

From: McGee III, Hugh E [hmcgee@lehman.com].

Sent: 9/4/2008 9:20 AM.

To: Wise, Monique [monique.wise@lehman.com]; Goldfarb, David [dgoldfar@lehman.com].

Cc: Wieseneck, Larry [lwiesene@lehman.com]; McDade, Bart [bmcdade@lehman.com].

Bcc:

Subject: RE: Bloomberg: Spinco story.

I think we may need to guide him. If we have a story that says we have outside investors for both equity and debt and then show up with no outside investors, it could create issues where we have none. Spinco is a big positive and we need it to be considered as such.

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

From: Wise, Monique

Sent: Thursday, September 04, 2008 9:00 AM

To: Goldfarb, David

Cc: McGee III, Hugh E

Subject: Bloomberg: Spinco story

Bloomberg's Yalman Onaran called with a story he is planning to write on Spinco.

He has the following "facts":

- * Lehman Brothers will spin off \$32 billion of mostly commercial real estate assets into a company that will be called "Spinco"
- * Spinco will have \$8 billion of equity: \$5 billion provided by Lehman Brothers, \$3 billion provided by outside investors (possibly KDB)
- * Spinco will have \$24 billion of debt: \$21 billion of senior debt and \$3 billion of junior debt, all provided by outside investors including KDB

I declined to comment but underscored off the record that he wasn't right.

However, he does appear to have more than has been previously reported.

If we think that having the inaccurate details above reported will be damaging in any way, we should consider guiding the reporter off the record.

Monique

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