

Confidential

ALCO

Summary Package

February 12, 2008

LEHMAN BROTHERS

Highlights:

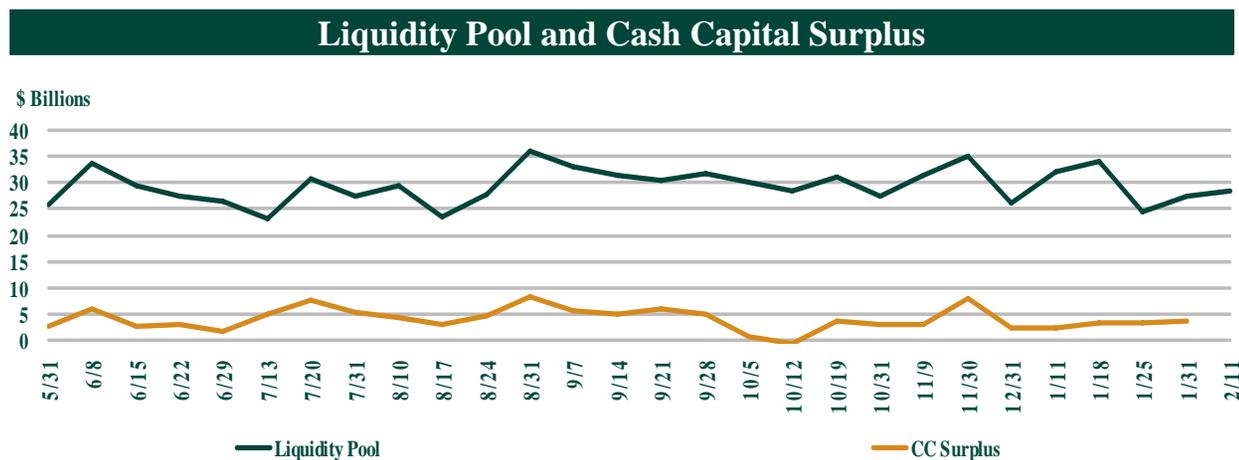
◆ Liquidity and Cash Capital Update:

- Reportable Liquidity as of February 11 was \$28.4 billion, \$1.0 billion increase from the previous day primarily due to a return of LBI shortfall cover.

– Projections:

- Liquidity Pool is targeted to be \$36.9 billion for the end of Q1, assuming \$7.2 billion CP and Banklines are rolled over the quarter end.

<i>\$billions</i>	9/28 (actual)	10/31 (actual)	11/30 (actual)	12/31/07 (actual)	1/31/08 (Est.)	2/29/08 (Target)
Reportable Liquidity	29.3	24.2	34.9	26.0	27.6	29.7
with CP rollover						36.9
CC Surplus	5.2	3.1	8.0	2.3	3.5	4.7
MCO	3.0	0.2	7.5	1.3	0.8	1.9



Liquidity Pool Projection

Liquidity Pool vs. Maximum Cumulative Outflow

\$Billions	Q4 '07						Target
	30-Nov	31-Dec	11-Jan	18-Jan	25-Jan	31-Jan	29-Feb
Liquidity Pool	34.9	26.0	31.6	34.2	31.9	27.6	36.9
Pending LTD Settlements	0.6	1.4	1.8	5.4	1.5	1.4	1.4 ⁽¹⁾
Pending STD Settlements	0.1	0.2	0.6	0.4	0.2	0.2	0.2
Pending Other Settlements	3.4	7.5	5.5	4.0	10.7	12.3	4.0 ⁽³⁾
Total Liquidity (A)	39.0	35.2	39.5	44.0	44.4	41.5	42.4
LTD Maturity	20.7	22.4	23.0	23.7	23.5	23.1	23.0
STD Maturity	5.2	6.5	9.4	11.9	13.1	12.5	12.5 ⁽²⁾
Secured Facilities Maturity	1.0	1.0	1.5	1.5	1.5	1.5	1.5
Contingent Commitment (Prefunding)	1.7	1.1	1.7	1.8	1.5	1.6	1.6
Derivatives Uncollateralized Payables/Overcollateralization	1.6	1.6	1.6	1.6	0.5	0.5	0.5
Debt and Equity Buyback	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Letters of Credit	0.5	0.5	0.6	0.6	0.6	0.6	0.6
UK Unapplied Cash	0.3	0.3	0.0	0.3	0.3	0.3	0.3
Contingent Collateralization on Derivatives	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Other Outflows	-	-	-	-	0.1	-	-
Total Outflow (B)	31.4	33.9	38.4	41.9	41.7	40.7	40.5
MCO 1 year forward position (A-B)	7.5	1.3	1.2	2.1	2.7	0.8	1.9

1. \$1.4 billion LTD issuance projected as pending settlement

2. \$11.2 billion CP and bankline balance as of 31-Jan is assumed to be maintained on 29-Feb

3. Pending Other Settlements include:

<u>Date Deal</u>	<u>31-Jan</u>	<u>Current 11-Feb</u>	<u>Target 29-Feb</u>
30-Nov Project Vancouver in LCPI	278	-	-
30-Nov CDW pending syndication in LCPI	600	600	600
31-Dec KRW Govt Position sell down in LBAH	400	400	400
25-Jan Projected return of margin in LBSF	1,400	-	-
31-Jan Return of excess CC in reg entities	3,000	3,000	3,000
31-Jan LBIE shortfall cover	214	-	-
31-Jan Return of Asia Funding in LBAH	500	500	-
31-Jan Projected return of margin in LBSF	1,000	500	-
31-Jan Bonus Pool Revision in LBI	1,600	1,600	-
31-Jan LBIE I/C Balance Updates	3,300	1,500	-
4-Feb LBF stock loan	-	700	-
	<u>12,292</u>	<u>8,800</u>	<u>4,000</u>

LBHI Cash Capital – by Month

- ◆ Cash Capital positions for the month ending February 29 (Q1) is projected to be \$4.7 billion.
- ◆ Risks in the February projection include \$1.5 billion projected Vanilla issuance and \$0.7 billion drawdown of CC facilities.

LBHI CC Projections	
CC as of 1/31	3.6
<i>Change in Liabilities</i>	
Estimated Structured Issuance	1.0
Projected Preferred Issuance	1.9
Projected Vanilla Issuance in Europe and Asia	1.5
CC Facility Drawdown (\$0.4B AIG, \$0.3B SMBC)	0.7
CC Facility Paydown (\$2.5B European, \$1.0B MMP3)	(3.5)
Roll into Current Portion	(1.9)
	(0.3)
<i>Change in Business Usage</i>	
<i>HY/HG</i>	
- Loan Funding	(0.9)
- Syndication/Selldown	1.6
	Total HY/HG 0.7
<i>Real Estate</i>	
- Loan Funding	(0.1)
- Securitization/Syndication/Selldown	1.3
	Total Real Estate 1.2
Other	(0.5)
	<i>Total Change in Business Usage</i> 1.4
CC Projection for the month ending 2/29/2008 (Q1)	
4.7	

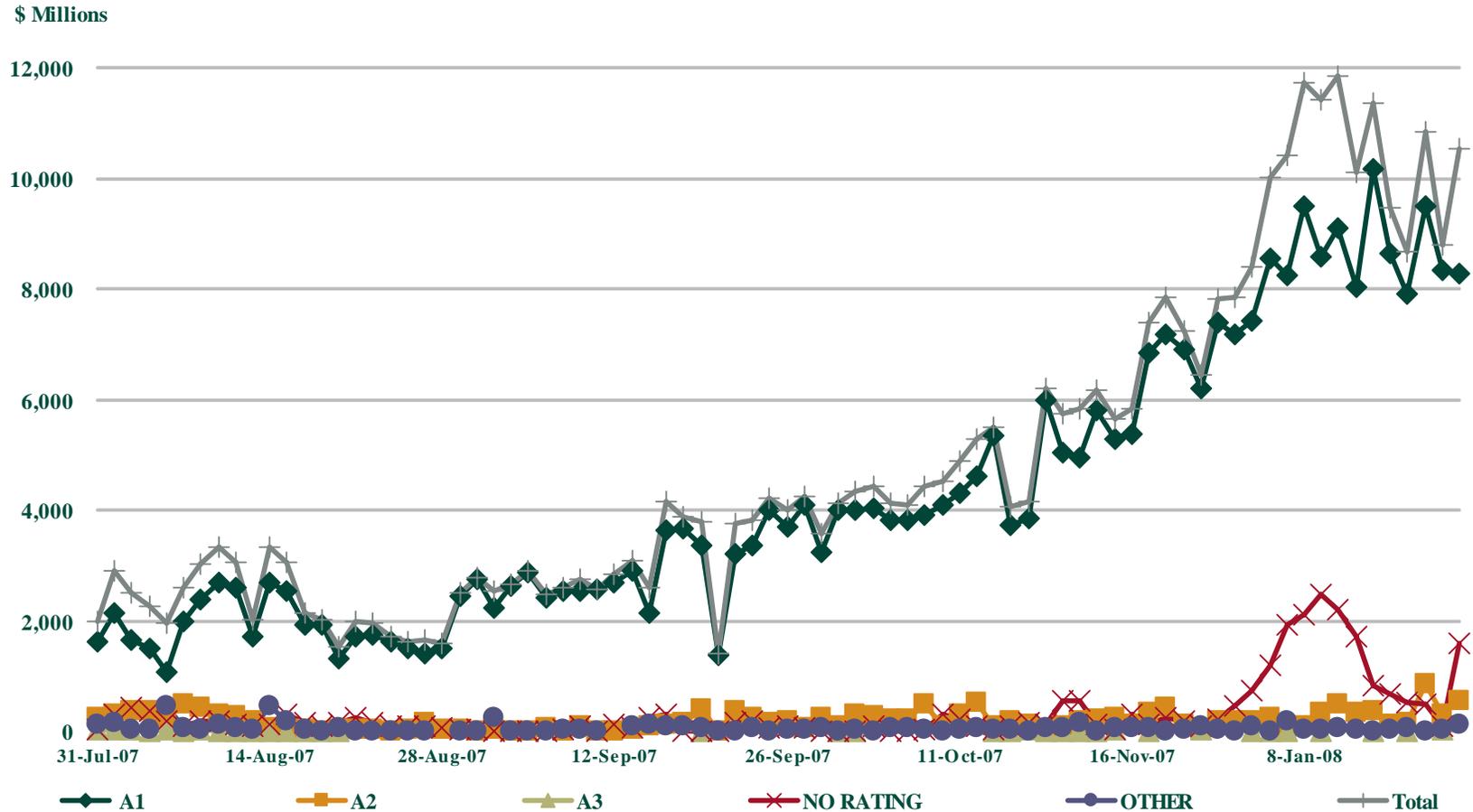
LBHI Cash Capital Projections – by Week

Cash Capital Projections

CC as of 1/31		3.6	CC Projection for the week ending 2/22		2.9																																														
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CC Projection for the week ending 2/22		2.9	Total Loan Syndication/(Funding) Post Q1 2008		(4.6)																																														

Streetside Money Market Repo Trend

Money Market Repos



1. Excludes assets funded in Bankhaus, which was \$0bn as of February 8th, 2008.

2. Note: The \$2bn Racers CP was not repo'd to the Street on 10/23 due to operational friction and on 10/26 was funded with Western Asset Management Co. on a DVP trade.

Secured Funding Status

◆ Highlights TBD

Secured Funding Volumes

Collateral Allocated Summary	Principal (\$Bn)	Avg Tenor (Days)
Asset Backs - Investment Grade	14.5	29
Asset Backs - Non-Investment Grade	1.8	42
C1 - Investment Grade Convertibles	2.6	14
C2 - Non-Investment Grade Convertibles	2.9	42
Corporates - Investment Grade	15.6	20
Corporates - Non-Investment Grade	7.1	17
E1 - Major Index Equities	6.7	6
E2 - Non-Major Index Equities	9.8	58
E3 - Non-Major Index Equities (<\$5)	4.0	49
EMG	9.5	36
Fund Units	0.0	13
Money Markets (A1)	8.3	3
Money Markets (A2, A3, Other)	1.3	5
Muni	3.0	3
Preferreds	0.7	53
Private Labels - High Yield	2.5	19
Private Labels - Investment Grade	16.5	24
Wholeloan Residential	2.9	47
Grand Total	109.6	26

Top 25 Counterparties

Counterparty Group	Principal (\$Bn)	Avg Tenor (Days)
State Street	14.2	30
JP MORGAN CHASE	7.5	36
BONY/MELLON	7.5	25
DRESDNER	6.9	48
Fidelity	6.3	13
CITIBANK	5.4	23
ECB	4.8	29
RBC	4.0	28
BGI	3.7	13
BANKHAUS	3.3	102
DEXIA	2.4	8
UBS	1.9	4
DEKABANK	1.8	22
LBBW	1.7	41
KEYBANK	1.7	3
DANSKE BANK	1.6	25
RABOBANK	1.6	5
FORTIS	1.5	7
NORWEST	1.5	3
NORTHERN	1.5	19
DWIGHT A.M.	1.4	48
BANK OF AMERICA/NATIO	1.4	3
CALYON	1.3	16
CSFB	1.2	3
RACERS	1.2	168
Other (58 Counterparties)	22.3	14
Grand Total	109.6	26

1. The above is based on global cash repo trades and Government Upgrade Collateral Swaps (CPT Trades) as of February 8th, 2008, excluding products traded special, Governments, Treasuries, Government/MBS Agencies, Sovereigns, and Commercial Wholeloans.

LEHMAN BROTHERS

Secured Funding Terms

Principal in \$Bn's

Secured Funding Tenor Profile

Collateral Allocated Summary	ON/OPEN		<1 Week		1W - 1M		>1 Month		Total
	Principal	%age	Principal	%age	Principal	%age	Principal	%age	Principal
Fund Units	0.0	15%	0.0	69%	0.0	6%	0.0	11%	0.0
Money Markets (A2, A3, Other)	0.2	17%	0.8	64%	0.2	19%	0.0	0%	1.3
E3 - Non-Major Index Equities (<\$5)	0.5	13%	1.3	33%	1.2	31%	0.9	23%	4.0
EMG	1.4	15%	2.3	25%	4.1	43%	1.7	18%	9.5
Corporates - Non-Investment Grade	4.2	59%	0.1	2%	2.2	31%	0.6	8%	7.1
Asset Backs - Non-Investment Grade	0.5	30%	-	0%	0.0	1%	1.2	70%	1.8
Private Labels - High Yield	1.9	74%	0.0	0%	0.1	5%	0.5	21%	2.5
C2 - Non-Investment Grade Convertibles	0.8	29%	0.5	16%	0.7	23%	0.9	31%	2.9
C1 - Investment Grade Convertibles	0.6	25%	1.0	39%	0.7	29%	0.2	8%	2.6
E2 - Non-Major Index Equities	4.0	41%	0.6	6%	1.4	14%	3.8	39%	9.8
E1 - Major Index Equities	3.8	57%	1.5	22%	1.4	20%	0.1	1%	6.7
Wholeloan Residential	1.2	42%	-	0%	-	0%	1.7	58%	2.9
Muni	3.0	100%	-	0%	-	0%	-	0%	3.0
Corporates - Investment Grade	10.8	70%	1.3	8%	1.2	8%	2.2	14%	15.6
Asset Backs - Investment Grade	3.2	22%	0.3	2%	7.8	54%	3.1	22%	14.5
Private Labels - Investment Grade	5.2	32%	0.3	2%	6.1	37%	4.9	30%	16.5
Preferreds	0.3	40%	0.0	1%	0.0	1%	0.4	58%	0.7
Money Markets (A1)	7.7	93%	0.2	2%	0.4	5%	-	0%	8.3
Grand Total	49.5	45%	10.3	9%	27.6	25%	22.2	20%	109.6

Monthly Averages²

Jan	56.0	48%	15.6	14%	23.0	20%	22.1	19%	116.7
Dec	49.4	42%	13.9	12%	22.8	20%	31.2	27%	117.3
Nov	51.4	44%	14.4	13%	22.0	19%	28.3	25%	116.1
Oct	49.4	45%	17.6	17%	24.3	22%	19.3	18%	110.6
Sep	48.0	46%	15.4	15%	21.9	21%	20.4	19%	105.7
Aug	44.9	43%	25.8	25%	14.6	14%	18.6	18%	103.9

1. The above is based on global cash repo trades and Government Upgrade Collateral Swaps (CPT Trades) as of February 8th, 2008, excluding products traded special, Governments, Treasuries, Government/MBS Agencies, Sovereigns, and Commercial Wholeloans.

2. The monthly average in Aug '07 is based on the month end point.

LEHMAN BROTHERS

Change In Secured Funding Volumes by Counterparty

Principal in \$Bn's

Top 10 Decreases (2/1 – 2/8/08)

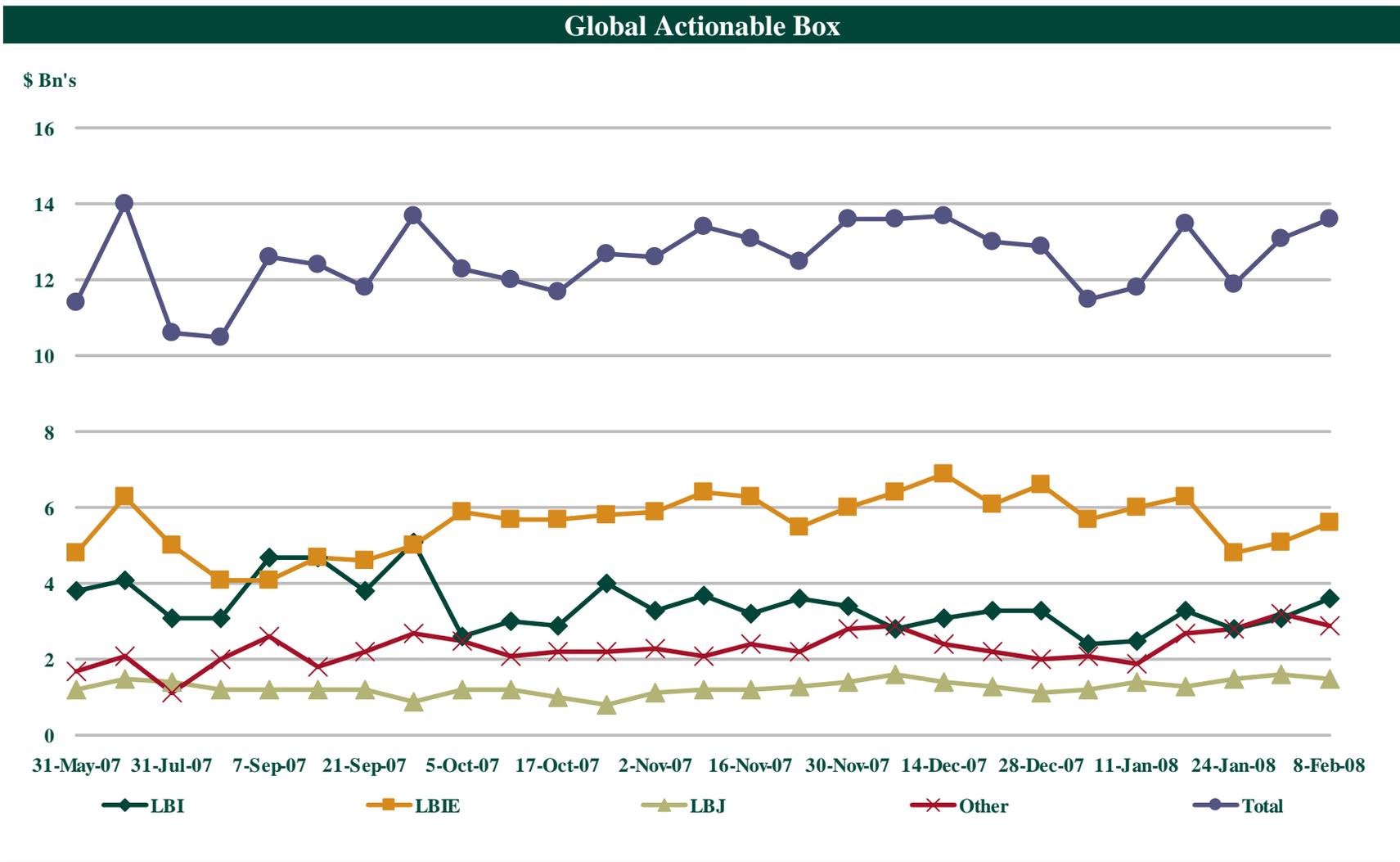
Counterparty Group	1-Feb-08	8-Feb-08	Variance
JP MORGAN CHASE	9.3	7.5	(1.8)
LBBW	3.1	1.7	(1.5)
Fidelity	7.5	6.3	(1.3)
FORTIS	2.7	1.5	(1.2)
State Street	14.9	14.2	(0.7)
DWIGHT A.M.	2.1	1.4	(0.7)
DZ Bank Ag	1.1	0.5	(0.6)
DRESDNER	7.4	6.9	(0.5)
NORWEST	2.0	1.5	(0.5)
NORTHERN	2.0	1.5	(0.5)
Other (40 Counterparties)	42.4	39.1	(3.3)
Grand Total	94.6	82.1	(12.5)

Top 10 Increases (2/1 – 2/8/08)

Counterparty Group	1-Feb-08	8-Feb-08	Variance
NAVY FEDERAL CU	-	1.1	1.1
CITIBANK	4.6	5.4	0.9
WELLS FARGO	-	0.8	0.8
DEXIA	1.6	2.4	0.8
DREYFUS	-	0.8	0.8
AMR	0.0	0.7	0.6
CALYON	0.7	1.3	0.6
NATEXIS	0.2	0.7	0.5
MIZUHO	-	0.5	0.5
KEYBANK	1.2	1.7	0.4
Other (27 Counterparties)	10.4	12.2	1.8
Grand Total	18.7	27.5	8.8

Net	113.3	109.6	(3.7)
------------	--------------	--------------	--------------

Actionable Box Trend by Legal Entity



LEHMAN BROTHERS

HY/HG – Loan Funding & Syndication Pipeline

- ◆ Total Funding: \$7.7 Bn
- ◆ Total Syndication: \$2.9 Bn
- ◆ Amounts in post-banks

Timeline		Funding	Syndication	
<u>Closed</u>	<u>6.6</u>	1.9 Funding of Riverdeep Group 0.4 Funding of Sequa 0.3 Funding of ITC 0.3 Funding of Hawaiian Telecom 0.4 Funding of Other Misc. Loans 0.2 Funding of Citadel 0.2 Funding of Philip Morris International 0.1 Funding of TXU 0.1 Funding of Northwest 0.1 Funding of DHS Drilling 2.2 Funding of Imperial Tobacco 0.4 Funding of Dana Corp	<u>1.4</u>	0.5 Syndication of Riverdeep 0.5 Syndication of Transocean 0.3 Transfer of Citadel to BH 0.2 Philip Morris Transfer to BH
<u>Projected</u>	<u>1.0</u>		<u>1.6</u>	
Feb	1.0	0.4 Funding of Aldabra 0.3 Funding of Arysta Life Science Corp 0.2 Funding of Press Ganey 0.1 Funding of PQ Corp	1.6	0.7 Transfer of HY/HG loans to BH 0.4 Syndication of Dana 0.3 Syndication of various US loans 0.1 Transfer of CW Media to BH 0.1 Transfer of Riverdeep to BH
Total HY/HG	7.7	Total Funding in Q1	2.9	Total Syndication in Q1

Real Estate – Loan Funding & Syndication Pipeline

- ◆ Total Funding: \$0.8 Bn
- ◆ Total Syndication: \$1.4 Bn
- ◆ Amounts in post-banks

Timeline		Funding	Syndication/Securitization	
<u>Closed</u>	<u>0.7</u>		<u>0.1</u>	
	0.2	Funding of Project Casa cash coll. To BH	0.1	Syndication of Exhibition City
	0.2	Funding of Cosmos		
	0.1	Funding of Exhibition City		
	0.1	Funding of Grande Asset		
	0.1	Funding of Osaka Land Acquisition		
<u>Projected</u>	<u>0.1</u>		<u>1.3</u>	
Feb	0.1		1.3	
	0.1	Funding of misc. Asia Real Estate loans	0.4	Transfer of RE loans to BH
			0.3	Syndication of Ryowa
			0.2	Syndication of Prologis
			0.2	Repayment of Archstone
			0.2	Transfer of Hilton to BH
			0.1	Transfer of Wyndham to BH
Total RE	0.8	Total Funding in Q1	1.4	Total Syndication/Securitization in Q1

Market Update

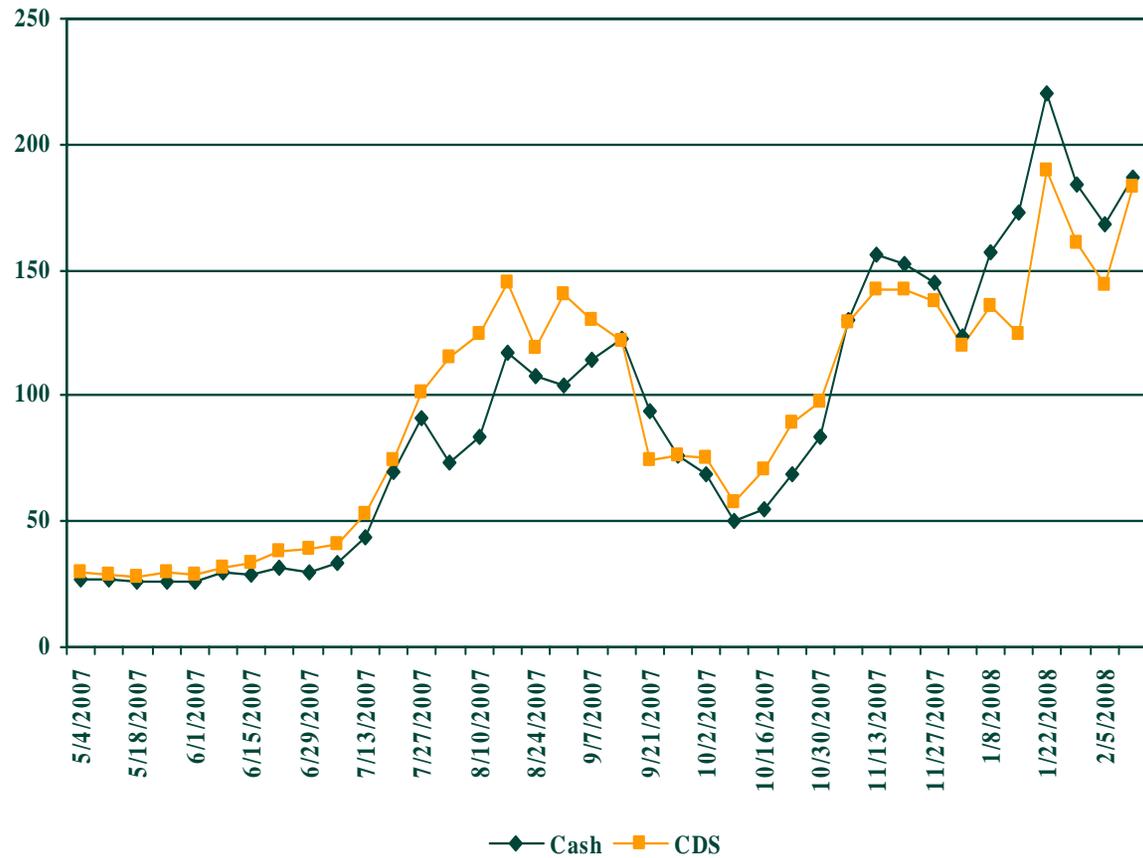
5 Year Lehman Spreads – Cash vs CDS

CDS:

BSC	276
GS	111
MER	183
MS	159
LEH	183

Cash:

5yr L + 187



Appendices

HG & HY Credit LBO Update

◆ Highlights:

Funding in Q1 for High Grade and High Yield is expected to be \$0.9 billion pre banks and \$0.7 billion post banks and syndications. This is \$7.9 billion pre banks and \$3.8 billion post banks and syndications for Q2.

Changes since last week:

– Booz Allen died (previously expected to fund \$580mm out of Holdings);
– Captive Plastics closed and funded \$130mm out of LBCB;

– Companhia Vale Do Rio Doce updated, expected to fund \$2.7bn out of Holdings (of a total funding of \$3.1bn) in May.

High Yield Bond and Leveraged Loan Bridge Book

U.S. Deals				Gross					Net of banks, sales, syndications, not expected to fund				
Deal	Closing Date	Funding Date	Total Commitment	Feb	Mar	Apr	May	H2	Feb	Mar	Apr	May	H2
Alliance Data	05/30/08	05/30/08	\$1,309	\$0	\$0	\$0	\$1,209	\$1,209	\$0	\$0	\$0	\$0	\$0
FairPoint Communications	03/31/08	03/31/08	\$624	\$0	\$465	\$465	\$465	\$465	\$0	\$465	\$465	\$465	\$465
Aldabra Sub LLC (Boise Paper Company)	02/21/08	02/21/08	\$411	\$382	\$382	\$382	\$382	\$382	\$382	\$382	\$382	\$382	\$382
McJunkin Corp.	06/01/08	06/01/08	\$350	\$0	\$0	\$0	\$0	\$350	\$0	\$0	\$0	\$0	\$215
Press Ganey Associates, Inc.	02/26/08	02/26/08	\$160	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150
PQ Corporation (CPQ Holdings LLC)	02/15/08	02/15/08	\$145	\$145	\$145	\$145	\$145	\$145	\$110	\$110	\$110	\$110	\$110
Grand Circle LLC	02/13/08	02/13/08	\$136	\$124	\$124	\$124	\$124	\$124	\$0	\$0	\$0	\$0	\$0
Local Insight Regatta Holdings, Inc. (Windstream/Berry)	03/01/08	03/01/08	\$73	\$0	\$67	\$67	\$67	\$67	\$0	\$67	\$67	\$67	\$67
Total Americas			\$3,208	\$801	\$1,333	\$1,333	\$2,542	\$2,892	\$642	\$1,174	\$1,174	\$1,174	\$1,389
Incremental Funding				\$801	\$532	\$0	\$1,209	\$350	\$642	\$532	\$0	\$0	\$215
Europe/Asia Deals				Feb	Mar	Apr	May	H2	Feb	Mar	Apr	May	H2
Deal	Closing Date	Funding Date	Commitment										
Arysta LifeScience Corp.	02/29/08	02/29/08	\$89	\$55	\$55	\$55	\$55	\$55	\$55	\$55	\$55	\$55	\$55
Total Europe/Asia			\$89	\$55	\$55	\$55	\$55	\$55	\$55	\$55	\$55	\$55	\$55
TOTAL HY			\$3,297	\$856	\$1,388	\$1,388	\$2,597	\$2,947	\$697	\$1,229	\$1,229	\$1,229	\$1,444
High Grade				Feb	Mar	Apr	May	H2	Feb	Mar	Apr	May	H2
Deal	Closing Date	Funding Date	Commitment										
Companhia Vale Do Rio Doce (BL)	02/18/08	05/01/08	\$3,125	\$0	\$0	\$0	\$3,125	\$3,125	\$0	\$0	\$0	\$2,740	\$2,740
Carlsberg Breweries A/S (BL)	10/25/07	04/30/08	\$3,110	\$0	\$0	\$3,024	\$3,024	\$3,024	\$0	\$0	\$244	\$244	\$244
City of Vernon Power Portfolio	03/30/08	03/30/08	\$198	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Enogex LLC	03/03/08	03/03/08	\$20	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL HG			\$6,453	\$0	\$0	\$3,024	\$6,149	\$6,149	\$0	\$0	\$244	\$2,984	\$2,984
TOTAL HY & HG			\$9,750	\$856	\$1,388	\$4,412	\$8,746	\$9,096	\$697	\$1,229	\$1,473	\$4,213	\$4,428
Incremental funding				\$856	\$532	\$3,024	\$4,334	\$350	\$697	\$532	\$244	\$2,984	\$2,955

1. All numbers are pre-LLF.

Current Funding Plan for the Banks

Plan: \$1.9bn of loans to go into the banks in February

- ◆ There are \$1.9bn of loans in the pipeline for banks for February, split \$1.2bn HG/HY and \$0.7bn real estate

	Aug (act)	Sep (act)	Oct (act)	Nov (act)	Dec (act)	Jan (act)	Feb Plan
High Grade/High Yield							
Bankhaus	\$1,349	\$300	\$806	\$759	\$228	\$546	\$900
LBCB	\$1,171	\$296	\$686	\$458	\$790	\$179	\$326
LBB	\$328	\$7	\$5	\$70	\$0	\$0	\$0
	\$2,848	\$603	\$1,497	\$1,287	\$1,018	\$725	\$1,226
Real Estate							
Bankhaus	\$1,474	\$227	\$168	\$811	\$0	\$0	\$600
LBCB	\$90	\$200	\$164	\$130	\$130	\$0	\$0
LBB	\$200	\$499	\$376	\$540	\$78	\$18	\$50
	\$1,764	\$926	\$708	\$1,481	\$208	\$18	\$650
Total	\$4,612	\$1,529	\$2,205	\$2,768	\$1,226	\$743	\$1,876

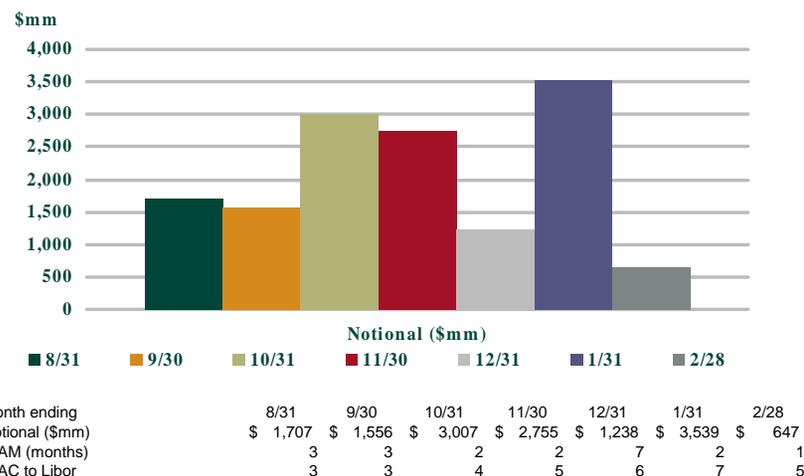
\$0.2bn of commitments moved into the banks MTD in February

<u>Date</u>	<u>HG/HY/CRE</u>	<u>Loan Name</u>	<u>Commitment</u>	<u>Funded Amount</u>	<u>Entity</u>
Various	CRE	Sub \$50mm pieces	\$19,000,000	\$19,000,000	LBB
		LBB Total	\$19,000,000	\$19,000,000	
2/5/2008	HY	Berry Plastics	\$130,000,000	\$130,000,000	LBCB
Various	HY	Sub \$50mm pieces	\$0	\$0	LBCB
Various	HG	Sub \$50mm pieces	\$0	\$0	LBCB
Various	GPS	Sub \$50mm pieces	\$5,000,000	\$5,000,000	LBCB
Various	CRE	Sub \$50mm pieces	\$0	\$0	LBCB
		LBCB Total	\$135,000,000	\$135,000,000	
2/2/2008	HG	Imperial Tobacco	\$72,500,000	\$72,500,000	LBBAG
		Bankhaus Total	\$72,500,000	\$72,500,000	
		Total All Banks	\$226,500,000	\$226,500,000	

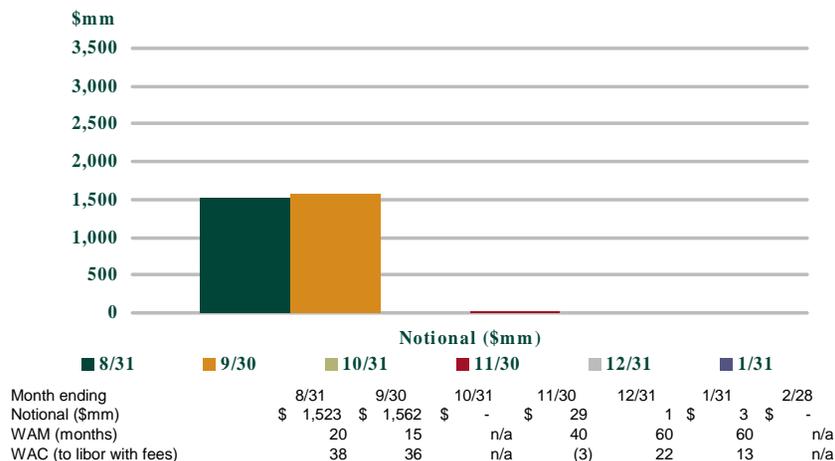
Lehman Subsidiary Banks' CD Issuance and Deposit Raising

- ◆ Since the beginning of August, Lehman's U.S. banks have issued \$5.9 billion of CDs and the German bank has raised \$14.4bn of deposits.

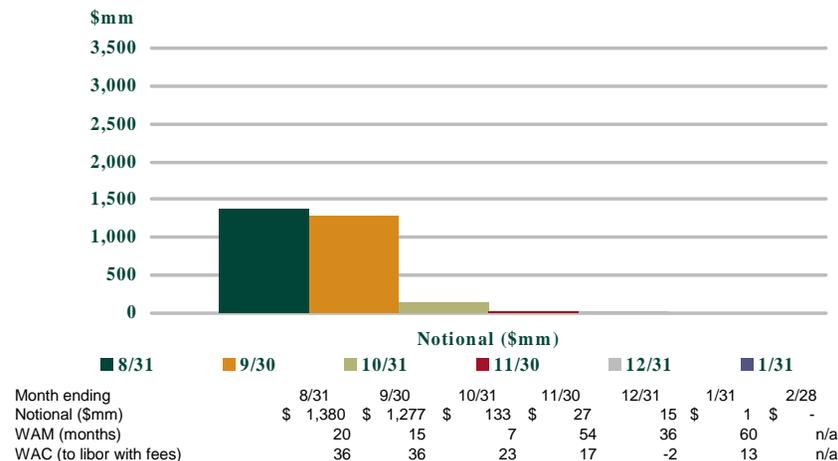
Bankhaus Deposits Raised



LBB CD issuance



LBCB CD issuance



Contingent Liquidity Facilities Update

Lehman Loan Funding (LLF)

Current Loan Designations & Prefundings

Lehman Loan Fund (LLF)	Designation Capacity	Funding Capacity	Prefunded Amount	Lehman Purchased	Actual Prefunded
	7,500	7,500	240	-	240
Loan	Designated	Funded			
TXU	126	126			
SANTA FE/ TRANSOCEAN	100	100			
Total	226	226	-	-	-
Remaining Capacity	7,274	7,274	240	-	240

Commentary

- ◆ Overview: Lehman Loan Funding (LLF) is a conduit affiliate of Lehman which was set up to fund designated acquisition loans. LLF is 75% owned by Hudson Castle, and is funded by secured liquidity notes issued to investors.

Aegis

Current Loan Designations & Prefundings

Aegis	Designation Capacity	Funding Capacity	Prefunded Amount	Lehman Purchased	Actual Prefunded
	6,000	2,437	1,351	(1,351)	-
Loan*	Designated	Funded			
GENERAL ELECTRIC CAPITAL CORP	750	-			
IBM	225	-			
AMGEN INC.	178	-			
RESIDENTIAL CAPITAL LLC	150	-			
ALCOA INC.	110	-			
TIME WARNER INC.	100	40			
SUB \$100MM LOANS	1,295	38			
Total	2,806	77			
Remaining Capacity	3,194	2,360	1,351	(1,351)	-

**Only loans greater than \$100mm shown*

Commentary

- ◆ Overview: The Aegis conduit was set up to fund unfunded high grade loan commitments. Aegis is backed by Lloyds Bank and is funded through CP issuances.

SLN Maturity Profile

Maturity	Amount (\$mm)
Week of Feb 11	1,351
	1,351

Conduits

Lehman Brothers Funding

Fenway Pay-Down Schedule (as of each end of day calendar date listed below)

	Original Scheduled Balance	Scheduled Paydowns	Required Cumulative Issuance	LLF Available Funding	LLF Funded Assets	MMP-3 Treasury Loan
08/29/2007	4,758,075,000	(500,000,000)	-	259,474,058	408,115,942	4,090,485,000
09/04/2007	3,808,075,000	(950,000,000)	-	-	408,115,942	3,399,959,058
09/17/2007	3,032,075,000	(776,000,000)	-	-	408,115,942	2,623,959,058
09/24/2007	3,021,075,000	(11,000,000)	-	-	408,115,942	2,612,959,058
09/28/2007	2,719,075,000	(302,000,000)	-	-	408,115,942	2,310,959,058
10/01/2007	2,709,175,000	(9,900,000)	-	-	408,115,942	2,301,059,058
10/02/2007	2,652,175,000	(57,000,000)	-	-	408,115,942	2,244,059,058
10/05/2007	2,647,175,000	(5,000,000)	-	63,768,116	344,347,826	2,239,059,058
10/09/2007	2,544,075,000	(103,100,000)	-	2,063,768,116	344,347,826	135,959,058
10/15/2007	2,530,075,000	(14,000,000)	-	63,768,116	2,344,347,826	121,959,058
10/16/2007	3,527,075,000	(3,000,000)	1,000,000,000	63,768,116	2,344,347,826	1,118,959,058
10/18/2007	3,524,575,000	(2,500,000)	1,000,000,000	61,268,116	2,344,347,826	1,118,959,058
10/22/2007	3,472,275,000	(52,300,000)	1,000,000,000	104,620,290	2,248,695,652	1,118,959,058
10/25/2007	3,272,275,000	(200,000,000)	1,000,000,000	153,465,942	1,989,850,000	1,118,959,058
10/26/2007	3,122,075,000	(150,200,000)	1,000,000,000	3,265,942	1,989,850,000	972,225,000
10/30/2007	2,972,075,000	(150,000,000)	1,000,000,000	-	1,062,350,000	759,725,000
10/31/2007	1,822,075,000	(1,150,000,000)	-	-	(24,700,000)	735,025,000
11/07/2007	1,797,375,000	-	-	-	-	659,725,000
11/09/2007	1,722,075,000	(75,300,000)	-	-	-	559,725,000
11/16/2007	1,622,075,000	(100,000,000)	-	-	-	559,725,000
11/21/2007	2,272,075,000	-	650,000,000	300,000,000	1,062,350,000	559,725,000
11/26/2007	2,122,075,000	(150,000,000)	650,000,000	-	1,562,350,000	209,725,000
11/30/2007	2,122,075,000	-	650,000,000	292,301,785	1,270,048,215	209,725,000
12/03/2007	2,021,225,000	(100,850,000)	650,000,000	240,308,334	1,221,191,666	209,725,000
12/05/2007	1,371,225,000	(650,000,000)	-	-	1,221,191,666	150,033,334
12/06/2007	1,371,225,000	-	-	-	702,034,362	669,190,638
12/10/2007	1,369,725,000	(1,500,000)	-	-	702,034,362	667,690,638
12/11/2007	1,369,725,000	-	-	-	342,034,362	1,027,690,638
12/13/2007	1,358,225,000	(11,500,000)	-	-	342,034,362	1,016,190,638
12/14/2007	1,357,625,000	(600,000)	-	-	342,034,362	1,015,590,638
12/19/2007	1,357,625,000	-	-	-	283,299,362	1,074,325,638
12/31/2007	1,357,625,000	-	-	-	248,625,330	1,109,099,670
01/1/2008	1,357,625,000	-	-	-	245,181,215	1,112,443,785
01/15/2008	1,331,375,000	(26,250,000)	-	-	248,141,194	1,083,233,806
01/18/2008	1,232,075,000	(99,300,000)	-	-	225,807,861	1,006,267,139
02/05/2008	732,075,000	(500,000,000)	-	-	225,807,861	506,267,139
02/12/2008	232,075,000	(500,000,000)	(6,267,139)	-	225,807,861	-
02/22/2008	143,980,000	(88,095,000)	81,827,861	-	225,807,861	-
06/09/2008	(143,980,000)	225,807,861	-	-	225,807,861	-

Aegis SLN Paydown Schedule

Maturity Date	Maturing SLNs	SLN Balance	LBI Purchased and Repo'd	SLNs Financed by Street	Cash Capital Funded Assets
01/31/2007	-	2,352,000,000	-	-	-
02/11/2008	(1,001,000,000)	1,351,000,000	1,351,000,000	-	77,432,000
02/12/2008	(1,351,000,000)	-	-	-	-

Client Funding (Lehman Brothers Provides Backstop)

Firm Relationship Conduits

Conduit Name	Asset	Commitment	Funded	Potential LEH Requirement
Transamerica Asset Funding	Aegon	100,000,000	100,000,000	100,000,000
New Center Asset Trust	GMAC	325,000,000	325,000,000	325,000,000
FCAR Owner Trust	Ford	238,000,000	238,000,000	238,000,000
Landale Asset Purchasing	HBOS	203,300,000	123,000,000	80,300,000
Axon Financial Funding Ltd	n/a	50,000,000	50,000,000	-
Total Outstanding		916,300,000	836,000,000	743,300,000

Hudson Castle - Belmont

Asset	Commitment	Funded	Potential LEH Requirement
Cap One (Belmont)	250,000,000	-	250,000,000
Americredit (Belmont)	255,000,000	108,297,928	255,000,000
Sonic	100,000,000	82,500,000	100,000,000
Dominos	90,000,000	3,000,000	90,000,000
Hertz	50,000,000	-	50,000,000
Dunkin Brands	55,167,000	13,791,000	55,167,000
Total Outstanding	800,167,000	207,588,928	800,167,000

Hudson Castle - Belmont (not cash capital)

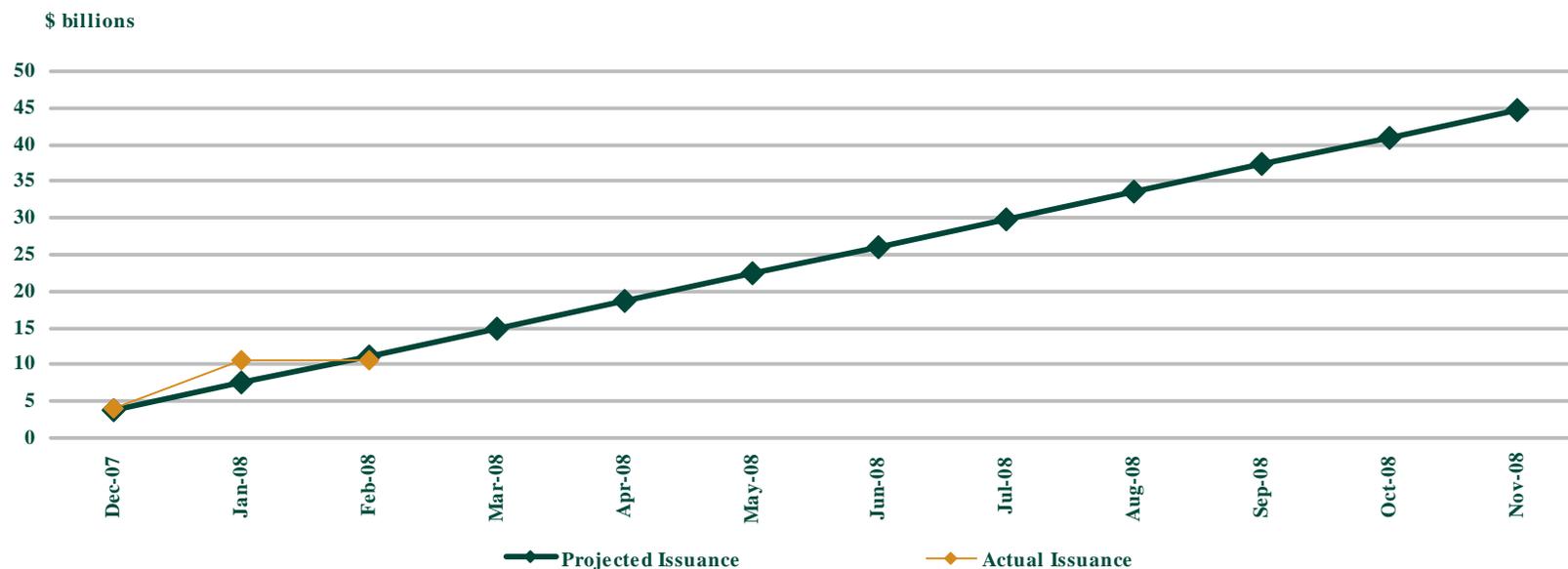
Asset	Commitment	Funded
LCPI Repo	400,000,000	400,000,000
Total Outstanding	400,000,000	400,000,000

Liberty Hampshire

Asset	Commitment	Funded
Non Cash Capital	172,000,000	172,000,000
Unsecured	1,000,000,000	1,000,000,000
Total Outstanding	1,172,000,000	1,172,000,000

2008 Cash Capital Issuance Actual vs. Projected

◆ Cash Capital Issuance in Jan 2008 was \$6.2bn, which includes \$4.4bn Vanilla, and \$1.8bn Structured note issuance.

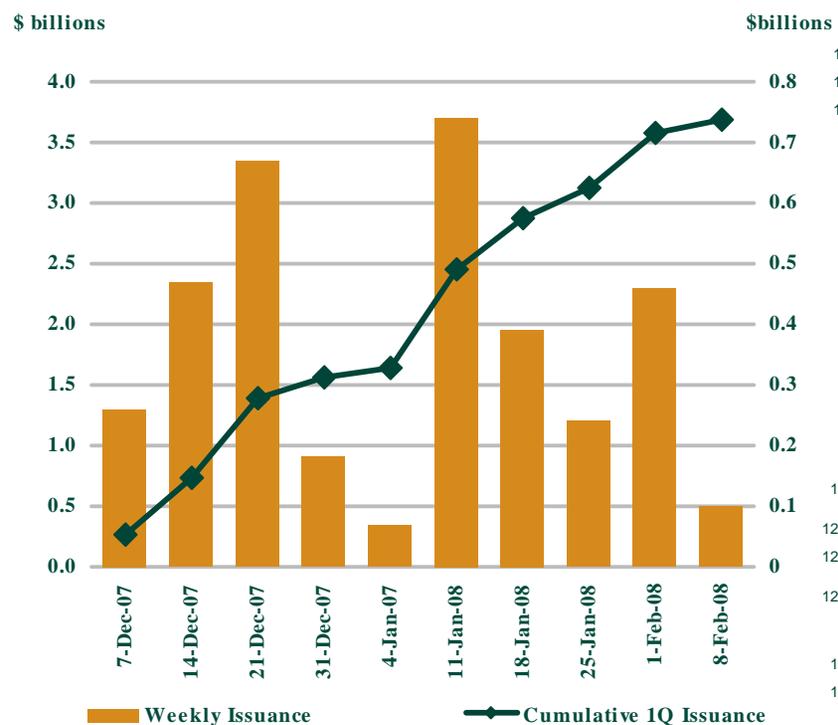


	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Projected Issuance
Projected Issuance	3.7	7.5	11.2	14.9	18.6	22.4	26.1	29.8	33.5	37.3	41	44.7	44.7
Actual Issuance													
<i>Vanilla</i>	1.0	5.5	5.5	-	-	-	-	-	-	-	-	-	20.7
<i>Structured</i>	1.6	3.6	3.7	-	-	-	-	-	-	-	-	-	19.55
<i>Subdebt</i>	1.5	1.5	1.5	-	-	-	-	-	-	-	-	-	3.5
<i>Hybrid</i>	-	-	-	-	-	-	-	-	-	-	-	-	0.95
Total	4.1	10.6	10.7	-	-	-	-	-	-	-	-	-	44.7
Variance	0.4	3.1	(0.5)	-	-	-	-	-	-	-	-	-	-

Structured Cash Capital Issuance

- ◆ QTD Structured CC Issuance = \$3.68bn on 385 total trades
- ◆ QTD Average Structured CC Issuance per Week ~ \$368mm

Issuance Summary



[1] Excludes unbooked trades

Issuance by Tenor (\$ millions)

	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years	Total
12/7/2007	-	58	62	63	6	63	252
12/14/2007	-	69	52	61	63	236	481
12/21/2007	-	104	79	23	7	463	675
12/31/2007	-	31	33	74	55	34	226
1/4/2008	-	24	6	46	2	46	124
1/11/2008	-	544	23	51	5	117	740
1/18/2008	-	75	77	24	170	37	383
1/25/2008	-	38	19	33	50	96	236
2/1/2008	-	227	22	38	51	124	462
2/8/2008	-	24	43	11	5	15	99

Issuance by Currency (\$ millions)

	AUD	CHF	CZK	DKK	EUR	GBP	HKD	HUF	ILS	JPY	KRW	NOK	NZD	SEK	USD	Total
12/7/2007	49	2	-	36	128	-	-	-	-	3	-	-	-	-	34	252
12/14/2007	46	17	-	-	111	-	-	-	-	72	-	5	-	-	231	480
12/21/2007	16	4	-	1	152	3	-	-	-	14	-	-	-	-	485	675
12/31/2007	28	-	-	-	100	-	-	-	-	-	-	-	11	-	88	226
1/4/2008	12	-	6	-	27	-	-	-	-	-	-	-	-	-	78	124
1/11/2008	39	7	-	-	28	10	-	-	-	3	-	-	11	-	641	740
1/18/2008	46	7	-	-	19	12	1	-	-	3	-	-	16	-	279	383
1/25/2008	33	-	-	-	41	2	-	-	-	19	-	-	11	-	130	236
2/1/2008	19	4	-	-	74	1	-	-	-	-	-	-	5	3	356	462
2/8/2008	19	-	-	-	24	5	-	-	-	-	-	-	-	-	51	99

Top 5 Money Market Repos (1/25 – 2/8)

Date	Product	Rating	Amount	Amount (\$Millions)
01/25/2008	RESTRUCTURED ASSET SECURITIES	A1	2,941,260,412	2,941
	C/P AEGIS FINANCE LLC 3(C)(7) RESALE TO QP ONLY	A1	2,280,053,923	2,280
	C/P AMSTEL FUNDING CORP 4.2	A1	396,804,325	397
		OTHER	3,864,260	4
	C/P ATLANTIS ONE FUNDING	A1	385,910,413	386
	C/P EBBETS FUNDING LLC 3(C)(7) RESALE TO QP ONLY	A1	372,786,761	373
	Remaining		3,086,926,726	3,087
	Grand Total		9,467,606,820	9,468
01/29/2008	RESTRUCTURED ASSET SECURITIES	A1	2,935,813,145	2,936
	C/P AEGIS FINANCE LLC 3(C)(7) RESALE TO QP ONLY	A1	2,294,823,562	2,295
	C/P EBBETS FUNDING LLC 3(C)(7) RESALE TO QP ONLY	A1	416,039,892	416
	C/P ANGLESEA FUNDING LLC	A1	344,839,031	345
	C/P HALKIN FINANCE LLC 3(C)(7) RESALE TO QP ONLY	A1	242,498,533	242
	Remaining		2,442,088,594	2,442
	Grand Total		8,676,102,758	8,676
02/01/2008	RESTRUCTURED ASSET SECURITIES	A1	2,935,380,549	2,935
	C/P AEGIS FINANCE LLC 3(C)(7) RESALE TO QP ONLY	A1	2,249,921,620	2,250
	C/P ALCOA INC	A2	486,189,409	486
	C/P EBBETS FUNDING LLC 3(C)(7) RESALE TO QP ONLY	A1	341,115,192	341
	C/P ERASMUS CAPITAL CORPORATION	A1	324,720,655	325
	Remaining		4,510,805,343	4,511
	Grand Total		10,848,132,767	10,848
02/05/2008	RESTRUCTURED ASSET SECURITIES	A1	2,937,438,481	2,937
	C/P AEGIS FINANCE LLC 3(C)(7) RESALE TO QP ONLY	A1	1,326,002,054	1,326
	C/P ANGLESEA FUNDING LLC	A1	400,016,949	400
	C/P HALKIN FINANCE LLC 3(C)(7) RESALE TO QP ONLY	A1	290,356,996	290
	C/P ERASMUS CAPITAL CORPORATION	A1	235,577,553	236
	Remaining		3,610,739,591	3,611
	Grand Total		8,800,131,623	8,800
02/08/2008	RESTRUCTURED ASSET SECURITIES	A1	2,942,803,000	2,943
	C/P AEGIS FINANCE LLC 3(C)(7) RESALE TO QP ONLY	A1	1,325,640,969	1,326
	C/P ROCKIES EXPRESS PIPELINE LLC	A2	311,718,378	312
	C/P CROWN POINT CAPITAL CO 3(C)(7) RESALE TO QP ONLY	A1	274,642,098	275
	C/P ANGLESEA FUNDING LLC	A1	256,352,282	256
	Remaining		5,413,528,832	5,414
	Grand Total		10,524,685,558	10,525

1. Excludes assets funded in Bankhaus, which was \$0bn as of February 8th, 2008.

Lehman Extendible Bonds

LEHMAN EXTENDIBLE INVESTOR BASE

MTNH109	Investor	Size	Election Date	COUP	Notes	Cash Cap a/o	Cash Cap a/o	Cash Cap a/o
						8/31/2007	9/30/2007	12/31/2007
	Columbia	\$400	9/14/2007	n/a		400	400	0
	BONY	\$100	9/14/2007	1ml + 3		100	100	0
	Total	\$500				500	500	0
MTNI224	Investor	Size	Election Date	COUP		8/31/2007	9/30/2007	12/31/2007
	FRANK RUSSELL COMPANY	\$300	9/27/2007	3ml flat		220	0	0
	EVERGREEN INVESTMENT MGMT CO LLC NORTH CAROLINA	\$300	9/27/2007	3ml + 2	Accepted New Extendible	300	300	300
	FLORIDA STATE BOARD OF ADMINISTRATION	\$300	9/27/2007	+4 Ext		300	300	0
	WELLS CAPITAL MANAGEMENT CALIFORNIA	\$250	9/27/2007	+4 Ext	Accepted New Extendible	250	250	250
	DREYFUS CORPORATION	\$165	9/27/2007	n/a	Accepted New Extendible	165	165	165
	NORTHERN TRUST COMPANY	\$150	9/27/2007	3ml + 3		150	0	0
	GOLDMAN SACHS ASSET MGMT NY	\$140	9/27/2007	3ml + 2		140	0	0
	TD ASSET MANAGEMENT USA INC.	\$125	9/27/2007	no ext		0	0	0
	AMERIPRISE FINANCIAL INC	\$100	9/27/2007	3ml + 2		100	0	0
	MARSHALL & ILSLEY BANK/PORT WISCONSIN	\$100	9/27/2007	??		0	0	0
	TRUSCO CAPITAL MANAGEMENT INC	\$100	9/27/2007	3ml + 3		100	0	0
	T ROWE PRICE MARYLAND	\$50	9/27/2007	3ml + 2		50	0	0
	SEI INVESTMENTS MANAGEMENT CORP	\$45	9/27/2007	n/a		45	45	0
	PUTNAM INVESTMENTS USA	\$45	9/27/2007	n/a		0	0	0
	HARRIS INVESTMENT MANAGEMENT ILLINOIS	\$30	9/27/2007	+4 Ext		30	30	0
	HARTFORD INVESTMENT MANAGEMENT CONNECTICUT	\$25	9/27/2007	n/a		0	25	0
	PRINCIPAL LIFE INSURANCE COMPANY	\$20	9/27/2007	n/a		20	20	0
	WILLIAMS CAPITAL GROUP LP	\$5	9/27/2007	??		0	0	0
	Total	\$2,250				1,870	1,135	715
MTNG105	Investor	Size	Election Date	COUP		8/31/2007	9/30/2007	12/31/2007
	BONY	175.00	9/22/2007	1ml + 11		175	175	0
	JPMorgan	\$250	9/22/2007	n/a		0	0	0
	Merrill	\$150	9/22/2007	n/a		150	0	0
	Dreyfus	97.20	9/22/2007		Accepted New Extendible	0	97.2	97.2
	Do not know investors	\$73	9/22/2007			0	0	0
	Total	\$745				325	272	97.2
		272.2						
MTNI21	Investor	Size	Election Date	COUP		8/31/2007	9/30/2007	12/31/2007
	JP MORGAN CHASE BANK NA	\$300	9/22/2007		21mo Bullet matures 05/22/09	300	300	300
	Total	\$300				300	300	300
MTN7061	Investor	Size	Election Date	COUP		8/31/2007	9/30/2007	12/31/2007
	State Street - Denom in EUR	\$270	n/a			270	0	0
	Total	\$270				270	0	0
Total Extendible Notional		\$4,065				Total Current Cash Cap Position		
						\$3,265	\$2,207	\$1,112
						Cash Capital Loss "Status"		
						\$800	\$1,858	\$2,953