

From: Ellis, Tony [tony.ellis@lehman.com]. Sent: 9/1/2008 3:47 PM.
To: Aublin, Gilles [gilles.aublin@lehman.com]; Jaidi, Hicham [hicham.jaidi@lehman.com]; Galvan, Jose A [jose.galvan@lehman.com]; Chan, Katie [yzhang@lehman.com]; Potasiewicz, Brian [brian.potasiewicz@lehman.com]; Lane, John [john.lane@lehman.com].
Cc: Bernard, Clement [clement.bernard@lehman.com].
Bcc: .
Subject: Re: Urgent - Potential list of write down during the quarter.

The loan has been marked to 84 which has been applied consistently across the firm. The equity price has been based on the equity valuation committees determination which is led by IMD in the US. I understand that it was determined that the equity value should not be changed. John lane or deborah nordell in the US are closer to this value and can confirm this.

----- Original Message -----

From: Aublin, Gilles
To: Ellis, Tony; Jaidi, Hicham; Galvan, Jose A; Chan, Katie; Potasiewicz, Brian
Cc: Bernard, Clement
Sent: Mon Sep 01 19:53:16 2008
Subject: RE: Urgent - Potential list of write down during the quarter

Tony,

We need to get an answer VERY quickly on Bawag/Sacher. What is your best view about the latest "all in" number
Regards,
Gilles

From: Ellis, Tony
Sent: Monday, September 01, 2008 1:49 PM
To: Aublin, Gilles; Jaidi, Hicham; Galvan, Jose A; Chan, Katie; Potasiewicz, Brian
Cc: Bernard, Clement
Subject: RE: Urgent - Potential list of write down during the quarter

Can you change Bawag to Sacher loan. Only the loans were written down today from 97.5 to 84. the equity piece is still being discussed due to the impact on IMD

The biggest writedowns in Europe came from the banking syndicates, loans and FRLs which we don't report out of Credit Europe. Are you including those?

From: Aublin, Gilles
Sent: 01 September 2008 18:33
To: Aublin, Gilles; Jaidi, Hicham; Ellis, Tony; Galvan, Jose A; Chan, Katie; Potasiewicz, Brian
Cc: Bernard, Clement
Subject: RE: Urgent - Potential list of write down during the quarter

Adjusted slightly

All,

Clement wants to build a list of items that have impacted our P&L in Q3 and can be classified as "write downs".

Here is my first pick, ideally we need something today.

- * Gate Gourmet \$14 mm- Private Equity in HY Europe
- * Bawag - \$25 mm - Private Equity in HY Europe
- * CLO remarks \$40 mm
- * Correlation remarks \$27 mm
- * Loans write downs \$57 mm (only a portion is in GCP)-
- * ABS CDO/CLO \$38
- * Monolines Recovery remarks - \$20 mm

Total \$221 mm

Do you agree, am I missing anything ?

Regards,

Gilles