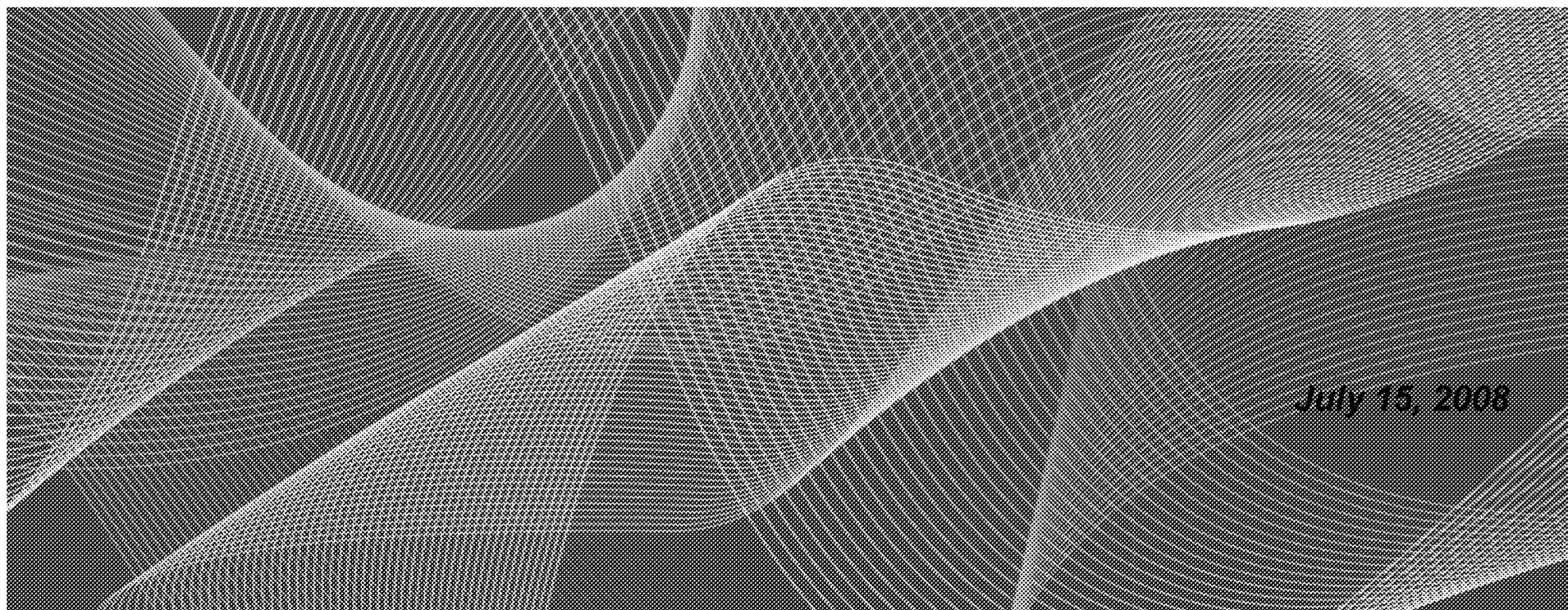


Write downs, Key Exposures & Level 3 Assets – 2Q 2008



Confidential Presentation

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Writedowns

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Q2'08 Write Downs

	Q1 2008		March		April		May		Q2 2008		FY 2008		FY 2007	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Residential Mortgages	(2,623)	(443)	(864)	(712)	(128)	(270)	(1,066)	(685)	(2,058)	(1,667)	(4,681)	(2,110)	(4,683)	(1,332)
US Prime / Non Prime	(2,135)	(482)	(661)	(606)	(81)	(264)	(903)	(600)	(1,646)	(1,471)	(3,781)	(1,953)	(3,894)	(2,065)
US Derivatives	(40)	347	6	76	0	79	0	91	6	246	(34)	593	(598)	941
ABS CDO	(240)	(100)	(55)	(10)	(41)	(10)	(72)	(77)	(168)	(97)	(408)	(197)	0	0
Europe	(208)	(208)	(154)	(172)	(6)	(74)	(90)	(99)	(250)	(344)	(458)	(552)	(191)	(208)
OTHER ABS	(161)	(89)	(45)	(68)	(20)	(48)	(291)	(261)	(356)	(377)	(517)	(466)	(647)	(158)
Securitized Products	(161)	(89)	(45)	(68)	(7)	(35)	(204)	(174)	(256)	(277)	(417)	(366)	0	0
Capital Crossing	0	0	0	0	(13)	(13)	(96)	(96)	(109)	(109)	(109)	(109)	0	0
CDO	0	0	0	0	0	0	0	0	0	0	0	0	(647)	(158)
Real Estate	(1,385)	(1,005)	(264)	(348)	10	(170)	(640)	(829)	(894)	(1,348)	(2,279)	(2,353)	(1,387)	(906)
Mortgage Inventory	(1,049)	(669)	(248)	(332)	21	(159)	99	(90)	(128)	(582)	(1,177)	(1,251)	(1,187)	(886)
US CMBS Held for Sale	(282)	(282)	(16)	(16)	(11)	(11)	(423)	(423)	(450)	(450)	(732)	(732)	(200)	(20)
Corporate Debt	(54)	(54)	0	0	0	0	(27)	(27)	(27)	(27)	(81)	(81)	0	0
Debt Equity	0	0	0	0	0	0	(289)	(289)	(289)	(289)	(289)	(289)	0	0
CAF Portfolio 100% view	(726)	(532)	(173)	(175)	(65)	(124)	(72)	(73)	(311)	(372)	(1,037)	(904)	(966)	(441)
CAF US	(593)	(419)	(157)	(158)	(2)	(42)	(43)	(47)	(202)	(247)	(795)	(666)	(934)	(409)
CAF Europe	(133)	(113)	(17)	(17)	(63)	(82)	(29)	(26)	(109)	(125)	(242)	(238)	(32)	(32)
Corporate¹	0	0	0	(23)	0	(45)	0	(34)	0	(102)	0	(102)	0	0
Corporate US	0	0	0	(32)	0	(39)	0	(0)	0	(71)	0	(71)	0	0
Corporate Europe	0	0	0	8	0	(6)	0	(34)	0	(32)	0	(32)	0	0
Investment Management (IMD)	(411)	(411)	(308)	(308)	(35)	(35)	32	32	(311)	(311)	(722)	(722)	0	0
Residential	(411)	(411)	(308)	(308)	(35)	(35)	32	32	(311)	(311)	(722)	(722)	0	0
Commercial	0	0					0	0	0	0	0	0	0	0
Principal Investing (PI)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Credit Spread P&L on LEH debt	617	617	958	958	(767)	(767)	251	251	442	442	1,059	1,059	917	917
FIRM Disclosure	(4,689)	(1,863)	(696)	(676)	(1,006)	(1,459)	(1,786)	(1,600)	(3,487)	(3,735)	(8,176)	(5,598)	(6,766)	(1,920)

¹ Corporate includes: FID CDX IG9 Americas and Mgmt Prop Europe

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Q2 Asset Overview and Reductions

Assets

	<u>Q1 2008 End balance</u>	<u>Q2 2008 End balance</u>	<u>Delta</u>
Cash and cash equivalents	7.6	6.5	(1.1)
Financial instruments and other inventory	326.7	269.4	(57.2)
Receivables	52.4	41.7	(10.7)
Property, equipment and leasehold	4.2	4.3	0.1
Other assets	<u>5.9</u>	<u>5.9</u>	<u>(0.0)</u>
Net Assets	<u>396.7</u>	<u>327.8</u>	<u>(68.9)</u>
Cash and securities segregated	16.6	13.0	(3.5)
Collateralized agreements:			
Reverse repos	210.2	169.7	(40.5)
Securities borrowed	158.5	124.8	(33.7)
Identifiable intangible assets and goodwill	<u>4.1</u>	<u>4.1</u>	<u>(0.0)</u>
Gross Assets	<u>786.0</u>	<u>639.4</u>	<u>(146.7)</u>



Financial Instruments and Other Inventory

	<u>Q1 2008 End balance</u>	<u>Q2 2008 End balance</u>	<u>Delta</u>
Mortgages and asset-backed securities	84.6	72.5	(12.1)
<i>Residential mortgages</i>	<i>31.8</i>	<i>24.9</i>	<i>(6.9)</i>
<i>Other ABS (non-res)</i>	<i>6.5</i>	<i>6.5</i>	<i>0.0</i>
<i>Commercial mortgages</i>	<i>36.1</i>	<i>39.4</i>	<i>(6.7)</i>
<i>Accounting gross-ups</i>	<i>10.2</i>	<i>11.7</i>	<i>1.5</i>
Government and agencies	44.6	27.0	(17.6)
Corporate debt and other	59.7	50.0	(9.9)
<i>Acquisition Finance Funded Loans</i>	<i>14.8</i>	<i>12.7</i>	<i>(2.1)</i>
<i>Other Corporate debt and other</i>	<i>44.9</i>	<i>37.3</i>	<i>(7.8)</i>
Corporate equities	56.1	47.5	(8.6)
Real Estate held for sale	22.6	20.7	(1.8)
<i>Real Estate held for sale (net)</i>	<i>12.9</i>	<i>10.4</i>	<i>(2.4)</i>
<i>Accounting gross-ups</i>	<i>9.7</i>	<i>10.3</i>	<i>0.6</i>
Commercial paper and other			
money market instruments	3.4	4.8	1.3
Derivatives and other contractual agreements	<u>55.6</u>	<u>47.0</u>	<u>(8.6)</u>
and other inventory	<u>326.7</u>	<u>269.4</u>	<u>(57.2)</u>

 Key disclosed exposures



Key Exposures

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Summary Disclosures

Key Exposure Summary

	Balances as of		
	30-May-08	Q1'2008	Variance
Residential mortgages:			
Securities	\$15.0	\$18.2	(3.2)
Whole loans	\$8.3	\$11.9	(3.6)
Servicing and other	\$1.6	\$1.7	(0.1)
	\$24.9	\$31.8	(\$6.9)
Other ABS (non-residential)	\$6.5	\$6.5	(\$0.0)
Commercial mortgages:			
Whole loans	\$19.9	\$24.9	(5.0)
Securities and other	\$9.5	\$11.2	(1.7)
	\$29.4	\$36.1	(\$6.7)
Real estate investments ¹	\$10.4	\$12.9	(\$2.5)
Acquisition Finance Facilities:			
High Grade			
Contingent Commitments	\$1.7	\$7.2	(5.5)
Unfunded Commitments	\$1.1	\$0.8	0.3
Funded Loans	\$3.7	\$2.9	0.8
	\$6.5	\$10.9	(\$4.4)
High Yield			
Contingent Commitments	\$0.4	\$3.7	(3.3)
Unfunded Commitments	\$2.1	\$2.2	(0.1)
Funded Loans	\$9.0	\$11.9	(2.9)
	\$11.5	\$17.8	(\$6.3)
	\$18.0	\$28.7	(\$10.7)

1) REHS includes IMD

Aggregate residential mortgage inventory

In billions	30-May-08	Q1'2008	Variance
Prime and Alt-A	\$8.6	\$12.9	(4.3)
Europe	9.3	9.5	(0.2)
Subprime/Second Lien	2.8	4.0	(1.2)
ABS-CDO	0.6	0.9	(0.3)
Asia-Pacific	0.7	0.7	0.0
Other U.S.	1.3	2.1	(0.8)
Servicing	1.6	1.7	(0.1)
	\$24.9	\$31.8	(\$6.9)

Commercial mortgage inventory

In billions	30-May-08	Q1'2008	Variance
America	\$13.5	\$17.4	(3.9)
Europe	\$7.8	10.0	(2.2)
Asia-Pacific	\$8.1	8.7	(0.6)
	\$29.4	\$36.1	(\$6.7)

Subprime mortgage inventory

In billions	30-May-08	Q1'2008	Variance
Whole Loans	\$1.1	\$1.3	(0.2)
Securities	1.7	2.7	(1.0)
Servicing & Other	0.0	0.0	(0.0)
	\$2.8	\$4.0	(\$1.2)

High yield instruments

In billions	30-May-08	Q1'2008	Variance
High yield instruments	\$23.9	30.9	(\$7.0)

Summary Disclosures

Residential and Commercial Disclosures

	May 30, 2008	February 29, 2008
Residential mortgage securities:		
High Grade	91%	85%
High Yield	9%	15%
Commercial mortgage securities		
High Grade	94%	94%
High Yield	6%	6%

In billions	May 30, 2008		February 29, 2008	
	Amount	Percent of Total	Amount	Percent of Total
Residential Mortgages:				
Alt-A / Prime				
Whole Loans	\$2.1		\$3.7	
Securities	\$6.5		\$9.2	
Servicing and Other	\$1.6		\$1.7	
	<u>\$10.2</u>	41%	<u>\$14.6</u>	46%
Subprime / Second Lien				
Whole Loans	\$1.1		\$1.3	
Securities	\$1.7		\$2.7	
Servicing and Other	\$0.0		\$0.0	
	<u>\$2.8</u>	11%	<u>\$4.0</u>	13%
Other U.S.				
Whole Loans	\$1.0		\$1.6	
Securities	\$0.3		\$0.5	
Servicing and Other	\$0.0		\$0.0	
	<u>\$1.3</u>	5%	<u>\$2.1</u>	7%
Europe				
Whole Loans	\$3.6		\$5.0	
Securities	\$5.7		\$4.5	
Servicing and Other	\$0.0		\$0.0	
	<u>\$9.3</u>	38%	<u>\$9.5</u>	30%
Asia-Pacific				
Whole Loans	\$0.5		\$0.3	
Securities	\$0.2		\$0.4	
Servicing and Other	\$0.0		\$0.0	
	<u>\$0.7</u>	3%	<u>\$0.7</u>	2%
Other asset-backed securities	\$0.6	3%	\$0.9	3%
Total	<u>\$24.9</u>		<u>\$31.8</u>	

Summary Disclosures

Commercial Mortgages

Regional Mix

In billions	May 30, 2008		February 29, 2008	
	Amount	Percentage of Total	Amount	Percentage of Total
Commercial:				
Americas	13.5	46%	\$ 17.4	48%
Europe	7.8	27%	10.0	28%
Asia Pacific	8.1	28%	8.7	24%
	29.4		\$ 36.1	

Weighted Average LTV

	May 31, 2008	February 29, 2008
Commercial mortgage whole loans		
Weighted Average LTV		
Americas	74%	75%
Europe and the Middle East	74%	78%
Asia-Pacific	80%	80%
Total Portfolio	75%	77%

Property Mix

	May 31, 2008	February 29, 2008
Commercial mortgage whole loans		
Office	20%	25%
Mixed Use	15%	11%
Multi-family	19%	14%
Hotel	12%	10%
Land / SF ⁽¹⁾	12%	
Retail	11%	10%
Condominium	5%	7%
Other	5%	23%

⁽¹⁾ Land / SF was included in "Other" in Q108

Mortgage Disclosure Detail by BPM

Residential	US Prime	US Sub-Prime	US S&D RM	US SP CDO	Total US SP Resi	Sub-Total SP EUR	Sub-Total SP ASIA	Total SP Resi	Total SP Non Resi	IMD Prime	IMD Sub-Prime	Total Real Estate	Total CDO	Munis Subprime	Rates Prime	GTS Prime	Total
Whole loans	2,055	1,048	1,004		4,107	3,651	487	8,245						5			8,250
Securities	6,231	1,611	303	622	8,766	5,690	178	14,635		123	60			15	86	66	14,986
Servicing Rights	1,638	21	7		1,666			1,666							-		1,666
Other					-			-							-		-
Resi Sub-Total	9,924	2,680	1,313	622	14,539	9,342	665	24,546	-	123	60	-	-	19	86	66	24,901

Commercial														Total Comm.
Whole loans														19,862
Securities														9,528
Servicing Rights														-
Other														-
Commercial Sub-Total														29,390

Other Asset Backed	Other US SP ABS	Non Resi Mortg.											Total Other ABS	
Whole loans	0	2,004											2,004	
Securities	2,692	567	3,259	40			1,033	14	163				4,509	
Servicing Rights	-	31	31											31
Other	-		-			(62)						(62)		
Other ABS Sub-Total	2,692	2,602	5,294	40			971	-	14	163			6,482	

Securitized Product Balance Sheet

(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	2,055	885	163	1,048	1,004	0	4,107		4,107	1,938	6,045	3,651	556	10,251
Origination WL Inventory	-	-	-	-	-	-	-		-	67	67	-	-	67
Securities	5,316	5	609	615	239	4,385	10,555		10,555	531	11,086	5,255	178	16,519
IG Retained Interests	3,188	1	559	560	81	1,664	5,494		5,494	449	5,943	645		6,588
FAS140 IG	(493)	-	(577)	(577)	-	(23)	(1,094)		(1,094)	(397)	(1,491)	-		(1,491)
Agented	(192)	-	(6)	(6)	-	(1,372)	(1,570)		(1,570)	-	(1,570)	-		(1,570)
Net IG Retained Interest	2,503	1	(25)	(24)	81	269	2,829			52	2,881	645		3,526
NIG Retained Interests	272	3	25	28	8	956	1,265		1,265	80	1,345	184		1,529
FAS140 NIG	(77)	-	(5)	(5)	(6)	0	(88)		(88)	(7)	(95)	-		(95)
Agented	(8)	(1)	(0)	(1)	-	(362)	(371)		(371)	(0)	(371)	-		(371)
Net NIG Retained Interest	187	3	20	22	2	594	805			73	879	184		1,062
Other Traded Securities	1,856	1	25	27	150	1,764	3,796		3,796	1	3,798	4,426	178	8,402
IG	1,621	1	18	19	150	1,387	3,176		3,176	(0)	3,176	4,540	-	7,716
NIG	235	1	7	8	0	528	771		771	1	772	(114)	178	836
Residuals	678	0	26	27	40	-	745		745	36	781	436		1,217
FAS140 Resid	(78)	(0)	(26)	(26)	(6)		(110)		(110)	(0)	(110)			(110)
Agented	(19)	-	(0)	(0)	-		(19)		(19)	(0)	(20)			(20)
Net Retained Interest	581	0	0	0	34		615		615	36	651			651
Traded Residuals (Agented)	153	-	5	5	0		159		159	0	159			159
Gross-Up	6,635	-	1,406	1,406	542	-	8,583		8,583	488	9,071	1,262		10,333
FAS140 Derivatives	6,603	-	1,168	1,168	542		8,312		8,312	488	8,800	1,025		9,825
FAS140 Repurchase Option	-	-	238	238	-		238		238	-	238			238
Non Performing Loans	32	-	-	-	-		32		32	-	32			32
FIN 46 Gross-Up	-	-	-	-	-		-		-	-	-	237		237
Servicing Rights	1,638	2	19	21	7		1,666		1,666	31	1,697			1,697
Other	-	-	-	-	-		-		-	-	-			-
Total Mortgage Inventory (GAAP)	16,476	893	2,228	3,121	1,832	4,385	25,814		25,814	3,090	28,904	10,604	734	40,242
Real Estate Owned	60	0	38	38	100	-	198		198	-	198			198
Total Real Estate Owned (REO)	60	0	38	38	100	-	198		198	-	198			198
Total Govt & Agencies Inventory (GAAP)	1,281	-	-	-	255	112	1,648	6,227	7,874	-	7,874	-	-	7,874
Total Corporate Debt and Other (GAAP)	-	-	-	-	-	1,385	1,385		1,385	-	1,385	404	1,041	2,831
Total Corporate Equities (GAAP)	-	-	0	0	-	13	13		13	-	13	64		78
Other GAAP Line Items	913	-	37	37	-	6,375	7,324	(16)	7,308	119	7,427	158	60	7,645
Total Securitized Products	18,728	893	2,302	3,196	2,187	12,271	36,382	6,211	42,593	3,209	45,802	11,231	1,836	58,868

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Securitized Products Resi Exposure by Asset Class

(in millions)	US Prime	US ABS Der	US NonPrime	US Prin Fin	US ABS Sec	US ABS CDO	US Sub-Prime	US 2nd Lien	US S&D	US RM	US CDO	Total US Residential	Sub-Total SP EUR	Sub-Total SP ASIA	Total Residential	US Non-Resi SBF	US Non-Resi Cap Crossing	US Non-Resi Campus Door	US Non-Resi Other ABS	Total Non-Resi	Total Resi and Non Resi	
ASSETS																						
Whole loans	2,055						163	885	386	618		4,107	3,651	556	8,314	962	640	402		2,004	10,318	
Securities	5,400	75	609	9	841	40	1,574	5	192	71	622	7,863	5,255	178	13,296	531	-	-	2,692	3,222	16,519	
AAA	3,675	18	431	9	430	-	888	0	173	#	-	4,746	4,463	-	9,209	363	-	-	865	1,228	10,437	
AA	588	23	92		201	13	329	0	0	0	45	976	238	-	1,213	8	-	-	11	19	1,233	
A	293	16	32		104	5	157	0	3	0	26	491	206	-	697	27	-	-	155	182	879	
BBB	334	7	21		59	1	89	1	7	1	-	435	278	103	817	51	-	-	840	892	1,708	
BB	177	9	9		30	3	51	2	7	0	-	723	64	-	787	46	-	-	128	174	961	
B	73	1	6		7	-	14	0	1	0	-	107	6	-	114	32	-	-	125	157	271	
CCC & Below	59	1	8	1	12	17	37	1	0	0	-	157	-	-	157	2	-	-	341	343	500	
NR	202	-	9		-	0	10	-	-	-	-	228	0	75	303	1	-	-	226	227	531	
Residuals	831						32	0	5	35		904	436	-	1,339	36	-	-	-	36	1,375	
Servicing Rights	1,638						19	2	7	-		1,666			1,666	31	-	-	-	31	1,697	
Other																						
Total Cash Positions	9,924	75	609		841		1,787	893	590	724	622	14,540	9,342	734	24,615	1,560	640	402	2,692	5,294	29,909	
HEDGES *																						
ABX	222	1,118	(490)	-	(153)	-	475	-				698			698	(44)				(44)	654	
AAA	229	213	(11)	-	(152)	-	50	-				279			279	(23)				(23)	256	
AA	19	508	(186)	-	(1)	-	321	-				340			340	(15)				(15)	326	
A	(0)	129	(143)	-	-	-	(13)	-				(13)			(13)	(3)				(3)	(16)	
BBB	(25)	288	(151)	-	-	-	117	-				92			92	(3)				(3)	89	
CMBX	(84)	-	(365)	-	-	-	(365)	-				(449)			(449)	(177)				(177)	(626)	
AAA	0	-	(117)	-	-	-	(117)	-				(117)			(117)	(5)				(5)	(122)	
AA	-	-	-	-	-	-	-	-				0			-	(23)				(23)	(23)	
A	9	-	(142)	-	-	-	(142)	-				(133)			(133)	(71)				(71)	(204)	
BBB	(94)	-	(105)	-	-	-	(105)	-				(199)			(199)	(79)				(79)	(277)	
CDS																						
Single Name	837	(1,394)	(91)	-	-	-	(1,484)	-				(648)	(311)		(959)	(7)				(7)	(965)	
AAA	896	(204)	-	-	-	-	(204)	-				692	(441)		251	-				-	251	
AA	-	(31)	-	-	-	-	(31)	-				(31)			(31)	-				-	(31)	
A	(11)	(171)	(42)	-	-	-	(214)	-				(225)			(225)	(7)				(7)	(231)	
BBB	(32)	(580)	(8)	-	-	-	(588)	-				(620)	130		(490)	-				-	(490)	
BB & Below	(16)	(407)	(40)	-	-	-	(447)	-				(463)			(463)	-				-	(463)	
Corp	(248)	(421)	(629)	-	(255)	(188)	(1,491)	-				(1,739)	-		(1,739)	(122)				(122)	(1,860)	
AAA	-	-	-	-	(127)	(48)	(176)	-				(176)			(176)	-				-	(176)	
AA	-	(91)	(421)	-	(75)	(112)	(699)	-				(699)			(699)	(35)				(35)	(734)	
A	(4)	(268)	(208)	-	(52)	(28)	(555)	-				(559)			(559)	(86)				(86)	(646)	
BBB	(244)	(64)	-	-	-	-	(64)	-				(308)			(308)	-				-	(308)	
BB & Below	-	2	-	-	(0)	0	3	-								-				-		
CDX/itraxx	(4,875)	(799)	(1,720)	-	4	(208)	(2,723)	-				(7,598)	(2,524)		(10,122)	(161)				(161)	(10,283)	
AAA	-	-	-	-	-	-	-	-				-	(2,524)		(2,524)	-				-	(2,524)	
AA	(346)	(515)	(168)	-	-	-	(683)	-				(1,029)			(1,029)	-				-	(1,029)	
A	-	-	-	-	-	-	-	-				-			-	-				-	-	
BBB	(4,529)	(284)	(1,552)	-	4	(208)	(2,040)	-				(5,569)				(161)				-	-	
Bond Index TRS (AAA)	(503)	141	-	-	-	-	141	-				(362)			(362)	-				0	(362)	
Bond Index TRS/CMB5 (AAA)	-	-	(205)	-	-	-	(205)	-				(205)			(205)	(563)				(563)	(768)	
Single Name TRS	-	358	-	-	368	-	725	-				725			725	-				-	725	
AAA	-	214	-	-	214	-	214	-				214			214	-				-	214	
AA	-	-	-	-	-	-	-	-				0			-	-				-	0	
A	-	-	-	-	-	-	-	-				0			-	-				-	0	
BBB	-	-	-	-	-	-	-	-				0			-	-				-	0	
BB & Below	-	143	-	-	368	-	511	-				511			511	-				-	511	
RPX (NR)	-	-	-	-	-	-	-	-				0			-	-				-	0	
Total Hedges	(4,652)	(996)	(3,499)	-	(35)	(396)	(4,926)	-	-	-	-	(9,578)	(2,835)	-	(12,413)	(1,073)				(1,073)	(13,486)	
NET EXPOSURE	5,272	(921)	(2,890)	-	806		(3,139)	893	590	724	622	4,962	6,507	734	12,202	487	640	402	2,692	4,221	16,423	

Real Estate Balance Sheet

GAAP Asset Class / Lien Type Mix

(\$ in millions)	At Risk Balance Sheet					
	Total	Mortgage Inventory	Held for Sale	Corporate Equity	Corporate Debt	Other Assets
First	23,169	15,529	3,966	-	3,674	-
Mezz	6,307	4,333	1,576	-	397	-
NPL	1,911	1,911	-	-	-	-
Securities	5,333	5,274	-	59	-	-
Equity / REO	8,893	2,338	4,851	1,659	45	-
Other:						
Financing Trades	930	-	-	-	930	-
Corporate Loans	1,486	-	-	-	1,486	-
Derivative MTM / Treas.	928	-	-	-	-	928
Revolvers	392	-	-	-	392	-
Total	49,349	29,385	10,393	1,718	6,924	928

GAAP Asset Class / Property Type Mix

(\$ in millions)	At Risk Balance Sheet					
	Total	Mortgage Inventory	Held for Sale	Corporate Equity	Corporate Debt	Other Assets
Office	9,788	4,764	3,940	31	1,053	-
Mixed Use	4,498	3,988	169	-	340	-
Multi-family	8,682	4,072	775	1,609	2,226	-
Hotel	4,573	2,765	459	-	1,350	-
Land / SF	5,913	2,906	2,955	-	53	-
Retail	2,870	2,317	317	-	236	-
Condominium	1,996	1,219	777	-	-	-
Other ⁽¹⁾	11,029	7,353	1,001	78	1,668	928
Total	49,349	29,385	10,393	1,718	6,924	928

⁽¹⁾ Other includes CMBS securities, derivative MTM, industrial, storage and other miscellaneous items

LEHMAN BROTHERS

Real Estate Exposure by Asset Class

Commercial Exposure by Asset Class 05-30-08

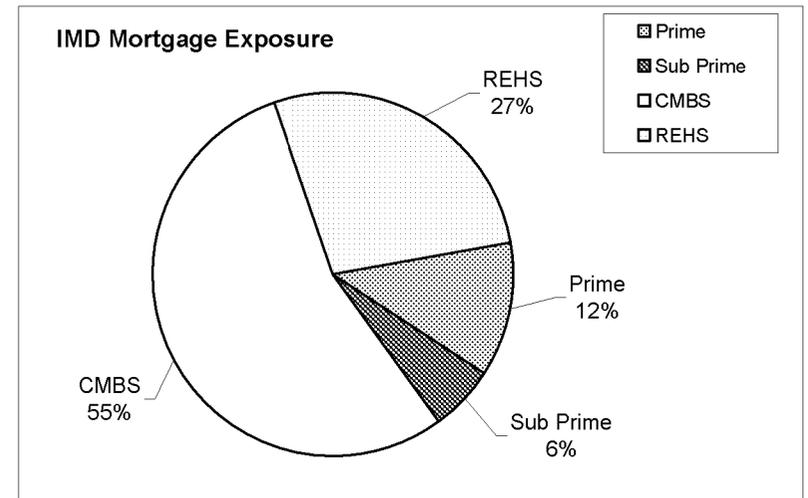
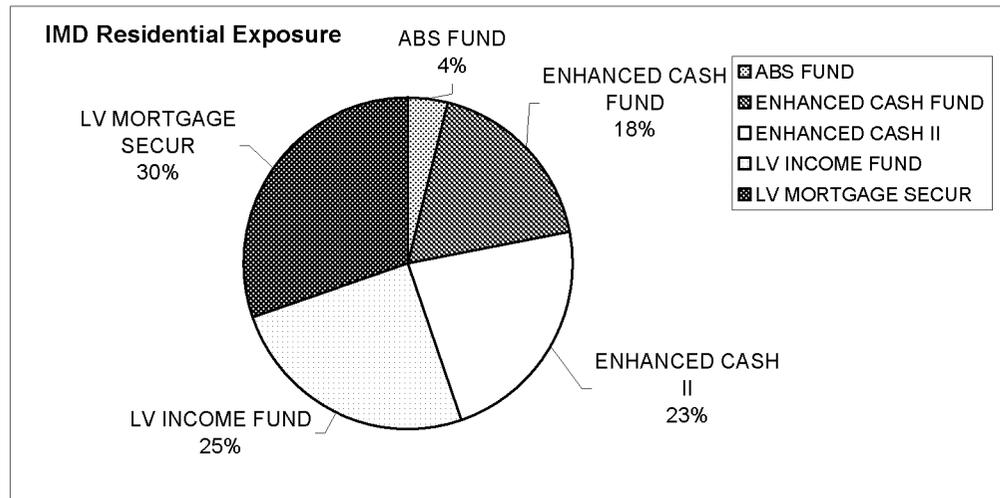
(in millions)	US Commercial	US PTG	US REITS	Total US	Europe Commercial	Europe PTG	Total Europe	Asia Commercial	Asia PTG	Total Asia	Total
ASSETS											
Fixed Rate Whole Loans											
Fixed Rate Large Loans and Conduit	380			380			0			-	380
B-Notes and Mezz Fixed Rate Loans	904			904			0			-	904
Fixed Rate Loan Commitments	-			-			0			-	-
Total Fixed Rate Whole Loans	1,284			1,284							1,284
Floating Rate Whole Loans											
Floating Rate Sr, Mezz & B-Notes	7,637		4,205	11,842	6,575		6,575	3,775		3,775	22,192
PTG Debt		6,075		6,075		605	605		1,975	1,975	8,655
Total Floating Rate Whole Loans	7,637	6,075	4,205	17,917	6,575	605	7,180	3,775	1,975	5,750	30,847
PTG and Equity/Bridge Equity/Asia NPL		5,900		5,900		1,575	1,575		2,530	2,530	10,005
Derivative MTM	928			928			0			-	928
Securities											
Fixed Rate IG	648			648							648
Floating Rate IG	230			230	3,560		3,560	534		534	4,324
NIG	30			30	211		211	77		77	318
Total Securities	908			908	3,771	0	3,771	611	-	611	5,290
Total Cash Positions	10,757	11,975	4,205	26,937	10,346	2,180	12,526	4,386	4,505	8,891	48,354
HEDGES (Notional)											
CMBX	(415)	-	-	(415)	0	0	0	-	-	-	(415)
AAA	-	-	-	-			0			-	-
AA	-	-	-	-			0			-	-
A	(105)	-	-	(105)			0			-	(105)
BBB	(155)	-	-	(155)			0			-	(155)
BBB-	(155)	-	-	(155)						-	(155)
HVOL	(200)			(200)							(200)
ITraxx	(1,403)			(1,403)							(1,403)
CDX											
IG.9	(300)			(300)							(300)
CDS							0				-
TR5/DNS	(1,252)			(1,252)	0	0	0	-	-	-	(1,252)
Total Hedges	(3,570)	-	-	(3,570)	0	0	0	-	-	-	(3,570)
NET EXPOSURE	7,187	11,975	4,205	23,367	10,346	2,180	12,526	4,386	4,505	8,891	44,784
Total Cash Positions	10,757	11,975	4,205	26,937	10,346	2,180	12,526	4,386	4,505	8,891	48,354
Less: Commitments	-			-			0				-
Plus: Gross-ups	3,921	2,348		6,269	4,200		4,200	391		391	10,860
Total Balance Sheet	14,678	14,323	4,205	33,206	14,546	2,180	16,726	4,777	4,505	9,282	59,214

LEHMAN BROTHERS

IMD Mortgage Exposure

Inventory by Account	Prime	Sub Prime	CMBS	REHS	Grand Total
ABS FUND	9.6	(2.2)	-	-	7.4
ENHANCED CASH FUND	29.0	-	5.0	-	33.9
ENHANCED CASH II	(10.5)	53.2	-	-	42.7
LV INCOME FUND	47.2	-	-	-	47.2
LV MORTGAGE SECUR	47.6	9.0	-	-	56.6
PE Commercial	-	-	560.7	-	560.7
PE REHFS	-	-	-	282.0	282.0
Grand Total	122.9	60.0	565.6	282.0	1,030.5

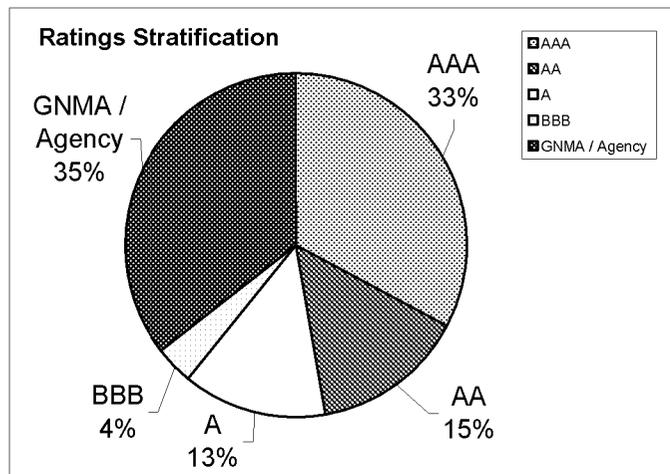
Collateral by Rating	Prime	Sub Prime	CMBS	REHS	Grand Total
AAA	76.8	8.7	-	-	85.4
AA	8.3	8.0	-	-	16.3
BBB	(5.3)	29.4	-	-	24.2
BB	4.7	5.8	-	-	10.6
B	0.6	1.1	-	-	1.7
B-	3.4	-	-	-	3.4
GNMA	29.0	-	5.0	-	33.9
OTHER	5.4	6.9	-	-	12.3
NR	-	-	560.7	282.0	842.7
Grand Total	122.9	60.0	565.6	282.0	1,030.5



Principal Investing Mortgage Exposure

Assets by BPM 2	GTS	GOG	Total	Notes
GLB TRAD STR RISK MANAGED	66.0	0.0	66.0	Residential Securities
GLB TRAD STR AM-TRANS PRI	129.8	0.0	129.8	Other ABS
GLB TRAD STR EUR-TRAN PRIC	27.2	0.0	27.2	Other ABS
GOG CREDIT TRADING	0.0	6.2	6.2	Other ABS
Grand Total	223.1	6.2	229.2	

Ratings Stratification	GTS	GOG	Total	
AAA	75.1	0.0	75.1	
AA	33.3	0.0	33.3	
A	30.8	0.0	30.8	
BBB	8.8	0.0	8.8	
GNMA / Agency	75.2	6.2	81.3	
Grand Total	223.1	6.2	229.2	



Securitized Products Other ABS Securities Detail

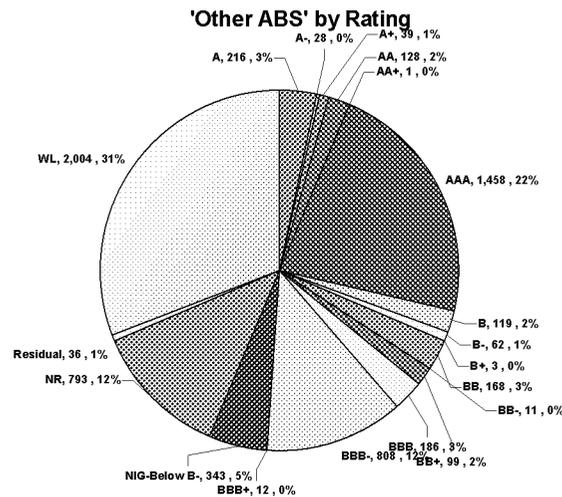
BPM Level 0	Net Balance Sheet
GOG	6
GPS	0
GTS	157
Principal Investing	163
CDO	1,034
Global rates	14
Securitized Products	5,294
Fixed Income	6,342
Asset Management	5
Private Equity	35
Investment Management	40
GAAP adjustment	(62)
Q2 Total ABS Other	6,483

Collateral Type	Net Balance Sheet
ABCP	76
Auto Loans	130
CLO / CBO	43
CMBS	47
Collateralized Loans	348
Credit Card Debt	226
Franchise	1,241
MH	440
NIM	7
Other	73
Aircraft	117
Prime	11
SBA Nim	57
SBA Residual	31
SBA Security	428
Servicing Rights	31
Structured Settlements	87
Student Loans	7
Whole Loans	1,935
CLO/CBO	1,211
GAAP Adjustment	(62)
Q2 Total ABS Other	6,483

Asset Description	Net Balance Sheet
ABCP	76
Aircraft	117
Auto Loans	130
CMBS	19
Collateralized Loans	348
Credit Cards	226
Equipment	0
IHOP	221
Applebees	1,020
Franchise	1,241
MH	440
Others	0
SBA Security	1
Structured Settlements	87
Student Loans	7
UTILITY	0
Other ABS	2,692
Student Loans	402
Small Business Financing	1,560
Capital Crossing	640
Non-Resi	2,602
Securitized Products	5,294
CDO's - CLO/CBO	1,034
Global Rates - CLO	14
GTS - CLO	163
IMD - CLO	5
PE - CLO	35
Asset Management	40
GAAP Adjustment	(62)
Q2 Total ABS Other	6,482

Rating	Total	%
A	216	4.8%
A-	28	0.6%
A+	39	0.9%
AA	128	2.9%
AA+	1	0.0%
AAA	1,458	32.6%
AAMJ	0	0.0%
BBB	186	4.2%
BBB-	808	18.1%
BBB+	12	0.3%
Investment Grade	2,875	64.3%
B	119	2.7%
B-	62	1.4%
B+	3	0.1%
BB	168	3.8%
BB-	11	0.3%
BB+	99	2.2%
BMJ	0	0.0%
C	35	0.8%
C-	2	0.0%
C+	7	0.2%
CC	9	0.2%
CC-	7	0.2%
CC+	36	0.8%
CCC	47	1.0%
CCC-	53	1.2%
CCC+	113	2.5%
D	0	0.0%
DD+	7	0.2%
DDD	16	0.4%
DDD+	10	0.2%
Non-Investment Grade	805	18.0%

NR	793	17.7%
Total Securities	4,473	
Servicing Rights	31	
Residual	36	
WL	2,004	
Whole Loan & Other	2,071	
Sub Total	6,545	
GAAP Adjustment	(62)	
Q2 Total ABS Other	6,482	



ABS CDO Exposure

ABS CDO Positions
as of May 30, 2008

USD millions

Assets	Business	Long Positions				Hedges			Net exposure	
		Notional	Exposure	Av price	Note	Notional	VOD 0	Av price	Notional	VOD 0
Super senior - High Grade Ceago (AAA)	CDO US	837	480	57.35%		(837)	(480)	57.38%	0	(0)
Unfunded CDO (SS - Mezz) - Corona (AAA)	CDO US	-	-						-	-
Other retained - High Grade	CDO US	117	41	35.14%		(31)	(5)	15.48%	86	36
Other retained - Mezz	CDO US	109	16	14.65%		(436)	(38)	8.64%	(327)	(22)
Warehouse - CDOs	CDO US	36	22	63.38%		-	-		36	22
High grade ABS CDOs	Securitized Products	30	2	6.15%		-	-		30	2
Mezz ABS CDOs	Securitized Products	198	44	22.01%		(864)	(218)	25.21%	(666)	(174)
ABS CDO square transactions	Securitized Products	307	24	7.82%		-	-		307	24
Mezz ABS CDOs	CDO London (Synthetic)					(390)	(40)	10.26%	(390)	(40)
ABS CDO square transactions	CDO London					-	-		-	-
Sub total		1,633	629	38.52%		(2,558)	(781)	30.52%	(925)	(152)
ABS single names in warehouse	CDO US	186	49	26.36%					186	49
ABX CDS Positions	CDO US	(185)	(194)						(185)	(194)
Single name CDS macro hedges	CDO US					(945)	(252)	26.62%	(945)	(252)
Single name CDS macro hedges	Securitized Products					(1,166)	(127)	10.93%	(1,166)	(127)
Single name CDS macro hedges	CDO London	65	62			(45)	(15)	33.33%	20	47
Other long ABS risk in the CDO book	CDO London (Synthetic)	405	94	23.21%					405	94
		2,104	640	30.41%		(4,715)	(1,175)	24.92%	(2,611)	(535)

LEHMAN BROTHERS

CAF Exposure

	May 31, 2008						February 29, 2008						% Change	
	Funded	Unfunded	Contingent	Notional	MV	Avg \$	Funded	Unfunded	Contingent	Notional	MV	Avg \$	Notional	MV
High Yield	9,003	2,126	425	11,554	10,389	89.915	12,022	2,212	3,654	17,887	16,461	92.024	-35%	-37%
Real Estate	527	-	-	527	521	98.861	529	-	-	529	524	99.000	0%	-1%
Bridge Equity	2,221	-	-	2,221	1,689	76.022	2,221	-	-	2,221	1,998	89.959	0%	-15%
Total Commitments	11,752	2,126	425	14,302	12,598	88.087	14,772	2,212	3,654	20,637	18,982	91.981	-31%	-34%
% change from prior period	-20%	-4%	-88%	-31%	-34%									
HY CAF Hedges				(525)	(139)					(1,407)	(135)		-63%	2%
High Grade Commitments	3,653	1,116	1,672	6,441	6,381	99.057	2,945	798	7,221	10,964	10,939	99.774	-41%	-42%
High Yield Disclosure	9,003	2,126	425	11,554	10,389	89.915	11,897	2,212	3,654	17,763	16,344	92.011	-35%	-36%
High Grade Disclosure	3,653	1,116	1,672	6,441	6,381	99.057	2,945	798	7,221	10,964	10,939	99.774	-41%	-42%

LEHMAN BROTHERS HOLDINGS INC.			Hedges (\$mm)		
May 31, 2008			February 29, 2008		
Deal Name	Notional	MV	Deal Name	Notional	MV
CDX HY	(75)	1.7	CDX HY	(350)	38.5
LCDX S8	-	-	LCDX S8	(200)	18.2
LCDX S9	-	-	LCDX S9	(250)	19.8
CDS - FDC	(155)	(67.8)	CDS - FDC	(155)	(59.5)
CDS - BSC	-	-	CDS - BSC	(33)	4.2
CDS - GS	(40)	(1.4)	CDS - GS	(30)	2.9
CDS - MER	(20)	2.1	CDS - MER	(18)	2.8
CDS - MS	(10)	1.5	CDS - MS	(15)	2.3
SPDRS	-	-	SPDRS	(1)	(90.3)
Russel Index	-	-	Russel Index	(1)	(46.8)
Bond Index ICAP2/HIYLD	(450)	(8.7)	Bond Index ICAP2	(250)	9.0
ADS - Equity	-	-	ADS - Equity	1	25.3
FDC - Bond	(75)	(67.5)	FDC - Bond	(75)	(63.8)
LIBOR Swap	300	1.6	CDX ITRX	(30)	2.2
Total Hedges	(525)	(139)	Total Hedges	(1,407)	(135)

Largest Exposures (\$mm)

High Grade:

Imperial Tobacco	2,180
Carlsberg	1,965
Staples	764
Time Warner Cable	600
Philip Morris	564

High Yield:

Archstone	4,908
Term Revolver	2,484
Bridge Eq.	1,706
Mezz Debt	522
Permanent Equity	196
Hilton	1,112
First Data	724
TXU	540
Endemol	467
Houghton Mifflin	451
HD Supply	447

FID Disclosure Roll Forward

	Residential	Other ABS	Commercial	REHFS	RL- Corp Debt	RL-Equity	Total
Q1 Balance	31,753	6,506	36,100	12,900	4,512	1,919	93,690
Realized	(326)	(85)	(125)	(28)	0	0	(564)
<i>Unrealized- Trade Specific</i>	(327)	(84)	(78)	0	0	0	(489)
<i>Unrealized-Market</i>	(1,717)	(187)	75	(422)	(27)	(289)	(2,567)
Unrealized Total	(2,044)	(271)	(3)	(422)	(27)	(289)	(3,056)
Gross Total Write Downs	(2,370)	(356)	(128)	(450)	(27)	(289)	(3,620)
Repayments	0	0	(1,347)	(353)	(213)	0	(1,913)
<i>Financed sales</i>	0	0	(1,370)	(229)	1,370	61	(168)
<i>Sales</i>	(11,026)	(839)	(4,162)	(2,056)	(180)	0	(18,263)
Reductions	(11,026)	(839)	(5,532)	(2,285)	1,190	61	(18,431)
Asset Class Transfer							
<i>GAAP Adjustments</i>	0	1,750	0	0	0	0	1,750
<i>Other</i>	689	(801)	(924)	68	1,322	19	373
Total Asset Class Transfer	689	949	(924)	68	1,322	19	2,123
Purchase	5,855	222	1,221	513	140	8	7,959
Q2 Total	24,901	6,482	29,390	10,393	6,924	1,718	79,808
Reduction	(6,852)	(24)	(6,710)	(2,507)	2,412	(201)	(13,882)
Reduction	-22%	0%	-19%	-19%	53%	-10%	-15%

LEHMAN BROTHERS

Level 3 Asset Details

LEHMAN BROTHERS

Level 3 Assets by Products

Product	February 2008			Movements			May 2008		
	\$mm	\$mm	\$mm	\$mm Writedown	\$mm Purchases / Sales	\$mm Transfers	\$mm Closing	\$mm Closing	\$mm Closing
Mrtg and Mrtg Backed									
Securitized products									
Subprime									
Whole loans - subprime	270			(45)	(162)	125	188		
Whole loans - Second liens	1,025			(139)		(18)	868		
Bonds IG (AA & below)	388					(388)	-		
Bonds NIG (below BBB)	66			(37)	2	(3)	28		
ABS Subprime IG	354					(354)	-		
ABS Subprime NIG	72			(20)	23	19	94		
		2,175						1,178	
Scratch & Dent									
Whole loans		787		(160)	(6)	(241)		380	
Prime									
Non Investment grade (below BBB)	310			(39)	20	53	344		
Prime NPL & Others	946			(210)	(750)	62	48		
Investment Grade (BBB rated)	180					(180)	-		
ABS Prime Bonds other	15			(7)		3	11		
		1,451						403	
Other									
Residuals	1,127			(85)	(136)	2	908		
NIG (other than Residential)	1,208			(70)	160	15	1,313		
IG (other than Residential)	8					(8)	-		
CDO	750			(181)	12	43	624		
Student loan	410			(45)	3	26	394		
Other	373			(5)	(292)	(19)	57		
Capital Crossing Whole loans				(105)		205	100		
Total securitized products - US		3,876						3,396	
			8,289						5,357
Italian residential mortgages			1,112	(7)	(999) ⁷				106
Securitized products - London			444	(193) ¹		2,904 ¹⁵			3,155
Securitized products - Tokyo			1,287	(22)	(76)	67			1,256
									-
Total securitized products			11,132	(1,370)	(2,201)	2,313			9,874
Real Estate									
Asia Non performing loan portfolios		2,072		13	(49)	(58)		1,978 ²⁹	
Real estate PTG US		7,420		(157) ²	(315) ⁸	(1,530) ¹⁶		5,418 ²⁹	
Real estate PTG Europe		631		(33)	24	(178)		444 ³⁰	
Real estate PTG Asia		2,532		(2)	305 ⁹	190		3,025 ³¹	
Total Real Estate			12,655						10,865
IMD			94	(19)					75
Others			(69)	9	31	(187)			(216)
Mrtg and Mrtg Backed total			23,812	(1,559)	(2,205)	550			20,598

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Level 3 Assets by Products – cont'd

Product	February 2008			Movements			May 2008		
	\$mm	\$mm	\$mm	\$mm Writedown	\$mm Purchases / Sales	\$mm Transfers	\$mm Closing	\$mm Closing	\$mm Closing
Corp Debt and Other									
Non performing loans		1,022		15	92	10		1,129	32
Real estate Tokyo loans		263						263	33
High-yield loans - other than Credit Tokyo		304		(39)	17	414	17	696	34
Convertibles various desks		549		(26)	(197)	11	(5)	321	35
Credit Tokyo loans		1,000		(5)	(65)			930	36
Cash CDO Equity tranche		142		(42)	8	176	18	284	37
Securitized products - Asia		330		6	183	12		519	38
Trade Claims				(10)	24		62	76	39
Loans London				4		599	19	603	40
Auction Rate Securities Credit		743		(32)	5	126		842	41
Others		(103)		9	(46)	67		(73)	
Corp Debt and Other total		4,250		(120)	21	1,439			5,590
Corp Equities									
Real Estate - Archstone		1,920		(310)	3			1,610	42
Private Equities (IBD/PE)		3,857		(26)	655	13	(342)	4,144	43
GTS Asia - KSK/India power plants		714		(163)	4			551	44
GTS/GPS - Private Equities		883		16	(13)	15		901	45
DPI - Private Equities		521		25	170	14	255	971	46
Credit group PE		1,040		79	17	117		1,253	47
Private Equities (non PE/Credit group)		220		1	88	76		385	48
Others		221		(18)	16	123		342	
Corp Equities total		9,376		(396)	933	244			10,157
Derivatives									
Munis (Alt tax deals)		560		(103)	13	(17)		453	
Credit derivatives (CDO/CDO*2)		642		(238)	5	(24)		381	
Inflation swaps with Republic of Italy		476		225	(30)			671	
IRP London other trades		149		(110)	(42)	(329)	22	(332)	
Commodities		59		138	9	(74)		132	
Equities		929		193	6	(37)	(511)	574	23
Securitized Products - XL Hedge		303		14		(145)	24	172	
Others		(351)		(83)	5	(56)		(485)	
Derivatives total		2,767		36	(81)	(1,156)			1,566
To be analyzed									
Level 3 as per 10Q		40,205		(2,039)	(1,332)	1,077			37,911

Appendices

LEHMAN BROTHERS

Key Exposures Summary – (as of 5/30/08)

Assets	Residential						Commercial				CDO's	Loans
	Prime	SubPrime & 2nd Lien	S&D, RM & HE	Total US Residential	Resi CDO & LibertyView ^{2,3}	Residential International	CMBS	PTG	Other Non Resi SP	Total Commercial	CDO's ²	Leverage Loans ¹
Whole Loans	2,055	1,048	1,004	4,107		4,207	23,476	8,655	2,004	34,135		9,003
Equity	-	-	-	-			-	10,005	-	10,005		
Securities	5,400	1,579	262	7,241	816	5,433	5,290	-	3,222	8,512	572	-
IG	4,889	1,464	255	6,607	174	5,288	4,972	-	2,321	7,293	505	
NIG	511	115	8	634	642	145	318	-	902	1,220	68	
Residuals	831	32	40	904		436			36	36	57	
Servicing	1,638	21	7	1,666		-			31	31		
Other						-	928		-	928	11	
BS at Risk Assets subtotal	9,924	2,680	1,313	13,918	816	10,075	29,694	18,660	5,294	53,648	640	9,003
Off-BS Exposure (Synthetic)				-			-			-	-	2,551
Gross Exposures	9,924	2,680	1,313	13,918	816	10,075	29,694	18,660	5,294	53,648	640	11,554
Hedges												
ABX	222	475		698					(44)	(44)		
CMBX	(84)	(365)		(449)			(415)		(177)	(592)		
ABS CDS	837	(1,484)		(648)		(311)			(7)	(7)	(394)	(159)
ABS CDS CDO				-						-	(780)	
Corp CDS / CDX / LCDX	(5,123)	(4,214)		(9,337)		(2,524)	(1,903)		(282)	(2,185)		(227)
TRS	(503)	662		159			(1,252)		(563)	(1,815)		
Total Hedges	(4,652)	(4,926)	-	(9,578)		(2,835)	(3,570)	-	(1,073)	(4,643)	(1,175)	(387)
Net Exposures	5,272	(2,246)	1,313	4,340	816	7,240	26,124	18,660	4,221	49,005	(535)	11,168
Gross Exposure 2.29.08	13,557	3,985	2,009	19,552	1,217	10,157	34,046	20,389	2,468	56,903	1,240	20,638
Net Exposure 2.29.08	10,302	(740)	2,009	11,572	1,217	10,179	28,491	20,389	1,378	50,258	(363)	19,366

Notes:

1) Total Commitments as of 5.30.08; Leverage Loans listed at Market value and Hedges listed at VOD Zero [Notional - MV];

2) CDO related exposure from Residential ABS positions include \$69mm

3) IMD's LibertyView and Other Mortgage related exposure includes \$60.5mm in SubPrime and \$133.5mm in Prime positions added to Residential Securities

4) Archstone is reflected in the Commercial and Leveraged Loan exposures

LEHMAN BROTHERS

Key Exposures Summary – (as of 2/29/08)

Assets	Residential						Commercial				CDO's	Loans
	Prime	SubPrime & 2nd Lien	S&D + RM	Total US Residential	Resi CDO & LibertyView ^{2,3}	Residential International	CMBS	PTG	SBF / CC	Total Commercial	CDO's ²	Leverage Loans ¹
Whole Loans	3,696	1,295	1,636	6,627		5,286	26,392	10,050	1,653	38,096		14,772
Equity	-	-	-	-			-	10,338	-	10,338		
Securities	7,261	2,599	325	10,185	1,217	4,604	7,584	-	743	8,327	751	-
IG	6,979	2,445	318	9,742	1,207	4,429	7,327		649	7,976	581	
NIG	282	154	7	443	10	174	257		94	351	170	
Residuals	978	61	41	1,080		267			37	37	86	
Servicing	1,623	30	7	1,660		-			34	34		
BS at Risk Assets subtotal	13,557	3,985	2,009	19,552	1,217	10,157	33,976	20,389	2,468	56,833	837	14,772
Off-BS Exposure (Synthetic)				-			70			70	402	5,866
Gross Exposures	13,557	3,985	2,009	19,552	1,217	10,157	34,046	20,389	2,468	56,903	1,240	20,638
Hedges												
ABX	(51)	(799)		(850)					(111)	(111)		
CMBX	(585)	(437)		(1,022)			(454)		(182)	(636)		
ABS CDS	1,029	(1,821)		(792)		22			-	-	(490)	(203)
ABS CDS CDO				-						-	(1,112)	
Corp CDS / CDX / LCDX	(544)	(1,959)		(2,504)			(1,052)		(87)	(1,139)		(1,068)
TRS	(3,104)	291		(2,812)			(4,050)		(708)	(4,758)		
Total Hedges	(3,255)	(4,725)	-	(7,980)		22	(5,556)	-	(1,089)	(6,645)	(1,602)	(1,271)
Net Exposures	10,302	(740)	2,009	11,572	1,217	10,179	28,491	20,389	1,378	50,258	(363)	19,366
Gross Exposure 11.30.07	12,769	5,327	2,377	20,473	11,642	11,642	38,110	18,400	2,425	58,935	1,542	26,999
Net Exposure 11.30.07	7,698	3,507	2,377	13,582	11,661	11,661	32,835	18,400	2,425	53,660	(169)	26,056

Notes:

1) Total Commitments as of 2.29.08; Leverage Loans listed at Market value and Hedges listed at VOD Zero [Notional - MV];

2) CDO related exposure from Residential ABS positions include \$221mm

3) IMD's LibertyView related exposure include \$18mm in SubPrime and \$978mm in Prime positions added to Residential Securities

4) Archstone is reflected in the Commercial and Leveraged Loan exposures

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BY LEHMAN BROTHERS HOLDINGS INC.

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