

LPG Weekly Review

Private and Confidential

July 6, 2007

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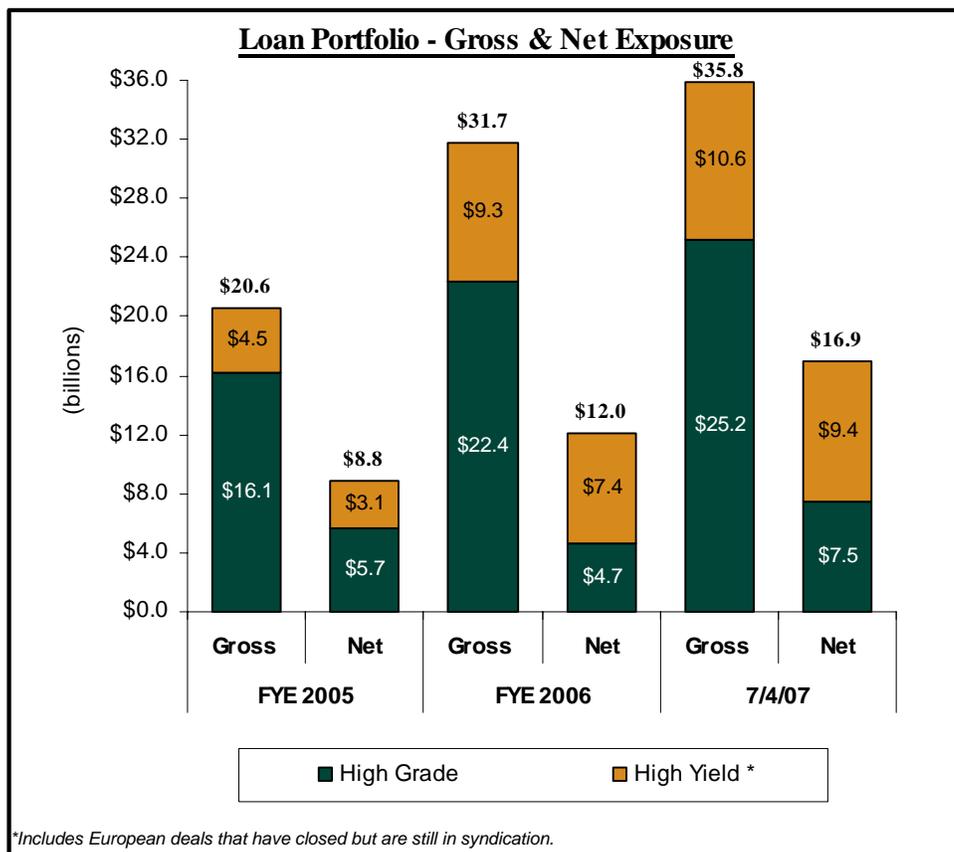
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Loan Portfolio Summary

(mm)	FYE 2005			FYE 2006			7/4/07		
	HG	HY	TOTAL	HG	HY	TOTAL	HG	HY	TOTAL
Gross Exposure	\$16,144	\$4,483	\$20,627	\$22,387	\$9,313	\$31,700	\$25,224	\$10,607	\$35,831
Structured Participations	(3,310)	(250)	(3,560)	(4,172)	(131)	(4,303)	(4,408)	(137)	(4,545)
CDS/Bond Shorts	(7,122)	(1,110)	(8,232)	(13,554)	(1,814)	(15,368)	(13,297)	(1,027)	(14,324)
Net Exposure	\$5,712	\$3,123	\$8,835	\$4,661	\$7,368	\$12,029	\$7,519	\$9,443	\$16,962
Macro & Other Hedges	0	0	0	(683)	(100)	(783)	(1,307)	(125)	(1,432)
	\$5,712	\$3,123	\$8,835	\$3,978	\$7,268	\$11,246	\$6,212	\$9,318	\$15,530

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PORTFOLIO ACTIVITY

Recently Closed Commitments

(mm) Borrower	FRL/ BL	Facility Type	Facility Size	Original Lehman Commitment	Final Allocation	Commitment Date	Closing Date
HIGH GRADE							
Biogen Idec Inc.	FRL	Revolver	\$400.0	\$40.0	\$40.0	6/13/07	6/29/07
CenterPoint Energy, Inc.	FRL	Revolver	\$1,200.0	\$44.0	\$44.0	6/11/07	6/29/07
CenterPoint Energy Houston Electric, LLC	FRL	Revolver	\$300.0	\$11.0	\$11.0		
CenterPoint Energy Resources Corp.	FRL	Revolver	\$950.0	\$35.0	\$34.9		
			\$2,450.0	\$90.0	\$89.9		
FCAR Owner Trust	FRL	Revolver	\$8,410.0	\$95.0	\$95.0	6/21/07	7/1/07
iStar Financial Inc.	FRL	Bridge	\$2,000.0	\$100.0	\$95.0	6/15/07	7/2/07
OZ Management, LLC	BL	Term	\$500.0	\$250.0	\$250.0	6/11/07	6/29/07
Principal Financial Group, Inc.	FRL	Revolver	\$600.0	\$45.0	\$28.0	6/13/07	6/29/07
Reynolds American Inc.	FRL	Revolver	\$550.0	\$100.0	\$52.0	6/12/07	6/28/07
Spectra Energy Operating, L.P.	FRL	Revolver	\$250.0	\$25.0	\$15.5	4/25/07	7/2/07
	FRL	Term	\$250.0	\$25.0	\$15.5		
			\$500.0	\$50.0	\$31.0		
Discover Financial Services	FRL	Revolver	\$1,750.0	\$75.0	\$75.0	5/22/07	7/2/07
Southern Company, The	FRL	Revolver	\$500.0	\$50.0	\$50.0	6/14/07	7/6/07
HIGH GRADE TOTAL				\$895.0	\$805.9		
HIGH YIELD							
Asurion Corporation	BL	Revolver	\$100.0	\$30.0	\$25.0	4/16/07	7/3/07
	BL	1st Lien Term	\$1,755.0	\$553.5	\$61.7		
	BL	2nd Lien Term	\$675.0	\$14.0	\$0.0		
			\$2,530.0	\$597.5	\$86.7		
<i>Endemol/Edam Acquisition BV (Project Echo)</i>	BL	HoldCo Revolver	€100.0	€15.0	TBD	5/11/07	7/3/07
	BL	OpCo Revolver	€100.0	€15.0	TBD		
	BL	Capex/Acquisition	€300.0	€45.0	TBD		
	BL	Earn-Out Facility	€200.0	€75.0	TBD		
	BL	Term B1	€650.0	€97.5	TBD		
	BL	Term B2	€80.0	€12.0	TBD		
	BL	Term C1	€650.0	€97.5	TBD		
	BL	Term C2	€80.0	€12.0	TBD		
	BL	2nd Lien Term	€250.0	€37.5	TBD		
	BL	Mezzanine	€410.0	€61.5	TBD		
			\$3,811.8	\$632.6			
Macerich Partnership, L.P., The	FRL	Revolver	\$1,500.0	\$50.0	\$25.0	6/27/07	7/3/07
HIGH YIELD TOTAL				\$1,280.1	\$111.7		
LPG TOTAL				\$2,175.1	\$917.6		

Italics=European or Asian deal

Bold = Closed and currently being syndicated.

PSYND (Issued Commitments)

(mm) Borrower	FRL/BL	Facility Type	Facility Size	Current Lehman Commitment	Commitment Date	Expected Closing Date
HIGH GRADE						
Alabama Power Company	FRL	Revolver	\$600.0	\$25.0	6/14/07	7/9/07
Alcoa Holdco Canada ULC	BL	Term	\$30,000.0	\$1,000.0	5/24/07	7/11/07
American International Group, Inc.	FRL	Revolver	\$2,125.0	\$80.0	6/21/07	7/11/07
Chicago Mercantile Exchange Holdings, Inc.	BL	Bridge	\$3,000.0	\$3,000.0	5/10/07	7/07
Cisco Systems, Inc	FRL	Revolver	\$3,000.0	\$150.0	7/3/07	7/31/07
Coventry Healthcare, Inc.	FRL	Revolver	\$850.0	\$80.0	6/29/07	7/11/07
Halliburton Company	FRL	Revolver	\$1,200.0	\$70.0	6/27/07	7/9/07
The Home Depot, Inc.	FRL	Revolver	\$2,500.0	\$35.0	6/29/07	7/07
ITC Holdings, Inc.	BL	Bridge	\$750.0	\$750.0	1/18/07	12/07
Loews Oil & Gas Acquisition Corp.	FRL	Revolver	\$400.0	\$40.0	6/22/07	8/07
	FRL	Term	\$1,600.0	\$160.0		
			\$2,000.0	\$200.0		
Man Group Finance Inc.	FRL	Revolver	\$1,500.0	\$60.0	5/23/07	7/9/07
	BL	Bridge	\$1,400.0	\$50.0		
			\$2,900.0	\$110.0		
PHH Mortgage Corporation	BL	Warehouse Facility	\$4,000.0	\$1,200.0	3/15/07	9/30/07
Qatar Liquefied Gas Company Limited 4	FRL	Revolver	\$2,800.0	\$85.8	9/8/06	7/07
Tyco Healthcare (Covidien Ltd.)	FRL	Revolver	\$600.0	\$30.0	12/15/06	9/07
Tyco Electronics Corporation	FRL	Revolver	\$600.0	\$30.0		
Tyco Fire & Security	FRL	Revolver	\$550.0	\$26.4		
			\$1,750.0	\$86.4		
HIGH GRADE TOTAL				\$6,872.2		

Italics=European or Asian deal.

PSYND (cont'd.)

(mm) Borrower	FRL/BL	Facility Type	Facility Size	Current Lehman Commitment	Commitment Date	Expected Closing Date
HIGH YIELD						
Air Canada Technical Services L.P.	BL	Revolver	C\$ 50.0	C\$ 50.0	5/11/07	8/15/07
	BL	1st Lien Term	C\$ 450.0	C\$ 450.0		
	BL	2nd Lien Term	<u>C\$ 225.0</u>	<u>C\$ 225.0</u>		
			\$680.0	\$680.0		
Alliance Broadcasting	BL	Revolver	\$43.0	\$12.9	1/10/07	8/15/07
	BL	1st Lien Term	\$455.0	\$136.5		
	BL	Sr. Bridge	\$170.1	\$76.5		
	BL	Sub. Bridge	<u>\$140.3</u>	<u>\$63.1</u>		
			\$808.4	\$289.1		
Alliance Data Systems	BL	Revolver	\$500.0	\$100.0	5/31/07	9/07
	BL	Term	\$3,900.0	\$780.0		
	BL	Sr. PIK Toggle Bridge	\$1,800.0	\$360.0		
	BL	Sub. Bridge	<u>\$410.0</u>	<u>\$82.0</u>		
			\$6,610.0	\$1,322.0		
Allison Transmission	BL	Revolver	\$400.0	\$133.3	6/26/07	7/07
	BL	1st Lien Term	\$3,100.0	\$1,033.3		
	BL	2nd Lien Term	<u>\$1,100.0</u>	<u>\$366.7</u>		
			\$4,600.0	\$1,533.3		
ARINC, Inc.	BL	Revolver	\$75.0	\$37.5	6/4/07	8/07
	BL	Synthetic LC	\$65.0	\$32.5		
	BL	Term B	\$375.0	\$187.5		
	BL	2nd Lien PIK Toggle	\$215.0	\$107.5		
	BL	Sr. Bridge	<u>\$215.0</u>	<u>\$107.5</u>		
			\$945.0	\$472.5		
Biomet Inc.	BL	Revolver	\$400.0	\$30.0	1/17/07	7/23/07
	BL	ABL Revolver	\$350.0	\$26.3		
	BL	Tender Offer Facility	<u>\$6,165.0</u>	<u>\$462.4</u>		
			\$6,915.0	\$518.7		
CDW Corporation	BL	ABL Revolver	\$700.0	\$280.0	5/29/07	8/22/07
	BL	Term B	\$2,200.0	\$880.0		
	BL	Sr. Bridge	\$520.0	\$208.0		
	BL	Sr. PIK Toggle Bridge	\$520.0	\$208.0		
	BL	Sub. Bridge	<u>\$960.0</u>	<u>\$384.0</u>		
			\$4,900.0	\$1,960.0		
DAE Aviation Holdings (Dubai Aerospace)	BL	Sr. Bridge	\$300.0	\$150.0	4/2/07	8/07
<i>Debitel Konzernfinanzierungs GmbH</i>	BL	Revolver	€150.0	€25.0	5/31/07	8/07
	BL	Term	€1,500.0	€250.0		
	BL	2nd Lien Term	<u>€150.0</u>	<u>€25.0</u>		
			\$2,433.1	\$405.5		
Dollar General Corp.	BL	Revolver	\$1,000.0	\$200.0	3/11/07	7/6/07
	BL	1st Lien Term	<u>\$2,500.0</u>	<u>\$500.0</u>		
			\$3,500.0	\$700.0		
DuPont Fabros Realty	FRL	Revolver	\$275.0	\$43.4	6/25/07	7/18/07
	FRL	Term	<u>\$200.0</u>	<u>\$31.6</u>		
			\$475.0	\$75.0		
FairPoint Communications, Inc.	BL	Revolver	\$200.0	\$80.0	1/15/07	1/31/08
	BL	DD Term	\$200.0	\$80.0		
	BL	Term	<u>\$1,680.0</u>	<u>\$672.0</u>		
			\$2,080.0	\$832.0		
First Data Corp.	BL	Revolver	\$2,000.0	\$260.0	4/1/07	8/31/07
	BL	Term Loan	\$14,000.0	\$1,820.0		
	BL	Sr. Bridge	\$2,750.0	\$357.5		
	BL	Sr. PIK Toggle Bridge	\$2,750.0	\$357.5		
	BL	Sub. Bridge	<u>\$2,500.0</u>	<u>\$325.0</u>		
			\$24,000.0	\$3,120.0		

Italics=European or Asian deal.

PSYND (cont'd.)

(mm) Borrower	FRL/BL	Facility Type	Facility Size	Current Lehman Commitment	Commitment Date	Expected Closing Date
Goodyear Engineered Products	BL	Revolver	\$100.0	\$33.3	2/20/07	7/11/07
	BL	1st Lien Term	\$650.0	\$216.7		
	BL	2nd Lien Term	<u>\$410.0</u>	<u>\$136.7</u>		
			\$1,160.0	\$386.7		
Great Atlantic & Pacific Tea Co.	BL	Sr. Bridge	\$780.0	\$312.0	3/4/07	4Q07
Harman International Industries Inc.	BL	Revolver	\$550.0	\$121.5	4/25/07	10/07
	BL	Term Loan	\$2,900.0	\$640.6		
	BL	Sr. PIK Toggle Bridge	\$1,160.0	\$256.2		
	BL	Sub. Bridge	<u>\$580.0</u>	<u>\$128.1</u>		
		\$5,190.0	\$1,146.5			
Hawaiian Telcom Yellow Pages	BL	Revolver	\$5.0	\$5.0	4/26/07	11/07
	BL	Term Loan	\$260.0	\$260.0		
	BL	2nd Lien Term	\$61.8	\$61.8		
	BL	Sr. Bridge	<u>\$128.1</u>	<u>\$128.1</u>		
		\$454.9	\$454.9			
HD Supply	BL	ABL Revolver	\$2,000.0	\$666.7	6/19/07	8/07
	BL	Revolver	\$200.0	\$66.6		
	BL	Synthetic LC	\$200.0	\$66.6		
	BL	Term	\$3,750.0	\$1,250.0		
	BL	Sr. Bridge	\$1,313.0	\$437.7		
	BL	Sr. PIK Bridge	\$1,313.0	\$437.7		
	BL	Sub. Bridge	<u>\$1,175.0</u>	<u>\$391.7</u>		
		\$7,951.0	\$2,650.3			
<i>Icopal A/S (Project Aztec)</i>	BL	Revolver	€100.0	€100.0	6/11/07	TBD
	BL	Acquisition Facility	€100.0	€100.0		
	BL	Term B	€233.0	€233.0		
	BL	Term C	€233.0	€233.0		
	BL	2nd Lien Term	€108.4	€108.4		
	BL	Mezzanine	€86.7	€86.7		
	BL	PIK Facility	<u>€32.5</u>	<u>€32.5</u>		
		\$1,207.9	\$1,207.9			
Jarden Corporation	BL	Term	\$750.0	\$750.0	4/24/07	8/07
<i>Klöckner Pentaplast Luxembourg S.à.r.l</i>	BL	Capex/Acquisition Facility	<u>€125.0</u>	<u>€41.7</u>	4/12/07	7/07
		\$169.0	\$56.3			
Krueger International	BL	Revolver	\$50.0	\$50.0	5/31/07	7/31/07
	BL	Term	\$170.0	\$170.0		
	BL	2nd Lien Term	<u>\$85.0</u>	<u>\$85.0</u>		
		\$305.0	\$305.0			
LKQ Corporation	BL	Revolver	\$150.0	\$150.0	6/15/07	9/07
	BL	Term	<u>\$850.0</u>	<u>\$850.0</u>		
		\$1,000.0	\$1,000.0			
Metavante Corporation	BL	Revolver	\$250.0	\$50.0	5/2/07	10/07
	BL	Term	<u>\$1,750.0</u>	<u>\$350.0</u>		
		\$2,000.0	\$400.0			
Nuance Communications, Inc.	BL	Term	\$225.0	\$56.3	6/11/07	7/9/07
PharMerica Corporation	FRL	Revolver	\$100.0	\$8.0	6/14/07	7/23/07
	FRL	Term	<u>\$275.0</u>	<u>\$22.0</u>		
		\$375.0	\$30.0			
PHH Mortgage Corporation	BL	MSR Revolver	\$800.0	\$240.0	3/15/07	9/30/07
	BL	MSR Term	\$800.0	\$240.0		
	BL	Receivables Facility	\$100.0	\$30.0		
	BL	2nd Lien Bridge	\$300.0	\$90.0		
	BL	2nd Lien DD Bridge	<u>\$100.0</u>	<u>\$30.0</u>		
		\$2,100.0	\$630.0			

Italics=European or Asian deal.

PSYND (cont'd.)

(mm) Borrower	FRL/BL	Facility Type	Facility Size	Current Lehman Commitment	Commitment Date	Expected Closing Date
PQ Corporation	BL	Revolver	\$200.0	\$67.0	6/22/07	7/9/07
	BL	1st Lien Term	\$805.0	\$267.0		
	BL	2nd Lien PIK Toggle Term	<u>\$460.0</u>	<u>\$153.0</u>		
			\$1,465.0	\$487.0		
R.J. O'Brien	BL	Revolver	\$50.0	\$25.0	5/13/07	7/11/07
	BL	Term	\$385.0	\$192.5		
	BL	2nd Lien Term	<u>\$150.0</u>	<u>\$75.0</u>		
			\$585.0	\$292.5		
Safari Ventures, LLC (Dupont Fabros)	FRL	Revolver	\$275.0	\$43.4	6/26/07	7/18/07
	FRL	Term	<u>\$200.0</u>	<u>\$31.6</u>		
			\$475.0	\$75.0		
SemGroup Energy Partners, L.P.	FRL	Revolver	\$250.0	\$20.0	4/25/07	7/16/07
Sequa Corp.	BL	Revolver	\$150.0	\$150.0	6/18/07	9/07
	BL	Term	\$1,200.0	\$1,200.0		
	BL	Sr. Bridge	<u>\$700.0</u>	<u>\$700.0</u>		
			\$2,050.0	\$2,050.0		
Standard Aero Holdings, Inc.	BL	Term Loan	\$280.0	\$112.0	5/1/07	7/07
Syniverse Holdings, Inc.	BL	EUR Revolver	\$20.0	\$12.0	3/20/07	7/13/07
	BL	USD Revolver	\$42.0	\$25.2		
	BL	EUR Term	\$130.0	\$78.0		
	BL	USD Term	<u>\$297.0</u>	<u>\$178.2</u>		
			\$489.0	\$293.4		
Targa Resources, Inc.	BL	Revolver	\$300.0	\$67.5	6/21/07	7/23/07
	BL	Synthetic LC	\$300.0	\$67.5		
	BL	1st Lien Term	\$1,525.0	\$343.1		
	BL	2nd Lien Term	<u>\$350.0</u>	<u>\$78.8</u>		
			\$2,475.0	\$556.9		
<i>Top Tour Corporation (CCMP Asia)</i>	BL	Revolver B	¥2,000.0	¥2,000.0	5/25/07	7/31/07
	BL	Sr. Bridge (Tranche D)	¥4,000.0	¥4,000.0		
	BL	Term (Tranche A1)	¥4,100.0	¥4,100.0		
	BL	Term (Tranche A2)	¥2,700.0	¥2,700.0		
	BL	Sub. Facility (Tranche C)	<u>¥1,500.0</u>	<u>¥1,500.0</u>		
			\$116.0	\$116.0		
Tribune Company	BL	Incremental Term	\$2,105.0	\$20.0	5/16/07	11/07
	BL	Bridge	<u>\$2,100.0</u>	<u>\$31.5</u>		
			\$4,205.0	\$51.5		
TXU Corporation	BL	Sr. Bridge	\$2,000.0	\$250.0	2/25/07	3Q07
	BL	Sr. PIK Toggle Bridge	<u>\$2,500.0</u>	<u>\$312.5</u>		
			\$4,500.0	\$562.5		
TXU Electric Delivery Company	BL	Revolver	\$2,000.0	\$250.0		
TXU Energy Company (Luminant Energy)	BL	Revolver	\$2,700.0	\$412.5		
	BL	Synthetic LC	\$1,250.0	\$156.3		
	BL	Term	\$16,050.0	\$2,000.0		
	BL	DD Term	\$4,100.0	\$512.5		
	BL	Sr. Bridge	\$5,000.0	\$625.0		
	BL	Sr. PIK Toggle Bridge	<u>\$1,750.0</u>	<u>\$218.8</u>		
			\$30,850.0	\$3,925.0		
U.S. Investigations Services Inc.	BL	Revolver	\$90.0	\$58.5	5/9/07	7/15/07
	BL	Term	\$725.0	\$471.3		
	BL	Sr. Bridge	\$250.0	\$162.5		
	BL	Sub. Bridge	<u>\$190.0</u>	<u>\$123.5</u>		
			\$1,255.0	\$815.8		

Italics=European or Asian deal.

PSYND (cont'd.)

(mm) Borrower	FRL/BL	Facility Type	Facility Size	Current Lehman Commitment	Commitment Date	Expected Closing Date
Vertrue Incorporated	BL	Revolver	\$30.0	\$18.0	3/22/07	7/16/07
	BL	1st Lien Term	\$430.0	\$258.0		
	BL	2nd Lien Term	<u>\$200.0</u>	<u>\$120.0</u>		
			\$660.0	\$396.0		
Windstream Regatta Holdings, Inc.	BL	Revolver	\$20.0	\$4.0	3/15/07	9/07
	BL	Term	<u>\$46.0</u>	<u>\$9.2</u>		
			\$66.0	\$13.2		
HIGH YIELD TOTAL				\$31,510.6		
LPG PSYND TOTAL				\$38,382.8		

Italics=European or Asian deal.

Other Approved Transactions (Commitments Not Issued)

(mm)	Borrower	FRL/BL	Facility Type	Facility Size	Lehman Commitment	Approval Date	Expected Closing Date
HIGH GRADE							
	eBay Inc.	FRL	Revolver	\$2,000.0	\$225.0	5/30/07	7/07
	<i>Landesbank Hessen-Thuringen Girozentrale</i>	FRL	Revolver	€15.0	€15.0	12/19/06	7/6/07
	Lea Power Partners, LLC (Hobbs Generating)	BL	Construction LC	\$307.0	\$153.5	4/11/07	7/11/07
HIGH GRADE TOTAL					\$398.8		

HIGH YIELD							
	Chembulk Tankers LLC	BL	Term	\$400.0	\$160.0	6/11/07	8/07
		BL	DD Term	\$55.0	\$22.0		
		BL	LC Facility	<u>\$30.0</u>	<u>\$12.0</u>		
				\$485.0	\$194.0		
	<i>Imperial Tobacco(Project Vancouver)</i>	BL	Term Loan A	€3,500.0	€700.0	5/27/07	1Q08
		BL	Term Loan B	€3,000.0	€600.0		
		BL	Term Loan C	€600.0	€120.0		
		BL	Revolver A	€1,488.0	€298.0		
		BL	Revolver B	€956.0	€191.0		
		BL	Revolver D	€4,000.0	€800.0		
		BL	Sub. Bridge	€7,348.0	€735.0		
			\$28,239.7	\$4,655.3			
	InterGen N.V.	BL	Revolver	\$750.0	\$50.0	6/14/07	7/23/07
		BL	Term	<u>\$800.0</u>	<u>\$0.0</u>		
				\$1,550.0	\$50.0		
	Magnum Coal Company	FRL	Revolver	\$50.0	\$0.0	4/23/07	7/07
		FRL	Synthetic LC	<u>\$50.0</u>	<u>\$0.0</u>		
				\$100.0	\$0.0		
	Orbitz Worldwide, Inc.	BL	Revolver	\$75.0	\$0.0	6/25/07	7/07
		BL	Synthetic LC	\$125.0	\$0.0		
		BL	Term	<u>\$600.0</u>	<u>\$0.0</u>		
				\$800.0	\$0.0		
HIGH YIELD TOTAL					\$4,899.3		
LPG TOTAL					\$5,298.0		

Italics=European or Asian deal.

Portfolio Exposure Changes

(mm)	Borrower	FRL/BL	Increase / (Decrease)	Explanation
HIGH GRADE				
	The Thomson Coropration	FRL	\$383.6	New Commitment
	iStar Financial Inc.	BL	\$100.0	New Commitment
	Discover Financial Services	FRL	\$75.0	New Commitment
	Covidien Ltd.	FRL	\$45.0	New Commitment
	Tyco Electronics Group S.A.	BL	\$45.0	New Commitment
	Biogen Idec Inc.	FRL	\$40.0	New Commitment
	Tyco International Finance S.A.	BL	\$33.6	New Commitment
	SL Green Operating Partnership, L.P.	FRL	\$25.0	New Commitment
	Duke Energy Corporation	FRL	\$24.0	New Commitment
	CenterPoint Energy, Inc.	FRL	\$15.0	New Commitment
	Reynolds American Inc.	FRL	\$2.0	New Commitment
	Gulf Stream Asset Management LLC	FRL	(\$0.5)	Reduced Commitment
HIGH GRADE TOTAL			\$787.7	

HIGH YIELD				
	<i>Edam Acquisition BV (Endemol)</i>	BL	\$868.2	New Commitment
	<i>PHS Group PLC</i>	BL	\$726.6	New Commitment
	Midwest Generation LLC	FRL	\$43.8	New Commitment
	Edwards Cayman Islands II Ltd.	FRL	\$21.0	New Commitment
	EXCO Resources Inc.	BL	(\$5.5)	Reduced Commitment
	Precision Partners, Inc.	BL	(\$7.2)	Assignment Sale
	<i>Lavena Holdings 4 GmbH</i>	BL	(\$381.6)	Syndication
HIGH YIELD TOTAL			\$1,265.2	
FX Changes			\$66.5	
LPG TOTAL			\$2,119.5	

Italics=European or Asian deal.

Bold = Closed and currently being syndicated.

PORTFOLIO SNAPSHOT

% Drawn	FYE 2005	FYE 2006	7/6/07
HG	4%	9%	12%
HY	42%	35%	31%

Maturities	< 1 year	1– 2 years	2– 4 years	> 4 years	Weighted Average Maturity
HG Loans	19%	4%	30%	47%	2.9 years
HG CDS/Bond Shorts	14%	14%	43%	28%	2.9 years
HY Loans	23%	3%	11%	63%	4.7 years
HY CDS/Bond Shorts	8%	3%	48%	41%	3.5 years

Top Exposures

The following table lists our 10 largest **HG Net Exposures** as of 7/4/07.

Company Name		Moody's/S&P/Fitch/Internal	Net Exposure (mm)	% of Total Net Exposure	Gross Exposure (mm)	% of Total Gross Exposure
1.	Ford Motor Company	Ba3/B+/BB/--	\$477.0	6.3%	\$800.0	3.2%
2.	GMAC LLC	Ba1/BB+/BB+/-	415.0	5.5%	425.0	1.7%
3.	The Thomson Corporation	A3▼/A-▼/-/-	385.6	5.1%	385.6	1.5%
4.	NYSE Euronext, Inc.	A1/AA/-/-	250.0	3.3%	250.0	1.0%
5.	FCAR Owner Trust	--/-/-/AA	238.0	3.2%	238.0	0.9%
6.	Tyco International Finance S.A.	Baa1/BBB/-/-	233.6	3.1%	233.6	0.9%
7.	Tyco Electronics Group S.A.	Baa2/BBB/-/-	189.1	2.5%	189.1	0.7%
8.	Carlyle Group (The)	--/-/-/BB	183.3	2.4%	183.3	0.7%
9.	Exelon Corporation	Baa1/BBB▼/BBB+/-	175.5	2.3%	340.5	1.3%
10.	TXU Energy Company LLC	Baa2▼/BB-▼/BBB/-	157.2	2.1%	262.2	1.0%
Total			\$2,704.4	36.0%	\$3,307.4	13.1%

The following table lists our 10 largest **HY Net Exposures** as of 7/4/07.

Company Name		Moody's/S&P/Fitch/Internal	Net Exposure (mm)	% of Total Net Exposure	Gross Exposure (mm)	% of Total Gross Exposure
1.	<i>Wartsila Corporation</i>	--/-/-/BB-	\$1,694.3	17.9%	\$1,694.3	16.0%
2.	Edam Acquisition BV (Endemol)	--/-/-/-	868.2	9.2%	868.2	8.2%
3.	<i>PHS Group PLC</i>	--/-/-/-	726.6	7.7%	726.6	6.9%
4.	<i>EPCO Holdings, Inc.</i>	Ba2/BB-▼/-/-	696.4	7.4%	31.3	0.3%
5.	<i>Alpha III (Formula One)</i>	--/-/-/BB-	610.3	6.5%	610.3	5.8%
6.	<i>Klockner Pentaplast Luxembourg Sarl</i>	--/-/-/B	567.0	6.0%	567.0	5.3%
7.	<i>Lloyds TSB Registrars</i>	--/-/-/BB	533.1	5.6%	533.1	5.0%
8.	<i>Merlin Entertainments Group</i>	--/-/-/BB-	496.9	5.3%	496.9	4.7%
9.	<i>Danish HoldCo A/S (Dako)</i>	--/-/-/B	218.4	2.3%	57.0	0.5%
10.	Sisal SpA	--/-/-/B	167.8	1.8%	167.8	1.6%
Total			\$6,578.9	69.7%	\$5,752.5	54.2%

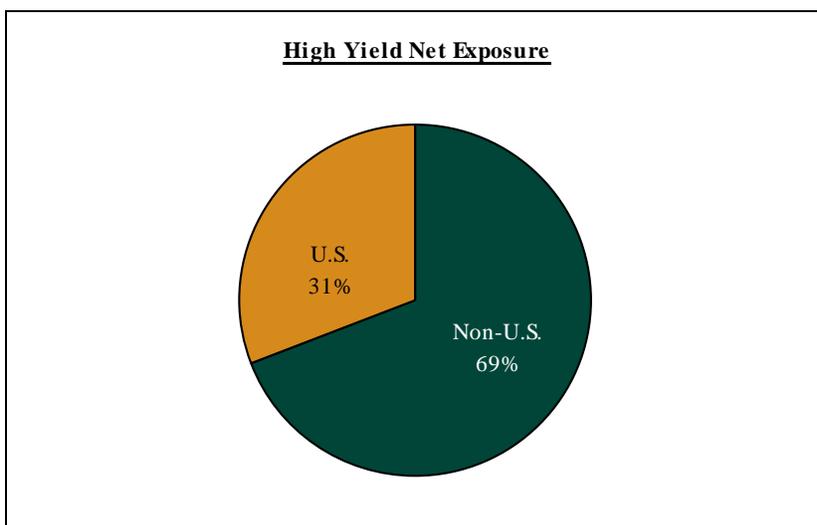
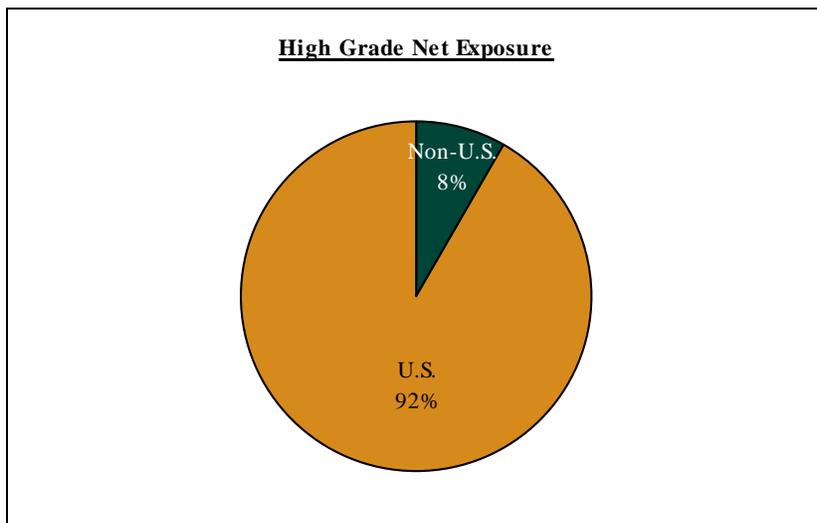
*Rating=Issuer Rating; does not necessarily represent senior secured rating.

Italics=European or Asian deal

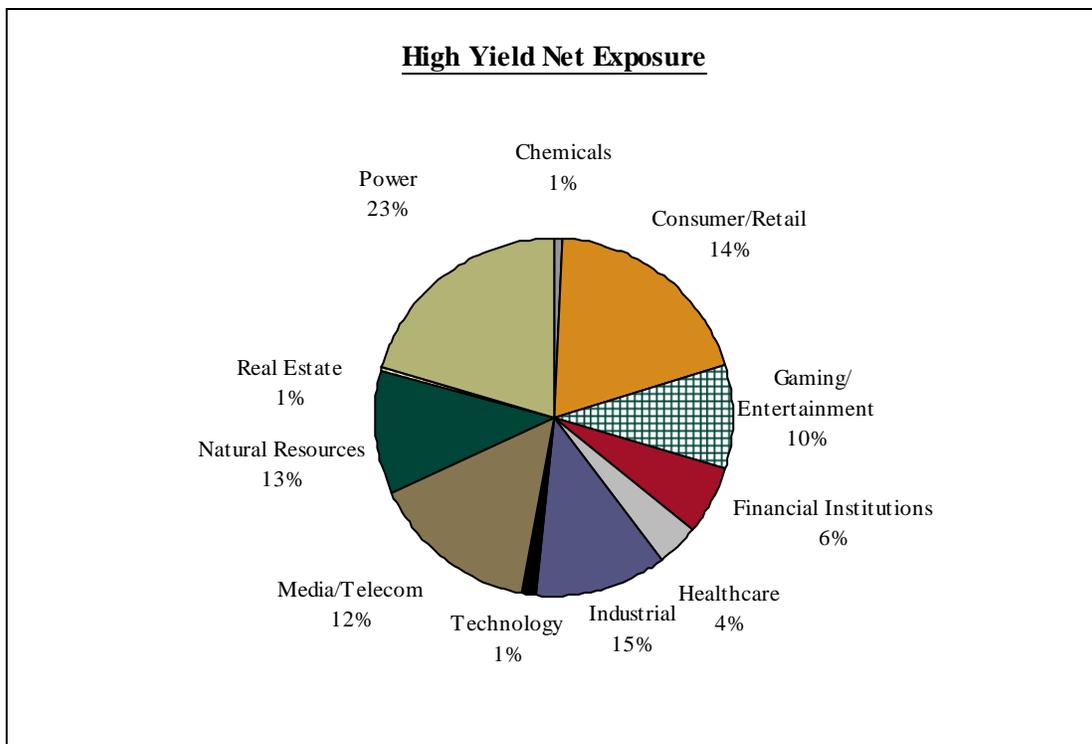
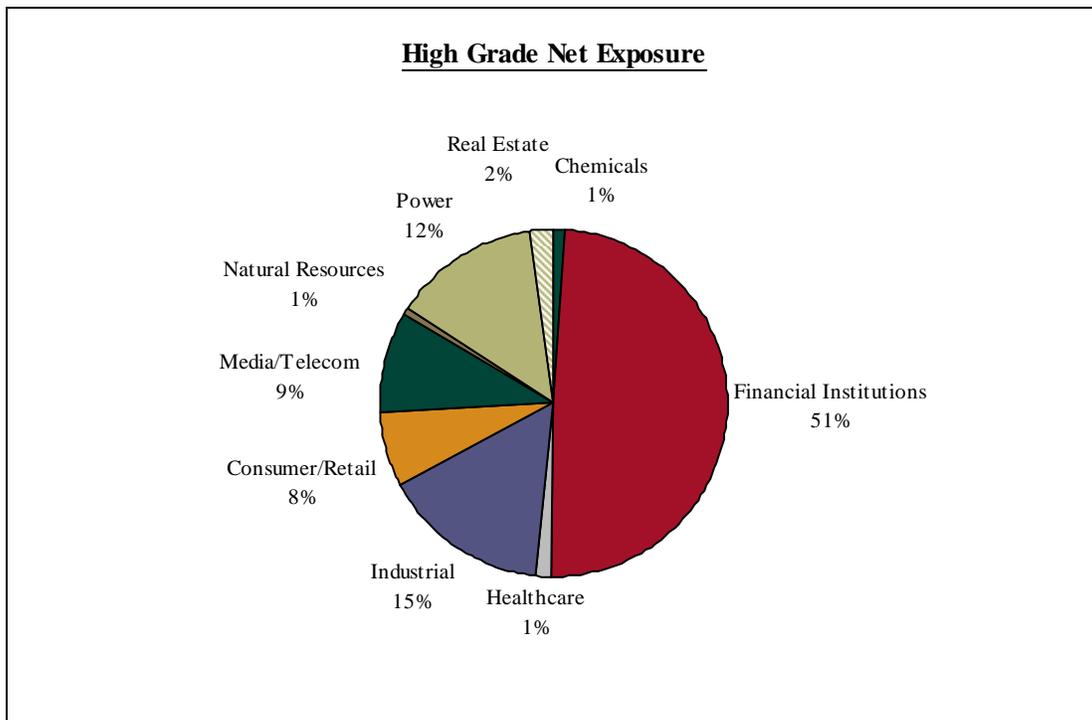
Bold=Closed & currently being syndicated.

Exposure by Geography

(mm)	HG	%	HY	%
Non-U.S.	634	8%	6,540	69%
U.S.	6,885	92%	2,902	31%
Total	\$7,519	100.0%	\$9,443	100.0%



Exposure by Sector



CREDIT/COMPANY NEWS

Ratings Recap

Company Name	Date	Agency	Rating	Action	From	To
American Cellular Corp.	7/2/07	S&P	Sr. Secured	Watch for Upgrade	B- (positive)	B-▲
Dobson Cellular Systems, Inc.	7/2/07	S&P	Sr. Secured	Watch for Upgrade	B+ (positive)	B+▲
Dobson Cellular Systems, Inc.	7/2/07	Moody's	Sr. Secured	Watch for Upgrade	Ba2 (stable)	Ba2▲
Reddy Ice Group, Inc.	7/2/07	S&P	Sr. Secured	Watch for Downgrade	BB- (stable)	BB-▼
SLM Corporation	7/2/07	Fitch	Sr. Unsecured	Downgrade	A+▼	BBB▼
Tyco International Finance S.A.	7/2/07	Fitch	Issuer	Downgrade	BBB+ (stable)	BBB (stable)
Kraft Foods Inc.	7/3/07	S&P	Sr. Unsecured	Outlook Lowered	A- (stable)	A- (negative)
Reddy Ice Group, Inc.	7/3/07	Moody's	Sr. Secured	Watch for Downgrade	Ba3 (stable)	Ba3▼
Suncal Companies	7/3/07	Moody's	Sr. Secured	Downgrade	B1 (stable)	B2 (negative)
Time Warner Telecom Inc.	7/3/07	S&P	Sr. Secured	Raised Outlook	B (negative)	B (stable)
Home Depot, Inc. (The)	7/5/07	S&P	Sr. Unsecured	Downgrade	A+▼	BBB+ (stable)
Banca Italease S.p.A.	7/6/07	Moody's	Sr. Unsecured	Downgrade	Baa1▼	Baa3▼

Italics=European or Asian deal.

Company News

Consumer/Retail

- **Kraft Foods, Inc. (KFT): Negative** - On 7/3/07, KFT announced it offered to pay \$7.2 billion for the cookies and cereal division of Groupe Danone SA. The proposed acquisition represents a strategic and industrial opportunity for the biscuits and cereal products business and would increase KFT's presence in China, Eastern Europe and parts of the developing world. The deal is subject to regulatory approval and would be completed in 4Q07. Following the announcement, S&P revised its outlook on KFT's A- senior unsecured credit ratings to negative. Moody's placed its Baa1 senior unsecured credit rating for KFT on review for downgrade. The agencies noted that although the acquisition will improve KFT's position in the snack business and increase its international diversification, a debt financed transaction will increase leverage. *(Ahuva Schwager)*

Financial Institutions

- **The Travelers Companies, Inc. (TRV): Positive** - On 7/6/07, TRV entered into a settlement to resolve all asbestos-related claims relating to AC and S Inc. Under the terms of the settlement, TRV will contribute \$449 million to a bankruptcy trust to be established according to AC and S's reorganization plan. TRV will cede \$84 million to reinsurers and fund the balance from existing reserves. The company does not expect this will have any adverse impact to earnings as a result. The settlement eliminates uncertainty around one of TRV's most significant and longest-standing asbestos exposures. *(Rohit Nair)*

Industrial

- **Banca Italease S.p.A. (BIL): Neutral** - On 7/03/07 BIL issued a press statement confirming that it had closed out more than 80% of its derivative positions with banking counterparties. The costs associated with this is €10 million. *(Patrick Marshall)*
- **Tyco International Ltd. (TYC): Negative** - On 6/29/07, S&P lowered its senior unsecured ratings for TYC one notch to BBB from BBB+ and removed the ratings from CreditWatch. The rating action follows the completion of TYC's spin-off of the electronics and healthcare businesses into standalone companies. *(Ahuva Schwager)*

Media/Telecom

- **AT&T, Inc. (ATT): Neutral** – On 6/29/07, AT&T announced it would acquire Dobson Communications for \$2.8 billion in cash. Including debt, the deal is worth \$5.1 billion. Dobson does business under the Cellular One brand in rural and suburban markets in 17 states and provides roaming service to AT&T. Following the announcement, both S&P and Moody's said that its ratings and outlook would not be affected by the acquisition. The agencies both noted that given AT&T's substantial size, the transaction would not affect its overall financial profile to a meaningful degree. (*Ahuva Schwager*)
- **Telefonica S.A. (TEF): Negative** – On 7/04/07 the EU Competition Commission announced that it was fining TEF €152 million, claiming that the company had hindered competition by setting wholesale internet prices at "unrealistic levels". TEF confirmed that it would appeal against the fine calling it "unjustified and disproportionate." (*Patrick Marshall*)

Power

- **Dominion Resources, Inc. (D); Equitable Resources, Inc. (EQT): Positive** – On 7/5/07, D announced that it extended its agreement to sell its natural gas utilities (Dominion Peoples and Dominion Hope) to EQT at least until 9/1/07. Prior to the agreement either party could have unilaterally ended the agreement after 6/30/07. A decision is expected by September 2007 from the 3rd U.S. Circuit Court of Appeals on an appeal by the Federal Trade Commission (FTC) asking to delay the sale of Dominion Peoples subject to further FTC review. A U.S. District Court judge turned down that request in a May 14 decision, asserting that the FTC overstepped its authority in the case by interfering in an intrastate transaction. The sale of Dominion Hope is still under consideration by the West Virginia Public Service Commission.

Positive – On 7/2/07, D announced that **Linn Energy LLC** agreed to buy its Mid-continent oil and gas operations, which include approximately 780 Bcfe of reserves. The Mid-continent basin transaction is the final part of D's initiative to divest most of its E&P assets so that it can focus on its electric generation, transmission and distribution, storage and retail businesses. D received an implied price of \$2.63/Mcfe for proved reserves, which is higher than analyst's estimates of \$2.00/Mcfe. (*Adrian de Lagarde*)
- **PNM Resources, Inc. (PNM): Negative** – On 7/2/07, PNM announced that the New Mexico Public Regulatory Commission granted an \$8.6 million rate increase (the request was for \$21.3 million) to PNM's utility subsidiary, **Public Service Company of New Mexico (PSNM)**, which is now effective. PSNM was also denied its bid to implement a revenue decoupling mechanism, which would alleviated downward pressure on revenues due to the gas conservation efforts of both consumers and the company. The decision was based on a revenue requirement of \$148.8 million and an authorized return on equity of 9.53% (*Adrian de Lagarde*)

APPENDIX

PORTFOLIO DETAILS

HG LOAN PORTFOLIO

7/4/07 Company	Equity Ticker	Ratings				Exposure (mm)			FRL/ BL	Sector	Portfolio Manager
		Moody's	S&P	Fitch	Internal	Gross	Current	Net			
Alcoa Inc.	AA	A2▼	BBB+▼	A-▼	--	\$80.0	\$40.0	(\$15.0)	FRL	Industrial	Ahuva Schwager
Alenco Inc.	ECA	--	--	--	BBB+	35.0	35.0	1.0	FRL	Natural Resources	Adrian de Lagarde
Alliance Funds	--	--	--	--	AA-	15.0	15.0	15.0	FRL	Financial Institutions	Rohit Nair
Alliant Energy Corporation	LNT	--	BBB	--	--	27.0	27.0	(0.0)	FRL	Power	Adrian de Lagarde
Allstate Corporation (The)	ALL	A1	A+	A+	--	80.0	80.0	21.0	FRL	Financial Institutions	Rohit Nair
Altria Group, Inc.	MO	Baa1	BBB	BBB+	--	180.4	180.4	17.4	FRL	Consumer/Retail	Ahuva Schwager
Ameren Corporation	AEE	Baa2▼	BB+▼	BBB+	--	170.9	170.9	75.9	FRL	Power	Adrian de Lagarde
América Móvil, S.A. de C.V.	AMX	A3▼	BBB+	BBB+	--	25.0	0.0	0.0	FRL	Media/Telecom	Ahuva Schwager
American Electric Power Company, Inc.	AEP	Baa2	BBB	BBB	--	111.5	61.5	(14.5)	FRL	Power	Adrian de Lagarde
American Express Company	AXP	A1	A+	A+	--	140.0	90.0	0.0	FRL	Financial Institutions	Rohit Nair
American International Group, Inc.	AIG	Aa2	AA	AA	--	50.0	50.0	10.0	FRL	Financial Institutions	Rohit Nair
American Transmission Company LLC	--	A1	A+	A+	--	35.0	10.0	10.0	FRL	Power	Adrian de Lagarde
AmerisourceBergen Corporation	ABC	Ba1	BBB-	BBB	--	55.0	55.0	20.0	FRL	Healthcare	Ahuva Schwager
Apollo Management Holdings, L.P.	--	--	--	--	B	140.9	140.9	135.9	FRL	Financial Institutions	Rohit Nair
Assurant, Inc.	AIZ	Baa1	BBB+	BBB	--	30.0	10.0	0.0	FRL	Financial Institutions	Rohit Nair
AT&T Inc.	T	A2	A	A	--	535.0	410.0	86.0	FRL	Media/Telecom	Ahuva Schwager
Atmos Energy Corporation	ATO	Baa3	BBB	BBB+	--	50.0	50.0	35.0	FRL	Natural Resources	Adrian de Lagarde
Axon Financial Funding Ltd.	--	Aaa	AAA	AAA	--	50.0	50.0	50.0	FRL	Financial Institutions	Rohit Nair
BAE Systems plc	BAL	Baa2	BBB	BBB	--	90.5	90.5	6.5	FRL	Industrial	Patrick Marshall
Banca Intlease S.p.A.	--	Baa1▼	--	A-▼	--	136.0	136.0	61.0	FRL	Financial Institutions	Patrick Marshall
Biogen Idec Inc.	BIIB	--	BBB	--	--	40.0	40.0	40.0	FRL	Healthcare	Ahuva Schwager
Blackstone Capital Partners V L.P.	--	--	--	--	BB	56.0	56.0	56.0	FRL	Financial Institutions	Rohit Nair
Block Financial Corporation	HRB	A3	BBB+▼	A	--	50.0	0.0	(13.0)	FRL	Financial Institutions	Rohit Nair
British Sky Broadcasting Group plc	BSY	Baa2	BBB	BBB	--	20.1	20.1	10.1	FRL	Media/Telecom	Patrick Marshall
Buckeye Partners, L.P.	BPL	Baa2	BBB	--	--	12.0	12.0	2.0	FRL	Natural Resources	Adrian de Lagarde
Campbell Soup Company	CPB	A3	A	A-	--	56.5	56.5	1.5	FRL	Consumer/Retail	Ahuva Schwager
Capmark Financial Group Inc.	--	Baa3	BBB-	BBB	--	85.0	85.0	60.0	FRL	Financial Institutions	Rohit Nair
Carlsberg Breweries A/S	CARL.CO	Baa3	--	BBB-	--	87.7	87.7	26.7	FRL	Consumer/Retail	Patrick Marshall
Carlyle Group (The)	--	--	--	--	BB	183.3	183.3	183.3	FRL / BL	Financial Institutions	Rohit Nair
CBS Corporation	CBS	Baa3	BBB	BBB	--	95.0	35.0	(5.0)	FRL	Media/Telecom	Ahuva Schwager
CenterPoint Energy, Inc.	CNP	Ba1	BBB-	BBB-	--	90.0	90.0	32.0	FRL	Power	Adrian de Lagarde
CenturyTel, Inc.	CTL	Baa2	BBB	BBB	--	37.0	17.0	(18.0)	FRL	Media/Telecom	Ahuva Schwager
Chevron Corporation	CVX	Aa2	AA	AA	--	75.0	40.0	(17.0)	FRL	Natural Resources	Adrian de Lagarde
CIT Group Inc.	CIT	A2	A	A	--	240.0	200.0	90.0	FRL	Financial Institutions	Rohit Nair
CITIC International Financial Holdings Limited	--	--	BBB-	--	--	111.4	111.4	111.4	FRL	Financial Institutions	Rohit Nair
Comcast Corporation	CMCSA	Baa2	BBB+	BBB+	--	185.0	185.0	(1.0)	FRL	Media/Telecom	Ahuva Schwager
ConAgra Foods, Inc.	CAG	Baa2	BBB+	BBB	--	50.0	0.0	(10.0)	FRL	Consumer/Retail	Ahuva Schwager
ConocoPhillips	COP	A1	A-	A-	--	161.3	101.3	(23.7)	FRL	Natural Resources	Adrian de Lagarde
Consolidated Edison, Inc.	ED	A2	A-	A	--	125.0	100.0	(5.0)	FRL	Power	Adrian de Lagarde
Constellation Energy Group, Inc.	CEG	Baa1	BBB+	BBB+	--	110.0	70.0	(7.0)	FRL	Power	Adrian de Lagarde
Countrywide Financial Corporation	CFC	A3▲	A	A	--	400.0	350.0	123.0	FRL	Financial Institutions	Rohit Nair
Coverity Health Care, Inc.	CVH	Ba1	BBB	BBB	--	11.9	11.9	1.9	FRL	Healthcare	Ahuva Schwager
Covidien Ltd.	--	Baa1	A-	--	--	101.3	101.3	101.3	FRL/BL	Industrial	Ahuva Schwager
Cox Enterprises, Inc.	--	Baa3	BB+	BBB-	--	370.0	313.7	(14.3)	FRL/BL	Media/Telecom	Ahuva Schwager
CVS/Caremark Corporation	CVS	Baa2	BBB+	BBB	--	217.0	217.0	77.0	FRL	Consumer/Retail	Ahuva Schwager
Danaher Corporation	DHR	A2	A+	--	--	45.0	45.0	10.0	FRL	Industrial	Ahuva Schwager
Deutsche Lufthansa AG	LHA.DE	Baa3	BBB	--	--	68.0	68.0	34.0	FRL	Industrial	Patrick Marshall
Deutsche Telekom AG	DT	A3	A-	A-	--	815.8	543.8	51.8	FRL	Media/Telecom	Patrick Marshall
Developers Diversified Realty Corporation	DDR	Baa2	BBB	BBB	--	20.0	20.0	5.0	FRL	Real Estate	Rohit Nair
Diageo Finance plc	DEO	A3	A-	--	--	250.0	250.0	34.0	FRL	Consumer/Retail	Patrick Marshall
Discover Financial Services	DFS	Baa3	BBB-	--	--	75.0	75.0	75.0	FRL	Financial Institutions	Rohit Nair
Dominion Resources, Inc.	D	Baa2	BBB	BBB+	--	181.0	81.0	(3.0)	FRL	Power	Adrian de Lagarde
Duke Energy Corporation	DUK	Baa2	BBB	BBB▲	--	100.0	100.0	100.0	FRL	Power	Adrian de Lagarde
Duncan Energy Partners, L.P.	--	--	--	--	BB+	8.0	8.0	8.0	FRL	Natural Resources	Adrian de Lagarde
E.ON AG	EON	A2	A	AA▼	--	99.0	74.8	(95.2)	FRL	Power	Patrick Marshall
Edison International	EIX	Baa2	BBB-	BBB-	--	280.0	230.0	135.0	FRL	Power	Adrian de Lagarde
Electrabel S.A.	SZE	A2▲	--	--	--	68.0	68.0	(14.0)	FRL	Power	Patrick Marshall
Embarq Corporation	EQ	Baa3	BBB-	BBB-	--	48.4	0.0	(31.0)	FRL	Media/Telecom	Ahuva Schwager
Enbridge Inc.	ENB	Baa1	A-	--	--	152.5	102.5	27.5	FRL	Natural Resources	Adrian de Lagarde
Enel S.p.A.	EN	Aa3▼	A▼	A+▼	--	47.6	47.6	13.6	FRL	Power	Patrick Marshall
Enron Corp.	ECSPQ	--	--	--	D	12.2	12.2	12.2	FRL	Power	Tucker Hackett
Energy Corporation	ETR	Baa3	BBB	BBB-	--	85.0	39.6	(7.4)	FRL	Power	Adrian de Lagarde
Enterprise Products Operating L.P.	EPD	Baa3	BBB-	BBB-	--	26.0	26.0	(4.0)	FRL	Natural Resources	Adrian de Lagarde
EOG Resources, Inc.	EOG	A3	A-	--	--	30.0	12.5	(2.5)	FRL	Natural Resources	Adrian de Lagarde
Equitable Resources, Inc.	EQT	A2▼	A-▼	--	--	\$95.0	\$95.0	\$70.0	FRL	Natural Resources	Adrian de Lagarde
ERP Operating Limited Partnership	--	Baa1	A-	A-	--	75.0	75.0	35.0	FRL	Real Estate	Rohit Nair
Exelon Corporation	EXC	Baa1	BBB▼	BBB+	--	340.5	340.5	175.5	FRL	Power	Adrian de Lagarde

*Rating = Issuer Rating; does not necessarily represent a senior secured rating.

Italics = European or Asian Deal

Bold = Closed and currently being syndicated.

Source: Lehman Brothers

PORTFOLIO DETAILS (cont'd.)

7/4/07 Company	Equity Ticker	Ratings				Exposure (mm)			FRL/ BL	Sector	Portfolio Manager
		Moody's	S&P	Fitch	Internal	Gross	Current	Net			
FCAR Owner Trust		--	--	--	AA	238.0	238.0	238.0	FRL	Financial Institutions	Rohit Nair
Fidelity Funds		--	--	--	AA	0.0	0.0	0.0	FRL	Financial Institutions	Rohit Nair
Fidelity National Information Services, Inc.		Ba1 ▼	BB+ ▼	BB+ ▼	--	24.8	24.8	24.8	FRL	Industrial	Ahuva Schwager
FirstEnergy Corp.	FE	Baa3	BBB-	BBB	--	90.0	40.0	(15.0)	FRL	Power	Adrian de Lagarde
Ford Motor Company	F	Ba3	B+	BB	--	800.0	800.0	477.0	FRL	Industrial	Rohit Nair
Fortress Operating Entity I LP		--	--	--	BBB-	95.3	95.3	95.3	FRL	Financial Institutions	Diane Albanese
FPL Group, Inc.	FPL	A2	A-	A	--	135.0	135.0	43.0	FRL	Power	Adrian de Lagarde
General Electric Capital Corporation		Aaa	AAA	--	--	1,375.0	1,375.0	149.0	FRL	Financial Institutions	Rohit Nair
General Mills, Inc.	GIS	Baa1	BBB+	BBB+	--	115.0	55.0	0.0	FRL	Consumer/Retail	Ahuva Schwager
Genworth Financial, Inc.	GNW	A2	A	A	--	145.0	37.5	(12.5)	FRL	Financial Institutions	Rohit Nair
Givaudan SA		--	--	--	BBB	38.1	38.1	38.1	FRL	Chemicals	Patrick Marshall
GlaxoSmithKline plc	GSK	Aa2	AA	AA	--	100.0	100.0	0.0	FRL	Healthcare	Patrick Marshall
Glimcher Properties Limited Partnership	GRT	--	--	--	B+	25.0	25.0	15.0	FRL	Real Estate	Rohit Nair
GMAC LLC		Ba1	BB+	BB+	--	425.0	425.0	415.0	FRL	Financial Institutions	Rohit Nair
Gulf Stream Asset Management LLC		--	--	--	BB	5.8	5.8	5.8	FRL	Financial Institutions	Rohit Nair
Halliburton Company	HAL	A2	BBB+ ▲	BBB+	--	50.0	50.0	5.0	FRL	Natural Resources	Adrian de Lagarde
Hawaiian Electric Industries, Inc.	HE	Baa2	BBB	--	--	15.0	15.0	15.0	FRL	Power	Adrian de Lagarde
Henry Schein, Inc.	HSIC	--	--	--	BBB-	30.0	0.0	0.0	FRL	Healthcare	Ahuva Schwager
Hewlett-Packard Company	HPQ	A2	A	A	--	75.0	75.0	20.0	FRL	Technology	Ahuva Schwager
Home Depot, Inc. (The)	HD	Aa3 ▼	BBB+	A-	--	165.0	165.0	20.0	FRL	Consumer/Retail	Ahuva Schwager
Husqvarna AB	HUSQA.SS	--	--	--	BBB	40.1	40.1	40.1	FRL	Industrial	Patrick Marshall
Infineon Technologies AG	IFX	--	--	--	BB	47.0	47.0	13.0	FRL	Technology	Patrick Marshall
International Business Machines Corporation	IBM	A1	A+	A+	--	983.3	225.0	(15.0)	FRL / BL	Technology	Ahuva Schwager
International Lease Finance Corporation		A1	AA-	A+	--	217.5	197.5	7.5	FRL	Financial Institutions	Rohit Nair
Investcorp S.A.		Baa2	--	BBB	--	25.0	25.0	25.0	FRL	Financial Institutions	Rohit Nair
iStar Financial Inc.	SFI	Baa2	BBB	BBB	--	195.0	195.0	115.0	FRL / BL	Financial Institutions	Rohit Nair
ITC Holdings Corporation	ITC	Baa3	BBB- ▲	--	--	42.0	42.0	42.0	FRL	Power	Adrian de Lagarde
Kaupthing Bank hf	KAUP	Aa3	--	A	--	27.2	27.2	7.2	FRL	Financial Institutions	Patrick Marshall
Kimberly-Clark Corporation	KMB	Aa3	AA-	AA	--	44.0	44.0	(16.0)	FRL	Consumer/Retail	Ahuva Schwager
Kinder Morgan Energy Partners, L.P.	KMP	Baa2	BBB	BBB	--	63.3	63.3	(6.7)	FRL	Natural Resources	Adrian de Lagarde
KKR PEI Investments, L.P.		--	--	--	BB	75.0	75.0	75.0	FRL	Financial Institutions	Rohit Nair
Koninklijke Philips Electronics N.V.	PHG	A3	A-	A-	--	48.0	48.0	(16.0)	FRL	Industrial	Patrick Marshall
Kraft Foods Inc.	KFT	Baa1	A-	A-	--	136.3	64.9	2.9	FRL	Consumer/Retail	Ahuva Schwager
KRIBHCO Shyam Fertilizers Limited		--	--	--	BB+	5.6	5.6	5.6	FRL	Industrial	Patrick Marshall
Landale Asset Purchasing Company No. 2 Limited		--	--	--	AA-	205.2	205.2	92.2	FRL	Financial Institutions	Rohit Nair
Lanxess AG	LXS.DE	Baa3	BBB- ▲	--	--	88.4	88.4	47.4	FRL	Chemicals	Patrick Marshall
Legal & General Group Plc	LGEN.L	A1	AA-	AA-	--	80.5	80.5	5.5	FRL	Financial Institutions	Patrick Marshall
Liberty Mutual Group Inc.	LMGI	Baa2	BBB	BBB-	--	30.0	5.0	(20.0)	FRL	Financial Institutions	Rohit Nair
Lincoln National Corporation	LNC	A3	A+	A	--	130.0	105.0	15.0	FRL	Financial Institutions	Rohit Nair
Magellan Midstream Partners, L.P.	MMP	Baa3 ▲	BBB	--	--	30.0	0.0	0.0	FRL	Natural Resources	Adrian de Lagarde
Marathon Oil Corporation	MRO	Baa1	BBB+	BBB+	--	85.0	40.0	(13.0)	FRL	Natural Resources	Adrian de Lagarde
Marriott International, Inc.	MAR	Baa2	BBB+	BBB	--	96.0	96.0	21.0	FRL	Consumer/Retail	Ahuva Schwager
Massachusetts Mutual Life Insurance Company		Aa1	AAA	AAA	--	22.0	0.0	0.0	FRL	Financial Institutions	Rohit Nair
MetLife, Inc.	MET	A2	A	A	--	150.0	150.0	65.0	FRL	Financial Institutions	Rohit Nair
MidAmerican Energy Holdings Company		Baa1	BBB+	BBB+	--	110.0	60.0	(5.0)	FRL	Power	Adrian de Lagarde
Mohawk Industries, Inc.	MHK	Baa3	BBB-	--	--	127.2	100.0	25.0	FRL	Industrial	Ahuva Schwager
Montpelier Reinsurance Ltd.		Baa1	A-	BBB ▼	--	42.0	42.0	42.0	FRL	Financial Institutions	Rohit Nair
Mubadala Development Company, PJSC		Aa3	--	--	--	95.2	95.2	75.2	FRL	Financial Institutions	Patrick Marshall
Nakilat Inc.		Aa3	A+	A+	--	69.7	69.7	(20.3)	FRL	Natural Resources	Patrick Marshall
National Rural Utilities Cooperative Finance Corporation		A2	A	A	--	209.7	159.7	(1.3)	FRL	Financial Institutions	Rohit Nair
Nelnet, Inc.	NNI	Baa2	BBB+	--	--	52.5	52.5	52.5	FRL	Financial Institutions	Rohit Nair
New England Power Company		A1 ▼	A ▼	--	--	35.0	35.0	8.0	FRL	Power	Adrian de Lagarde
New York Life Insurance Company		Aaa	AA+	AAA	--	55.0	35.0	25.0	FRL	Financial Institutions	Rohit Nair
Newell Rubbermaid Inc.	NWL	Baa2	BBB+	BBB	--	60.0	10.0	(5.0)	FRL	Consumer/Retail	Ahuva Schwager
NIBC Bank N.V.		A3	A-	A	--	136.0	136.0	47.0	FRL	Financial Institutions	Patrick Marshall
Nokia Corporation	NOK	A1	A	A+	--	77.0	77.0	(22.0)	FRL	Industrial	Patrick Marshall
Northeast Utilities	NU	Baa2	BBB-	BBB	--	85.9	35.9	(19.1)	FRL	Power	Adrian de Lagarde
Northern Rock PLC	NRK.L	Aa3	A+	A+	--	72.4	12.1	12.1	FRL	Financial Institutions	Patrick Marshall
Novartis Finance Corporation	NVS	--	--	--	AAA	25.0	25.0	(4.0)	FRL	Healthcare	Patrick Marshall
NuStar Logistics, L.P.		Baa3	BBB-	BBB-	--	34.1	16.6	(3.4)	FRL	Natural Resources	Adrian de Lagarde
NYSE Euronext, Inc.	NYX	A1	AA	--	--	250.0	250.0	250.0	FRL	Financial Institutions	Rohit Nair
OGE Energy Corp.	OGE	Baa1	BBB	A	--	40.0	15.0	15.0	FRL	Power	Adrian de Lagarde
Oracle Corporation	ORCL	A2	A	A	--	100.0	50.0	10.0	FRL	Technology	Ahuva Schwager
OTE PLC	OTE	Baa1	BBB+	--	--	24.9	24.9	5.9	FRL	Media/Telecom	Patrick Marshall
Owens & Minor Distribution, Inc.	OMI	--	--	--	BBB-	\$44.0	\$24.0	\$24.0	FRL	Healthcare	Ahuva Schwager
Pactiv Corporation	PTV	Baa2 ▼	BBB	--	--	17.7	17.7	17.7	BL	Industrial	Ahuva Schwager
PartnerRe Ltd.	PRE	A2	A	AA-	--	40.0	40.0	40.0	FRL	Financial Institutions	Rohit Nair
Pepsi Bottling Group, Inc. (The)	PBG	A3	A	A+	--	103.1	63.1	15.1	FRL	Consumer/Retail	Ahuva Schwager
Petróleos Mexicanos		Baa1	BBB	BBB-	--	15.0	0.0	0.0	FRL	Natural Resources	Adrian de Lagarde
PG&E Corporation	PCG	Baa3 ▲	--	--	--	180.0	81.0	11.0	FRL	Power	Adrian de Lagarde
Philip Morris International Inc.		--	--	BBB+	--	55.1	55.1	55.1	FRL	Consumer/Retail	Ahuva Schwager
Pinnacle West Capital Corporation	PNW	Baa3	BB+	BBB-	--	51.0	41.0	36.0	FRL	Power	Adrian de Lagarde

*Rating = Issuer Rating; does not necessarily represent a senior secured rating.

Italics = European or Asian Deal

Bold = Closed and currently being syndicated.

Source: Lehman Brothers

PORTFOLIO DETAILS (cont'd.)

7/4/07 Company	Equity Ticker	Ratings				Exposure (mm)			FRL/BL	Sector	Portfolio Manager
		Moody's	S&P	Fitch	Internal	Gross	Current	Net			
PNM Resources, Inc.	PNM	Baa3	BBB-	--	--	55.0	32.0	32.0	FRL	Power	Adrian de Lagarde
Portland General Electric Company	POR	Baa2	BBB-	--	--	55.0	30.0	30.0	FRL	Power	Adrian de Lagarde
PPL Corporation	PPL	Baa2*	BBB-	--	--	185.0	185.0	145.0	FRL	Power	Adrian de Lagarde
Principal Financial Services, Inc.	PFJ	A2	A	A	--	28.0	28.0	28.0	FRL	Financial Institutions	Rohit Nair
Progress Energy, Inc.	PGN	Baa2	BBB	BBB	--	50.0	15.0	(15.0)	FRL	Power	Adrian de Lagarde
Prudential Financial, Inc.	PRU	A3	A+	A	--	160.0	110.0	45.0	FRL	Financial Institutions	Rohit Nair
PSEG Energy Holdings L.L.C.		Ba3	BB-	BB	--	14.0	14.0	14.0	FRL	Power	Adrian de Lagarde
Public Service Enterprise Group Incorporated	PEG	Baa2	BBB-	BBB	--	150.0	150.0	27.0	FRL	Power	Adrian de Lagarde
Puget Sound Energy, Inc.	PSD	Baa3	BBB	--	--	70.0	45.0	25.0	FRL	Power	Adrian de Lagarde
<i>Qatar Liquefied Gas Company Limited (II)</i>		--	--	--	A	15.4	15.4	5.4	FRL	Natural Resources	Patrick Marshall
QVC, Inc.		--	--	--	BB+	121.3	121.3	108.3	FRL	Media/Telecom	Ahuva Schwager
<i>Ras Laffan Liquefied Natural Gas Company Limited (II)</i>		A1	A	A+	--	26.2	26.2	(23.8)	FRL	Natural Resources	Patrick Marshall
Reinsurance Group of America, Incorporated	RGAA	Baa1	A-	A	--	12.5	0.0	0.0	FRL	Financial Institutions	Rohit Nair
Residential Capital, LLC		Baa3	BBB-	BBB	--	150.0	150.0	130.0	FRL	Financial Institutions	Rohit Nair
<i>Resolution plc</i>	RSL.L	--	BBB+	A-	--	47.7	47.7	47.7	FRL	Financial Institutions	Patrick Marshall
<i>Reuters Group PLC</i>	RTRSY	A3▼	BBB+	BBB+	--	48.3	48.3	(1.7)	FRL	Media/Telecom	Patrick Marshall
Reynolds American Inc.	RAI	Ba2	BBB	BBB	--	52.0	52.0	38.0	FRL	Consumer/Retail	Ahuva Schwager
Rockies Express Pipeline, LLC		--	--	--	BBB	141.0	41.0	(4.0)	FRL	Natural Resources	Adrian de Lagarde
<i>Royal & Sun Alliance Insurance Group plc</i>	RSA	Baa2	BBB	BBB	--	91.4	91.4	13.4	FRL	Financial Institutions	Patrick Marshall
<i>SABMiller plc</i>	SAB.L	Baa1	BBB+	BBB+	--	119.6	119.6	7.6	FRL	Consumer/Retail	Patrick Marshall
Sealed Air Corporation	SEE	Baa3	BBB	--	--	28.0	28.0	18.0	FRL	Industrial	Ahuva Schwager
Sears Holdings Corporation	SHLD	Baa3	BBB	BBB-	--	207.2	207.2	72.2	FRL	Consumer/Retail	Ahuva Schwager
Security Capital Assurance Ltd.	SCA	--	--	--	BBB+	50.8	50.8	30.8	FRL	Financial Institutions	Rohit Nair
<i>Siemens Aktiengesellschaft</i>	SI	Aa3	AA-	AA-	--	134.0	84.0	(45.0)	FRL	Industrial	Patrick Marshall
SL Green Operating Partnership,L.P.	SLG	--	--	--	BBB-	59.0	59.0	59.0	FRL	Real Estate	Rohit Nair
SLM Corporation	SLM	A2▼	BBB+▼	BBB▼	--	327.8	252.8	80.8	FRL	Financial Institutions	Rohit Nair
Southern Company (The)	SO	A3	A	A	--	74.3	36.5	(41.5)	FRL	Power	Adrian de Lagarde
Spectra Energy Capital LLC	SE	Baa1	BBB	BBB	--	75.0	75.0	35.0	FRL	Natural Resources	Adrian de Lagarde
Sprint Nextel Corporation	S	Baa3	BBB	BBB	--	275.0	225.0	(6.0)	FRL	Media/Telecom	Ahuva Schwager
<i>Standard Life Bank Limited</i>	SL.L	A3	A-	--	--	25.1	25.1	5.1	FRL	Financial Institutions	Patrick Marshall
Staples, Inc.	SPLS	Baa1	BBB+	BBB+	--	25.0	25.0	5.0	FRL	Consumer/Retail	Ahuva Schwager
Sunoco Logistics Partners Operations L.P.	SXL	Baa2	BBB	--	--	2.0	2.0	(8.0)	FRL	Natural Resources	Adrian de Lagarde
Sunoco, Inc.	SUN	Baa2	BBB	BBB	--	45.0	15.0	0.0	FRL	Natural Resources	Adrian de Lagarde
<i>Swiss Reinsurance Company</i>	RUKN.SWX	Aa2	AA-	AA-	--	200.0	200.0	50.0	FRL	Financial Institutions	Patrick Marshall
Symetra Financial Corporation		Baa2	BBB-	BBB+	--	4.7	4.7	4.7	FRL	Financial Institutions	Rohit Nair
Target Corporation	TGT	A1	A+	A+	--	115.0	100.0	12.0	FRL	Consumer/Retail	Ahuva Schwager
<i>Telecom Italia S.p.A.</i>	TI	Baa2	BBB+	BBB+	--	218.7	218.7	27.7	FRL	Media/Telecom	Patrick Marshall
<i>Telefónica, S.A.</i>	TEF	Baa1	BBB+	BBB+	--	257.6	257.6	8.6	FRL	Media/Telecom	Patrick Marshall
<i>Telekom Austria Finance B.V.</i>	TKA	--	BBB+	--	BBB+	50.3	50.3	(3.7)	FRL	Media/Telecom	Patrick Marshall
TEPPCO Partners, L.P.	TPP	Baa3	BBB-	--	--	35.0	35.0	25.0	FRL	Natural Resources	Adrian de Lagarde
The Thomson Corporation	TOC	A3▼	A-▼	--	--	385.6	385.6	385.6	FRL	Media/Telecom	Ahuva Schwager
TIAA-CREF Funds		--	--	--	AA-	0.0	0.0	0.0	FRL	Financial Institutions	Rohit Nair
Time Warner Inc.	TWX	Baa2	BBB+	BBB	--	225.0	225.0	57.0	FRL	Media/Telecom	Ahuva Schwager
Transamerica Asset Funding Corp. I		--	--	--	A+	100.0	100.0	100.0	FRL/BL	Financial Institutions	Rohit Nair
Travelers Companies, Inc. (The)	TRV	A3	A-	A	--	60.0	60.0	20.0	FRL/BL	Financial Institutions	Rohit Nair
Tri-State Generation and Transmission Association		Baa1	A-	A-	--	50.0	50.0	50.0	FRL	Power	Adrian de Lagarde
TXU Energy Company LLC	TXU	Baa2▼	BB-▼	BBB	--	262.2	237.2	157.2	FRL	Power	Adrian de Lagarde
Tyco Electronics Group S.A.		Baa2	BBB	--	--	189.1	189.1	189.1	FRL / BL	Industrial	Ahuva Schwager
Tyco International Finance S.A.		Baa1	BBB	--	--	233.6	233.6	233.6	FRL / BL	Industrial	Ahuva Schwager
United States Steel Corporation	X	Baa3	BB+	BBB-	--	32.5	32.5	17.5	FRL	Industrial	Adrian de Lagarde
UnitedHealth Group Incorporated	UNH	A3	A	A	--	100.0	100.0	15.0	FRL	Healthcare	Ahuva Schwager
USAA Capital Corporation		Aa1	AAA	AA+	--	50.0	50.0	50.0	FRL	Financial Institutions	Rohit Nair
Valero Energy Corporation	VLO	Baa3	BBB	BBB	--	51.4	51.4	(38.6)	FRL	Natural Resources	Adrian de Lagarde
Verizon Communications Inc.	VZ	A3	A	A+	--	230.0	130.0	38.0	FRL	Media/Telecom	Ahuva Schwager
<i>Vodafone Group Public Limited Company</i>	VOD	Baa1	A-	A-	--	375.0	325.0	4.0	FRL	Media/Telecom	Patrick Marshall
Vornado Realty L.P.	VNO	Baa2	BBB	BBB	--	35.0	35.0	10.0	FRL	Real Estate	Rohit Nair
Wal-Mart Stores, Inc.	WMT	Aa2	AA	AA	--	698.1	398.1	150.1	FRL	Consumer/Retail	Ahuva Schwager
Walt Disney Company (The)	DIS	A2	A-▲	A-	--	50.0	5.0	(30.0)	FRL	Media/Telecom	Ahuva Schwager
Warburg Pincus Funds		--	--	--	BB	\$65.0	\$65.0	\$65.0	FRL	Financial Institutions	Rohit Nair
Washington Mutual, Inc.	WM	A2	A-	A	--	30.0	10.0	(7.0)	FRL	Financial Institutions	Rohit Nair
WellPoint, Inc.	WLP	Baa1	BBB+	A-	--	108.0	108.0	13.0	FRL	Healthcare	Ahuva Schwager
Westar Energy, Inc.	WR	Baa2	BBB	BBB-▲	--	20.0	20.0	20.0	FRL	Power	Adrian de Lagarde
Westfield Group	WDC.ASX	A2	A-	A-	--	200.0	200.0	35.0	FRL	Real Estate	Rohit Nair
White Mountains Insurance Group, Ltd.	WTM	--	BBB	--	--	65.0	65.0	65.0	FRL / BL	Financial Institutions	Rohit Nair
Wisconsin Energy Corporation	WEC	A3	BBB+	A-	--	85.0	70.0	30.0	FRL	Power	Adrian de Lagarde
<i>Wolseley plc</i>	WOS	--	--	--	BBB	68.0	68.0	68.0	FRL	Industrial	Patrick Marshall
<i>Wolters Kluwer n.v.</i>	WKL.AS	Baa1	BBB+	BBB	--	97.9	97.9	22.9	FRL	Media/Telecom	Patrick Marshall
Xcel Energy Inc.	XEL	Baa1	BBB-	BBB+	--	80.0	50.0	10.0	FRL	Power	Adrian de Lagarde
Xerox Corporation	XRX	Baa3	BBB-	BBB-	--	90.0	52.5	2.5	FRL	Technology	Michael Masters
XL Capital Ltd	XL	A3	A-	A	--	235.0	235.0	135.0	FRL	Financial Institutions	Rohit Nair
<i>Zurich Insurance Company</i>		A1	A+	A	--	200.0	200.0	10.0	FRL	Financial Institutions	Patrick Marshall
High Grade Total						\$25,224.1	\$20,816.2	\$7,519.2			

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Italics = European or Asian Deal

Bold = Closed and currently being syndicated.

Source: Lehman Brothers

PORTFOLIO DETAILS (cont'd.)

HY LOAN PORTFOLIO

7/4/07	Equity Ticker	Ratings				Exposure (mm)			FRL/ BL	Sector	Portfolio Manager
Company		Moody's	S&P	Fitch	Internal	Gross	Current	Net			
Accellent Inc.	--	B1	BB-	--	--	\$8.0	\$8.0	\$8.0	FRL	Healthcare	Craig Malloy
Accuride Corporation	ACW	Ba3	BB-	--	--	24.2	24.2	2.8	BL	Industrial	Diane Albanese
ACS Media LLC	--	B2	B+	--	--	3.3	3.3	3.3	BL	Media/Telecom	Mike Masters
Activant Solutions Inc.	--	B1	B+	--	--	7.0	7.0	7.0	BL	Technology	Mike Masters
AES Corporation	AES	B1*	BB-	B+	--	0.0	0.0	0.0	FRL	Power	Frank Turner
AGA Medical Corporation	--	B1	BB-	--	--	9.5	9.5	9.5	BL	Healthcare	Craig Malloy
AlixPartners, LLP	--	B1	BB-	--	--	30.0	30.0	30.0	BL	Consumer/Retail	Craig Malloy
Allegheny Energy Supply Company, LLC	AYE	Baa3	BBB	BBB-	--	29.0	29.0	11.0	FRL	Power	Randall Braunfeld
Alliance Imaging, Inc.	AIQ	Ba3	BB-	--	--	15.0	15.0	1.6	BL	Healthcare	Craig Malloy
Alliance Laundry Systems LLC	--	Ba3	BB-	--	--	9.0	9.0	5.0	BL	Industrial	Diane Albanese
Alliance Resource Operating Partners, L.P.	ARLP	--	--	--	BB-	5.0	5.0	5.0	FRL	Natural Resources	Maria Lund
Alpha III (Formula One)	--	--	--	--	BB-	610.3	610.3	610.3	BL	Consumer/Retail	Patrick Marshall
Altivity Packaging LLC	--	Ba3	BB	--	--	30.0	30.0	1.0	FRL	Industrial	Diane Albanese
American Cellular Corp.	--	B1	B-▲	B+	--	20.0	20.0	20.0	FRL	Media/Telecom	Randall Braunfeld
AMI Semiconductor, Inc.	--	Ba3	BB-	--	--	5.0	5.0	5.0	FRL	Technology	Mike Masters
Antero Resources Corporation	--	--	--	--	B+	0.0	0.0	0.0	BL	Natural Resources	Maria Lund
Aquila, Inc.	ILA	Baa2▲	BB▲	BB+▲	--	5.0	5.0	5.0	FRL	Power	Randall Braunfeld
ArvinMeritor, Inc.	ARM	Baa3	BB+	BB+	--	45.9	45.9	7.9	FRL	Industrial	Diane Albanese
Ashmore International Energy Ltd.	--	Ba3	B+	BB	--	50.0	50.0	50.0	FRL	Power	Adrian de Lagarde
Aspect Software, Inc.	--	Ba3	BB-	--	--	5.0	5.0	5.0	BL	Technology	Mike Masters
Audio Visual Services Group, Inc.	--	Ba3	B+	--	--	13.1	13.1	13.1	BL	Consumer/Retail	Ritam Bhalla
Avago Technologies Holdings Pte. Ltd.	--	Ba2	BB-	--	--	35.0	35.0	1.0	BL	Technology	Mike Masters
Avio Holding SpA	--	--	--	--	B+	9.9	9.9	9.9	BL	Industrial	Patrick Marshall
Avio SpA	--	--	--	--	B+	27.7	27.7	27.7	BL	Industrial	Patrick Marshall
B&G Foods, Inc.	BGF	Ba2	BB-	--	--	3.1	3.1	3.1	BL	Consumer/Retail	Ritam Bhalla
Ball Corporation	BLL	Ba1	BB+	BB+	--	30.7	15.5	(9.0)	FRL	Industrial	Diane Albanese
Berry Plastics Holding Corporation	--	Ba3	BB-	--	--	28.3	28.3	18.3	FRL	Industrial	Diane Albanese
BHM Technologies, LLC	--	B1	B	--	--	38.5	38.5	31.5	BL	Industrial	Maria Lund
Boise Cascade, LLC	--	Ba2	BB+	--	--	9.5	9.5	3.5	BL	Industrial	Diane Albanese
Bonten Media Group LLC	--	Ba3	BB-	--	--	10.5	7.0	7.0	BL	Media/Telecom	Mike Masters
Boyd Gaming Corporation	BYD	Ba1	BB*	BB	--	88.0	88.0	44.0	FRL	Gaming/Entertainment	Diane Albanese
Brickman Group Holdings, Inc.	--	B1	--	--	--	12.5	12.5	12.5	BL	Industrial	Ritam Bhalla
Broadway Generating Company LLC	--	B1	BB-	--	--	25.0	25.0	25.0	BL	Power	Randall Braunfeld
Brookdale Senior Living Inc.	BKD	--	--	--	BB-	0.0	0.0	0.0	BL	Healthcare	Craig Malloy
BRSP, LLC	--	--	--	--	B+	10.1	10.1	10.1	BL	Power	Randall Braunfeld
Bucyrus International Inc.	--	Ba3	BB-	--	--	22.5	22.5	22.5	BL	Industrial	Craig Malloy
Burger King Corporation	BKC	Ba2	BB+	BB	--	3.9	3.9	0.9	FRL	Consumer/Retail	Ritam Bhalla
Cableuropa SA	--	--	B*	BB-	--	6.8	6.8	6.8	FRL	Media/Telecom	Patrick Marshall
Capital Automotive REIT	--	Ba1	BB+	--	--	35.3	35.3	(4.1)	BL	Real Estate	Craig Malloy
Caribe Information Investments Incorporated	--	B1?	B+	--	--	3.4	3.4	3.4	BL	Media/Telecom	Mike Masters
Carlson Wagonlit BV	--	Ba2	BB-	--	--	25.0	25.0	25.0	BL	Consumer/Retail	Craig Malloy
CBD Investor Inc.	--	B3*	--	--	--	25.7	25.7	25.7	BL	Media/Telecom	Mike Masters
CBD Media LLC	--	Ba3	--	--	--	2.0	2.0	2.0	BL	Media/Telecom	Mike Masters
Centennial Communications Corporation	CYCL	Ba2	B+	B*	--	0.0	0.0	0.0	FRL	Media/Telecom	Frank Turner
Cenveo Corporation	--	Ba3	BB-	--	--	27.5	27.5	19.5	FRL	Industrial	Diane Albanese
Chart Industries, Inc.	GTLS	Ba2	BB	--	--	5.0	5.0	5.0	FRL	Natural Resources	Randall Braunfeld
Chesapeake Energy Corporation	CHK	Baa3	BB*	BB	--	0.0	0.0	0.0	FRL	Natural Resources	Maria Lund
Cinemark, Inc.	--	Ba3	B▲	--	--	28.5	28.5	7.5	BL	Gaming/Entertainment	Craig Malloy
CKX, Inc.	CKXE	--	--	--	BB-	25.0	25.0	25.0	FRL	Media/Telecom	Mike Masters
Claire's Stores Inc.	--	B1	B	--	--	33.0	33.0	33.0	BL	Consumer/Retail	Ritam Bhalla
Clondalkin Industries BV	--	B1*	B+*	--	--	14.3	14.3	14.3	BL	Industrial	Patrick Marshall
CMP Fiber Farm LLC	--	--	--	--	BB-	7.5	7.5	7.5	FRL	Industrial	Diane Albanese
Coinstar, Inc.	CSTR	Ba2	BB+	--	--	5.0	5.0	5.0	BL	Consumer/Retail	Ritam Bhalla
Conseco, Inc.	CNO	Ba3	BB-	BBB-	--	5.0	5.0	5.0	FRL	Financial Institutions	Diane Albanese
Convenience Food Systems	--	--	--	--	B+	6.1	6.1	6.1	BL	Industrial	Patrick Marshall
Cooper-Standard Automotive Inc.	--	Ba3	B+	--	--	10.0	10.0	5.0	BL	Industrial	Diane Albanese
Corrections Corporation Of America	CXW	Ba1	BB*	--	--	20.0	20.0	18.0	FRL	Consumer/Retail	Ritam Bhalla
Covanta Energy Corporation	CVA	Ba2	BB	--	--	28.3	28.3	13.3	FRL	Power	Ritam Bhalla
Crown Castle Operating Co	--	Ba3	BBB-	--	--	0.0	0.0	0.0	FRL	Business Services	Ritam Bhalla
Crown Holdings, Inc.	CCK	Baa3	BB*	--	--	51.7	51.7	2.7	BL	Industrial	Diane Albanese
CSG Systems International, Inc.	CSGS	--	--	--	BB+	10.5	10.5	0.5	FRL	Consumer/Retail	Mike Masters
CSK Auto, Inc.	CAO	Ba3	B+▼	--	--	1.0	1.0	1.0	BL	Industrial	Ritam Bhalla
Danish HoldCo A/S (Dako)	--	--	--	--	B	218.4	218.4	218.4	BL	Healthcare	Patrick Marshall
DCP Midstream Partners, LP	DPM	--	--	--	BB	\$52.0	\$52.0	\$52.0	FRL	Natural Resources	Adrian de Lagarde
DealerTrack Holdings, Inc.	TRAK	--	--	--	BB	10.0	10.0	10.0	FRL	Consumer/Retail	Ritam Bhalla
Debitel AG	--	--	--	--	B+	8.9	8.9	8.9	BL	Media/Telecom	Patrick Marshall
Del Monte Foods Company	DLM	Ba2	BB	BB+	--	2.0	2.0	2.0	BL	Consumer/Retail	Ritam Bhalla
Delek US Holdings Inc.	--	--	--	--	BB-	48.8	48.8	48.8	BL	Consumer/Retail	Ritam Bhalla

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Source: Lehman Brothers

PORTFOLIO DETAILS (cont'd.)

7/4/07 Company	Equity Ticker	Ratings				Exposure (mm)			FRL/BL	Sector	Portfolio Manager
		Moody's	S&P	Fitch	Internal	Gross	Current	Net			
Delta Air Lines Inc.	DAL	Ba2	BB-	--	--	85.7	85.7	55.7	FRL	Consumer/Retail	Craig Malloy
Dex Media East, Inc.	--	Ba1	BB+	BB+	--	13.6	13.6	(14.4)	BL	Media/Telecom	Mike Masters
Dex Media West, Inc.	--	Ba1	BB+	BB+	--	4.3	4.3	4.3	BL	Media/Telecom	Mike Masters
Digicel Group Ltd.	--	B3*	--	B	--	30.0	30.0	30.0	FRL	Media/Telecom	Frank Turner
Dobson Cellular Systems, Inc.	DCEL	Ba2▲	B+▲	BB-	--	6.3	6.3	1.3	BL	Media/Telecom	Frank Turner
Dockwise Transport BV	--	--	--	--	B	20.1	20.1	20.1	BL	Industrial	Patrick Marshall
Dresser Inc.	--	B2	B+	--	--	34.5	34.5	34.5	BL	Natural Resources	Maria Lund
Dynege Holdings Inc.	DYN	Ba1	BB-	BB	--	70.0	30.0	7.0	FRL	Power	Frank Turner
Eagle Rock Energy Partners, L.P.	EROC	--	--	--	B+	12.5	12.5	12.5	FRL	Natural Resources	Maria Lund
Edam Acquisition BV (Eendemol)	--	--	--	--	--	868.2	868.2	868.2	BL	Media/Telecom	Patrick Marshall
Edgen Murray Corp.	--	B3	B	--	--	1.0	1.0	1.0	BL	Natural Resources	Maria Lund
Edison Mission Energy	--	Ba3*	BB-*	BB-*	--	36.3	36.3	31.3	FRL	Power	Adrian de Lagarde
Edius SA	--	--	--	--	BB-	40.8	40.8	40.8	FRL	Media/Telecom	Patrick Marshall
Edwards (Cayman Islands II) Ltd. (BOC Edwards)	--	Ba1	BB+	--	--	21.0	21.0	21.0	FRL	Technology	Mike Masters
El Paso Corporation	EP	Ba1	BB	--	--	1.0	1.0	1.0	FRL	Natural Resources	Maria Lund
Eno France SAS	--	--	--	--	BB-	37.9	37.9	37.9	BL	Media/Telecom	Patrick Marshall
Entegra TC LLC	--	B3	B+	--	--	0.0	0.0	0.0	BL	Power	Frank Turner
EnviroSolutions, Inc.	--	B1	B-*	--	--	11.0	11.0	0.0	BL	Industrial	Frank Turner
EPCO Holdings, Inc.	--	Ba2	BB▼	--	--	31.3	31.3	696.4	BL	Natural Resources	Adrian de Lagarde
EXCO Resources Inc.	XCO	B2▼*	B+▼	--	--	0.0	0.0	0.0	FRL	Natural Resources	Maria Lund
Extendicare Holdings, Inc.	EXE	Ba3*	--	--	--	20.0	20.0	20.0	FRL	Healthcare	Craig Malloy
Fairchild Semiconductor International, Inc.	FCS	Ba2	BB-	--	--	10.0	10.0	0.0	FRL	Technology	Mike Masters
Ferrellgas, LP	FGP	Ba3*	B+*	--	--	20.0	20.0	20.0	FRL	Natural Resources	Maria Lund
<i>First Chemical Holdings (Borsod)</i>	--	--	--	--	B	61.7	61.7	61.7	BL	Chemicals	Patrick Marshall
<i>Firrh Rixson Group</i>	--	--	--	--	B	10.1	10.1	10.1	BL	Industrial	Patrick Marshall
Freescale Semiconductor, Inc.	--	Baa3	BB+	--	--	60.0	60.0	35.0	BL	Technology	Mike Masters
Frontier Drilling USA, Inc.	--	B2	B-	--	--	7.1	7.1	7.1	BL	Natural Resources	Maria Lund
Gala Group Holdings Plc	--	--	--	--	BB-	48.2	48.2	33.7	BL	Gaming/Entertainment	Patrick Marshall
<i>Gaming Invest Sarl</i>	--	--	--	--	B	33.9	33.9	33.9	BL	Gaming/Entertainment	Patrick Marshall
General Growth Properties, Inc.	GGP	Ba2	BB+	BB	--	33.1	33.1	(3.9)	FRL	Financial Institutions	Craig Malloy
General Nutrition Centers, Inc.	--	Ba3	B-	--	--	6.3	6.3	6.3	BL	Consumer/Retail	Ritam Bhalla
Gentiva Health Services, Inc.	GTIV	Ba3	BB-	--	--	12.5	12.5	0.0	BL	Healthcare	Craig Malloy
Georgia Gulf Corporation	GGC	Ba2	BB	BB+	--	37.5	12.5	12.5	FRL	Chemicals	Maria Lund
Georgia-Pacific Corporation	--	Ba2	BB+	BB	--	45.0	45.0	6.0	FRL	Industrial	Diane Albanese
Global Cash Access Holdings, Inc.	GCA	--	B+*	--	--	18.0	18.0	18.0	FRL	Consumer/Retail	Mike Masters
<i>Globe Pub Co.</i>	--	--	--	--	BB-	40.3	40.3	40.3	FRL	Consumer/Retail	Patrick Marshall
Graham Packaging Company	--	--	B+	B	--	0.0	0.0	0.0	FRL	Industrial	Diane Albanese
Great Lakes Dredge & Dock Corporation	GLDD	Ba3	B*	--	--	10.0	10.0	10.0	BL	Industrial	Maria Lund
Hanger Orthopedic Group, Inc.	HGR	Ba3	B+	--	--	22.8	22.8	22.8	BL	Healthcare	Craig Malloy
Hawaiian Telcom Communications, Inc.	--	Ba3▼	B-	--	--	8.0	8.0	(2.4)	BL	Media/Telecom	Frank Turner
Hawker Beechcraft Acquisition Co. LLC	--	Ba3	BB	--	--	35.0	35.0	23.0	BL	Industrial	Diane Albanese
HCA, Inc.	--	B2	BB	BB	--	0.0	0.0	0.0	FRL	Healthcare	Craig Malloy
HealthSouth Corporation	HLS	B2	BB-	--	--	0.0	0.0	0.0	FRL	Healthcare	Craig Malloy
Herbst Gaming, Inc.	--	Ba3	BB	--	--	19.0	19.0	19.0	FRL	Gaming/Entertainment	Diane Albanese
Hertz Corporation (The)	HTZ	Ba1	BB+	BBB	--	15.0	15.0	0.0	BL	Consumer/Retail	Ritam Bhalla
<i>Honsel GmbH & Co KG</i>	--	--	--	--	CCC	0.3	0.3	0.3	BL	Consumer/Retail	Patrick Marshall
Iasis Healthcare Corporation	--	Ba2	CCC+	--	--	20.0	20.0	(12.5)	BL	Healthcare	Craig Malloy
Iconix Brand Group, Inc.	ICON	Ba2	BB-	--	--	0.0	0.0	0.0	BL	Consumer/Retail	Ritam Bhalla
Ideare Inc.	IAR	Ba2	BBB-	--	--	13.0	13.0	(14.9)	FRL	Media/Telecom	Mike Masters
<i>Iglo Birds Eye</i>	--	--	--	--	B	8.1	8.1	8.1	BL	Consumer/Retail	Patrick Marshall
Inergy, L.P.	NRGY	Ba3*	B+	--	--	25.0	25.0	5.0	BL	Natural Resources	Maria Lund
InfoNXX, Inc.	--	B1	B	--	--	11.7	11.7	11.7	FRL	Media/Telecom	Mike Masters
Intelsat Corporation	--	Ba2▼	BB▼	BB	--	29.7	29.7	29.7	BL	Media/Telecom	Mike Masters
Intelsat Subsidiary Holding Company, Ltd.	--	Ba2▼	BB+▼	BB	--	37.3	37.3	(4.1)	BL	Media/Telecom	Mike Masters
Interline Brands, Inc.	IBI	Ba2	BB+	--	--	17.0	17.0	17.0	FRL	Industrial	Maria Lund
Interstate Hotels & Resorts, Inc.	IHR	B1*	B*	--	--	0.0	0.0	0.0	BL	Real Estate	Craig Malloy
Intrawest Corporation	--	--	--	--	B	0.0	0.0	0.0	BL	Gaming/Entertainment	Craig Malloy
Iowa Telecommunications Services Inc.	IWA	Ba3	BB-	--	--	0.0	0.0	0.0	FRL	Media/Telecom	Randall Braunfeld
Iridium Satellite LLC	--	B2	B-	--	--	5.0	5.0	5.0	BL	Media/Telecom	Mike Masters
Iron Mountain Inc.	--	Ba2	BB+	--	--	40.0	40.0	25.0	FRL	Consumer/Retail	Ritam Bhalla
Jarden Corporation	JAH	Ba2?	BB-	--	--	20.0	20.0	9.0	FRL	Consumer/Retail	Craig Malloy
K&F Industries, Inc.	KFI	Ba3	B+▲	--	--	58.0	58.0	54.0	BL	Industrial	Maria Lund
KBR Holdings, LLC	KBR	--	--	--	BB-	32.0	32.0	32.0	FRL	Natural Resources	Maria Lund
Key Energy Services, Inc.	KEGS	--	--	--	BB	10.0	10.0	5.0	BL	Natural Resources	Maria Lund
Keystone Group, L.P.	--	--	--	--	BB	25.0	25.0	25.0	FRL	Financial Institutions	Mike Masters
<i>Kion Group GmbH</i>	--	--	--	--	B	55.8	55.8	55.8	BL	Industrial	Patrick Marshall
<i>Klockner Pentaplast Luxembourg Sarl</i>	--	--	--	--	B	567.0	567.0	567.0	BL	Industrial	Patrick Marshall
L-3 Communications Corporation	LLL	Ba3*	BBB-*	BBB-	--	25.0	25.0	6.0	FRL	Industrial	Diane Albanese
Las Vegas Sands, Inc.	LVS	Ba3	BB	--	--	25.0	25.0	15.0	FRL	Gaming/Entertainment	Diane Albanese
<i>Lavena Holdings 4 GmbH</i>	--	Ba1*	--	BBB*	--	162.7	162.7	162.7	BL	Media/Telecom	Patrick Marshall
Linn Energy, LLC	LINE	--	--	--	BB-	10.6	10.6	10.6	FRL	Natural Resources	Maria Lund

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PORTFOLIO DETAILS (cont'd.)

7/4/07 Company	Equity Ticker	Ratings				Exposure (mm)			FRL/BL	Sector	Portfolio Manager
		Moody's	S&P	Fitch	Internal	Gross	Current	Net			
Lion Gables Realty L.P.	--	--	BB+	--	--	10.0	10.0	10.0	BL	Real Estate	Craig Malloy
<i>Lloyds TSB Registrars</i>	--	--	--	--	BB	533.1	533.1	533.1	BL	Financial Institutions	Patrick Marshall
LSP-Kendall Energy, LLC	--	--	B+	--	--	2.0	2.0	2.0	BL	Power	Randall Braumfeld
M/C Communications, LLC	--	B2	B	--	--	10.0	10.0	8.0	BL	Healthcare	Craig Malloy
Magnum Coal Company	--	B3	B	--	--	20.0	20.0	15.0	BL	Natural Resources	Craig Malloy
Manitowoc Company, Inc. (The)	MTW	Ba2*	BBB-	--	--	10.0	10.0	10.0	FRL	Industrial	Randall Braumfeld
Mapco Express, Inc.	--	B2	BB-	--	--	12.0	12.0	12.0	BL	Consumer/Retail	Ritam Bhalla
Maquire Properties	--	--	--	--	--	0.0	0.0	0.0	BL	Real Estate	Craig Malloy
Marina District Finance Company, Inc.	--	--	--	--	BB	5.0	5.0	5.0	FRL	Gaming/Entertainment	Diane Albanese
MEO Energy Corporation	--	Ba3	BB	--	--	0.0	0.0	0.0	BL	Natural Resources	Maria Lund
<i>Merlin Entertainments Group</i>	--	--	--	--	BB-	496.9	496.9	496.9	BL	Gaming/Entertainment	Patrick Marshall
Midwest Generation, LLC	--	Baa3	BB	BB	--	43.8	43.8	43.8	FRL	Power	Adrian de Lagarde
Mirant North America, LLC	MIR	Ba3	BB-▼	--	--	70.0	70.0	12.1	FRL	Power	Randall Braumfeld
Mobile Storage Group, Inc.	--	--	B+*	--	--	3.0	3.0	3.0	BL	Industrial	Ritam Bhalla
MRO Acquisition LLC	--	B1▼	B+▼	--	--	15.0	15.0	15.0	BL	Consumer/Retail	Craig Malloy
National Cinemedia, Inc.	--	B1	B+	--	--	20.0	20.0	13.0	FRL	Gaming/Entertainment	Craig Malloy
Nevada Power Company	--	Ba1▲	BB-*	BBB-	--	10.9	10.9	6.9	FRL	Power	Randall Braumfeld
NRG Energy, Inc.	NRG	Ba1	BB	BB	--	0.0	0.0	0.0	FRL	Power	Frank Turner
NSG Holdings LLC	--	Ba2	BB	--	--	0.0	0.0	0.0	FRL	Power	Frank Turner
Oceania Cruises, Inc.	--	B2*	B*	--	--	14.5	14.5	14.5	BL	Consumer/Retail	Ritam Bhalla
OCM Mezzanine Fund II, LP	--	--	--	--	BB	5.0	5.0	5.0	FRL	Financial Institutions	Mike Masters
Omicare, Inc.	OCR	B2	BB-	--	--	26.7	26.7	10.3	FRL	Healthcare	Craig Malloy
Orchard Supply Hardware Stores Corporation	--	B1	--	--	--	13.5	13.5	13.5	FRL	Consumer/Retail	Ritam Bhalla
Owens-Illinois Group, Inc.	--	Ba2	BB▲	BB-	--	47.6	47.6	8.2	FRL	Industrial	Diane Albanese
<i>PagesJaunes Groupe SA</i>	--	--	--	--	B+	14.4	14.4	14.4	BL	Media/Telecom	Patrick Marshall
Parker Drilling Company	PKD	B1	B*	--	--	20.0	20.0	6.0	BL	Natural Resources	Ritam Bhalla
Peabody Energy Corporation	BTU	Ba1	BB	BB+	--	16.9	16.9	(3.1)	FRL	Natural Resources	Craig Malloy
Penn National Gaming, Inc.	PENN	Ba2▼	BBB-▼	--	--	22.3	22.3	(3.9)	BL	Gaming/Entertainment	Diane Albanese
<i>PHS Group PLC</i>	--	--	--	--	--	726.6	726.6	726.6	BL	Consumer/Retail	Patrick Marshall
Pinnacle Entertainment, Inc.	PNK	B1	BB	BB	--	56.0	45.0	0.0	FRL	Gaming/Entertainment	Diane Albanese
Pinnacle Foods Finance LLC	--	B2	B	--	--	25.0	25.0	17.0	BL	Consumer/Retail	Ritam Bhalla
Precision Partners, Inc.	--	B2	B+	--	--	48.1	48.1	48.1	BL	Industrial	Diane Albanese
Pregis Corporation	--	Ba2	BB-	--	--	5.0	5.0	5.0	BL	Industrial	Diane Albanese
Primus Telecommunications Group Inc.	PRTL.OB	Caa3*	--	--	--	0.0	0.0	0.0	BL	Media/Telecom	Mike Masters
Protection One, Inc.	PONN	Ba3	BB	--	--	2.5	2.5	2.5	BL	Consumer/Retail	Ritam Bhalla
Psychiatric Solutions, Inc.	PSYS	Ba3	BB-	--	--	25.0	25.0	25.0	FRL	Healthcare	Craig Malloy
Qwest Communications International Inc.	Q	Ba3	BBB-	BBB-	--	60.0	60.0	32.0	FRL	Media/Telecom	Frank Turner
Reddy Ice Group, Inc.	--	Ba3▼	BB-▼	--	--	10.0	10.0	10.0	FRL	Industrial	Ritam Bhalla
Regal Cinemas, Inc.	RGC	Ba2*	BB-	BB	--	5.0	5.0	5.0	FRL	Gaming/Entertainment	Craig Malloy
Regency Energy Partners LP	--	Ba1	B*?	--	--	16.5	16.5	16.5	FRL	Power	Maria Lund
Renal Advantage, Inc.	--	--	--	--	B	13.0	13.0	0.2	BL	Healthcare	Craig Malloy
Rent-A-Center, Inc.	RCII	Ba2	BB+	--	--	55.1	17.7	(0.7)	FRL	Consumer/Retail	Ritam Bhalla
Rexnord Corporation	--	Ba2	BB-	--	--	17.5	17.5	17.5	BL	Industrial	Diane Albanese
Robert M. Bass	--	--	--	--	BB	4.7	4.7	4.7	FRL	Financial Institutions	Mike Masters
Rural Cellular Corporation	RCCC	Ba3▼	B+	B	--	16.8	16.8	9.8	BL	Media/Telecom	Frank Turner
<i>Saga Ltd</i>	SGA	--	--	--	BB-	5.6	5.6	5.6	BL	Financial Institutions	Patrick Marshall
Serena Software, Inc.	--	B1	B+	--	--	10.0	10.0	0.0	BL	Technology	Mike Masters
Service Corporation International	SCI	Baa3	BB*	--	--	20.0	20.0	5.0	FRL	Consumer/Retail	Ritam Bhalla
SGS International, Inc.	--	Ba2	BB	--	--	8.9	8.9	8.9	BL	Industrial	Diane Albanese
Sheridan Healthcare, Inc.	--	B1	B	--	--	25.5	25.5	25.5	BL	Healthcare	Craig Malloy
SHPS, Inc.	--	--	--	--	B-	19.9	19.9	19.9	FRL	Healthcare	Craig Malloy
Sierra Health Services, Inc.	SIE	Ba1	BB+▲	BBB-	--	10.0	5.0	5.0	FRL	Healthcare	Craig Malloy
Sierra Pacific Power Company	SRP	Ba1▲	BB+	BBB-	--	17.6	17.6	0.6	FRL	Power	Randall Braumfeld
Sinclair Television Group, Inc.	SBGI	Baa3	BB+	--	--	9.9	9.9	9.9	FRL	Media/Telecom	Mike Masters
<i>Sisal SpA</i>	--	--	--	--	B	167.8	167.8	167.8	BL	Gaming/Entertainment	Patrick Marshall
Six Flags, Inc.	SIX	Ba3	B+	B-*	--	47.5	47.5	51.5	BL	Gaming/Entertainment	Craig Malloy
SOURCECORP, Inc.	--	Ba3	BB-	--	--	55.5	55.5	55.5	FRL	Consumer/Retail	Ritam Bhalla
Spanish Broadcasting System, Inc.	SBSA	B1	B-	--	--	10.0	10.0	6.7	BL	Media/Telecom	Mike Masters
Sports Authority, Inc. (The)	--	--	B*	--	--	5.0	5.0	5.0	BL	Consumer/Retail	Ritam Bhalla
<i>Stahl Acquisition BV</i>	--	--	--	--	B+	10.9	10.9	10.9	BL	Chemicals	Patrick Marshall
Stallion Oilfield Services Ltd.	--	Ba2	BB-	--	--	15.0	15.0	15.0	FRL	Natural Resources	Maria Lund
Standard Aero Holdings, Inc.	--	Ba3▼	BB-	--	--	15.0	15.0	0.0	BL	Industrial	Diane Albanese
Suncof Companies	--	B2	BB-▼	--	--	65.0	65.0	25.6	BL	Real Estate	Craig Malloy
Suncom Wireless Inc	SCWH.OB	B2	B	--	--	0.0	0.0	0.0	BL	Media/Telecom	Frank Turner
SunPower Corporation	SPWR	--	--	--	BBB-	8.8	8.8	8.8	FRL	Technology	Kristin Mckee
Synatech Inc.	SYGR	--	BB-	--	--	11.0	11.0	9.0	BL	Industrial	Ritam Bhalla
Syniverse Technologies, Inc.	SVR	Ba1	BB+	--	--	10.0	10.0	(2.4)	BL	Technology	Mike Masters
Targa Resources Partners, L.P.	--	--	--	--	BB-	14.0	14.0	14.0	FRL	Natural Resources	Maria Lund
Targa Resources, Inc.	--	B1	B+▼	--	--	10.2	10.2	0.2	FRL	Natural Resources	Maria Lund
Team Health Holdings, L.L.C.	--	B2	BB-	--	--	15.0	15.0	0.0	BL	Healthcare	Craig Malloy
Telcordia Technologies, Inc.	--	Ba3	B+	--	--	11.0	11.0	0.0	BL	Technology	Mike Masters

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		Moody's	S&P	Fitch	Internal	Gross	Current	Net			
Tesoro Corp.	--	Baa1	BBB	--	--	85.0	85.0	70.0	BL	Natural Resources	Maria Lund
Thermal North America Inc.	--	B1▲	BB▲	--	--	0.0	0.0	0.0	BL	Natural Resources	Maria Lund
Time Warner Telecom Inc.	TWTC	Ba2	B	--	--	20.0	20.0	2.0	FRL	Media/Telecom	Frank Turner
Tishman Speyer Real Estate Services, L.P.	--	Ba2	BB-	--	--	7.5	7.5	7.5	BL	Financial Institutions	Craig Malloy
TPF Generation Holdings LLC	--	Ba3	BB-	--	--	0.0	0.0	0.0	FRL	Power	Frank Turner
TransDigm, Inc.	--	Ba3	BB-	BB-	--	5.0	5.0	5.0	BL	Industrial	Diane Albanese
Travelport Ltd.	--	Ba3	BB-	--	--	30.0	30.0	8.0	BL	Technology	Mike Masters
Tribune Company	TRB	Ba2▼	BB-▼	BB▼	--	50.0	50.0	35.0	FRL	Media/Telecom	Mike Masters
Tronox Inc.	TRX	--	BB-*	--	--	0.0	0.0	0.0	BL	Chemicals	Maria Lund
TRW Automotive Holdings Corp.	TRW	Baa3	BBB	BB+	--	98.8	98.8	43.8	FRL	Industrial	Diane Albanese
TVSL SA	--	--	--	--	BB-	22.9	22.9	22.9	BL	Media/Telecom	Patrick Marshall
U.S. Shipping Partners L.P.	USS	B1	BB-	--	--	17.5	17.5	17.5	BL	Natural Resources	Maria Lund
United Components, Inc.	--	Ba3	BB-	--	--	8.5	8.5	(0.0)	FRL	Industrial	Maria Lund
United Surgical Partners International Inc.	USPI	Ba3	B	--	--	15.0	15.0	15.0	BL	Healthcare	Craig Malloy
Universal Compression, Inc.	UCO	Ba1▼	BB	--	--	5.0	5.0	5.0	FRL	Natural Resources	Maria Lund
Univision Communications Inc.	UVN	Ba3	B+	--	--	45.0	45.0	35.0	FRL	Media/Telecom	Mike Masters
US Investigations Services, Inc.	--	B1▼	B+▼	--	--	30.7	30.7	10.3	FRL	Consumer/Retail	Craig Malloy
USPF Holdings, LLC	--	Ba2	BB+	--	--	0.0	0.0	0.0	BL	Media/Telecom	Frank Turner
Vanguard Car Rental USA Holdings Inc.	--	Ba3	BB▲	--	--	17.0	17.0	0.0	FRL	Consumer/Retail	Ritam Bhalla
Venetian Macau Limited	--	B1*	BB-*	--	--	44.1	44.1	1.2	BL	Gaming/Entertainment	Diane Albanese
Venoco, Inc.	VQ	B3*	B	--	--	14.3	14.3	14.3	BL	Natural Resources	Maria Lund
Verifone, Inc.	PAY	B1	BB	--	--	15.0	15.0	15.0	BL	Technology	Mike Masters
Verint Systems, Inc.	--	--	B+?	--	--	11.0	11.0	11.0	BL	Technology	Mike Masters
Verso Paper Holdings LLC	--	Ba2	BB-	--	--	15.8	15.8	15.8	BL	Industrial	Diane Albanese
Vought Aircraft Industries, Inc.	--	Ba2	B?	--	--	15.0	15.0	(12.0)	BL	Industrial	Diane Albanese
Wartsila Corporation	WRTBK.PK	--	--	--	BB-	1,694.3	1,694.3	1,694.3	BL	Power	Patrick Marshall
Waste Services, Inc.	WSII	Ba3	BB-	--	--	5.0	5.0	(1.0)	BL	Industrial	Frank Turner
Wesco Aircraft Hardware Corp.	--	B1	BB-	--	--	20.0	20.0	20.0	BL	Industrial	Diane Albanese
West Corporation	--	B1	BB-	--	--	48.1	48.1	26.1	BL	Consumer/Retail	Ritam Bhalla
Williams Companies, Inc. (The)	WMB	Ba2▲*	BB+*▲	BB+*	--	70.0	70.0	19.6	FRL	Natural Resources	Maria Lund
Williams Scotsman International, Inc.	WLSC	B1	BB+	--	--	10.0	10.0	10.0	FRL	Industrial	Diane Albanese
WMG Holdings Corp.	WMG	Ba2?	BB-▼	BB-*	--	35.0	35.0	7.0	BL	Media/Telecom	Mike Masters
Worldspan Technologies Inc.	--	Ba3	B+	--	--	9.8	9.8	1.9	BL	Technology	Mike Masters
Yankee Holding Corp.	--	Ba3	BB-	--	--	15.0	15.0	15.0	BL	Consumer/Retail	Ritam Bhalla
Young Broadcasting Inc.	YBTVA	Ba3	B	--	--	5.0	5.0	0.0	BL	Media/Telecom	Mike Masters
High Yield Total						\$10,606.6	\$10,469.7	\$9,442.5			
Loan Portfolio Total						\$35,830.8	\$31,286.0	\$16,961.7			

*Rating = Issuer Rating; does not necessarily represent a senior secured rating.

Italics = European or Asian Deal

Bold = Closed and currently being syndicated.

Source: Lehman Brothers

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