6	16	21
Other NIG	127	583	710
Total	1,144	803	1,946

ALL NIG	1,755	1,637	1,834	1,788	-46
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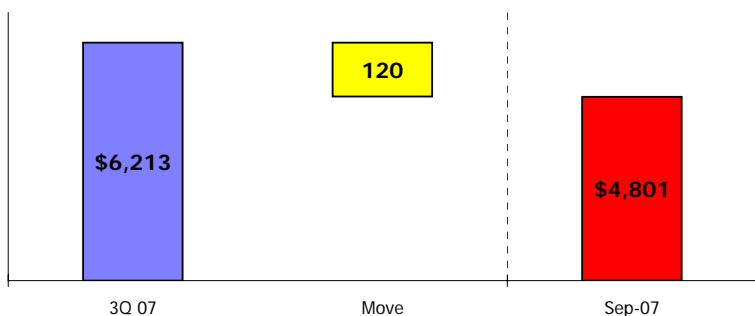
					Lower	Upper	Label
Moves		1	Oct 07		2,081	2,081	
Residuals	21	5	1 Moves	Residuals	-65	2,017	65 -\$65
NIMS Recon:	-61	2	2	NIMS Recon:	-61	1,955	61 -\$61
NIMS Recon:	-38	3	3	NIMS Recon:	-38	1,918	38 -\$38
NIMS IG	-28	4	4	NIMS IG	-28	1,890	28 -\$28,193,456
NIMS NIG	-65	1	5	NIMS NIG	21	1,890	21 \$21,371,155
Other NIG	35	6	6	Other NIG	35	1,911	35 \$35,127,107
			Nov 07		1,946	1,946	

SP Americas - FAS140 Derivative Balance Sheet Gross-up

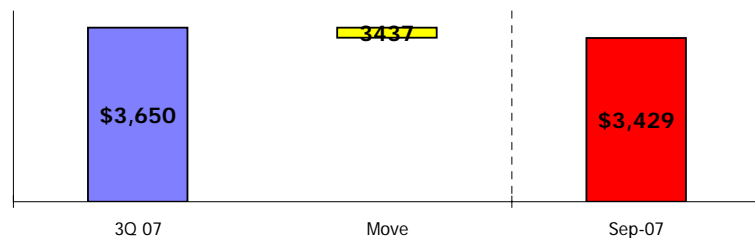
Derivative Gross-up: Total of Prime and Sub Prime



Breakout of Derivative Gross-up: Prime



Breakout of Derivative Gross-up: Sub Prime



			(\$ in millions)	
Leading Deal	Sector	Category	Q3 07	Q4 07
BNCMT 2007-2	Subprime	Sub Prime	949	
FFML 2006-FFA	Subprime	Sub Prime	559	-
FFML 2006-FFB	Subprime	Sub Prime	443	401
LBSBC 2007-2	Various subprime	Non-Resi	326	325
LBSBC 07-3	Various subprime	Non-Resi	-	190
LXS 2007-12N-3	Prime - NegAm	Prime	96	170
LXS 2007-16N	Prime - Hybrid	Prime	1,137	-
LXS 2007-9	Prime - ARM	Prime	456	448
LXS 2007-8H	Prime - High LTV	Prime	933	935
LXS 2007-6	Prime-ARM	Prime	619	632
LXS 2007-3	Prime - Fixed	Prime	351	352
LXS 2007-3	Prime - Hybrid	Prime	351	352
LXS 2007-1	Prime - Fixed	Prime	344	287
LXS 2007-1	Prime - Hybrid	Prime	344	287
LXS 2007-20N	Prime - ARM	Prime	-	0
SARM 2007-11	Prime - Hybrid	Prime	-	166
SARM 2007-8	Prime - Hybrid	Prime	409	-
SARM 2007-6	Prime - ARM	Prime	-	-
SARM 2007-4	Prime - ARM	Prime	444	443
SARM 2007-3	Prime - ARM	Prime	388	386
SARM 2007-2	Prime - ARM	Prime	342	344
SARM 2007-1	Prime - ARM	Prime	-	-
SASCO 07-SC1	Subprime	Sub Prime	-	0
SASCO 07-BNC1	Subprime	Sub Prime	-	274
SASC 2007-RM1	Subprime	Sub Prime	598	618
SASC 2006-Z	Subprime / High LTV	Sub Prime	149	139
SASC 2006-S4	Subprime Seconds	Sub Prime	283	238
SASC 2006-S3	Subprime Seconds	Sub Prime	192	237
SASC 2006-S2	Subprime Seconds	Sub Prime	281	252
SASC 2006-GEL2	Subprime-Scratch & Dent	Sub Prime	197	150
SASC 2006-GEL3	Subprime-Scratch & Dent	Sub Prime	-	-
SASC 2006-RM1	Subprime	Sub Prime	-	548
SASC 2005-RM1	Subprime	Sub Prime	-	449
SASC 2002-RM1	Subprime	Sub Prime	-	122

Total	\$ 10,189	\$ 8,745	
Non-Resi	\$ 326	\$ 515	\$ 189
Prime	\$ 6,213	\$ 4,801	\$ (1,412)
Sub Prime	3,650	3,429	(221)
Total	\$ 10,189	\$ 8,745	\$ (1,444)



Non-Resi	3Q 07	\$	326	\$	326	0
	Move	\$	(1)	\$	(1)	1
	Sep-07	\$	325	\$	325	0
			Lower		Upper	Label
Prime	3Q 07	\$	6,213	\$	6,213	0
	Move	\$	(1,412)	\$	4,801	1412
	Sep-07	\$	4,801	\$	4,801	0
Sub Prime	3Q 07		3,650	\$	3,650	0
	Move		(221)	\$	3,429	221
	Sep-07		3,429	\$	3,429	0
Total	3Q 07	\$	10,189	\$	10,189	0
	Move	\$	(1,634)	\$	8,555	1634
	Sep-07	\$	8,555	\$	8,555	0

Balance Sheet Aging Charges by BPM2

BPM 2	Code	Net Balance Sheet	Daily Aged Inventory	Total Penalty Charge
ABS DERIVATIVES	Flow	150,196,207	115,124,907	(242,627)
	Principal	3,287,754,420	115,017,266	-
ABS DERIVATIVES Total		3,437,950,627	230,142,173	(242,627)
ABS-NEW ISSUE-AM	Flow	2,168,085,334	24,383,891	(20,320)
	Principal	(1,020,287,203)	55,000,000	-
ABS-NEW ISSUE-AM Total		1,147,798,131	79,383,891	(20,320)
ABS-SECONDARY-AMERICAS	Flow	1,409,007,643	96,485,322	(88,554)
	Held Sec	84,845	21,046	(215)
	Principal	1,043,049,553	309,379,907	-
ABS-SECONDARY-AMERICAS Total		2,452,142,041	405,886,275	(88,769)
AGENCY REMICS/STRIPS-AMER	Flow	2,110,438,895	398,259,631	(597,452)
	Held Sec	-	-	-
	Principal	2,369,116,384	792,829,713	-
AGENCY REMICS/STRIPS-AMER Total		4,479,555,279	1,191,089,344	(597,452)
ALS	Principal	385,990,000	-	-
ALS Total		385,990,000	-	-
BNC	Principal	60,000,000	-	-
BNC Total		60,000,000	-	-
CAMPUS DOOR	Principal	-	-	-
CAMPUS DOOR Total		-	-	-
HOUSE-ADMIN	Principal	5,070,065	3,371,584	-
HOUSE-ADMIN Total		5,070,065	3,371,584	-
HOUSE-RISK	Flow	78,105,642	78,105,642	-
	Principal	79,968,153	29,990,369	-
HOUSE-RISK Total		158,073,795	108,096,011	-
INSURANCE SOLUTIONS AMER	Flow	-	-	-
INSURANCE SOLUTIONS AMER Total		-	-	-
MORTGAGE FINANCE AMERICAS	Flow	3,950	3,950	(61)
MORTGAGE FINANCE AMERICAS Total		3,950	3,950	(61)
MORTGAGE TRADING ASIA	Principal	5,677,567	5,677,567	-
MORTGAGE TRADING ASIA Total		5,677,567	5,677,567	-

NON RESIDENTIAL TRADING	Flow	728,587	728,587	(1,127)
	Held Sec	1,065,978,840	66,203,881	(78,372)
	Principal	2,363,488,583	847,380,088	-
NON RESIDENTIAL TRADING Total		3,430,196,010	914,312,556	(79,499)
NON-PRIME-AMERICAS	Flow	1,648,855,331	173,805,619	(456,201)
	Held Sec	4,032,776,756	666,070,557	(1,001,259)
	Principal	6,076,952,301	370,770,211	-
NON-PRIME-AMERICAS Total		11,758,584,388	1,210,646,387	(1,457,460)
PRIME-AMERICAS	Flow	8,902,102,835	2,585,713,215	(3,421,572)
	Held Sec	4,336,150,620	249,693,123	(385,112)
	Principal	7,334,744,838	1,674,535,785	-
PRIME-AMERICAS Total		20,572,998,293	4,509,942,123	(3,806,684)
PRIN FINANCE RESIDENTIAL	Flow	-	-	-
	Held Sec	212,809,880	-	-
	Principal	11,780,571	3,198,601	-
PRIN FINANCE RESIDENTIAL Total		224,590,451	3,198,601	-
SPECIAL OPPORTUNITIES GP	Flow	605,989,307	-	-
	Held Sec	646,333	-	-
	Principal	232,595,062	99,054,549	-
SPECIAL OPPORTUNITIES GP Total		839,230,702	99,054,549	-
Grand Total		48,957,861,299	8,760,805,011	(6,292,872)

* Balance Sheet break related to \$1.5bn ABS Deriv. netdown adjustments, not contributing to aged inventory

Whole Loan Market Value Age Summary

Inventory Balances as of: 11/30/07

Product	% Less then 90 days (September)	% Less then 90 days October)	% Less then 90 days (November)	< 90 Days	91 - 180 Days	181 - 270 Days	271 - 360 Days
BNC	27%	0%	0%	0	0	0	0
BNC/FA Repurchases	30%	86%	48%	15,513,633	16,187,785	0	530,273
Capital Crossing	9%	4%	5%	36,381,026	49,228,033	58,809,862	608,032,028
Consumer Whole Loans	0%	0%	0%	0	0	0	2,269,802
FHA / VA	51%	17%	30%	96,157,840	114,857,224	24,894,197	10,531,556
High LTV	0%	0%	0%	0	0	0	0
Home Equity	1%	0%	0%	0	25,495	0	0
Home Express	3%	3%	0%	0	6,541	114,717	592,976
Hybrid Arms	73%	47%	26%	574,153,815	1,082,102,099	329,125,369	154,592,177
Prime Fixed	85%	75%	62%	771,155,324	261,035,069	116,903,337	47,030,275
Reverse Mortgages	25%	24%	27%	185,514,499	85,753,502	251,954,572	86,075,403
SBA	0%	0%	0%	0	0	0	0
Scratch & Dent	41%	27%	30%	349,422,060	230,035,964	332,634,017	134,020,526
Small Balance Commercial	57%	27%	38%	281,093,318	316,295,677	110,168,648	29,471,205
Small Balance Commercial/SBA	55%	41%	32%	21,849,189	15,073,793	7,422,731	3,066,008
Subprime	66%	17%	8%	269,015,781	1,654,549,995	598,995,218	416,066,013
WL Repurchases	0%	0%	0%	0	0	634,143	0
Grand Total	62%	34%	25%	2,600,256,483	3,825,151,176	1,831,656,809	1,492,278,243

Product	361 - 540 Days	541 - 720 Days	721 - 1080 Days	> 1080 Days	Total Market Value	>181 Days Total MV	>271 Days Total MV	Days (Deliquent Loan	> 271 Days October/November MOM % Change
BNC	0	0	0	0	0	0	0	0	-100%
BNC/FA Repurchases	0	0	288,400	0	32,520,091	818,673	818,673	818,673	184%

Whole Loan Market Value Age Summary

Inventory Balances as of: 11/30/07

Capital Crossing	0	608,406	1,049,818	1,127,083	755,236,257	669,627,197	610,817,335	70,424,944	39115%
Consumer Whole Loans	17,447	1,251,401	197,914	0	3,736,564	3,736,564	3,736,564	284,320	-18%
FHA / VA	24,063,646	10,426,949	27,326,633	13,259,360	321,517,404	110,502,340	85,608,143	65,800,350	-6%
High LTV	0	389,568	1,364,736	446,591	2,200,895	2,200,895	2,200,895	439,772	1%
Home Equity	805,395	1,519,034	1,721,714	0	4,071,638	4,046,142	4,046,142	73,064	-17%
Home Express	0	184,569	0	2,403,863	3,302,666	3,296,125	3,181,408	1,571,469	-10%
Hybrid Arms	77,103,523	8,705,692	5,959,183	3,191,012	2,234,932,870	578,676,957	249,551,588	131,000,382	26%
Prime Fixed	20,979,245	7,687,612	4,732,017	5,077,560	1,234,600,438	202,410,045	85,506,709	49,296,304	10%
Reverse Mortgages	55,863,220	22,846,926	7,892,594	0	695,900,715	424,632,714	172,678,142	0	1%
SBA	0	0	0	0	0	0	0	0	1%
Scratch & Dent	76,493,491	23,214,872	20,271,465	4,435,060	1,170,527,456	591,069,433	258,435,416	240,838,142	46%
Small Balance Commercial	3,831,990	1,601,635	528,328	0	742,990,800	145,601,805	35,433,157	10,162,374	75%
Small Balance Commercial/SBA	8,204,746	6,757,443	6,820,034	0	69,193,945	32,270,963	24,848,231	2,945,711	-4%
Subprime	224,214,633	49,388,468	46,367,792	11,166,629	3,269,764,527	1,346,198,752	747,203,534	254,071,385	20%
WL Repurchases	0	64,898	577,334	3,805,183	5,081,558	5,081,558	4,447,415	2,492,506	-16%
Grand Total	491,577,337	134,647,472	125,097,962	44,912,341	10,545,577,823	4,120,170,163	2,288,513,354	830,219,395	62%

ROA Analysis

(\$ in 000s)

Summary

Total Securitized Products Americas	Monthly Average 2007	Q4 2007	Q3 2007	Q2 2007	Q1 2007	FY 2006 Qtrly Avg
Trading Revs	(25,945)	(676,182)	2,482	153,497	208,885	398,605
Origination Revs	10,051	(13,971)	84,256	10,437	39,894	105,682
Total Revs	(15,893)	(690,153)	86,739	163,934	248,778	504,287
Average B/S (trading)	60,750,446	70,678,996	63,941,075	57,509,555	49,198,079	43,357,244
ROA (trading)	-0.51%	-3.83%	0.02%	1.07%	1.70%	3.68%
VaR (\$ in millions)	19.9	19.9	20	19.9	19.9	13.3
Sales Credits	59,977	151,822	208,521	218,122	141,258	26,353
% of Trading Revs	-231%	27%	179%	142%	68%	7%
Aged Inventory	5,846,481	9,428,231	5,857,189	4,136,943	3,963,562	3,540,297
Aged Inventory Charge	(4,583)	(7,472)	(4,810)	(3,227)	(2,824)	(2,265)
Prime - Total	Monthly Average 2007	Q4 2007	Q3 2007	Q2 2007	Q1 2007	FY 2006 Qtrly Avg
Trading Revs	(31,065)	(292,539)	(203,058)	16,397	106,881	95,219
Origination Revs	20,510	39,524	62,308	75,807	68,479	65,963
Total Revs	(10,556)	(253,015)	(140,749)	92,204	175,360	161,182
Average B/S (trading)	25,930,139	22,572,587	27,375,480	27,472,320 #	23,004,048	22,598,285
ROA (trading)	-1.44%	-5.18%	-2.97%	0.24%	1.86%	1.69%
VaR (\$ in millions)	19.9	19.9	20	19.9	19.9	11.4
Sales Credits	15,210	26,091	52,435	59,592	44,400	8,657
% of Trading Revs	-49%	-300%	25%	363%	42%	9%
Aged Inventory	2,694,973	4,195,475	2,712,449	1,942,461	1,929,507	2,020,725
Aged Inventory Charge	(2,229)	(3,239)	(2,601)	(1,673)	(1,404)	(1,284)
Non-Prime - Total	Monthly Average 2007	Q4 2007	Q3 2007	Q2 2007	Q1 2007	FY 2006 Qtrly Avg
Trading Revs	(91,815)	(502,724)	(235,411)	(125,835)	(238,257)	155,511
Origination Revs	(12,120)	(61,970)	18,072	(68,284)	(33,263)	37,679
Total Revs	(103,935)	(564,694)	(217,339)	(194,119)	(271,520)	193,191
Average B/S (trading)	14,295,205	12,509,848	16,212,192	14,485,036	12,670,963	7,758,074
ROA (trading)	-7.71%	-16.07%	-5.81%	-3.47%	-7.52%	8.02%

(\$ in 000s)

VaR (\$ in millions)	7.0	7.0	7.0	7.0	7.0	4.5
Sales Credits	6,032	17,517	12,642	27,626	14,597	2,620
% of Trading Revs	-7%	-18%	7%	-22%	-6%	2%
Aged Inventory	1,105,907	1,704,297	1,152,517	925,910	640,906	574,405
Aged Inventory Charge	(1,121)	(1,781)	(1,076)	(885)	(641)	(569)

Non-Residential Trading	Monthly Average 2007	Q4 2007	Q3 2007	Q2 2007	Q1 2007	FY 2006 Qtrly Avg
Trading Revs	(11,193)	(104,815)	(51,025)	18,953	2,569	19,396
Origination Revs	1,400	8,450	3,554	1,554	3,242	914
Total Revs	(9,793)	(96,365)	(47,471)	20,507	5,810	20,310
Average B/S (trading)	2,354,822	3,540,707	3,232,995	1,530,577	865,451	806,531
ROA (trading)	-5.70%	-11.84%	-6.31%	4.95%	1.19%	16.71%
VaR (\$ in millions)	-	-	-	-	-	-
Sales Credits	1,244	1,350	6,042	6,612	919	226
% of Trading Revs	-18%	-35%	800%	62%	-652%	1%
Aged Inventory	381,967	1,023,680	345,823	88,021	70,344	44,514
Aged Inventory Charge	(102)	(344)	(29)	(26)	(9)	(7)

Agency Remics / Strips	Monthly Average 2007	Q4 2007	Q3 2007	Q2 2007	Q1 2007	FY 2006 Qtrly Avg
Trading Revs	2,180	7,795	(15,618)	15,803	18,182	17,761
Origination Revs	-	-	-	-	-	0
Total Revs	2,180	7,795	(15,618)	15,803	18,182	17,761
Average B/S (trading)	8,653,971	6,929,348	9,405,923	8,175,886	6,345,372	5,978,716
ROA (trading)	0.30%	0.45%	-0.66%	0.77%	1.15%	1.19%
VaR (\$ in millions)	-	-	-	3.1	3.1	1.6
Sales Credits	7,114	13,613	23,675	30,980	17,100	2,936
% of Trading Revs	326%	263%	122%	196%	94%	17%
Aged Inventory	945,484	1,689,201	814,070	530,683	747,984	549,775
Aged Inventory Charge	(776)	(1,521)	(695)	(381)	(507)	(274)

Agency Passthru & Options	Monthly Average 2007	Q4 2007	Q3 2007	Q2 2007	Q1 2007	FY 2006 Qtrly Avg
Trading Revs	2,668	9,141	14,379	2,203	6,288	8,512
Origination Revs	-	-	-	-	-	0
Total Revs	2,668	9,141	14,379	2,203	6,288	8,512

(\$ in 000s)

Average B/S (trading)	5,249,025	10,452,401	3,459,372	3,242,723	3,645,704	3,309,761
ROA (trading)	0.61%	0.35%	1.66%	0.27%	0.69%	1.03%
VaR (\$ in millions)						
Sales Credits	5,045	19,924	10,329	19,576	10,707	2,677
% of Trading Revs	189%	28%	142%	889%	170%	31%
Aged Inventory	-	-	-	-	-	141,741
Aged Inventory Charge	-	-	-	-	-	(56)
ABS Secondary	Monthly Average 2007	Q4 2007	Q3 2007	Q2 2007	Q1 2007	FY 2006 Qtrly Avg
Trading Revs	(1,060)	1,881	(33,782)	20,726	(1,543)	11,815
Origination Revs	-	-	-	-	-	0
Total Revs	(1,060)	1,881	(33,782)	20,726	(1,543)	11,815
Average B/S (trading)	2,437,913	5,190,510	2,375,996	1,464,855	1,397,400	1,464,704
ROA (trading)	-0.52%	0.14%	-5.69%	5.66%	-0.44%	3.23%
VaR (\$ in millions)	-	-	-	-	-	-
Sales Credits	2,970	11,011	11,588	7,367	5,671	1,145
% of Trading Revs	-280%	59%	34%	36%	-368%	10%
Aged Inventory	437,099	410,266	416,591	500,631	420,907	79,959
Aged Inventory Charge	(186)	(80)	(157)	(261)	(247)	(25)
ABS Derivatives	Monthly Average 2007	Q4 2007	Q3 2007	Q2 2007	Q1 2007	FY 2006 Qtrly Avg
Trading Revs	98,594	275,004	566,975	134,819	206,326	6,859
Origination Revs	-	-	-	-	-	0
Total Revs	98,594	275,004	566,975	134,819	206,326	6,859
Average B/S (trading)	433,617	379,087	636,470	316,021	305,531	290,189
ROA (trading)	272.85%	290.18%	356.32%	170.65%	270.12%	9.45%
VaR (\$ in millions)	-	-	-	-	-	-
Sales Credits	16,711	49,960	78,941	37,920	33,710	5,774
% of Trading Revs	17%	55%	55%	28%	16%	84%
Aged Inventory	110,402	220,052	221,557	-	-	-
Aged Inventory Charge	(107)	(228)	(199)	-	-	0

(\$ in 000s)

ABS New Issue	Monthly Average 2007	Q4 2007	Q3 2007	Q2 2007	Q1 2007	FY 2006 Qtrly Avg
Trading Revs	8,194	4,539	13,010	46,053	34,731	35,732
Origination Revs	-	-	-	-	-	0
Total Revs	8,194	4,539	13,010	46,053	34,731	35,732
Average B/S (trading)	311,666	808,948	223,442	156,273	23,016	34,579
ROA (trading)	31.55%	2.24%	23.29%	117.88%	603.60%	413.34%
VaR (\$ in millions)	-	-	-	-	-	-
Sales Credits	3,929	11,381	7,967	19,858	7,937	1,048
% of Trading Revs	48%	82%	227%	43%	23%	3%
Aged Inventory	6,615	26,461	-	-	-	-
Aged Inventory Charge	(2)	(7)	-	-	-	-
Mortgage Finance	Monthly Average 2007	Q4 2007	Q3 2007	Q2 2007	Q1 2007	FY 2006 Qtrly Avg
Trading Revs	1,852	1,241	4,864	7,738	8,380	8,525
Origination Revs	-	-	-	-	-	0
Total Revs	1,852	1,241	4,864	7,738	8,380	8,525
Average B/S (trading)	96,725	4	1,004	173,865	313,590	405,304
ROA (trading)	22.97%	125652.88%	1938.04%	17.80%	10.69%	8.41%
VaR (\$ in millions)	-	-	-	-	-	-
Sales Credits	1,187	157	2,933	5,264	5,886	1,217
% of Trading Revs	64%	-240%	1517%	68%	70%	14%
Aged Inventory	4	4	4	4	4	22,167
Aged Inventory Charge	-	-	-	-	-	(36)
Principle Finance Residential	Monthly Average 2007	Q4 2007	Q3 2007	Q2 2007	Q1 2007	FY 2006 Qtrly Avg
Trading Revs	(231)	2,715	2,903	13,259	(21,645)	5,538
Origination Revs	262	25	322	1,360	1,436	1,321
Total Revs	31	2,740	3,225	14,619	(20,209)	6,860
Average B/S (trading)	408,231	468,033	350,532	154,120	226,424	257,401
ROA (trading)	-0.68%	2.32%	3.31%	34.41%	-38.24%	8.61%
VaR (\$ in millions)	-	-	-	0.3	0.3	0.1
Sales Credits	-	-	-	-	-	0
% of Trading Revs	0%	0%	0%	0%	0%	0%

(\$ in 000s)

Aged Inventory	3,890	3,213	2,378	389	9,578	28,003
Aged Inventory Charge	-	-	-	-	-	0
Insurance Products	Monthly Average 2007	Q4 2007	Q3 2007	Q2 2007	Q1 2007	FY 2006 Qtrly Avg
Trading Revs	1,772	739	9,469	8,416	2,641	10,401
Origination Revs	-	-	-	-	-	0
Total Revs	1,772	739	9,469	8,416	2,641	10,401
Average B/S (trading)	28,254	-	-	-	-	-
ROA (trading)	75.26%	0%	0%	0.00%	0.00%	0.00%
VaR (\$ in millions)	-	-	-	-	-	-
Sales Credits	407	400	1,500	2,987	-	0
% of Trading Revs	23%	123%	51%	35%	0%	0%
Aged Inventory	-	-	-	-	-	-
Aged Inventory Charge	-	-	-	-	-	-
Special Opportunities Group	Monthly Average 2007	Q4 2007	Q3 2007	Q2 2007	Q1 2007	FY 2006 Qtrly Avg
Trading Revs	3,121	13,279	6,332	12,953	4,890	13,879
Origination Revs	-	-	-	-	-	0
Total Revs	3,121	13,279	6,332	12,953	4,890	13,879
Average B/S (trading)	313,704	881,491	256,655	131,627	169,766	188,788
ROA (trading)	11.94%	6.03%	9.87%	39.36%	11.52%	7.35%
VaR (\$ in millions)	-	-	-	0.3	0.3	-
Sales Credits	-	-	-	-	-	-
% of Trading Revs	0%	0%	0%	0%	0%	0%
Aged Inventory	76,809	51,435	80,599	85,386	89,816	32,702
Aged Inventory Charge	-	-	-	-	-	(36)
House - Risk	Monthly Average 2007	Q4 2007	Q3 2007	Q2 2007	Q1 2007	FY 2006 Qtrly Avg
Trading Revs	(8,941)	(92,269)	(76,596)	(18,053)	79,622	9,587
Origination Revs	-	-	-	-	-	0
Total Revs	(8,941)	(92,269)	(76,596)	(18,053)	79,622	9,587
Average B/S (trading)	222,517	198,259	277,689	182,722	181,763	201,836
ROA (trading)	-48.22%	-186.16%	-110.33%	-39.52%	175.22%	19.00%

(\$ in 000s)

VaR (\$ in millions)	-	-	-	-	-	-	
Sales Credits	-	-	(673)	342	331	54	
% of Trading Revs	0%	0%	-14%	-2%	0%	0%	
Aged Inventory	23,955	-	-	59,467	36,352	141,741	
Aged Inventory Charge	-	-	-	-	-	(56)	
House - Admin	Monthly Average 2007	Q4 2007	Q3 2007	Q2 2007	Q1 2007	FY 2006 Qtrly Avg	
Trading Revs	(20)	(173)	40	15	(129)	(131)	
Origination Revs	-	0	-	-	-	0	
Total Revs	(20)	(173)	40	15	(129)	(131)	
Average B/S (trading)	4,135	4,113	3,225	23,530	49,052	63,076	
ROA (trading)	-5.88%	-51.71%	11%	0.25%	-1.05%	-0.83%	
VaR (\$ in millions)	-	-	-	-	-	-	
Sales Credits	-	-	-	-	-	0	
% of Trading Revs	0%	0%	0%	0%	0%	0%	
Aged Inventory	1,477	-	-	2,991	2,917	127,289	
Aged Inventory Charge	-	-	-	-	-	(48)	

Risk Management

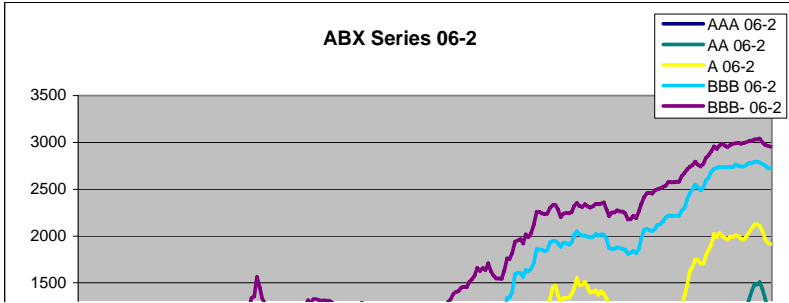
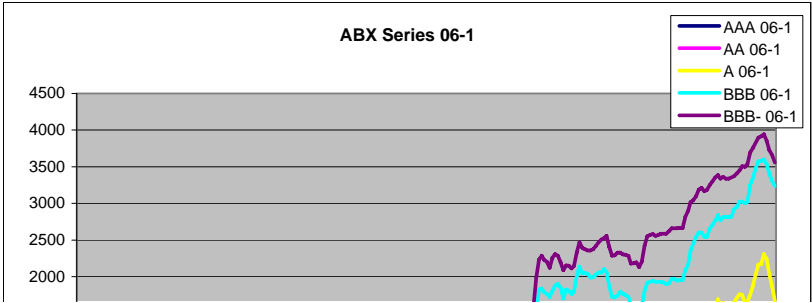
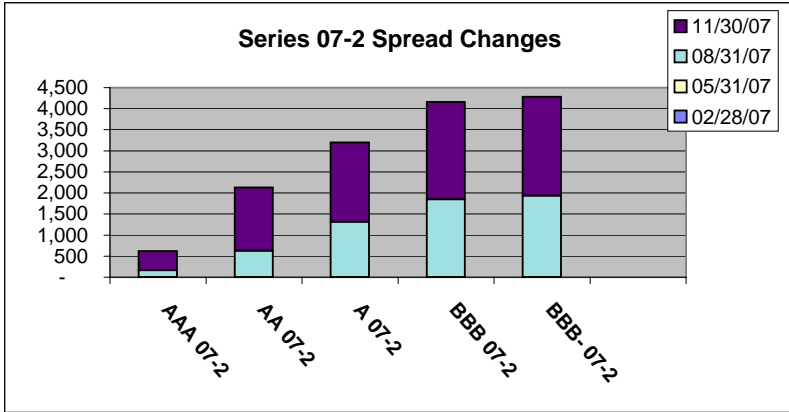
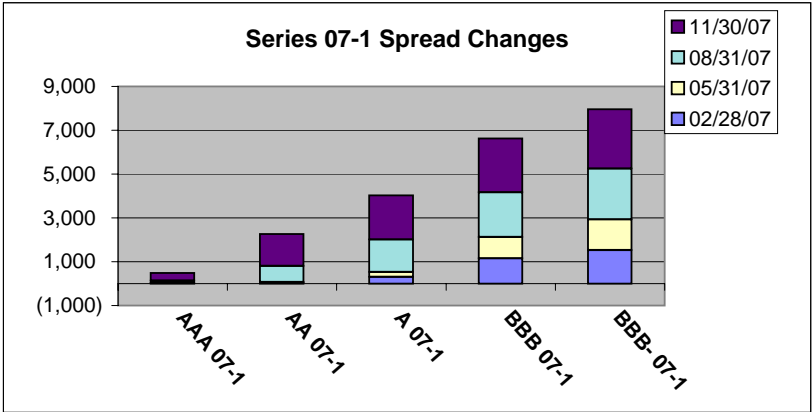
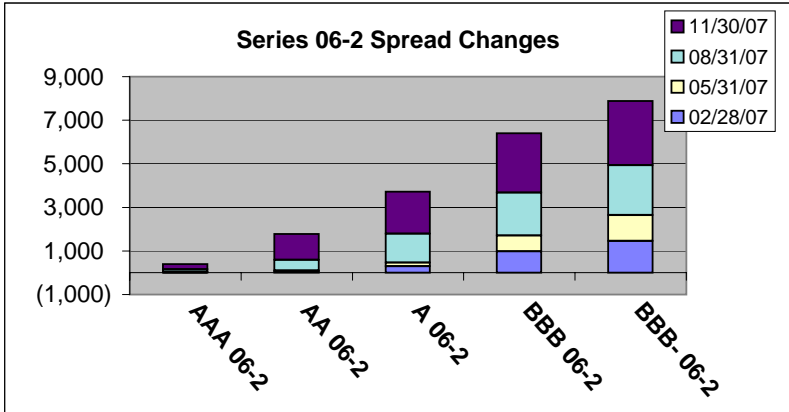
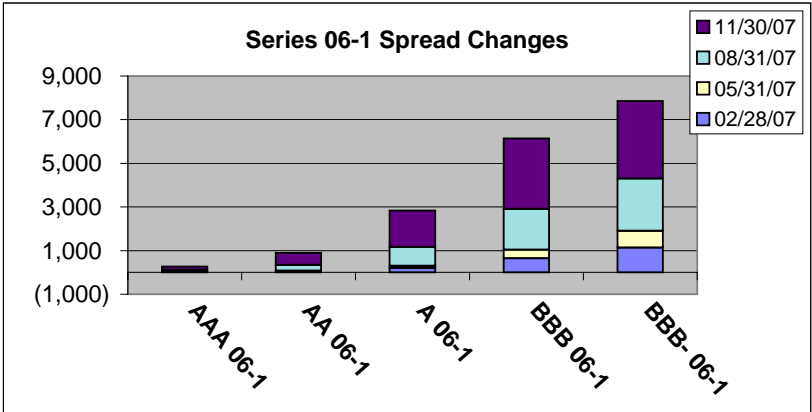
Non Agency Residential Exposure by Asset Class 11-30-07

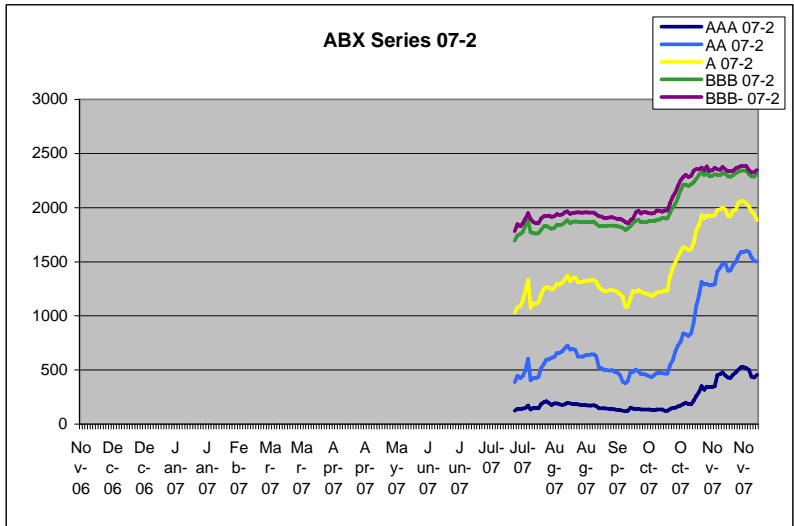
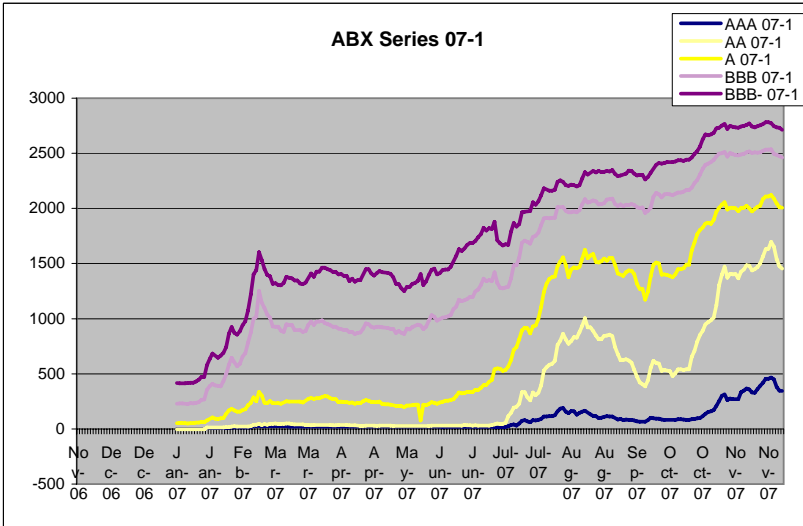
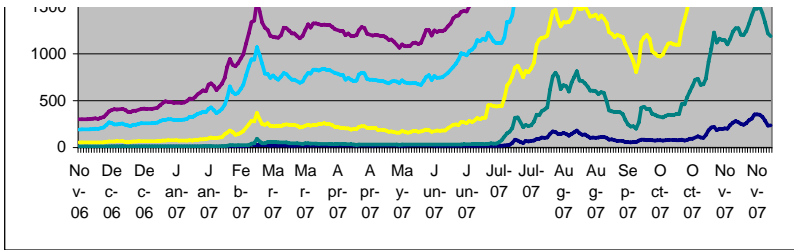
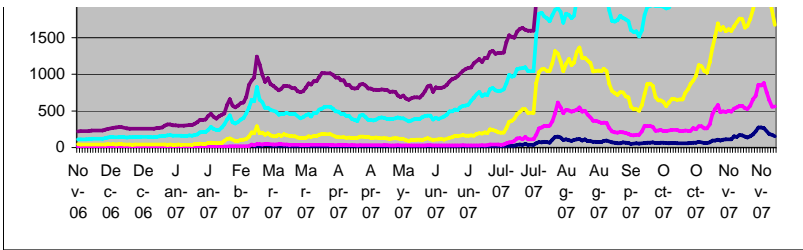
(in millions)	US Prime	US Sub-Prime	US 2nd Lien	US S&D	US RM	Total US Residential	Sub-Total SP EUR	Sub-Total SP ASIA	Total Residential	US Non-Resi SBF	US Non-Resi Capital Crossing	US Non-Resi Campus Door	** US Non-Resi Other ABS	Total Non-Resi	Total Resi and Non Resi
ASSETS															
Whole loans	3,671	2,113	1,113	1,498	700	9,095	5,010	1,041	15,146	823	755	313	-	1,891	17,037
Securities	6,869	1,769	120	30	103	8,891	5,358	444	14,693	763	-	-	3,555	4,318	19,011
AAA	4,432	1,087	16	2	21	5,558	-	-	5,558	608	-	-	2,593	3,201	8,759
AA	1,398	296	32	-	55	1,780	-	-	1,780	8	-	-	0	9	1,789
A	565	205	48	-	27	852	-	-	852	36	-	-	150	187	1,039
BBB	269	70	4	10	-	353	4,196	369	4,919	50	-	-	105	155	5,073
BB	140	53	11	10	-	214	581	-	795	23	-	-	131	154	948
B	41	19	4	1	-	65	-	-	65	36	-	-	62	97	162
CCC & Below	6	29	5	1	-	41	-	-	41	-	-	-	329	329	370
NR	18	9	-	-	-	27	581	75	683	2	-	-	186	187	870
Residuals	997	30	0	3	36	1,066	370	-	1,437	50	-	-	-	50	1,487
Servicing Rights	1,202	22	3	8	-	1,235	-	-	1,235	34	-	-	-	34	1,269
Total Cash Positions	12,739	3,933	1,237	1,539	838	20,287	10,739	1,485	32,511	1,670	755	313	3,555	6,293	38,804
HEDGES *															
ABX	(84)	(365)	-	-	-	(449)	-	-	(449)	-	-	-	-	-	(449)
AAA	(39)	44	-	-	-	5	-	-	5	-	-	-	-	-	5
AA	33	166	-	-	-	199	-	-	199	-	-	-	-	-	199
A	-	(16)	-	-	-	(16)	-	-	(16)	-	-	-	-	-	(16)
BBB	(79)	(558)	-	-	-	(637)	-	-	(637)	-	-	-	-	-	(637)
CMBX	(668)	(548)	-	-	-	(1,217)	-	-	(1,217)	-	-	-	-	-	(1,217)
AAA	(202)	(471)	-	-	-	(674)	-	-	(674)	-	-	-	-	-	(674)
AA	(41)	-	-	-	-	(41)	-	-	(41)	-	-	-	-	-	(41)
A	(351)	(21)	-	-	-	(372)	-	-	(372)	-	-	-	-	-	(372)
BBB	(73)	(57)	-	-	-	(130)	-	-	(130)	-	-	-	-	-	(130)
CDS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Single Name	1,225	(1,637)	-	-	-	(413)	19	-	(394)	-	-	-	-	-	(394)
AAA	1,288	13	-	-	-	1,301	(0)	-	1,301	-	-	-	-	-	1,301
AA	-	(25)	-	-	-	(25)	-	-	(25)	-	-	-	-	-	(25)
A	(3)	(238)	-	-	-	(241)	-	-	(241)	-	-	-	-	-	(241)
BBB	(61)	(1,144)	-	-	-	(1,205)	15	-	(1,190)	-	-	-	-	-	(1,190)
BB & Below	-	(243)	-	-	-	(243)	4	-	(239)	-	-	-	-	-	(239)
Corp	(219)	(359)	-	-	-	(577)	-	-	(577)	-	-	-	-	-	(577)
AAA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
AA	(5)	(329)	-	-	-	(334)	-	-	(334)	-	-	-	-	-	(334)
A	-	(30)	-	-	-	(30)	-	-	(30)	-	-	-	-	-	(30)
BBB	(213)	(0)	-	-	-	(213)	-	-	(213)	-	-	-	-	-	(213)
BB & Below	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bond Index TRS (AAA)	(5,325)	836	-	-	-	(4,489)	-	-	(4,489)	-	-	-	-	-	(4,489)
Single Name TRS	-	283	-	-	-	283	-	-	283	-	-	-	-	-	283
AAA	-	229	-	-	-	229	-	-	229	-	-	-	-	-	229
AA	-	-	-	-	-	0	-	-	0	-	-	-	-	-	0
A	-	-	-	-	-	0	-	-	0	-	-	-	-	-	0
BBB	-	-	-	-	-	0	-	-	0	-	-	-	-	-	0
BB & Below	-	54	-	-	-	54	-	-	54	-	-	-	-	-	54

RPX (NR)	-	(29)	-			(29)			(29)						(29)
Total Hedges	(5,071)	(1,821)	-	-	-	(6,891)	19	-	(6,873)						(6,873)
NET EXPOSURE	7,668	2,113	1,237	1,539	838	13,395	10,757	1,485	25,638	1,670	755	313	3,555	2,738	31,931

* Hedges do not include CDS on CDO short of (\$561mm)
** Cash bonds do not include CDO positions of \$207.7

ABX HE Spreads





Securitized Products ABX/CDS Positions							(in millions)	
	Prime	ABS Deriv	NonPrime	House	ABS Sec	Total SubPrime	Total	
ABX								
AAA	\$ (39)	\$ 211	\$ (168)	\$ -	\$ -	\$ 44	\$ 5	
AA	33	339	(173)	-	-	166	199	
A	-	245	(318)	57	-	(16)	(16)	
BBB	(79)	(16)	(567)	25	-	(558)	(637)	
SubTotal	(84)	779	(1,226)	82	-	(365)	(449)	
CMBX								
AAA	\$ (202)	\$ -	\$ (471)	\$ -	\$ -	\$ (471)	\$ (674)	
AA	(41)	-	-	-	-	-	(41)	
A	(351)	-	(21)	-	-	(21)	(372)	
BBB	(73)	-	(57)	-	-	(57)	(130)	
SubTotal	(668)	-	(548)	-	-	(548)	(1,217)	
CDS								
AAA	\$ 1,288	\$ 13	\$ 0	\$ -	\$ -	\$ 13	\$ 1,301	
AA	-	(15)	(9)	-	-	(25)	(25)	
A	(3)	(172)	(64)	(3)	-	(238)	(241)	
BBB	(61)	(1,045)	(79)	(20)	-	(1,144)	(1,205)	
BB & Below	-	(221)	(20)	(2)	-	(243)	(243)	
SubTotal	1,225	(1,441)	(172)	(25)	-	(1,637)	(413)	
Corp								
AAA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
AA	(5)	(80)	(249)	-	-	(329)	(334)	
A	-	(30)	-	-	-	(30)	(30)	
BBB	(213)	(0)	-	-	-	(0)	(213)	
BB & Below	-	-	-	-	-	-	-	
SubTotal	(219)	(110)	(249)	-	-	(359)	(577)	
Bond Index TRS (AAA)	(\$5,325)	\$836	\$0	\$0	\$0	\$ 836	\$ (4,489)	
Single Name TRS								
AAA	\$ -	\$ 229	\$ -	\$ -	\$ -	\$ 229	\$ 229	
AA	-	-	-	-	-	-	-	
A	-	-	-	-	-	-	-	
BBB	-	-	-	-	-	-	-	
BB & Below	-	-	-	-	54	54	54	
SubTotal	-	229	-	-	54	283	283	
RPX (NR)	\$ -	\$ -	\$ (29)	\$ -	\$ -	\$ (29)	\$ (29)	
Total	(\$5,071)	\$293	(\$2,224)	\$57	\$54	(\$1,821)	(\$6,891)	
Total by Rating								
AAA	\$ (4,278)	\$ 1,289	\$ (639)	\$ -	\$ -	\$ 650	\$ (3,628)	
AA	(13)	243	(431)	-	-	(188)	(201)	
A	(354)	44	(403)	54	-	(305)	(659)	
BBB	(426)	(1,062)	(703)	5	-	(1,759)	(2,185)	
BB & Below	-	(221)	(20)	(2)	54	(189)	(189)	
NR	-	-	(29)	-	-	(29)	(29)	
Total	\$ (5,071)	\$ 293	(\$2,224)	\$ 57	\$ 54	(\$1,821)	(\$6,891)	

CDS on CDO		ABS Deriv
AAA	\$	(34)
AA		(233)
A		(188)
BBB		(97)
BB & Below		(9)
SubTotal	\$	(561)

ABX Spreads Move (Bps)															(in millions)	
	11/30/07	10/31/07	09/28/07	08/31/07	05/31/07	02/28/07	11/30/06	Nov Change	Oct Change	Sep Change	Q4 Change	Q3 Change	Q2 Change	Q1 Change	YTD Change	
AAA 06-1	153	95	67	82	13	26	8	58	28	(15)	71	69	(13)	18	145	
AA 06-1	560	481	240	264	30	45	10	79	241	(23)	296	234	(16)	35	550	
A 06-1	1,674	1,602	642	868	104	196	43	72	960	(226)	806	764	(93)	154	1,631	
BBB 06-1	3,237	2,767	1,930	1,866	381	652	120	470	837	64	1,371	1,485	(271)	532	3,118	
BBB- 06-1	3,559	3,338	2,587	2,403	762	1,134	232	221	751	183	1,155	1,642	(373)	903	3,327	

AAA 06-2	236	186	79	106	22	26	8	50	106	(26)	131	84	(5)	18	228
AA 06-2	1,189	1,121	336	495	31	65	13	68	785	(159)	694	464	(34)	52	1,175
A 06-2	1,916	1,990	981	1,331	169	300	55	(75)	1,010	(350)	584	1,162	(131)	245	1,861
BBB 06-2	2,722	2,727	2,118	1,970	721	986	198	(5)	609	148	752	1,249	(265)	787	2,524
BBB- 06-2	2,953	2,931	2,500	2,281	1,197	1,452	307	22	431	219	672	1,084	(255)	1,146	2,647
AAA 07-1	345	263	84	98	21	25	1	82	179	(15)	247	77	(4)	24	344
AA 07-1	1,455	1,371	529	741	29	37	(3)	84	842	(212)	714	712	(7)	40	1,458
A 07-1	2,007	1,989	1,395	1,487	228	302	53	18	594	(92)	520	1,260	(74)	249	1,954
BBB 07-1	2,463	2,471	2,130	2,039	983	1,146	229	(8)	341	91	424	1,056	(163)	917	2,234
BBB- 07-1	2,712	2,722	2,421	2,312	1,403	1,532	415	(10)	301	109	400	909	(129)	1,116	2,297
AAA 07-2	454	319	136	166				135	183	(30)	288	166	-	-	454
AA 07-2	1,502	1,290	452	627				212	838	(175)	875	627	-	-	1,502
A 07-2	1,884	1,901	1,205	1,312				(17)	696	(107)	572	1,312	-	-	1,884
BBB 07-2	2,314	2,300	1,867	1,850				14	433	17	465	1,850	-	-	2,314
BBB- 07-2	2,347	2,347	1,958	1,937				-	389	21	410	1,937	-	-	2,347

Net PnL from Hedges and Writedowns

		Total				
		Q4	Q3	Q2	Q1	YTD
W/downs	\$	(2,182)	(1,619)	(232)	(650)	(4,683)
Hedges		1,292	1,403	(31)	686	3,351
	\$	(890)	(216)	(262)	36	(1,332)

		Q4			
		Sep	Oct	Nov	Q4
	\$	(180)	(1,091)	(911)	(2,182)
		137	782	372	1,292
	\$	(43)	(309)	(538)	(890)

		Prime				
		Q4	Q3	Q2	Q1	YTD
W/downs	\$	(807)	(789)	(47)	(114)	(1,758)
Hedges		403	562	(43)	154	1,075
	\$	(405)	(226)	(90)	40	(682)

		Non Prime				
		Q4	Q3	Q2	Q1	YTD
	\$	(849)	(567)	(184)	(536)	(2,137)
		344	272	(103)	240	753
	\$	(506)	(295)	(287)	(296)	(1,383)

		ABS				
		Q4	Q3	Q2	Q1	YTD
	\$	-	-	-	-	-
		222	273	33	159	687
	\$	222	273	33	159	687

		CDO				
		Q4	Q3	Q2	Q1	YTD
W/downs	\$	(313)	(84)	-	-	(397)
Hedges		402	378	98	57	935
	\$	89	294	98	57	538

		Macro				
		Q4	Q3	Q2	Q1	YTD
	\$	-	-	-	-	-
		(78)	(83)	(16)	77	(99)
	\$	(78)	(83)	(16)	77	(99)

		Other				
		Q4	Q3	Q2	Q1	YTD
	\$	(127)	(74)	-	-	(201)
		17	-	-	-	17
	\$	(110)	(74)	-	-	(184)

		Europe				
		Q4	Q3	Q2	Q1	YTD
W/downs	\$	(86)	(105)	-	-	(191)
Hedges		(17)	-	-	-	(17)
	\$	(103)	(105)	-	-	(207)

Hedges - Revenue

	Q4	Q3	Q2	Q1	YTD
Prime	\$ 403	\$ 562	\$ (43)	\$ 154	\$ 1,075
Non Prime	344	272	(103)	240	753
ABS	222	273	33	159	687
CDO	402	378	98	57	935
Macro Hedge	(78)	(83)	(16)	77	(99)
Other	17	-	-	-	17
Europe	(17)	-	-	-	(17)
Total	\$ 1,292	\$ 1,403	\$ (31)	\$ 686	\$ 3,351

	Sep	Oct	Nov	Q4
\$	(55)	235	\$ 222	\$ 403
	52	237	55	344
	120	52	50	222
	20	342	39	402
	9	(91)	4	(78)
	-	5	11	17
	(10)	0	(8)	(17)
\$	137	\$ 782	\$ 372	\$ 1,292

Cash Position Writedowns

Summary					
	Q4	Q3	Q2	Q1	YTD
Nims	\$ (200)	\$ (23)	\$ (21)	\$ (215)	\$ (458)
Bonds	(1,088)	(823)	(55)	(203)	(2,169)
Wholeloans	(678)	(493)	(104)	(148)	(1,424)
Residuals	(216)	(280)	(51)	(84)	(632)
Total	\$ (2,182)	\$ (1,619)	\$ (232)	\$ (650)	\$ (4,683)

YTD Nov 07						
Prime	Non Prime	CDO	Other	Europe	Net	
\$ -	\$ (458)	\$ -	\$ -	\$ -	\$ (458)	
(1,047)	(635)	(397)	(67)	(22)	(2,169)	
(433)	(794)	-	(83)	(114)	(1,424)	
(277)	(249)	-	(51)	(55)	(632)	
\$ (1,758)	\$ (2,137)	\$ (397)	\$ (201)	\$ (191)	\$ (4,683)	

Q4 07						
Prime	Non Prime	CDO	Other	Europe	Net	
\$ -	\$ (200)	\$ -	\$ -	\$ -	\$ (200)	
(526)	(194)	(313)	(39)	(17)	(1,088)	
(126)	(444)	-	(68)	(40)	(678)	
(155)	(11)	-	(20)	(30)	(216)	
\$ (807)	\$ (849)	\$ (313)	\$ (127)	\$ (86)	\$ (2,182)	

Q3 07						
Prime	Non Prime	CDO	Other	Europe	Net	
\$ -	\$ (23)	\$ -	\$ -	\$ -	\$ (23)	
(441)	(264)	(84)	(28)	(6)	(823)	
(254)	(150)	-	(15)	(74)	(493)	
(94)	(130)	-	(31)	(25)	(280)	
\$ (789)	\$ (567)	\$ (84)	\$ (74)	\$ (105)	\$ (1,619)	

Q2 07					
Prime	Non Prime	Other	Europe	Net	
\$ -	\$ (21)	\$ -	\$ -	\$ (21)	
(37)	(17)	-	-	(55)	
(15)	(89)	-	-	(104)	
5	(57)	-	-	(51)	
\$ (47)	\$ (184)	\$ -	\$ -	\$ (232)	

Q1 07					
Prime	Non Prime	Other	Europe	Net	
\$ -	\$ (215)	\$ -	\$ -	\$ (215)	
(44)	(159)	-	-	(203)	
(37)	(111)	-	-	(148)	
(33)	(51)	-	-	(84)	
\$ (114)	\$ (536)	\$ -	\$ -	\$ (650)	

Nov 07						
Prime	Non Prime	CDO	Other	Europe	Net	
\$ -	\$ (31)	\$ -	\$ -	\$ -	\$ (31)	
(388)	(38)	2	(39)	(3)	(466)	
7	(147)	-	(60)	(17)	(218)	
(155)	(11)	-	-	(30)	(196)	
\$ (536)	\$ (227)	\$ 2	\$ (99)	\$ (50)	\$ (911)	

Oct 07						
Prime	Non Prime	CDO	Other	Europe	Net	
\$ (117)	\$ -	\$ -	\$ -	\$ -	\$ (117)	
(138)	(95)	(306)	-	-	(539)	
(133)	(267)	-	(8)	(7)	(415)	
(0)	-	-	(20)	-	(20)	
\$ (271)	\$ (480)	\$ (306)	\$ (28)	\$ (7)	\$ (1,091)	

Sep 07					
Prime	Non Prime	CDO	Other	Europe	Net
\$ -	\$ (51)	\$ -	\$ -	\$ -	\$ (51)
-	(61)	(9)	-	(13)	(83)
-	(30)	-	-	(16)	(46)
-	-	-	-	0	0
\$ -	\$ (142)	\$ (9)	\$ -	\$ (29)	\$ (180)

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

ABS Derivatives
Using 11/30 Data

CDS on CDO	
Top 10 Counterparties by Notional	
Counterparty	Bond Equivalent (mm)
Merrill Lynch International	(201)
JPMorgan Chase Bank NA	(175)
Deutsche Bank AG London	(84)
Goldman Sachs Capital Markets L.P.	(67)
Citibank N.A.	(64)
Calyon	(38)
Credit Suisse International	(37)
Calyon New York	(32)
Fortis Bank NV/SA	(28)
ABN AMRO Bank N.V. London	(25)
Other/Internal Counterparty	(584)
Morgan Stanley Capital Services Inc.	12
HARBERT FUND ADVISORSfao Harbinger Capital Partner	15
Bear Stearns International Limited	25
MAGNETAR CONSTELLATIONFUND II LTD	32
Balestra Capital Partners L.P	33
MAGNETAR CONSTELLATION MASTERFUND III LTD	53
Harbinger Capital PartnersMaster Fund Ltd	58
MAGNETAR CAPITAL MASTER FD LTD	61
QVT FUND LP	74
UBS AG London	86
Other/Internal Counterparty	325

ABX	
Top 10 Counterparties by Notional	
Counterparty	Bond Equivalent (mm)
PELTON PARTNERS LLP/C Peloton ABS Master Fund	(800)
Deutsche Bank AG London	(513)
Goldman Sachs Capital Markets L.P.	(405)
Moore Macro Fund L.P.	(360)
D. E. Shaw Dihedral Porfolios L.L.C.	(217)
Cerberus International LTD	(157)
CSFB International	(114)
The Royal Bank of Scotland PLC	(85)
Morgan Stanley Capital Services Inc.	(79)
Citibank N.A.	(71)
Other/Internal Counterparty	(4,164)
UBS AG London	117
PURSUIT INVESTMENT MGMTLLC/Pursuit Capital Partner	125
Swiss Re Financial Products Cocorporation	131
DB	197
Countrywide Derivative Products Inc.	216
UBS London	247
Bank of America National Association	349
Merrill Lynch International	385
JPMorgan Chase Bank NA	460
Barclays Bank PLC	466
Other/Internal Counterparty	5,050

Single Name CDS	
Top 10 Counterparties by Notional	
Counterparty	Bond Equivalent (mm)
UBS AG	(313)
Merrill Lynch International	(208)
Citigroup Global Markets Ltd	(199)
Calyon	(171)
RBS (Greenwich)	(158)
NEW GENERATION	(157)
AMBAC Credit Products LLC	(149)
UBS AG London	(138)
ROYAL BANK OF SCOTLAND PLCREF 101394RBSP	(89)
Citibank N.A.	(85)
Other/Internal Counterparty	(4,529)
DB	121
PELTON PARTNERS LLP/C Peloto	124

Bond Index TRS	
Top 10 Counterparties by Notional	
Counterparty	Bond Equivalent (mm)
State Street	(1,196)
WAMCO	(3,293)
Internal	5,325

CIAL	149		
Bracebridge/FFI Fund Ltd	161		
HARBERT FUND ADVISORSfao Harbinger Capital Partner	162		
PELTON PARTNERS LLPA/C Peloton ABS Master Fund	162		
SOC GEN	202		
Peloton	282		
Harbinger Capital PartnersMaster Fund Ltd	284		
Deutsche Bank AG London	294		
Other/Internal Counterparty	2,817		

ABS CDO Positions
as of Nov 30, 2007

USD millions

Assets	Business	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	850	635	74.71%	(850)	(621)	73.01%	-	14
Unfunded CDO (SS - Mezz) - Corona (AAA)	CDO US	2	750	517	68.93%				750	517
Other retained - High Grade	CDO US		118	77	65.13%	(31)	(22)	70.00%	87	55
Other retained - Mezz	CDO US		189	76	40.21%	(386)	(76)	19.71%	(197)	-
Warehouse - CDOs	CDO US		41	29	71.60%	-	-		41	29
High grade ABS CDOs	Securitized Products		34	15	44.02%	-	-		34	15
Mezz ABS CDOs	Securitized Products		461	126	27.41%	(2,083)	(561)	26.94%	(1,621)	(435)
ABS CDO square transactions	Securitized Products		550	66	12.03%	-	-		550	66
Mezz ABS CDOs	CDO London					(109)	(17)	15.60%	(109)	(17)
ABS CDO square transactions	CDO London					(144)	(82)	56.94%	(144)	(82)
Sub total			2,993	1,542	51.50%	(3,602)	(1,379)	38.27%	(609)	163
ABS single names in warehouse	CDO US		245	116	47.35%				245	116
Single name CDS macro hedges	CDO US					(547)	(332)	60.69%	(547)	(332)
Other long ABS risk in the CDO book	CDO London		220	69	31.36%				220	69
			3,458	1,727	49.93%	(4,149)	(1,711)	41.22%	(691)	16

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>	2,060.8	<u>185.4</u>	1,065.3
mezz hedges	(294.8)		(294.8)	
HG hedges	(155.6)		(155.6)	
macro hedges	(639.0)	(1,089.4)	(639.0)	(1,089.4)

CDO Positions - Securitized Products
11/30/2007

Real World Cusip	Security Description	Moody Rating	S&P Rating	Fitch Rating	Collateral Type	Position	Inv Price	Market Value	Sub Prime %	Sub Prime Total	
002561AA6	ABAC 2006-HG1A A1 ABACUS LTD	Aaa/*-	AAA	N/A	CDO	99,001,345	2.08	2,060,713	100%	2,060,713	
002561AC2	ABAC 2006-HG1A B ABACUS LTD	Aa3/*-	AA-	N/A	CDO	20,249,976	2.09	422,212	100%	422,212	
002561AB4	ABACUS LTD FRN 20461128 SERIES# HG1A 144A	Aa2/*-	AAA	N/A	CDO	75,750,588	2.08	1,577,809	55%	867,795	
00388EAB7	ACCCO 5A B ACACIA CDO 1 LTD		N/A	AA/*+	AA+	CDO	8,250,005	70.43	5,810,553	100%	5,810,553
05473WAE6	AYRES 2005-1A A3 AYRESOME CDO I LTD	Aaa	AAA	N/A	CDO	19,999,967	21.31	4,261,333	100%	4,261,333	
05473WAJ5	AYRES 2005-1A C AYRESOME CDO I LTD	A2	A	N/A	CDO	3,999,995	21.74	869,755	100%	869,755	
12497PAB5	CBCL 10A B CREDIT-BASED ASSET SERVICING A	N/A	AA	AA+	CDO	5,499,998	71.58	3,936,662	100%	3,936,662	
12497SAB9	CBCL 11A B CREDIT-BASED ASSET SERVICING A	N/A	AA+	AA+	CDO	6,999,997	71.31	4,991,404	100%	4,991,404	
14984Y106	CEAGO ABS CDO 2007 1 LTD PREFERRED SHARES 144A	NR	N/A	N/A	CDO	400,000	720.00	2,880,000	100%	2,880,000	
15719MAA9	CETUS 2006-2A A1 CETUS ABS CDO	Aaa	AA+/*-	N/A	CDO	9,999,981	16.19	1,619,017	100%	1,619,017	
G25369102	CORONA BOREALIS CDO LTD REGS	NR	N/A	N/A	CDO	1,381,900	200.00	2,763,800	55%	1,520,090	
219655AB3	CRONA 2007-1A A1B CORONA BOREALIS CDO LTD	Aaa	AAA	N/A	CDO	44,999,917	20.40	9,179,803	55%	5,048,892	
219655AE7	CRONA 2007-1A C CORONA BOREALIS CDO LTD	A2	A	N/A	CDO	5,000,002	42.76	2,138,166	55%	1,175,991	
219655AF4	CRONA 2007-1A D CORONA BOREALIS CDO LTD	Baa2	BBB/*-	N/A	CDO	7,228,286	26.11	1,887,291	55%	1,038,010	
25513QAA7	DASH 1A A1	A2	N/A	B	CDO	11,558,783	76.02	8,787,033	100%	8,787,033	
G27725AA1	DASH 1X A1 REGS DIVERSIFIED ASSET SECURITIZATI	A2	N/A	B	CDO	7,355,589	75.99	5,589,365	100%	5,589,365	
37638NAB7	GLCR 2006-4A A2	Aaa/*-	AAA	N/A	CF-CDO-CDS	8,808,557	15.82	1,393,778	100%	1,393,778	
423279AA6	HELIO 1A A HELIOS SERIES I MULTI ASSET CB	Aa2	AA+	N/A	CDO	5,342,785	82.84	4,425,840	100%	4,425,840	
429667AE8	HGSC 2005-1A C HIGH GRADE STRUCTURED CREDIT C	A2	A	N/A	CDO	10,999,992	50.44	5,548,902	100%	5,548,902	
G46679109	HUNTINGTON CDO LTD PREF	N/A	N/A	N/A	CDO	177,500	80.38	142,678	100%	142,678	
45344QAA0	INDE2 2A A INDEPENDENCE II CDO LTD	Aa2	A+	A-	CDO	5,287,625	79.64	4,210,895	100%	4,210,895	
48206BAH9	JPTR 2006-4A F JUPITER HIGH GRADE CDO LTD	Baa2/*-	BBB	N/A	CDO	3,850,824	17.06	657,093	100%	657,093	
49858W208	KLEROS PFD FDG VI LTD PREF SHS	N/A	N/A	N/A	CDO	700,000	112.50	787,500	100%	787,500	
48249QAC6	KLIO 2004-2A B KLIO FUNDING LTD	A3	A	N/A	CDO	9,519,667	39.77	3,786,086	100%	3,786,086	
52902YAC9	LEXN 2007-3A A2 LEXINGTON CAPITAL FUNDING LTD	Aaa	AAA	AAA/*-	CDO	25,549,950	15.85	4,049,156	100%	4,049,156	
50211MAG6	LNR 2003-1A EFL LNR CDO LTD	Baa1	A	A+	CDO	250,000	100.22	250,540	100%	250,540	
55308LAA4	MKP 1A A1L MKP CBO I LTD	Caa1	CCC/*-	CCC	CDO	11,655,059	51.39	5,989,896	100%	5,989,896	
55313HAA6	MKP VELA 2006-1A A MKP VELA CBO LTD	Baa1/*-	AAA	N/A	CDO	34,481,585	16.44	5,668,945	100%	5,668,945	
62514SAE7	MULBERRY STREET CDO LTD FRN 20380812 SERIES# 2A 144A	Aa2	AA	CC	CDO	8,999,995	22.07	1,985,885	100%	1,985,885	
63155PAC9	NASS 20061A A3 NASSAU CDO LTD	Aaa/*-	AAA	N/A	CDO	9,906,386	51.45	5,096,895	100%	5,096,895	
658829AA4	NCOVE 2005-1A A NORTH COVE CDO LTD	Aaa	AAA	N/A	CDO	10,099,184	36.72	3,708,289	100%	3,708,289	
651065AE4	NEWCA 2005-7A 3 NEWCASTLE CDO LTD	A3	A	A	CDO	5,000,001	80.12	4,006,096	100%	4,006,096	
71901QAA1	PHOEN 2 A PHOENIX CDO LTD	Aa2	AAA	AAA	CDO	10,767,382	81.44	8,768,439	0%	-	
74732XAF4	PYXIS 2007-1A D1 PYXIS ABS CDO	Baa2	BBB/*-	N/A	CDO	40,554,204	20.73	8,407,211	100%	8,407,211	
76128UAA8	RABS 2003-3A A1 RESTRUCTURED ASSET SECURITIES	Aaa	AAA	N/A	CDO	51	101.86	52	100%	52	
805659AA7	SAYB 2001-1A A SAYBROOK POINT CBO, LIMITED	Aa1/*-	AA+	N/A	CDO	7,331,865	79.37	5,819,089	100%	5,819,089	
805659AC3	SAYB 2001-1A C 144A SAYBROOK POINT CBO, LIMITED	Ca/*-	N/A	N/A	CDO	4,000,000	0.00	4	100%	4	
805659AC3	SAYB 2001-1A C 144A SAYBROOK POINT CBO, LIMITED	Ca/*-	N/A	N/A	CDO	2,000,000	0.00	2	100%	2	
805657AA1	SAYB 2001-1A D 144A SAYBROOK POINT CBO, LIMITED	N/A	N/A	N/A	CDO	1,000,000	0.50	5,000	100%	5,000	
G78348AA0	SAYB 2001-1X A REGS SAYBROOK POINT CBO, LIMITED	Aa1/*-	AA+	N/A	CDO	2,052,922	79.35	1,628,967	100%	1,628,967	
	SAYBROOK POINT CBO LTD FRN 20360225 SERIES# 1X	N/A	N/A	N/A	CDO Equity	17,999,996	55.60	10,007,278	100%	10,007,278	
837435AA4	SCF 1A A1 SOUTH COAST FUNDING	Aaa	AA	AAA	CDO	7,575,833	82.72	6,266,850	100%	6,266,850	
83744UAK6	SCF 9A D SOUTH COAST FUNDING	Baa2/*-	BBB/*-	N/A	CDO	4,450,558	22.49	1,000,895	100%	1,000,895	
83744UAL4	SCF 9A E SOUTH COAST FUNDING	Baa3/*-	BBB/*-	N/A	CDO	5,686,834	22.64	1,287,357	100%	1,287,357	
83744UAM2	SCF 9A F SOUTH COAST FUNDING	Ba1/*-	BB+/*-	N/A	CDO	3,214,292	23.26	747,503	100%	747,503	
86565TAA0	SUMMER STREET LTD PFD 0.0000 08Dec45 1000.00USD 144A 14	N/A	N/A	N/A	CDO	7,500,000	10.00	750,000	0%	-	
87483UAC0	TALON FUNDING LTD FRN 20350605 SERIES# 1A 144A	Ca	N/A	N/A	CDO	8,000,000	0.00	8	100%	8	
874008AD7	THOM TAHOMA CDO LTD	Aa2	AA	N/A	CDO	29,215,439	11.35	3,316,040	0%	-	
874008AC9	THOM 2006-1A A3 TAHOMA CDO LTD	Aaa	AAA	N/A	CDO	198,351,984	11.32	22,450,866	0%	-	
	TIAA STRUCTURED FINANCE CDO I LTD FRN 20380210 SERIES# 2X	N/A	N/A	N/A	CDO Equity	191,827	85.36	163,740	100%	163,740	
G89482106	TORO ABS CDO I PREF	Ba1	N/A	N/A	CDO	1,750,000	50.00	875,000	100%	875,000	

	TRAINER WORTHAM FIRST REPUBLIC CBO LTD FRN 20370410 SERIES# N/A	N/A	N/A	CDO Equity	204,824	92.32	189,098	100%	189,098
922219AB6	VARICK STRUCTURED ASSET FUND LTD FRN 20351101 SERIES# 1A 14-Ba2	CCC	B-	CDO	39,434,585	64.77	25,539,809	100%	25,539,809
							207,706,598		164,525,162

CDO Warehouse Inventory Exposure as of 11/30/07

Type	Transaction Name	Status	Manager	Marketability Score	Deal Size	Traded Amt	% Ramped	Ramped Amt	% of Leh Warehouse Risk	1st Loss risk transfer	Cap for Manager losses	Nature of First loss transfer	Lehman Risk	Liquidation Value	Loss taken to P&L	Warehouse Marks as per Liquidated Amt	On B/sheet	1% Price Drop	Warehouse Marks as per LEH P&L
				(1:good -> 5:bad)															
Cash Flow CLOs																(All in 'mm)			
Loans																			
US	Empire Square CDO	Sold - Waiting Settle	Blackstone	1	NA \$	-		\$ 7	100%				\$ 7	\$ -	\$ -	NA \$	7	\$(0.1)	NA
	ING CLO Vrf ⁽ⁱ⁾	Sold - Waiting Settle	ING	1	NA \$	1		\$ 1	70%			12 not true first lc	\$ 0.4	\$(0.0)	\$ -	96.00 \$	1	\$(0.0)	100.00
	Ardsley CLO 2007-1	Sold - Waiting Settle	Katonah	3	NA \$	-		\$ 2	100%	\$ 13		true first loss	\$ -	\$(0.0)	\$(1.0)	98.72 \$	2	\$ -	59.90
	GSC Group CDO Fund XI	Sold - Waiting Settle	GSC	1	NA \$	-		\$ 67	50%			1 not true first lc	\$ 66	\$ -	\$ -	NA \$	67	\$(0.3)	NA
	GSC Investment Corp. CLO 2007-1, Ltd.	Ramp	GSC	1	\$ 400	\$ 180	14%	\$ 55	100%				\$ 55	\$(1.4)	\$(0.7)	95.48			99.63
	Starrucca CLO	Sold - Waiting Settle	Wellington	5	N/A \$	-		\$ 29	100%				\$ 29	\$ -	\$ -	NA \$	29	\$(0.3)	NA
	Stanfield Zagato CLO	On Hold	Stanfield	2	\$ 500	\$ 29	6%	\$ 28	100%				\$ 28	\$(1.0)	\$(0.7)	96.69 \$	28	\$(0.3)	97.59
	CDO Banking Warehouse Ledger	Selling Assets	CDO Banking		NA \$	\$ 36		\$ -	100%				\$ 36	\$(0.2)	\$(0.2)	92.11 \$	-	\$ 0.0	99.37
					Total Loans US	\$ 900	\$ 246		\$ 189				\$ 221	\$(2.6)	\$(2.6)		\$ 134	\$(1.0)	
Europe	Hudson CLO III	Winding Down	Aladdin	1	€ 400	€ 165	40%	€ 162	100%				€ 162	€ (10.2)	€ (10.2)	94.74 €	162	€ (1.5)	93.84
	Oak Hill European Credit Partners III	Winding Down	Oak Hill	1	€ 500	€ 3	1%	€ 3	100%				€ 3	€ (0.1)	€ (0.1)	96.59 €	3	€ (0.0)	96.58
	Pereda CLO I	Docs	Santander		€ 350	€ -	0%	€ -	0%				€ -	€ -	€ -	N/A €	-	€ -	-
					Total Loans Europe	€ 1,250	€ 168		€ 164				€ 164	€ (10.3)	€ (10.3)		€ 164	€ (1.5)	
					Loans Total (\$)	\$ 2,735	\$ 493		\$ 431				\$ 463	\$(17.7)	\$(17.7)		\$ 376	\$(3.2)	
ABSs																			
Cash																			
	C-BASS CBO XX Warehouse #1	Ramp	C-BASS		\$ 400		23%	\$ 91	0%				\$ -			\$ 91	\$ -		
	Warehouse #2 (max. 100mm)				\$ 100		8%	\$ 8	50%				\$ 4			\$ 8	\$(0.04)		
					Total ABS US	\$ 500		\$ 99					\$ 4			\$ 99	\$(0.04)		
	Tiger CRE CDO	Ramp	Pru M&G	2	€ 400	€ 28	7%	€ 28	100%				€ 28	€ -	€ -	€ 28	€ (0.3)		
					Total ABS CDO (\$)	\$ 1,087		\$ 140					\$ 45	\$ -	\$ -	\$ 140	\$(0.5)		

Notes:
1. Liquidation Value = Market Value - Cost Price

Engagement Terms						
Type	Transaction Name	Engagement Letter Signed	% Equity Underwrite Commitment	Term of Engagement	Pricing Date	Comment
Loans						
Cash Flow CLOs						
US	Empire Square CDO	Yes	N/A	N/A	0	Est. carry to date: \$550K
	ING CLO Vrf ⁽ⁱ⁾	Yes	100%	3/31/2008	0	SEI will purchase \$15.8mm of equity
	Ardsley CLO 2007-1(8)	Yes	0%	12/19/2007	0	
	GSC Group CDO Fund XI ⁽ⁱ⁾	Yes	30% of Equity	11/1/2007	0	Mgr buys 10%, LEH underwrites remaining
	Starrucca CLO	Yes	50% of Equity	11/15/2007	0	Lehman committed to underwrite 50% of equity once 50% is placed with 3rd party investors.
	Stanfield Zagato CLO	Yes	50% of Equity	3/31/2008	On Hold	Lehman committed to underwrite 50% remaining equity, once 50% is placed with 3rd party investors net of \$2.5MM Mgr purchase
	GSC Investment Corp. CLO 2007-1, Ltd.	Yes			Feb-08	
Europe	Hudson CLO III	Yes	0%	3/31/2008	Winding Down	
	Oak Hill European Credit Partners III	Yes	0%	12/31/2007	Winding Down	
	Pereda CLO I				On Hold	
ABSs						
US	C-BASS CBO XX Warehouse #1					Manager retains all warehouse risk and carry Lehman and Manager split risk and carry 50/50
	Warehouse #2 (max. 100mm)					
Europe	Tiger CRE CDO				Dec/Feb	

Residential Mortgage Lending as of 11/30/07

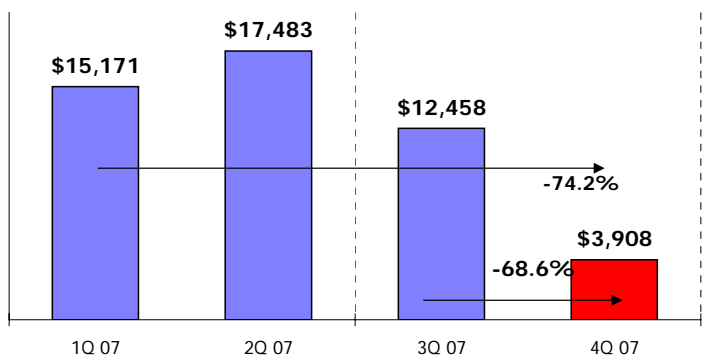
Agreement	Product	Max Advance	Cash Out	Eligible Collateral	Advance Rate
Aegis Servicing Advance Facility	Servicing Advances	25.0	4.6	4.6	
Aegis Advanced Facility 2006-1	Home Equity	6.0	0.4	0.4	
C-Bass	Esoteric	150.0	120.6	120.6	
C-BASS CDO XI Financing (Class E)	Structured Lending	11.3	2.2	15.0	
C-BASS CDO XI Financing (Pref Shares)	Structured Lending	3.1	1.1	6.2	
C-Bass 2006 MH-1 B2	Structured Lending	16.5	7.2	16.5	
C-Bass 2006 MH-1 B3	Structured Lending	19.3	6.2	19.3	
C-Bass 2006 MH-1 CE	Structured Lending	40.1	3.9	40.1	
C-Bass 2006 MH-1 P	Structured Lending	0.0	0.0	0.0	
CTX Mortgage	Home Equity	200.0	-	-	
GMAC-RFC	Home Equity	600.0	255.3	798.1	
Ion Capital, Inc.	Home Equity	15.0	0.1	0.2	
ResMAE (Citadel Total Return Swap)	Home Equity	100.0	56.3	80.5	
Sec Nat - Working Capital	Home Equity	10.0	10.0	-	
Sec Nat - Revolver Non-Paying Residential	Home Equity	200.0	159.9	231.9	
Security National Servicing Advance Facility	Home Equity	50.0	29.8	38.2	
Total		\$ 1,446.2	\$ 657.7	\$ 1,371.5	48.0%



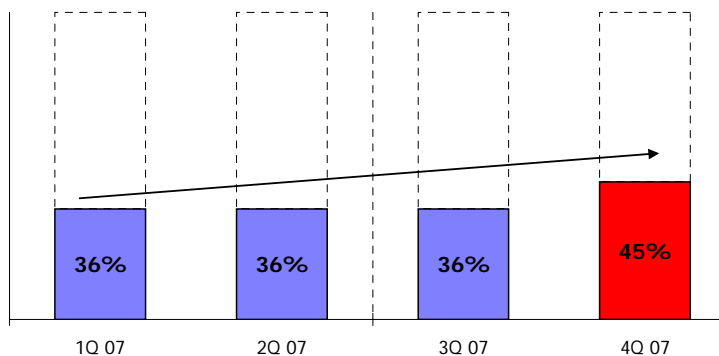
MCD Statistics

MCD Origination Detail

Origination Volume



% of Fixed Origination



By Loan Type

	4Q 07	3Q 07	2Q 07	1Q 07
Alt A	\$ 1,694	\$ 7,135	\$ 12,219	\$ 10,781
Subprime	780	2,674	3,858	3,830
Conv/Govt/other	1,173	2,077	741	336
Small Bal Commercial	195	557	635	127
Student Loans	66	14	30	97
Total	\$ 3,908	\$ 12,458	\$ 17,483	\$ 15,171

By LB Subsidiary

	4Q 07	3Q 07	2Q 07	1Q 07
ALS	\$ 1,778	\$ 7,941	\$ 11,741	\$ 10,177
BNC	30	1,547	2,749	2,754
SBF	311	637	759	260
CAMPUS DO	66	44	30	97
UK PLATFOR	1,288	1,950	1,898	1,523
ELQ	292	229	191	165
JAPAN	98	87	94	71
KOREA	1	24	22	123
Total	\$ 3,864	\$ 12,458	\$ 17,483	\$ 15,171

By Channel

	4Q 07	3Q 07	2Q 07	1Q 07
Broker(incl Student Loans)	\$ 1,503	\$ 4,657	\$ 6,933	\$ 6,258
Retail	371	408	428	339
Correspondent	1,968	7,379	10,092	8,476
Student Loans	66	14	30	97
Total	\$ 3,908	\$ 12,458	\$ 17,483	\$ 15,171

Origination Mix by Rate Type (Americas only)

	4Q 07	3Q 07	2Q 07	1Q 07
Fixed	45%	36%	36%	36%
ARM	7%	10%	15%	18%
Hybrid	49%	54%	49%	46%
Total	100%	100%	100%	100%

	Volume	% Fixed	% NonFixed
1Q 07	\$ 15,171	36%	64%
2Q 07	\$ 17,483	36%	64%
3Q 07	\$ 12,458	36%	64%
4Q 07	\$ 3,908	45%	55%
YoY	-74.2%	9%	
Linked	-68.6%	9%	

MORTGAGE CAPITAL DIVISION

	Preliminary Q4 '07 ¹	Q4 '06	Q3 '07	Preliminary Nov YTD '07 ¹	Nov YTD '06
ORIGINATION VOLUME (\$mm)					
Americas Purchased Origination Volume (\$)	2,340	12,122	5,878	23,943	53,765
Americas MCD Origination Volume (\$)	2,229	12,919	10,263	41,381	52,794
Americas MCD Origination Volume (% share of total Americas)	49%	52%	64%	63%	50%
BY PLATFORM (\$mm)					
AUR	1,778	9,437	7,935	31,629	37,593
BNC	30	3,105	1,547	7,080	14,073
SBF 4	311	301	678	2,266	1,015
Campus Door	66	76	44	235	112
Capital Crossing	44	-	60	170	-
AMERICAS	2,229	12,919	10,263	41,381	52,794
SPML	736	837	1,174	3,810	4,584
PML	492	658	628	2,394	2,266
LMC	60	149	141	445	438
UK	1,288	1,644	1,943	6,650	7,288
ELQ	292	172	229	877	524
EUROPE	1,580	1,816	2,172	7,526	7,812
Japan	98	32	87	350	134
Korea	1	34	24	170	35
ASIA	99	66	111	520	169
TOTAL	3,908	14,801	12,545	49,427	60,775
BY PRODUCT TYPE (\$mm)					
Alt A	1,694	10,200	7,031	31,723	40,081
Subprime	780	4,332	2,639	11,105	19,802
Conv/Govt/other 6	1,173	33	2,279	4,594	184
Small Balance Commercial	195	159	553	1,771	595
Student Loans	66	76	44	235	112
TOTAL	3,908	14,801	12,545	49,427	60,775

MORTGAGE CAPITAL DIVISION

	Preliminary Q4 '07 ¹	Q4 '06	Q3 '07	Preliminary Nov YTD '07 ¹	Nov YTD '06
BY CHANNEL (\$mm)					
Correspondent	1,968	7,807	7,299	28,159	33,881
Broker	1,503	6,536	4,723	19,416	25,535
Retail	371	382	479	1,617	1,246
Student Loans	66	76	44	235	112
TOTAL	3,908	14,801	12,545	49,427	60,775

LOAN CHARACTERISTICS

MIX BY RATE TYPE (Americas Residential)

Fixed

AUR	39%	35%	30%	36%	34%
BNC	44%	17%	46%	28%	15%
SBF	69%	64%	77%	70%	63%

ARM

AUR	0%	0%	0%	0%	0%
BNC	56%	83%	54%	72%	85%
SBF	31%	36%	23%	30%	37%

Hybrid

AUR	61%	65%	70%	64%	66%
BNC	0%	0%	0%	0%	0%
SBF	0%	0%	0%	0%	0%

REFINANCINGS % SHARE

AUR	55%	37%	44%	41%	32%
BNC	90%	72%	83%	79%	63%
SBF	53%	45%	41%	45%	43%
Campus Door (na)	-	-	-	-	-
SPML	68%	74%	69%	72%	76%
PML	57%	59%	57%	57%	53%

MORTGAGE CAPITAL DIVISION

	Preliminary Q4 '07 ¹	Q4 '06	Q3 '07	Preliminary Nov YTD '07 ¹	Nov YTD '06
<i>LMC</i>	59%	65%	61%	61%	59%
UK	63%	67%	64%	66%	68%
ELQ	43%	46%	45%	44%	52%
Japan (n/a)	0%	0%	0%	0%	2%
Korea	0%	5%	90%	28%	5%

REFINANCINGS (\$ volume)

AUR	975	3,472	3,455	12,881	12,028
BNC	27	2,242	1,288	5,610	8,921
SBF	166	134	143	538	440
Campus Door (na)	-	-	-	-	-
<i>SPML</i>	502	621	807	2,747	3,470
<i>PML</i>	279	386	358	1,373	1,199
<i>LMC</i>	35	96	86	272	258
UK	817	1,103	1,251	4,394	4,952
ELQ	125	78	104	389	270
Japan (n/a)	-	-	-	-	2
Korea	-	2	21	48	2

LOAN CHARACTERISTICS (contd)

FICO (applicable to Americas residential only)²

AUR	725	709	721	711	711
BNC	613	621	624	621	623
SBF	726	724	721	722	720

WAC²

AUR	7.81%	7.62%	7.95%	7.83%	7.49%
BNC	9.83%	8.15%	8.64%	8.41%	8.33%
SBF	8.09%	8.80%	8.48%	8.43%	8.84%
Campus Door	-	-	-	-	-
<i>SPML</i>	7.32%	na	7.05%	7.38%	na

MORTGAGE CAPITAL DIVISION

	Preliminary Q4 '07 ¹	Q4 '06	Q3 '07	Preliminary Nov YTD '07 ¹	Nov YTD '06
<i>PML</i>	7.73%	na	7.12%	6.66%	na
<i>LMC</i>	6.69%	na	6.45%	6.92%	na
UK	7.42%	6.95%	7.03%	7.16%	6.86%
ELQ	6.96%	6.57%	6.70%	6.63%	5.84%
Japan	3.96%	4.10%	3.86%	3.94%	3.87%
Korea	0.00%	6.91%	6.51%	7.04%	6.91%
<u>LTV</u>²					
AUR	75.0%	78.6%	80.3%	80.6%	74.5%
BNC	9.8%	80.4%	78.8%	80.2%	78.5%
SBF	66.9%	68.8%	67.6%	68.0%	70.5%
Campus Door	-	-	-	-	-
<i>SPML</i>	73.3%	na	74.8%	75.3%	na
<i>PML</i>	70.9%	na	72.4%	72.9%	na
<i>LMC</i>	77.5%	na	76.2%	73.3%	na
UK	73.1%	72.7%	74.1%	74.4%	74.9%
ELQ	95.6%	96.8%	94.6%	94.9%	88.4%
Japan	122.4%	102.8%	117.9%	115.7%	102.0%
Korea	0.0%	71.8%	57.1%	60.3%	71.4%

COST TO ORIGINATE

COST TO ORIGINATE³

AUR	2.18%	1.78%	1.32%	1.42%	1.64%
BNC	7.43%	1.81%	6.61%	8.11%	1.88%
SBF	5.76%	5.71%	5.10%	5.58%	5.11%
Campus Door	10.59%	5.31%	20.54%	11.43%	4.77%
UK	2.29%	2.60%	2.01%	2.26%	2.38%
ELQ	1.86%	2.47%	2.14%	2.14%	2.56%
Japan	2.12%	11.21%	2.62%	2.57%	6.48%

MORTGAGE CAPITAL DIVISION

	Preliminary Q4 '07 ¹	Q4 '06	Q3 '07	Preliminary Nov YTD '07 ¹	Nov YTD '06
Korea	na	n/m	11.05%	5.49%	n/m

HEADCOUNT

HEADCOUNT (Firm view + temps/contractors)

AUR	2,152	2,592	2,678	2,152	2,592
BNC	-	1,498	1,165	-	1,498
SBF	410	321	413	410	321
Campus Door	139	108	150	139	108
Capital Crossing	140	-	197	140	-
LBB	374	54	440	374	54
Admin 5	43	24	39	43	24
AMERICAS	3,258	4,597	5,082	3,258	4,597
UK	856	973	889	856	973
ELQ	111	97	109	111	97
Admin	11	15	21	11	15
EUROPE	978	1,085	1,019	978	1,085
Japan	70	60	71	70	60
Korea	-	41	48	-	41
Admin	8	8	8	8	8
ASIA	78	109	127	78	109
INDIA	245	213	256	245	213
TOTAL	4,559	6,004	6,484	4,559	6,004

NOTES:

¹ Where applicable, the prior month % is used as a placeholder for November in order to calculate preliminary Q4 and November YTD figure

² FICO, WAC and LTV for current periods is through November 29, 2007

³ Cost to originate for the current period is as of October QTD and October YTD

⁴ SBF origination volume includes Bulk Purchase which commenced on January 2007; however, loan characteristic and cost to originate excludes Bulk Purchas

⁵ Effective 1/1/07, Admin Americas headcount includes I-T from LBB, Aurora, BNC and SBF. Prior to this date, I-T headcount was reported in the respective platform

⁶ "Conv/Govt/other" primarily relates to Aurora "Choice Advantage" and "Classic" loan volume

Campus door was acquired in August 2006

MORTGAGE CAPITAL DIVISION

Capital Crossing was acquired on February 15, 2007
LMC was acquired in May 2006

**Preliminary
Q4 '07¹**

Q4 '06

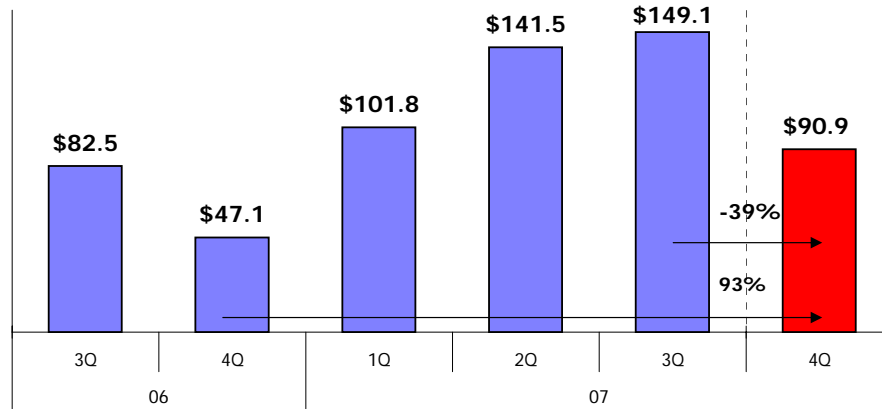
Q3 '07

**Preliminary
Nov YTD '07¹**

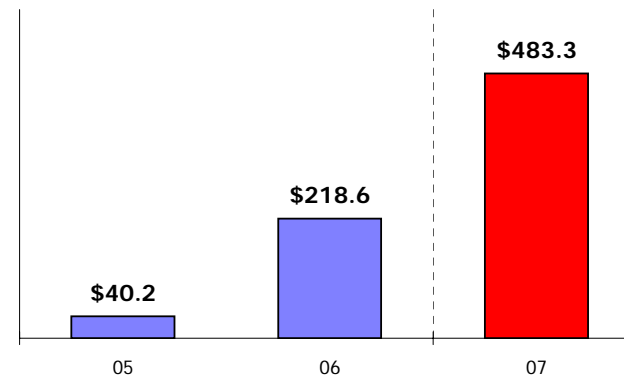
Nov YTD '06

Reserves Update

Reserves Quarterly Trend



Reserves Full Year Trend



Write Offs

	FY 05		FY 06				FY 07					Total
	Total	1Q	2Q	3Q	4Q	Total	Q1	Q2	Q3	Q4		
FA	\$ 34.7	\$ 51.0	\$ -	\$ 65.0	\$ -	\$ 116.0	\$ -	\$ -	\$ 50.1	\$ -	\$ 50.1	
FA - mail	-	4.0	4.0	-	-	7.9	-	-	-	-	-	
BNC	5.5	11.5	18.6	17.5	47.1	94.7	92.6	124.1	99.0	90.9	\$ 406.6	
ALS	-	-	-	-	-	-	9.2	17.4	0.0	-	\$ 26.6	
Total	\$ 40.2	\$ 66.5	\$ 22.6	\$ 82.5	\$ 47.1	\$ 218.6	\$ 101.8	\$ 141.5	\$ 149.1	\$ 90.9	\$ 483.3	

Reserves on Balance Sheet at 11/30

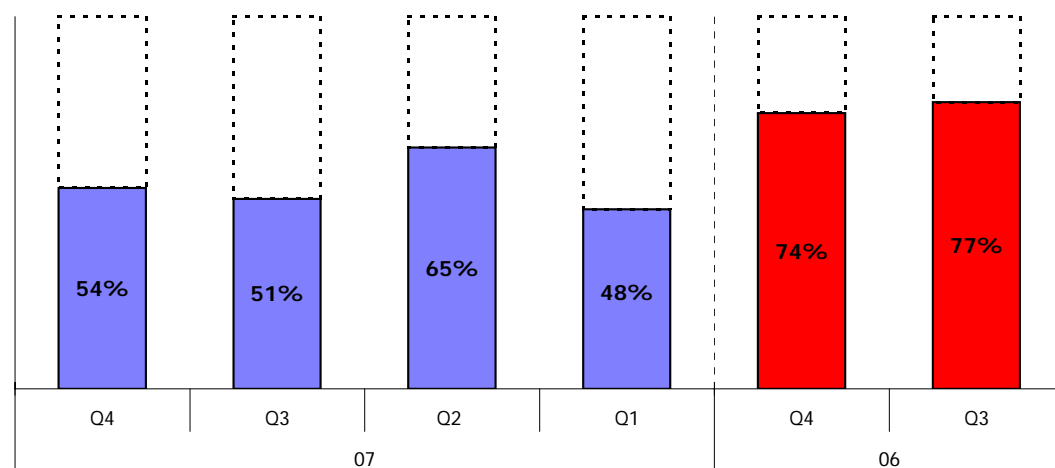
(Post reserves allocated for claims received to date & est. claims for EPDs)

Prime	\$ -
Non-Prime	90.9
Total	\$ 90.9

06	1Q	\$	66.5
	2Q	\$	22.6
06	3Q	\$	82.5
	4Q	\$	47.1
07	1Q	\$	101.8
	2Q	\$	141.5
	3Q	\$	149.1
	4Q	\$	90.9
	YoY		93%
	Linked		-39%
05		\$	40.2
06		\$	218.6
07		\$	483.3

Captive vs. 3rd Party Detail

Securitized Collateral Composition - % of 3rd-party Collateral



Securitized Collateral Composition

Year	Quarter	3rd-party	Captive
07	Q4	54%	46%
	Q3	51%	49%
	Q2	65%	35%
	Q1	48%	52%
06	Q4	74%	26%
	Q3	77%	23%

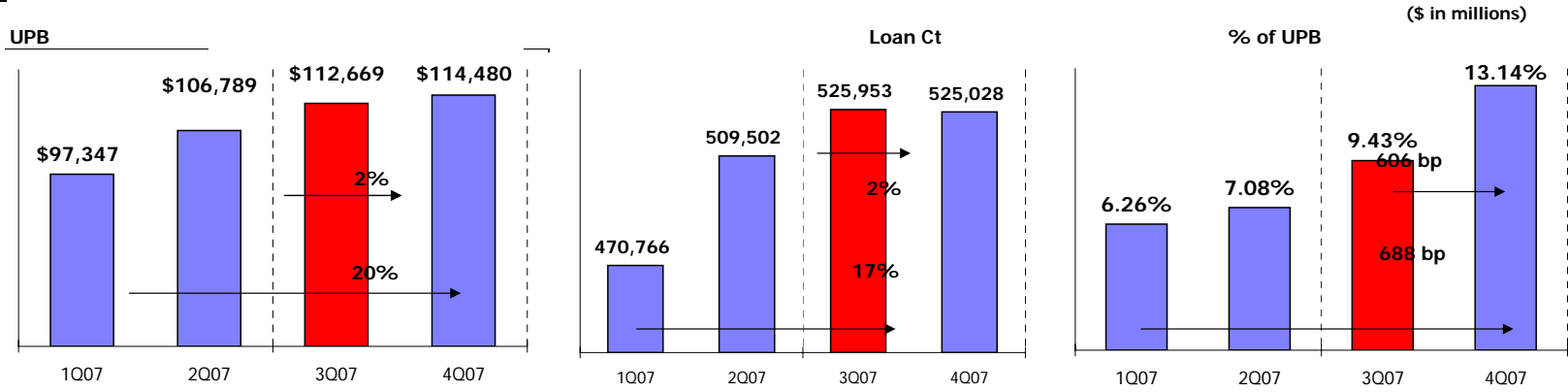
Securitized Products Loan Purchase Trend 2005 - 2007 (in \$mm)

	FY05	FY06	Q107	Q207	Q307	Q407	FY07
AURORA LOAN SERVICES LLC	50,532.28	36,112.58	9,541.49	11,368.81	7,930.19	1,914.34	30,754.83
BNC				0.21			0.21
CNL							
FINANCE AMERICA							
LEHMAN BROTHERS BANK	138.77	241.62	148.90		5.80	52.08	206.78
LEHMAN BROTHERS HOLDINGS							
SIB MORTGAGE CORP	0.17	0.00				0.29	0.29
Total Captive	50,671.22	36,354.20	9,690.39	11,369.02	7,935.99	1,966.72	30,962.12
% Captive	64%	45%	54%	56%	58%	52%	55%

Total Non Captive	28,080.37	45,237.88	8,354.05	9,098.01	5,668.67	1,848.81	24,969.53
% Non Captive	36%	55%	46%	44%	42%	48%	45%
Total Purchases	78,751.58	81,592.08	18,044.43	20,467.03	13,604.66	3,815.53	55,931.65

Aurora Loan Services Delinquency

Source ALS Master Servicing



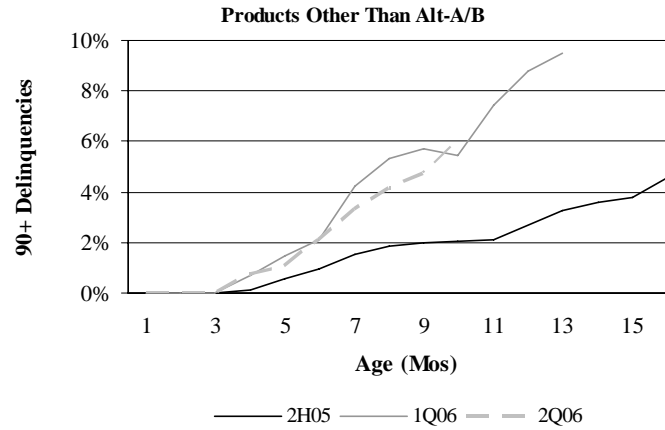
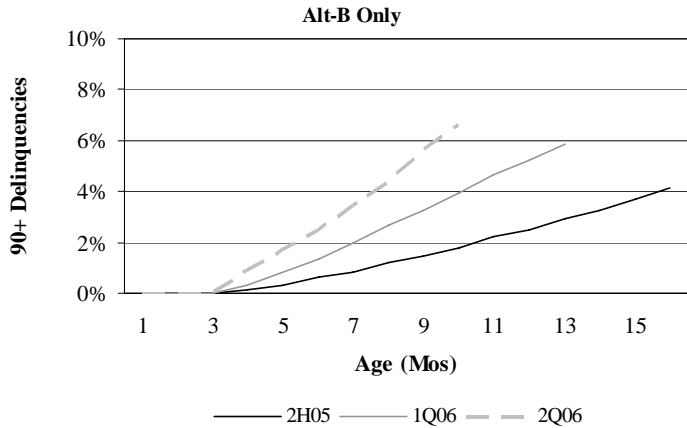
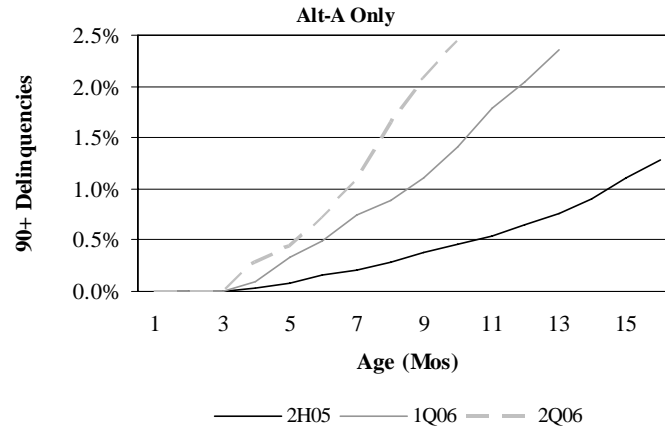
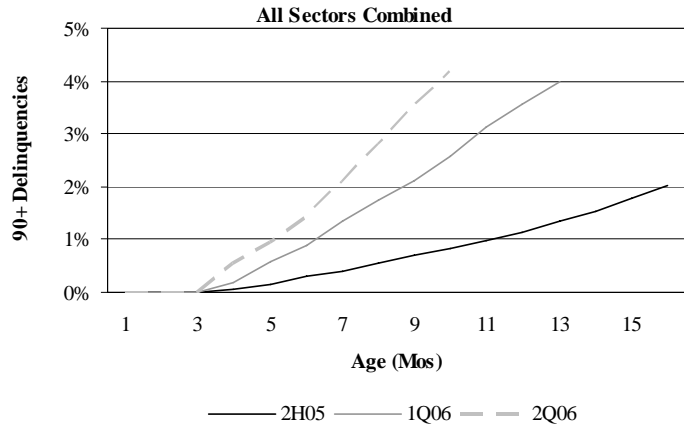
Total Products

	4Q07 Quarter End			3Q07 Quarter End			2Q07 Quarter End			1Q07 Quarter End		
	UPB	Loan Ct	% (of UPB)	UPB	Loan Ct	% (of UPB)	UPB	Loan Ct	% (of UPB)	UPB	Loan Ct	% (of UPB)
Current-30 Days	\$ 99,434	459,628	86.86%	\$ 102,048	477,910	90.57%	\$ 99,223	473,186	92.92%	\$ 91,250	438,768	93.74%
30-60 Days	4,236	19,847	3.70%	3,429	16,430	3.04%	2,850	14,202	2.67%	2,594	13,271	2.66%
60-90 Days	2,115	9,252	1.85%	1,557	6,996	1.38%	1,144	5,339	1.07%	792	3,977	0.81%
90-120 Days	1,318	5,430	1.15%	785	3,374	0.70%	516	2,349	0.48%	394	1,950	0.41%
120+ Days	333	3,483	0.29%	178	1,813	0.16%	121	1,144	0.11%	95	1,147	0.10%
BK	501	2,635	0.44%	382	2,177	0.34%	304	1,930	0.29%	263	2,203	0.27%
LMT	1,074	5,415	0.94%	754	3,925	0.67%	255	1,865	0.24%	254	1,869	0.26%
FC	4,155	14,649	3.63%	2,685	9,970	2.38%	1,804	7,000	1.69%	1,343	5,766	1.38%
REO	1,314	4,689	1.15%	852	3,358	0.76%	570	2,487	0.53%	361	1,815	0.37%
Total	\$ 114,480	525,028	13.14%	\$ 112,669	###	9.43%	\$ 106,789	###	7.08%	\$ 97,347	470,766	6.26%

	UPB	Loan Ct	% (of UPB)
1Q07	97,347	470,766	6.26%
2Q07	106,789	509,502	7.08%
3Q07	112,669	525,953	9.43%
4Q07	114,480	525,028	13.14%
YoY	18%	12%	688 bp
Linked	7%	3%	606 bp

Delinquency By Vintage

Source Lehman Research



Loan Age (months)				
10	11	12	13	14

2006 Vintage

2006 Vintage					
Jumbo	0.16%	0.21%	0.27%	0.30%	0.36%
Alt-A	2.62%	3.07%	3.56%	4.06%	4.62%
Subprime	8.95%	10.25%	11.50%	12.84%	14.21%
2000					
Jumbo	0.18%	0.20%	0.25%	0.27%	0.29%
Alt-A	2.00%	2.24%	2.50%	2.78%	3.09%
Subprime	4.88%	5.51%	6.15%	6.71%	7.26%
Ratio					
Jumbo	0.94	1.12	1.11	1.13	1.24
Alt-A	1.44	1.52	1.57	1.46	1.50
Subprime	1.92	1.97	1.94	1.91	1.96