

LPG Weekly Review

Private and Confidential

July 27, 2007

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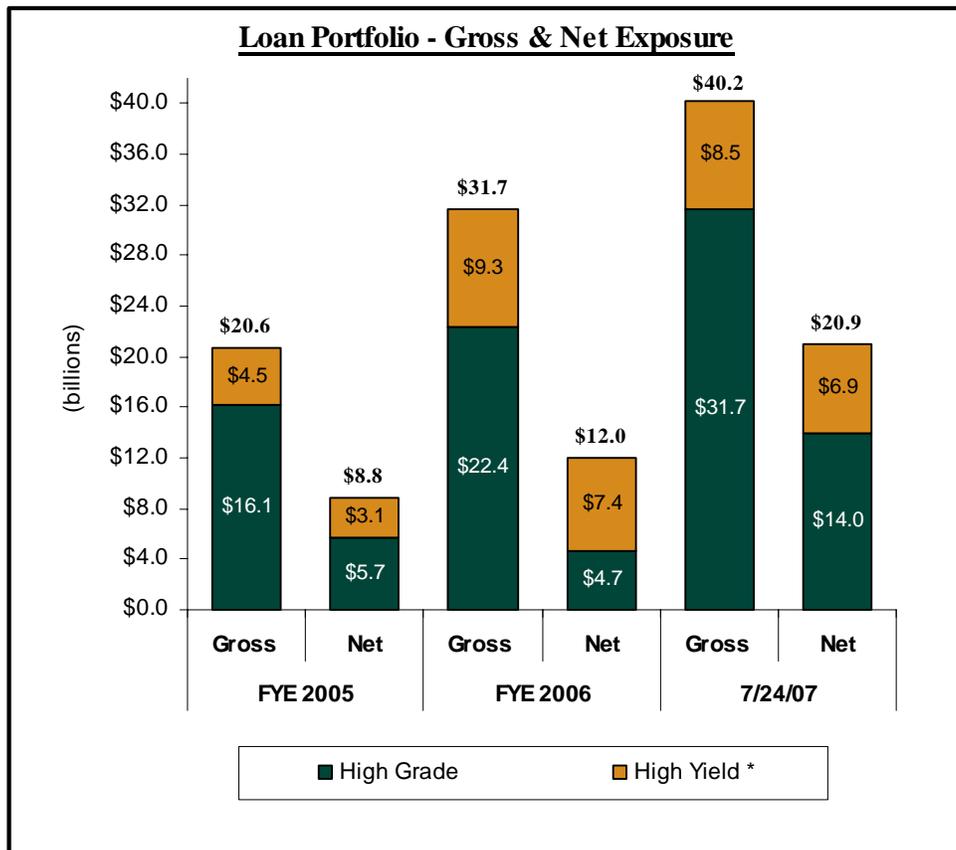
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*Includes European deals that have closed but are still in syndication.

Loan Portfolio Summary

(mm)	FYE 2005			FYE 2006			7/24/07		
	HG	HY	TOTAL	HG	HY	TOTAL	HG	HY	TOTAL
Gross Exposure	\$16,144	\$4,483	\$20,627	\$22,387	\$9,313	\$31,700	\$31,698	\$8,507	\$40,205
Structured Participations	(3,310)	(250)	(3,560)	(4,172)	(131)	(4,303)	(4,439)	(137)	(4,576)
CDS/Bond Shorts	(7,122)	(1,110)	(8,232)	(13,554)	(1,814)	(15,368)	(13,262)	(1,424)	(14,686)
Net Exposure	\$5,712	\$3,123	\$8,835	\$4,661	\$7,368	\$12,029	\$13,997	\$6,947	\$20,943
Macro & Other Hedges	0	0	0	(683)	(100)	(783)	(1,181)	(125)	(1,306)
	\$5,712	\$3,123	\$8,835	\$3,978	\$7,268	\$11,246	\$12,816	\$6,822	\$19,637

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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							
Kimberly-Clark Corporation	BL	Bridge	\$2,000.0	\$550.0	\$550.0	7/20/07	7/23/07
Sunoco, Inc.	FRL	Revolver	\$1,300.0	\$45.0	\$45.0	7/20/07	7/25/07
Tyco Healthcare (Covidien Ltd.)	FRL	Revolver	\$1,500.0	\$30.0	\$75.0	12/15/06	7/26/07
Tyco Electronics Corporation	FRL	Revolver	\$900.0	\$30.0	\$75.0		
Tyco Fire & Security	FRL	Revolver	<u>\$550.0</u>	<u>\$26.4</u>	<u>\$60.0</u>		
			\$2,950.0	\$86.4	\$210.0		
HighMount Exploration & Production LLC (Loews)	FRL	Revolver	\$400.0	\$30.4	\$30.4	6/22/07	7/27/07
	FRL	Term	<u>\$1,600.0</u>	<u>\$121.6</u>	<u>\$121.6</u>		
			\$2,000.0	\$152.0	\$152.0		
HIGH GRADE TOTAL				\$833.4	\$957.0		
HIGH YIELD							
HIGH YIELD TOTAL				\$0.0	\$0.0		
LPG TOTAL				\$833.4	\$957.0		

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						
American Express Company	FRL	Revolver	\$2,000.0	\$30.0	7/11/07	8/1/07
	FRL	Revolver	<u>\$3,000.0</u>	<u>\$45.0</u>		
			\$5,000.0	\$75.0		
Buckeye Partners, L.P.	BL	Bridge	\$450.0	\$225.0	7/24/07	4Q07
Chicago Mercantile Exchange Holdings, Inc.	BL	Bridge	\$3,000.0	\$3,000.0	5/10/07	7/30/07
Cisco Systems, Inc	FRL	Revolver	\$3,000.0	\$120.0	7/3/07	8/2/07
Constellation Energy Group, Inc.	FRL	Revolver	\$3,750.0	\$150.0	7/23/07	7/31/07
eBay, Inc.	FRL	Revolver	\$2,000.0	\$175.0	7/23/07	8/2/07
Entergy Corporation	FRL	Revolver	\$3,500.0	\$135.0	7/20/07	7/31/07
The Home Depot, Inc.	BL	Bridge	\$10,000.0	\$2,500.0	7/6/07	8/15/07
International Business Machines Corporation	FRL	Revolver	\$10,000.0	\$250.0	7/25/07	7/30/07
ITC Holdings, Inc.	BL	Bridge	\$750.0	\$750.0	1/18/07	12/07
PHH Mortgage Corporation	BL	Warehouse Facility	\$4,000.0	\$1,200.0	3/15/07	9/28/07
<i>Qatar Liquefied Gas Company Limited 4</i>	FRL	Revolver	\$2,800.0	\$85.8	9/8/06	7/30/07
Sunoco LogisticsPartners Operations L.P.	FRL	Revolver	\$400.0	\$30.0	7/25/07	8/7/07
TC Group Investment Holdings, L.P. (Carlyle)	BL	Revolver	\$300.0	\$60.0	6/29/07	8/3/07
		Term	\$1,000.0	\$200.0		
		DD Term	<u>\$500.0</u>	<u>\$100.0</u>		
			\$1,800.0	\$360.0		
Telecom Italia S.p.A.	FRL	Revolver	<u>€8,000.0</u>	<u>€134.0</u>	7/18/07	8/1/07
			\$10,996.8	\$184.2		
TIAA-CREF Funds	FRL	Revolver	\$1,500.0	\$125.0	7/24/07	8/6/07
Transocean, Inc.	BL	Bridge	\$15,000.0	\$4,000.0	7/21/07	12/31/07
Wyeth	FRL	Revolver	\$3,000.0	\$100.0	7/27/07	8/2/07
HIGH GRADE TOTAL				\$13,465.0		

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	8/31/07
	BL	1st Lien Term	C\$ 450.0	C\$ 450.0		
	BL	2nd Lien Term	<u>C\$ 225.0</u>	<u>C\$ 225.0</u>		
			\$686.6	\$686.6		
CW Media (Alliance Broadcasting)	BL	Revolver	C\$ 43.0	C\$ 15.0	1/10/07	8/7/07
	BL	1st Lien Term	C\$ 455.0	C\$ 160.5		
	BL	Sr. Bridge	C\$ 170.1	C\$ 90.0		
	BL	Sub. Bridge	<u>C\$ 140.3</u>	<u>C\$ 74.3</u>		
			\$758.3	\$318.7		
Alliance Data Systems Corporation	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	\$100.0	6/26/07	8/7/07
	BL	1st Lien Term	\$3,100.0	\$775.0		
	BL	Bridge	<u>\$1,100.0</u>	<u>\$275.0</u>		
			\$4,600.0	\$1,150.0		
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	Sr. Bridge	<u>\$215.0</u>	<u>\$107.5</u>		
			\$730.0	\$365.0		
Biomet Inc.	BL	Revolver	\$400.0	\$30.0	1/17/07	9/30/07
	BL	ABL Revolver	\$350.0	\$26.3		
	BL	Term B	\$3,600.0	\$270.0		
	BL	Bridge	\$1,550.0	\$59.7		
	BL	Sub. Bridge	<u>\$1,015.0</u>	<u>\$39.1</u>		
			\$6,915.0	\$425.1		
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		
<i>Chevron Global Energy, Inc. (Delek Group)</i>	BL	Revolver	€60.0	€60.0	6/24/07	8/7/07
	BL	Synthetic LC	€70.0	€70.0		
	BL	Term B	€100.0	€100.0		
	BL	Term C	€100.0	€100.0		
	BL	2nd Lien Term	€40.0	€40.0		
	BL	Mezzanine	<u>€40.0</u>	<u>€40.0</u>		
			\$564.2	\$564.2		
CCS Medical Holdings Inc.	FRL	Revolver	\$50.0	\$10.0	6/27/07	8/6/07
	FRL	Term	<u>\$380.0</u>	<u>\$76.0</u>		
			\$430.0	\$86.0		
<i>Debitel Konzernfinanzierungs GmbH</i>	BL	Revolver	€150.0	€25.0	5/31/07	7/31/07
	BL	Term	<u>€1,275.0</u>	<u>€275.0</u>		
			\$1,961.1	\$412.9		
Dollar General Corp.	BL	1st Lien Term	\$2,500.0	\$24.5	3/11/07	07/07
DuPont Fabros Realty	FRL	Revolver	\$275.0	\$27.5	6/25/07	8/3/07
	FRL	Term	<u>\$200.0</u>	<u>\$20.0</u>		
			\$475.0	\$47.5		
Exterran Holdings, Inc.	FRL	Revolver	\$850.0	\$38.5	7/25/07	8/20/07
	FRL	Term	<u>\$800.0</u>	<u>\$36.5</u>		
			\$1,650.0	\$75.0		

Italics=European or Asian deal.

PSYND (cont'd.)

(mm) Borrower	FRL/BL	Facility Type	Facility Size	Current Lehman Commitment	Commitment Date	Expected Closing Date
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		
Frontier Drilling ASA	FRL	1st Lien Term	\$25.0	\$5.0	7/5/07	7/31/07
	FRL	2nd Lien Term	<u>\$100.0</u>	<u>\$20.0</u>		
			\$125.0	\$25.0		
<i>Gaztransport & Technigaz SAS</i>	BL	Term B	€100.0	€100.0	7/18/07	3Q07
	BL	Term C	€100.0	€100.0		
	BL	Revolver	€200.0	€200.0		
	BL	Bridge	<u>€350.0</u>	<u>€350.0</u>		
			\$1,032.2	\$1,032.2		
Goodyear Engineered Products	BL	Revolver	\$100.0	\$16.7	2/20/07	7/31/07
	BL	1st Lien Term	\$650.0	\$0.0		
	BL	2nd Lien Term	<u>\$410.0</u>	<u>\$16.7</u>		
			\$1,160.0	\$33.4		
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	8/16/07
	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>\$391.6</u>		
			\$9,951.0	\$3,316.9		
Houghton-Mifflin Riverdeep Group	BL	Revolver	\$500.0	\$150.0	7/16/07	1Q08
	BL	1st Lien Term	\$4,941.7	\$1,482.5		
	BL	2nd Lien Term	\$1,681.9	\$504.6		
	BL	PIK Term	<u>\$868.7</u>	<u>\$260.6</u>		
			\$7,992.3	\$2,397.7		
<i>Icopal A/S (Project Aztec)</i>	BL	Revolver	€100.0	€30.0	6/11/07	7/31/07
	BL	Acquisition Facility	€150.0	€45.0		
	BL	Term B	€242.0	€72.6		
	BL	Term C	€242.0	€72.6		
	BL	2nd Lien Term	€100.0	€30.0		
	BL	Mezzanine	€80.0	€24.0		
	BL	PIK Facility	<u>€30.0</u>	<u>€9.0</u>		
			\$1,299.1	\$389.3		
Jarden Corporation	BL	Term	\$700.0	\$700.0	4/24/07	8/8/07

Italics=European or Asian deal.

PSYND (cont'd.)

(mm) Borrower	FRL/BL	Facility Type	Facility Size	Current Lehman Commitment	Commitment Date	Expected Closing Date
LKQ Corporation	BL	Revolver	\$100.0	\$50.0	7/16/07	10/07
	BL	Term B	\$840.0	\$420.0		
	BL	2nd Lien Term	\$150.0	\$75.0		
			\$1,090.0	\$545.0		
McJunkin Corporation	BL	ABL Revolver	\$600.0	\$210.0	7/6/07	9/3/07
	BL	Term	\$1,025.0	\$358.8		
			\$1,625.0	\$568.8		
Metavante Corporation	BL	Revolver	\$250.0	\$50.0	5/2/07	10/07
	BL	Term	\$1,750.0	\$350.0		
			\$2,000.0	\$400.0		
Nuance Communications, Inc.	BL	Term	\$225.0	\$56.3	6/11/07	8/6/07
PharMerica Corporation	FRL	Revolver	\$100.0	\$8.3	6/14/07	7/31/07
	FRL	Term	\$275.0	\$15.2		
			\$375.0	\$23.5		
PHH Mortgage Corporation	BL	MSR Revolver	\$800.0	\$240.0	3/15/07	9/28/07
	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	\$100.0	\$30.0		
			\$2,100.0	\$630.0		
Primedia Inc.	FRL	Revolver	\$250.0	\$37.5	7/11/07	7/30/07
	FRL	Term	\$100.0	\$15.0		
			\$350.0	\$52.5		
PQ Corporation	BL	Revolver	\$200.0	\$67.0	6/22/07	7/30/07
	BL	1st Lien Term	\$805.0	\$267.0		
	BL	2nd Lien PIK Toggle Term	\$460.0	\$153.0		
			\$1,465.0	\$487.0		
Sequa Corp.	BL	Revolver	\$150.0	\$60.0	6/18/07	9/07
	BL	Term	\$1,200.0	\$480.0		
	BL	Sr. Bridge	\$700.0	\$280.0		
			\$2,050.0	\$820.0		
Syniverse Holdings, Inc.	BL	EUR Revolver	\$20.0	\$12.0	3/20/07	8/31/07
	BL	USD Revolver	\$42.0	\$25.2		
	BL	EUR Term	\$130.0	\$78.0		
	BL	USD Term	\$297.0	\$178.2		
			\$489.0	\$293.4		
Targa Resources, Inc.	BL	Revolver	\$300.0	\$67.5	6/21/07	8/9/07
	BL	Synthetic LC	\$300.0	\$67.5		
	BL	1st Lien Term	\$1,525.0	\$343.1		
	BL	2nd Lien Term	\$350.0	\$78.8		
			\$2,475.0	\$556.9		
TPF II LC, LLC (Tenaska)	BL	Revolver	\$20.0	\$13.0	7/26/07	3Q07
	BL	Term	\$225.0	\$146.3		
			\$245.0	\$159.3		
<i>Territory Resources Limited</i>	BL	Bridge	AUD 320.0	AUD 320.0	7/17/07	10/07
			\$278.8	\$278.8		
<i>Top Tour Corporation (CCMP Asia)</i>	BL	Revolver (Tranche 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)	¥1,500.0	¥1,500.0		
			\$117.0	\$117.0		
Tribune Company	BL	Incremental Term	\$2,105.0	\$20.0	5/16/07	11/07
	BL	Bridge	\$2,100.0	\$31.5		
			\$4,205.0	\$51.5		

Italics=European or Asian deal.

PSYND (cont'd.)

(mm) Borrower	FRL/BL	Facility Type	Facility Size	Current Lehman Commitment	Commitment Date	Expected Closing Date
TXU Corporation	BL	Sr. Bridge	\$2,000.0	\$144.4	6/29/07	11/07
	BL	Sr. PIK Toggle Bridge	<u>\$2,500.0</u>	<u>\$180.6</u>		
			\$4,500.0	\$325.0		
TXU Electric Delivery Company	BL	Revolver	\$2,000.0	\$144.5	6/29/07	11/07
TXU Energy Company (Luminant Energy)	BL	Revolver	\$2,700.0	\$238.3	6/29/07	11/07
	BL	Synthetic LC	\$1,250.0	\$90.3		
	BL	Term	\$16,050.0	\$1,155.6		
	BL	DD Term	\$4,100.0	\$295.8		
	BL	Sr. Bridge	\$5,000.0	\$361.1		
	BL	Sr. PIK Toggle Bridge	<u>\$1,750.0</u>	<u>\$121.4</u>		
		\$30,850.0	\$2,262.6			
United Rentals, Inc.	BL	ABL Revolver	\$1,500.0	\$225.0	7/22/07	4Q07
	BL	ABL Term B	\$1,000.0	\$150.0		
	BL	2nd Lien Bridge	\$2,350.0	\$352.5		
	BL	Sr. Bridge	<u>\$1,650.0</u>	<u>\$247.5</u>		
		\$6,500.0	\$975.0			
U.S. Investigations Services Inc.	BL	Revolver	\$90.0	\$58.5	5/9/07	8/9/07
	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			
Vertrue Incorporated	BL	Revolver	\$30.0	\$18.0	3/22/07	8/16/07
	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				\$31,169.2		
LPG PSYND TOTAL				\$44,634.3		

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						
<i>Landesbank Hessen-Thuringen Girozentrale</i>	FRL	Revolver	€15.0	€15.0	12/19/06	8/07
HIGH GRADE TOTAL				\$20.6		

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	\$30.0	\$12.0		
			\$485.0	\$194.0		
InterGen N.V.	BL	Revolver	\$750.0	\$0.0	6/14/07	7/31/07
	BL	Term	\$800.0	\$75.0		
			\$1,550.0	\$75.0		
HIGH YIELD TOTAL				\$269.0		
LPG TOTAL				\$289.6		

Portfolio Exposure Changes

(mm) Borrower	FRL/BL	Increase / (Decrease)	Explanation
HIGH GRADE			
Imperial Tobacco Funds PLC	BL	\$4,307.8	New Commitment
Kimberly-Clark Corporation	FRL	\$550.0	New Commitment
Sprint Nextel Corporation	FRL	(\$225.0)	Reduced Commitment
HIGH GRADE TOTAL		\$4,632.8	

HIGH YIELD			
Biomet Inc.	BL	\$447.4	New Commitment
R.J. O'Brien	BL	\$115.7	New Commitment
Semgroup Entergy Partners LP	FRL	\$17.0	New Commitment
Venetian Casino Resort, LLC	FRL	(\$19.2)	Participation Sale
TRW Automotive Inc	FRL	(\$31.0)	Assignment Sale
<i>Alpha III (Formula One)</i>	BL	(\$64.4)	Reduced Commitment
<i>Klockner Pentaplast Luxembourg Sarl</i>	BL	(\$175.8)	Syndication
HIGH YIELD TOTAL		\$289.7	
FX Changes		(\$39.9)	
LPG TOTAL		\$4,882.5	

Italics=European or Asian deal.

Bold = Closed and currently being syndicated.

PORTFOLIO SNAPSHOT

% Drawn	FYE 2005	FYE 2006	7/24/07
HG	4%	9%	10%
HY	42%	35%	34%

Maturities	< 1 year	1- 2 years	2- 4 years	> 4 years	Weighted Average Maturity
HG Loans	22%	10%	26%	42%	2.8
HG CDS/Bond Shorts	18%	15%	40%	27%	2.7
HY Loans	24%	3%	12%	61%	4.7
HY CDS/Bond Shorts	10%	3%	48%	39%	3.4

Top Exposures

The following table lists our 10 largest **HG Net Exposures** as of 7/24/07.

	Company Name	Moody's/S&P/Fitch/Internal	Net Exposure (mm)	% of Total Net Exposure	Gross Exposure (mm)	% of Total Gross Exposure
1.	<i>Imperial Tobacco Finance PLC</i>	Baa3/BBB▼/--/--	\$4,283.5	30.6%	\$4,283.5	13.5%
2.	Alcoa Inc.	A2▼/BBB+/A/--	1,385.0	9.9%	1,480.0	4.7%
3.	Kimberly-Clark Corporation	Aa3/A+/AA/--	534.0	3.8%	594.0	1.9%
4.	Ford Motor Company	Ba3/B+/BB/--	477.0	3.4%	800.0	2.5%
5.	GMAC LLC	Ba1/BB+/BB+/--	415.0	3.0%	425.0	1.3%
6.	OZ Management, LLC	--/--/BB	250.0	1.8%	250.0	0.8%
7.	NYSE Euronext, Inc.	A1/AA/--/--	250.0	1.8%	250.0	0.8%
8.	FCAR Owner Trust	--/--/AA	238.0	1.7%	238.0	0.8%
9.	Tyco International Finance S.A.	Baa1/BBB/--/--	233.6	1.7%	233.6	0.7%
10.	The Thomson Corporation	A3▼/A-▼/--/--	204.8	1.5%	204.8	0.6%
Total			\$8,270.8	59.1%	\$8,758.8	27.6%

The following table lists our 10 largest **HY Net Exposures** as of 7/24/07.

	Company Name	Moody's/S&P/Fitch/Internal	Net Exposure (mm)	% of Total Net Exposure	Gross Exposure (mm)	% of Total Gross Exposure
1.	<i>Edam Acquisition BV (Endemol)</i>	--/--/B	\$880.2	12.7%	\$880.2	10.3%
2.	<i>PHS Group PLC</i>	--/--/BB-	741.4	10.7%	741.4	8.7%
3.	<i>Lloyds TSB Registrars</i>	--/--/BB	544.0	7.8%	544.0	6.4%
4.	Biomet Inc.	B1/BB/--/--	447.4	6.4%	447.4	5.3%
5.	<i>Merlin Entertainments Group</i>	--/--/BB-	337.3	4.9%	337.3	4.0%
6.	<i>Klockner Pentaplast Luxembourg Sarl</i>	--/--/B	334.7	4.8%	334.7	3.9%
7.	EPCO Holdings, Inc.	Ba2/BB/--/--	246.4	3.5%	31.3	0.4%
8.	<i>Lavena Holdings 4 GmbH (ProSieben)</i>	Ba1*/--/BBB*/--	243.8	3.5%	243.8	2.9%
9.	<i>Sisal SpA</i>	--/--/B	170.2	2.5%	57.0	0.7%
10.	RJO Holdings Corp.	B2/B/--/--	115.7	1.7%	115.7	1.4%
Total			\$4,061.1	58.5%	\$3,732.8	43.9%

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

Italics=European or Asian deal

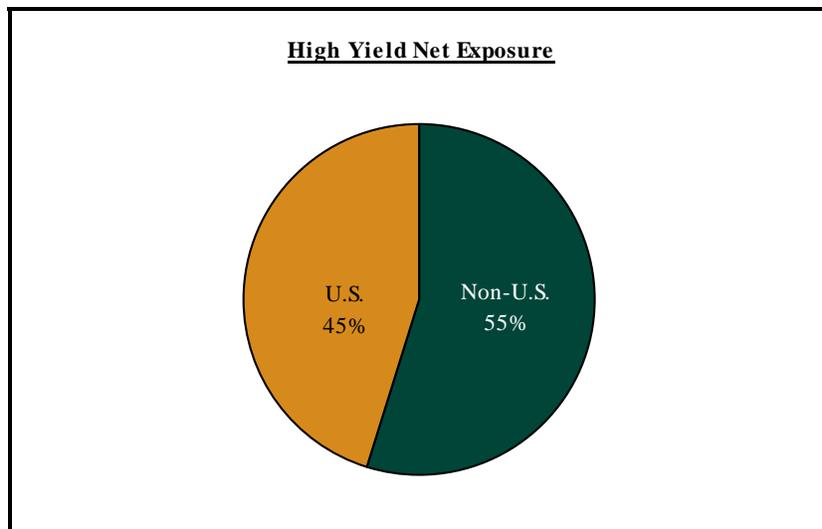
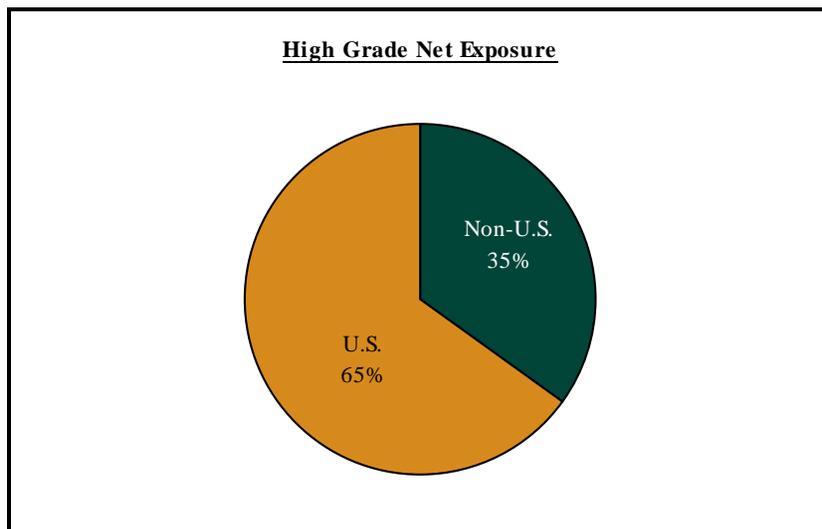
Bold=Closed & currently being syndicated.

July 27, 2007

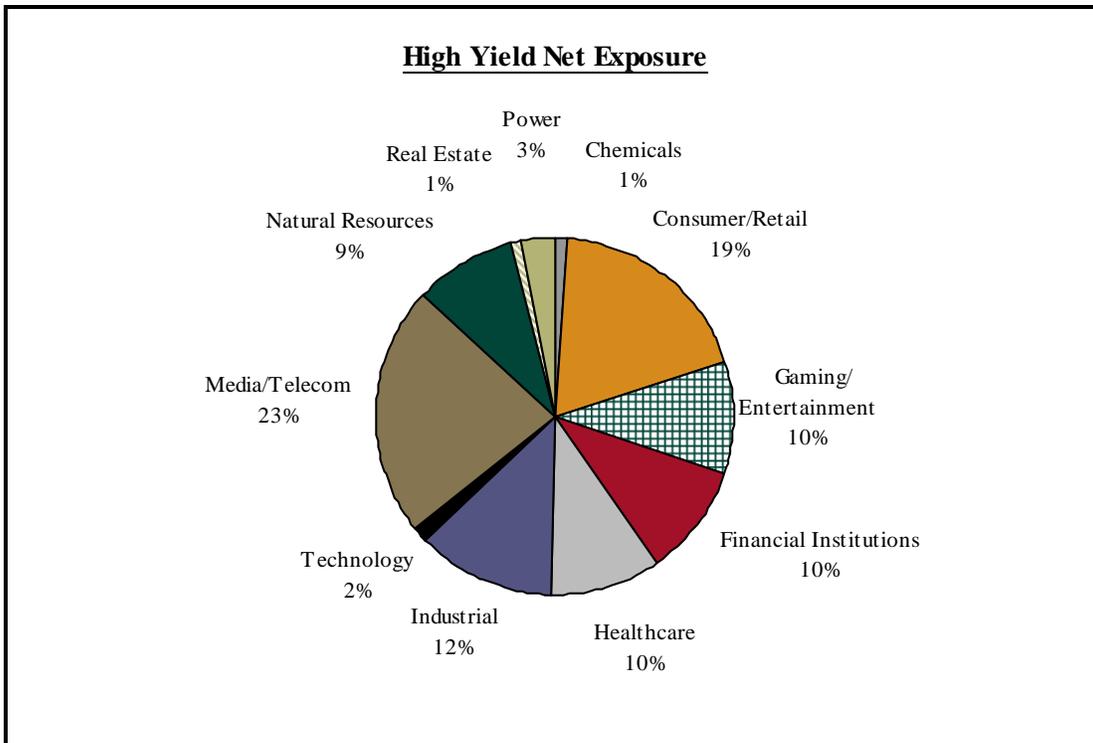
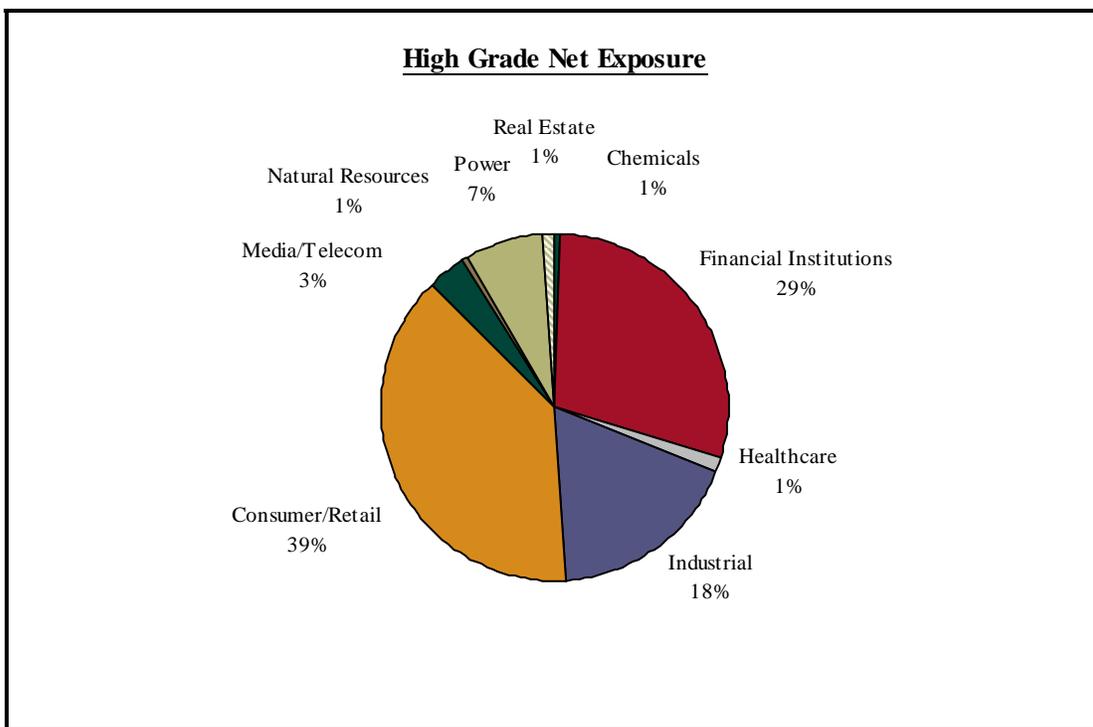
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Exposure by Geography

(mm)	HG	%	HY	%
Non-U.S.	4,916	35%	3,809	55%
U.S.	9,080	65%	3,138	45%
Total	\$13,997	100.0%	\$6,947	100.0%



Exposure by Sector



CREDIT/COMPANY NEWS

Ratings Recap

Company Name	Date	Agency	Rating	Action	From	To
<i>Resolution plc</i>	7/23/07	S&P	Issuer	Watch Negative	BBB+	BBB+▲
Kimberly-Clark Corporation	7/24/07	S&P	Sr. Unsecured	Downgrade	AA- (stable)	A+ (negative)
Kimberly-Clark Corporation	7/24/07	Moody's	Sr. Unsecured	Downgrade	Aa3 (stable)	A2 (stable)
<i>GlaxoSmithKline plc</i>	7/25/07	Moody's	Sr. Unsecured	Downgrade	Aa2 (stable)	A1 (negative)
Danaher Corporation	7/27/07	Moody's	Sr. Unsecured	Outlook Raised	A2 (negative)	A2 (stable)

Italics=European or Asian deal.

Company News

Consumer/Retail

- **The Home Depot, Inc. (HD): Negative** – On 7/26/07, Moody's downgraded HD's senior unsecured credit rating from Aa3▼ to Baa1, leaving the rating on review for further downgrade. The short term rating was downgrade to P2 from P1. The downgrade was a result of the increased leverage HD will incur from its announced \$22.5 billion share buyback and the company's stated intention to manage to a 2.5x debt/EBITDA ratio going forward. The continuing review for downgrade reflects a lack of visibility with respect to the funding of the \$11.0 billion settlement required for the announced tender offer which is set to expire on 8/16/07 and the potential negative impact on liquidity. Moody's noted that in the event the planned \$41 billion sale of Home Depot Supply does not close prior to the settlement date, HD would be forced to either increase its existing commercial paper program or draw upon a bridge loan to satisfy the settlement of the tender. The bridge loan matures on 11/21/07 and Moody's has stated that if any commercial paper issuance is not backed by a committed credit facility with at least a one year tenor through 8/08, HD's long term and short term credit ratings would likely be downgraded to Baa2 and P3, respectively. In the event that sale of Home Depot Supply closes as expected, eliminating the need to increase the commercial paper, the Baa1 and P2 ratings are likely to be confirmed. (*Ahuva Schwager*)
- **Kimberly-Clark Corporation (KMB): Negative** – On 7/24/07, KMB announced a \$2.0 billion accelerated share repurchase program to be funded with debt. The program increased the company's total share repurchase activity from previously expected levels of \$600-800 million to \$2.8 billion. Following the share repurchase announcement, on 7/26/07, KMB completed a \$2.1 billion debt offering executed by LEH, Citigroup and JP Morgan. Subsequently, both Moody's and S&P lowered its senior unsecured credit rating for KMB as a result of the more aggressive financial policy and increased leverage. Moody's lowered its rating from Aa3 down to A2 (stable) S&P lowered its AA- (stable) rating to A+ (negative). (*Ahuva Schwager*)

Financial Institutions

- **Banca Italease S.p.A. (BIL): Positive** – On 7/25/07 BIL published details of the Banca d'Italia's report which required that BIL no longer write derivative contracts and called a general meeting within 10 days in order to replace both the executive and supervisory boards. The new boards will be expected to run BIL as a more traditional leasing business. (*Patrick Marshall*)
- **Countrywide Financial Corporation (CFC): Negative** - On 7/25/07, CFC reported 2Q07 earnings of \$485 million, down 33% from a year ago. 2Q07 EPS of \$0.81 was \$0.14 below the consensus estimate. Results were impacted by higher credit-related costs in prime home equity loans and continued weakness in the housing market; Mortgage Banking earnings were down 49% driven by a servicing loss of \$147 million due to impairment charges on retained interests. Loan production at \$123 billion was up 18%; subprime production was down 50% and makes up 4% of total production vs. 10% a year ago. Delinquencies were up and particularly high in central California, South Florida and the Midwest; 4.6% of prime home-equity loans were delinquent vs. 1.8% and 23.7% of subprime loans were delinquent vs. 15.3% a year ago. Management expects the difficult housing and mortgage market conditions to persist in 2H07 and revised earnings guidance for 2007 to \$2.70-\$3.30 from \$3.50-\$4.30. (*Rohit Nair*)

- **Montpelier Reinsurance Ltd. (MRH): Negative** - On 7/24/07, MRH reported 2Q07 operating income of \$54 million, flat vs. a year ago. 2Q07 operating EPS of \$0.56 was \$0.23 below the consensus estimate. Results were impacted by U.K. and Australian floods and declining premiums. Net premiums written were down 39%, and include the previously announced cessation of Blue Ocean's underwriting. MRH's combined ratio was 70.0% vs. 72.9% a year ago. (*Rohit Nair*)

Healthcare

- **GlaxoSmithKline plc (GSK): Negative** - On 7/25/07 Moody's downgraded GSK's bank loan rating to A1 (Negative) from Aa2 (Stable). The action follows GSK's announcement that it would execute a new GB£ 12 billion share buy-back program until 2009. The share buy-back will significantly exceed free cashflow and is thus expected to increase debt. (*Patrick Marshall*)

Industrial

- **Ford Motor Company (F): Positive** - On 7/26/07, F reported pre-tax operating income of \$483 million compared to a pre-tax operating loss of \$291 million a year ago. 2Q07 EPS from continuing operations of \$0.13 was well ahead of the (\$0.35) consensus estimate. North American operations reported a pre-tax loss of \$279 million vs. a pre-tax loss of \$789 million a year ago. Results reflect favorable net pricing and cost reductions, partially offset by unfavorable volume/mix and currency exchange. Special items include \$443 million from the sale of Aston Martin and the recognition of previously deferred gains on certain hedges at Jaguar and Land Rover. F confirmed its plans to sell Jaguar and Land Rover, and is conducting a strategic review of Volvo that is expected to conclude by year-end. (*Rohit Nair*)

Media/Telecom

- **Iridium Satellite LLC (IRDMS): Positive** - On 7/27/07, Iridium reported 2Q07 revenues and Adj. EBITDA of \$62.9 million (up 33% y-o-y and 31% q-o-q) and \$19.7 million (up 55% y-o-y), respectively. YTD revenues and Adj. EBITDA are 11.7% and 43.8% ahead of budget, largely due to greater than anticipated subscriber additions, which have benefited from network performance issues at Globalstar, its primary competitor. Pro forma for a \$9.2mm unscheduled debt repayment in July, total debt is \$173.1 million while LTM Adj EBITDA is \$67.0 million for leverage of 2.6x. 1st lien leverage is down to 2.0x, from 3.9x at closing in July 2006. (*Mike Masters*)

Power

- **Ameren Corporation (AEE); Exelon Corporation (EXC): Positive** - On 7/24/07, legislation was introduced to the Illinois House outlining the provisions of an electric rate compromise reached among state legislators, the Attorney General, the state's utilities and power marketers that participated in 2006 standard offer service (SOS) power procurement auctions. The agreement calls for the following: (i) Utilities and power generation companies will contribute \$1 billion in the aggregate to fund various customer rate relief programs designed to mitigate the impact on residential customers of rate increases that became effective on 1/2/07. Approximately \$150 million of the \$1 billion in rate relief funding is to be contributed by AEE, \$800 million is to be contributed by EXC, and \$50 million is to be contributed by independent power marketers; and (ii) the establishment of an Illinois Power Authority to oversee a request-for-proposals-based SOS procurement process beginning in 2009. (*Adrian de Lagarde*)
- **Suez S.A. (SZE): Neutral** - On 7/25/07, SZE announced that Electrabel S.A., a Belgian subsidiary, would acquire its 99.97% stake in Suez Tractabel S.A. The transaction is purely intercompany in nature and allows SZE to push down debt to Electrabel S.A. Electrabel S.A. announced at the same time that it was requesting to join the GIE Suez Alliance, meaning that the company would benefit from the cross guarantee scheme operated by GIE Suez Alliance companies. (*Patrick Marshall*)
- **TXU Corp. (TXU): Neutral/Positive** - On 7/25/07, TXU announced that its Chairman and CEO John Wilder informed the company's board of directors of his intention to resign upon the completion of the company's previously announced acquisition by a private equity investor group. In addition, Vice Chairman Tom Baker also notified the company of his intention to retire at the close of the merger. In the event the acquisition does not close, Wilder has agreed to remain as Chairman and CEO of the company to ensure the continuity of the corporate management team and to oversee TXU's business and the implementation of an alternative strategy to the merger. (*Adrian de Lagarde*)

Real Estate

- **Glimcher Realty Trust (GRT): Negative** - On 7/25/07, GRT reported 2Q07 net loss of \$5.3 million compared to a net loss of \$43 million a year ago. 2Q07 FFO per share of \$0.41 was \$0.07 below the consensus estimate. The loss improvement primarily related to an impairment loss of \$49 million in 2Q06 vs. \$2.5 million in 2Q07. Same mall NOI increased by 2%; rent improvement of 2% was partially offset by lower recovery rates. Same mall occupancy came in at 90.3% vs. 88.6% a year ago. With the near completion of the mall disposition program and greater visibility into the redeployment of these proceeds, management expects continued improvement in core portfolio operating metrics. *(Rohit Nair)*

APPENDIX: PORTFOLIO DETAILS AS OF 7/24/07

PORTFOLIO DETAILS

HG LOAN PORTFOLIO

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-	--	\$1,480.0	\$1,440.0	\$1,385.0	FRL / BL	Industrial	Ahuva Schwager
Alenco Inc.	ECA	--	--	--	BBB+	35.0	35.0	1.0	FRL	Natural Resources	Adrian de Lagarde
AllianceBernstein Funds		A1	AA-	A+	--	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	18.4	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+	A-	--	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	--	57.5	57.5	27.5	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	85.0	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	--	92.3	92.3	6.3	FRL	Industrial	Patrick Marshall
Banca Intlease S.p.A.	BIL	Baa3▼	--	BBB-	--	137.1	137.1	75.1	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	--	20.5	20.5	10.5	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	0.5	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-	--	88.4	88.4	26.4	FRL	Consumer/Retail	Patrick Marshall
Carlyle Group (The)		--	--	--	BB	150.0	150.0	150.0	FRL	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-	--	--	111.2	111.2	111.2	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-	--	155.2	95.2	(29.8)	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	122.0	FRL	Financial Institutions	Rohit Nair
Coventry Health Care, Inc.	CVH	Ba1	BBB	BBB-▼	--	80.0	80.0	60.0	FRL	Healthcare	Ahuva Schwager
Covidien Ltd.		Baa1	A-	--	--	101.3	101.3	75.3	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	--	--	68.5	68.5	33.5	FRL	Industrial	Patrick Marshall
Deutsche Telekom AG	DT	A3	A-	A-	--	822.4	548.2	49.2	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	32.0	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▼	--	100.0	75.4	(97.6)	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▲	--	--	--	68.5	68.5	(14.5)	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+▼	--	48.0	48.0	13.0	FRL+	Power	Patrick Marshall
Enron Corp.	ECSPQ	--	--	--	D	12.2	12.2	12.2	FRL	Power	Tucker Hackett
Entergy 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
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

*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.)

Company	Equity Ticker	Ratings				Exposure (mm)			FRL/ BL	Sector	Portfolio Manager
		Moody's	S&P	Fitch	Internal	Gross	Current	Net			
General Electric Capital Corporation		Aaa	AAA	--	--	1,375.0	1,375.0	88.0	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	38.5	38.5	38.5	FRL	Chemicals	Patrick Marshall
GlaxoSmithKline plc	GSK	Aa2	AA	AA	--	100.0	100.0	(1.0)	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+	--	70.0	70.0	15.0	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+	BBB+	--	200.0	200.0	55.0	FRL	Consumer/Retail	Ahuva Schwager
Husqvarna AB	HUSQA.SS	--	--	--	BBB	40.5	40.5	40.5	FRL	Industrial	Patrick Marshall
Imperial Tobacco Finance PLC		Baa3	BBB▼	--	--	4,283.5	4,283.5	4,283.5	BL	Consumer/Retail	Patrick Marshall
Infineon Technologies AG	IFX	--	--	--	BB	47.2	47.2	12.2	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	--	250.0	250.0	170.0	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	--	27.4	27.4	6.4	FRL	Financial Institutions	Patrick Marshall
Kimberly-Clark Corporation	KMB	Aa3	A+	AA	--	594.0	594.0	534.0	FRL / BL	Consumer/Retail	Ahuva Schwager
Kinder Morgan Energy Partners, L.P.	KMP	Baa2	BBB	BBB	--	63.3	63.3	3.3	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	(10.0)	FRL	Industrial	Patrick Marshall
Kraft Foods Inc.	KFT	Baa1	A-	A-	--	136.3	64.9	2.9	FRL	Consumer/Retail	Ahuva Schwager
KRIBICO Shyam Fertilizers Limited		--	--	--	BB+	5.7	5.7	5.7	FRL	Industrial	Patrick Marshall
Landale Asset Purchasing Company No. 2 Limited		--	--	--	AA-	209.1	209.1	94.1	FRL	Financial Institutions	Rohit Nair
Lanxess AG	LXS.DE	Baa2	BBB-▲	--	--	89.1	89.1	48.1	FRL	Chemicals	Patrick Marshall
Legal & General Group Plc	LGEN.L	A1	AA-	AA-	--	82.0	82.0	6.0	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
Man Group Finance Inc.		--	--	A-	Baa1	125.0	125.0	125.0	FRL / BL	Financial Institutions	Patrick Marshall
Man Group Finance Limited		--	--	--	BBB+	70.0	70.0	70.0	FRL	Financial Institutions	Rohit Nair
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	Copr	Baa1	BBB+	BBB+	--	110.0	60.0	(5.0)	FRL	Power	Adrian de Lagarde
Mohawk Industries, Inc.	MHK	Baa3	BBB-	--	--	127.4	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	(2.3)	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	7.0	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	--	137.1	137.1	47.1	FRL	Financial Institutions	Patrick Marshall
Nokia Corporation	NOK	A1	A	A+	--	77.0	77.0	(23.0)	FRL	Industrial	Patrick Marshall
Northeast Utilities	NU	Baa2	BBB-	BBB	--	85.9	35.9	(19.1)	FRL	Power	Adrian de Lagarde
Northern Rock PLC	NRKL	Aa3	A+	A+	--	73.8	12.3	12.3	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+	--	--	25.1	25.1	6.1	FRL	Media/Telecom	Patrick Marshall
Owens & Minor Distribution, Inc.	OMI	--	--	--	BBB-	44.0	24.0	24.0	FRL	Healthcare	Ahuva Schwager
OZ Management, LLC		--	--	--	BB	250.0	250.0	250.0	BL	Financial Institutions	Rohit Nair
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+	55.6	55.6	55.6	FRL	Consumer/Retail	Ahuva Schwager
Pinnacle West Capital Corporation	PNW	Baa3	BB+	BBB-	--	51.0	41.0	36.0	FRL	Power	Adrian de Lagarde
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		Baa2	BBB-	--	--	185.0	185.0	145.0	FRL	Power	Adrian de Lagarde
Principal Financial Services, Inc.	PFGE	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	44.0	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
Qatar Liquefied Gas Company Limited (II)		--	--	--	A	15.4	15.4	5.4	FRL	Natural Resources	Patrick Marshall

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Italics = European or Asian Deal

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Source: Lehman Brothers

PORTFOLIO DETAILS (cont'd.)

Company	Equity Ticker	Ratings				Exposure (mm)			FRL/ BL	Sector	Portfolio Manager
		Moody's	S&P	Fitch	Internal	Gross	Current	Net			
QVC, Inc.		--	--	--	BB+	121.3	121.3	93.3	FRL	Media/Telecom	Ahuva Schwager
<i>Bas 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	RGA	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-	--	48.7	48.7	48.7	FRL	Financial Institutions	Patrick Marshall
<i>Reuters Group PLC</i>	RTRSY	A3▼	BBB+	BBB+	--	49.2	49.2	(0.8)	FRL	Media/Telecom	Patrick Marshall
Reynolds American Inc.	RAI	Ba2	BBB	BBB	--	52.0	52.0	37.0	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	--	93.2	93.2	14.2	FRL	Financial Institutions	Patrick Marshall
<i>SABMiller plc</i>	SAB.L	Baa1	BBB+	BBB+	--	119.6	119.6	6.6	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	(46.0)	FRL	Industrial	Patrick Marshall
SL Green Operating Partnership L.P.	SLG	--	--	--	BBB-	40.0	40.0	40.0	FRL	Real Estate	Rohit Nair
SLM Corporation	SLM	A2▼	BBB+▼	BBB▼	--	327.8	252.8	55.8	FRL	Financial Institutions	Rohit Nair
Southern Company (The)	SO	A3	A	A	--	99.3	61.5	(16.5)	FRL	Power	Adrian de Lagarde
Spectra Energy Corp	SE	--	BBB+	--	--	106.0	78.7	38.7	FRL	Natural Resources	Adrian de Lagarde
Sprint Nextel Corporation	S	Baa3	BBB	BBB	--	50.0	0.0	(6.0)	FRL	Media/Telecom	Ahuva Schwager
Standard Life Bank Limited	SL.L	A3	A-	--	--	25.6	25.6	4.6	FRL	Financial Institutions	Patrick Marshall
<i>Staples, Inc.</i>	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	49.0	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+	--	220.5	220.5	26.5	FRL	Media/Telecom	Patrick Marshall
<i>Telefonica, S.A.</i>	TEF	Baa1	BBB+	BBB+	--	261.9	261.9	8.9	FRL	Media/Telecom	Patrick Marshall
<i>Telekom Austria Finance B.V.</i>	TKA	--	BBB+	--	BBB+	50.7	50.7	(9.3)	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▼	--	--	204.8	204.8	204.8	FRL/BL	Media/Telecom	Ahuva Schwager
TIAA-CREF Funds		--	--	--	AA-	0.0	0.0	0.0	FRL/BL	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	Financial Institutions	Rohit Nair
Travelers Companies, Inc. (The)	TRV	A3	A-	A	--	60.0	60.0	20.0	FRL	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	163.1	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	2.0	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	68.5	68.5	68.5	FRL	Industrial	Patrick Marshall
<i>Wolters Kluwer n.v.</i>	WKL.AS	Baa1	BBB+	BBB	--	98.7	98.7	22.7	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>Zarich Insurance Company</i>		A1	A+	A	--	200.0	200.0	7.0	FRL	Financial Institutions	Patrick Marshall
High Grade Total						\$31,697.8	\$27,258.7	\$13,996.7			

*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

PORTFOLIO DETAILS (cont'd.)

HY LOAN PORTFOLIO

Company	Equity Ticker	Ratings				Exposure (mm)			FRL/ BL	Sector	Portfolio Manager
		Moody's	S&P	Fitch	Internal	Gross	Current	Net			
Accellent Inc.	--	B1	BB-	--	--	\$8.0	\$8.0	\$8.0	FRL	Healthcare	Randall Braunfeld
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-	64.1	64.1	64.1	BL	Consumer/Retail	Patrick Marshall
Altiivity 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	12.9	FRL	Industrial	Randall Braunfeld
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
Asurion Corp.	--	B2	B-	--	--	86.7	86.7	86.7	BL	Media/Telecom	Ritam Bhalla
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+	10.0	10.0	10.0	BL	Industrial	Patrick Marshall
Avio SpA	--	--	--	--	B+	28.1	28.1	28.1	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+	--	30.9	15.8	(8.7)	FRL	Industrial	Randall Braunfeld
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
Biomet Inc.	BMET	B1	BB-	--	--	447.4	447.4	447.4	BL	Healthcare	Craig Malloy
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 (Grupo Ono)	--	--	B*	BB-	--	6.9	6.9	6.9	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	BB-	B*	--	0.0	0.0	0.0	FRL	Media/Telecom	Randall Braunfeld
Centeo 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+*	--	--	2.1	2.1	2.1	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	Randall Braunfeld
Convenience Food Systems	--	--	--	--	B+	6.2	6.2	6.2	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*	--	--	51.8	51.8	2.8	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	42.9	42.9	42.9	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+	9.0	9.0	9.0	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
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	Randall Braunfeld

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Italics = European or Asian Deal

Bold = Closed and currently being syndicated.

Source: Lehman Brothers

PORTFOLIO DETAILS (cont'd.)

Company	Equity Ticker	Ratings				Exposure (mm)			FRL/ BL	Sector	Portfolio Manager
		Moody's	S&P	Fitch	Internal	Gross	Current	Net			
Dobson Cellular Systems, Inc.	DCEL	Ba2▲	B+▲	BB-	--	6.3	6.3	1.3	BL	Media/Telecom	Randall Braunfeld
<i>Dockwise Transport BV</i>	--	--	--	--	B	17.1	17.1	17.1	BL	Industrial	Patrick Marshall
Dresser Inc.	--	B2	B+	--	--	34.5	34.5	34.5	BL	Natural Resources	Maria Lund
Dynegy Holdings Inc.	DYN	Ba1	BB-	BB	--	70.0	30.0	7.0	FRL	Power	Randall Braunfeld
Eagle Rock Energy Partners, L.P.	EROC	--	--	--	B+	12.5	12.5	12.5	FRL	Natural Resources	Maria Lund
<i>Edam Acquisition BV (Endemol)</i>	--	--	--	--	B	880.2	880.2	880.2	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
<i>Editis SA</i>	--	--	--	--	BB-	41.4	41.4	41.4	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
<i>Eno France SAS (Numericable/ YPSO/Alice)</i>	--	--	--	--	BB-	38.5	38.5	38.5	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	Randall Braunfeld
EPSCO Holdings, Inc.	--	Ba2	BB-	--	--	31.3	31.3	246.4	BL	Natural Resources	Adrian de Lagarde
EXCO Resources Inc.	XCO	B2▼*	B*▼	--	--	0.6	0.6	0.6	FRL	Natural Resources	Maria Lund
Extencare 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
Ferrelgas, LP	FGP	Ba3*	B+*	--	--	20.0	20.0	20.0	FRL	Natural Resources	Maria Lund
<i>First Chemical Holdings (Borsod)</i>	--	--	--	--	B	62.6	62.6	62.6	BL	Chemicals	Patrick Marshall
<i>Firth Rixson Group</i>	--	--	--	--	B	10.3	10.3	10.3	BL	Industrial	Patrick Marshall
Freescal 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
<i>Gala Group Holdings Plc</i>	--	--	--	--	BB-	35.8	35.8	21.0	BL	Gaming/Entertainment	Patrick Marshall
<i>Gaming Invest Sarl</i>	--	--	--	--	B	34.4	34.4	34.4	BL	Gaming/Entertainment	Patrick Marshall
General Growth Properties, Inc.	GGP	Ba2	BB+	BB	--	33.1	33.1	(3.9)	FRL	Financial Institutions	Randall Braunfeld
General Nutrition Centers, Inc.	--	Ba3	B-	--	--	6.3	6.3	6.3	BL	Consumer/Retail	Ritam Bhalla
Genivia 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	--	44.8	44.8	5.8	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-	41.2	41.2	41.2	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 Telecom Communications, Inc.	--	Ba3▼	B-	--	--	8.0	8.0	(2.4)	BL	Media/Telecom	Mike Masters
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	20.0	BL	Healthcare	Craig Malloy
Iconex Brand Group, Inc.	ICON	Ba2	BB-	--	--	0.0	0.0	0.0	BL	Consumer/Retail	Ritam Bhalla
Idearc Inc.	IAR	Ba2	BBB-	--	--	13.0	13.0	(15.0)	FRL	Media/Telecom	Mike Masters
<i>Iglo Birds Eye</i>	--	--	--	--	B	8.2	8.2	8.2	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	(4.2)	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+▲	--	--	8.0	8.0	4.0	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	56.6	56.6	56.6	BL	Industrial	Patrick Marshall
<i>Kloekner Pentaplast Luxembourg Sarl</i>	--	--	--	--	B	334.7	334.7	334.7	BL	Industrial	Patrick Marshall
L-3 Communications Corporation	LLL	Ba3*	BBB*	BBB-	--	25.0	25.0	6.0	FRL	Industrial	Randall Braunfeld
Las Vegas Sands, Inc.	LVS	Ba3	BB	--	--	25.0	25.0	15.0	FRL	Gaming/Entertainment	Diane Albanese
<i>Lavina Holdings 4 GmbH (ProSieben)</i>	--	Ba1*	--	BBB*	--	243.8	243.8	243.8	BL	Media/Telecom	Patrick Marshall
Liberty Global Inc.	LBTYA	Ba3*	B	--	--	9.7	9.7	9.7	FRL	Media/Telecom	Ahuva Schwager
Linn Energy, LLC	LINE	--	--	--	BB-	10.6	10.6	10.6	FRL	Natural Resources	Maria Lund
Lion Gables Realty L.P.	--	--	BB+	--	--	10.0	10.0	10.0	BL	Real Estate	Craig Malloy
<i>Lloyds TSB Registrars</i>	--	--	--	--	BB	544.0	544.0	544.0	BL	Financial Institutions	Patrick Marshall
LSP-Kendall Energy, LLC	--	--	B+	--	--	2.0	2.0	2.0	BL	Power	Randall Braunfeld
M/C Communications, LLC	--	B2	B	--	--	10.0	10.0	8.0	BL	Healthcare	Craig Malloy
Macerich Partnership	MAC	--	--	--	BB+	25.0	25.0	25.0	FRL	Real Estate	Rohit Nair
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 Braunfeld
Mapco Express, Inc.	--	B2	BB-	--	--	12.0	12.0	12.0	BL	Consumer/Retail	Ritam Bhalla
Maquire Properties	--	--	--	--	BB	0.0	0.0	0.0	BL	Real Estate	Craig Malloy

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Source: Lehman Brothers

PORTFOLIO DETAILS (cont'd.)

Company	Equity Ticker	Ratings				Exposure (mm)			FRL/ BL	Sector	Portfolio Manager
		Moody's	S&P	Fitch	Internal	Gross	Current	Net			
Marina District Finance Company, Inc.	--	--	--	--	BB	5.0	5.0	5.0	FRL	Gaming/Entertainment	Diane Albanese
McJunkin Corp.	--	B2▼	B+	--	--	0.0	0.0	0.0	BL	Natural Resources	Maria Lund
MEG Energy Corporation	--	Ba3	BB	--	--	0.0	0.0	0.0	BL	Natural Resources	Maria Lund
<i>Merlin Entertainments Group</i>	--	--	--	--	BB-	337.3	337.3	337.3	BL	Gaming/Entertainment	Patrick Marshall
Midwest Generation, LLC	--	Baa3	BB	BB	--	43.8	43.8	31.8	FRL	Power	Adrian de Lagarde
Mirant North America, LLC	MIR	Ba3	BB-▼	--	--	70.0	70.0	12.1	FRL	Power	Randall Braunfeld
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 Braunfeld
NRG Energy, Inc.	NRG	Ba1	BB	BB	--	0.0	0.0	0.0	FRL	Power	Randall Braunfeld
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
Omnicare, 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-	--	46.9	46.9	7.5	FRL	Industrial	Diane Albanese
<i>PagesJaunes Groupe SA</i>	--	--	--	--	B+	14.6	14.6	14.6	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>	--	--	--	--	BB-	741.4	741.4	741.4	BL	Consumer/Retail	Patrick Marshall
Pinnacle Entertainment, Inc.	PNK	B1	BB	BB	--	48.1	37.1	(7.9)	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+	--	--	45.7	45.7	45.7	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	Randall Braunfeld
Qwest Communications International Inc.	Q	Ba3	BBB-	BBB-	--	60.0	60.0	32.0	FRL	Media/Telecom	Randall Braunfeld
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	14.5	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
RJO Holdings Corp.	--	B2	B-	--	--	115.7	115.7	115.7	BL	Financial Institutions	Mike Masters
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-	5.7	5.7	5.7	BL	Financial Institutions	Patrick Marshall
SemGroup Energy Partners LP	--	Ba3*	--	--	--	17.0	17.0	17.0	FRL	Natural Resources	Maria Lund
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	Randall Braunfeld
Sierra Pacific Power Company	SRP	Ba1▲	BB+▲	BBB-	--	17.6	17.6	0.6	FRL	Power	Randall Braunfeld
Sinclair Television Group, Inc.	SBGI	Baa3	BB+	--	--	9.9	9.9	9.9	FRL	Media/Telecom	Mike Masters
<i>Sisal SPA</i>	--	--	--	--	B	170.2	170.2	170.2	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-	--	--	5.5	5.5	5.5	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+	11.0	11.0	11.0	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	B	--	--	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-	0.0	0.0	0.0	FRL	Technology	Randall Braunfeld
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.	--	Ba3	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
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	Randall Braunfeld
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	Randall Braunfeld
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	15.0	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+	--	67.7	67.7	43.8	FRL	Industrial	Diane Albanese
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

*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.)

Company	Equity Ticker	Ratings				Exposure (mm)			FRL/BL	Sector	Portfolio Manager
		Moody's	S&P	Fitch	Internal	Gross	Current	Net			
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-*	--	--	24.9	24.9	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
Waste Services, Inc.	WSII	Ba3	BB-	--	--	5.0	5.0	(1.0)	BL	Industrial	Ritam Bhalla
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	Randall Braunfeld
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						\$8,507.4	\$8,370.5	\$6,946.7			
Loan Portfolio Total						\$40,205.2	\$35,629.1	\$20,943.4			

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Source: Lehman Brothers

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