

# LPG Weekly Review

Private and Confidential

June 15, 2007

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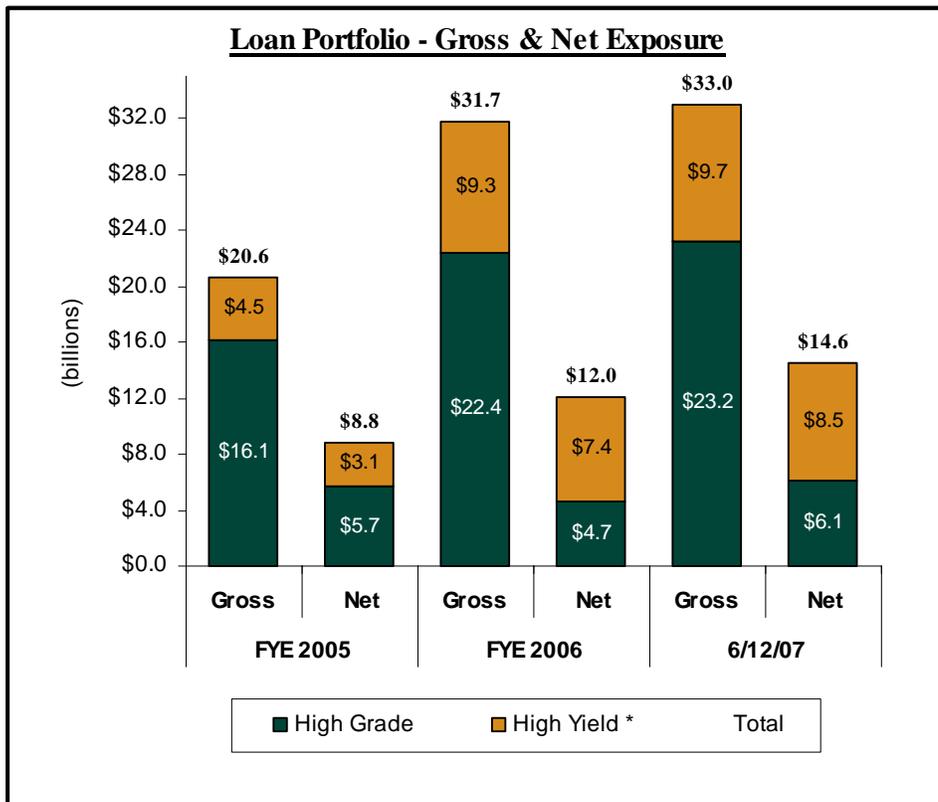
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\*Includes European deals that have closed but are still in syndication.

## Loan Portfolio Summary

(mm)	FYE 2005			FYE 2006			6/12/07		
	HG	HY	TOTAL	HG	HY	TOTAL	HG	HY	TOTAL
<b>Gross Exposure</b>	<b>\$16,144</b>	<b>\$4,483</b>	<b>\$20,627</b>	<b>\$22,387</b>	<b>\$9,313</b>	<b>\$31,700</b>	<b>\$23,248</b>	<b>\$9,725</b>	<b>\$32,973</b>
Structured Participations	(3,310)	(250)	(3,560)	(4,172)	(131)	(4,303)	(3,640)	(133)	(3,773)
CDS/Bond Shorts	(7,122)	(1,110)	(8,232)	(13,554)	(1,814)	(15,368)	(13,534)	(1,083)	(14,617)
<b>Net Exposure</b>	<b>\$5,712</b>	<b>\$3,123</b>	<b>\$8,835</b>	<b>\$4,661</b>	<b>\$7,368</b>	<b>\$12,029</b>	<b>\$6,074</b>	<b>\$8,508</b>	<b>\$14,583</b>
Macro & Other Hedges	0	0	0	(683)	(100)	(783)	(1,394)	(107)	(1,501)
	<b>\$5,712</b>	<b>\$3,123</b>	<b>\$8,835</b>	<b>\$3,978</b>	<b>\$7,268</b>	<b>\$11,246</b>	<b>\$4,680</b>	<b>\$8,401</b>	<b>\$13,082</b>

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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
<b>HIGH GRADE</b>							
GMAC LLC	FRL	Revolver	\$3,000.0	\$50.0	\$50.0	5/31/07	6/11/07
	FRL	Revolver	\$3,000.0	\$50.0	\$50.0		
			<b>\$6,000.0</b>	<b>\$100.0</b>	<b>\$100.0</b>		
KKR PEI Investments, L.P.	FRL	Revolver	<b>\$1,000.0</b>	<b>\$75.0</b>	<b>\$75.0</b>	5/16/07	6/11/07
MidAmerican Energy Company	FRL	Revolver	\$500.0	\$30.0	\$30.0	5/31/07	6/8/07
MidAmerican Energy Holdings Co.	FRL	Revolver	<u>\$600.0</u>	<u>\$40.0</u>	<u>\$40.0</u>		6/7/07
			<b>\$1,100.0</b>	<b>\$70.0</b>	<b>\$70.0</b>		
Montpelier Reinsurance Ltd.	FRL	Revolver	\$250.0	\$41.7	\$35.0	5/30/07	6/8/07
	FRL	Revolver	<u>\$50.0</u>	<u>\$8.3</u>	<u>\$7.0</u>		
			<b>\$300.0</b>	<b>\$50.0</b>	<b>\$42.0</b>		
New Center Asset Trust (GMAC)	FRL	Revolver	<b>\$12,000.0</b>	<b>\$375.0</b>	<b>\$375.0</b>	5/31/07	6/11/07
Portland General Electric Company	FRL	Revolver	<b>\$400.0</b>	<b>\$55.0</b>	<b>\$55.0</b>	6/6/07	6/7/07
Residential Capital,LLC	FRL	Revolver	\$875.0	\$75.0	\$75.0	5/31/07	6/11/07
	FRL	Revolver	<u>\$875.0</u>	<u>\$75.0</u>	<u>\$75.0</u>		
			<b>\$1,750.0</b>	<b>\$150.0</b>	<b>\$150.0</b>		
United States Steel Corporation	FRL	Term	<b>\$500.0</b>	<b>\$23.0</b>	<b>\$23.0</b>	4/19/07	6/11/07
<b>HIGH GRADE TOTAL</b>				<b>\$898.0</b>	<b>\$890.0</b>		
<b>HIGH YIELD</b>							
Great Lakes Dredge & Dock Corp.	FRL	Revolver	<b>\$130.0</b>	<b>\$10.0</b>	<b>\$10.0</b>	5/24/07	6/12/07
Mackinaw Power LLC	BL	Bridge	<b>\$440.0</b>	<b>\$220.0</b>	<b>\$220.0</b>	3/5/07	6/8/07
<i>Wartsila Corp. (Project Mega)</i>	BL	Interim Facility	<u>€4,150.0</u>	<u>€1,245.0</u>	<u>€1,245.0</u>	6/1/07	6/6/07
			<b>\$5,556.0</b>	<b>\$1,666.8</b>	<b>\$1,666.8</b>		
<b>HIGH YIELD TOTAL</b>				<b>\$1,896.8</b>	<b>\$1,896.8</b>		
<b>LPG TOTAL</b>				<b>\$2,794.8</b>	<b>\$2,786.8</b>		

*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
<b>HIGH GRADE</b>						
Alcoa Holdco Canada ULC	BL	Term	<b>\$30,000.0</b>	<b>\$1,000.0</b>	5/24/2007	7/11/2007
Biogen Idec Inc.	FRL	Revolver	<b>\$400.0</b>	<b>\$40.0</b>	6/13/2007	6/27/2007
CenterPoint Energy, Inc.	FRL	Revolver	\$1,200.0	\$44.0	6/11/2007	6/15/2007
CenterPoint Energy Houston Electric, LLC	FRL	Revolver	\$300.0	\$11.0		
CenterPoint Energy Resources Corp.	FRL	Revolver	<u>\$950.0</u>	<u>\$35.0</u>		
			<b>\$2,450.0</b>	<b>\$90.0</b>		
Chicago Mercantile Exchange Holdings, Inc.	BL	Revolver	<b>\$3,000.0</b>	<b>\$3,000.0</b>	5/10/07	6/21/07
Consolidated Edison, Inc.	FRL	Revolver	<b>\$2,250.0</b>	<b>\$125.0</b>	6/11/07	6/22/07
DCP Midstream Operating, L.P.	FRL	Revolver	\$665.0	\$66.5	6/11/07	6/19/07
	FRL	Term	<u>\$185.0</u>	<u>\$18.5</u>		
			<b>\$850.0</b>	<b>\$85.0</b>		
Discover Financial Services	FRL	Revolver	<b>\$1,750.0</b>	<b>\$75.0</b>	5/22/07	3Q07
iStar Financial Inc.	BL	Bridge	\$2,000.0	\$100.0	6/15/07	6/22/07
	FRL	Revolver	<u>\$1,000.0</u>	<u>\$70.0</u>		
			<b>\$3,000.0</b>	<b>\$170.0</b>		
ITC Holdings, Inc.	BL	Bridge	<b>\$750.0</b>	<b>\$750.0</b>	1/18/07	12/07
Man Group Finance Inc.	FRL	Revolver	\$1,500.0	\$150.0	5/23/07	7/9/07
	BL	Bridge	<u>\$1,400.0</u>	<u>\$200.0</u>	5/23/07	7/9/07
			<b>\$2,900.0</b>	<b>\$350.0</b>		
MetLife, Inc.	FRL	Revolver	<b>\$3,000.0</b>	<b>\$150.0</b>	6/12/07	6/19/07
NuStar Logistics, L.P.	FRL	Revolver	\$600.0	\$23.0	6/8/07	6/07
	FRL	Term	<u>\$225.0</u>	<u>\$11.1</u>		
			<b>\$825.0</b>	<b>\$34.1</b>		
PacifiCorp	FRL	Revolver	<b>\$800.0</b>	<b>\$40.0</b>	5/31/07	6/15/07
OZ Management, LLC	BL	Term	<b>\$500.0</b>	<b>\$250.0</b>	6/11/07	6/07
PHH Mortgage Corporation	BL	Warehouse Facility	<b>\$4,000.0</b>	<b>\$1,200.0</b>	3/15/07	7/07
Principal Financial Group, Inc.	FRL	Revolver	<b>\$600.0</b>	<b>\$45.0</b>	6/13/07	6/22/07
<i>Qatar Liquefied Gas Company Limited 4</i>	FRL	Revolver	<b>\$2,800.0</b>	<b>\$85.8</b>	9/8/06	7/07
Reynolds American Inc.	FRL	Revolver	<b>\$550.0</b>	<b>\$100.0</b>	6/12/07	6/28/07
Sealed Air Corporation	FRL	Revolver	<b>\$500.0</b>	<b>\$28.0</b>	6/12/07	7/26/07
Spectra Energy Operating, L.P.	FRL	Revolver	\$250.0	\$15.5	4/25/07	6/26/07
	FRL	Term	<u>\$250.0</u>	<u>\$15.5</u>		
			<b>\$500.0</b>	<b>\$31.0</b>		
Transamerica Asset Funding Corporation I	FRL	Revolver	<b>\$1,700.0</b>	<b>\$100.0</b>	5/14/07	6/22/07
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	<u>\$550.0</u>	<u>\$26.4</u>		
			<b>\$1,750.0</b>	<b>\$86.4</b>		
Wal-Mart Stores, Inc.	FRL	Revolver	\$4,500.0	\$264.0	6/6/07	6/15/07
	FRL	Revolver	\$4,500.0	\$264.0		
	FRL	LC Facility	<u>\$3,200.0</u>	<u>\$222.0</u>		
			<b>\$12,200.0</b>	<b>\$750.0</b>		
White Mountains Insurance Group, Ltd.	BL	Revolver	<b>\$400.0</b>	<b>\$57.5</b>	4/16/07	6/19/07
XL Capital Ltd.	FRL	Revolver	<b>\$2,500.0</b>	<b>\$150.0</b>	5/25/07	6/18/07
<b>HIGH GRADE TOTAL</b>				<b>\$8,792.8</b>		

*Italics=European or Asian deal.*

**PSYND (cont'd.)**

(mm) Borrower	FRL/BL	Facility Type	Facility Size	Current Lehman Commitment	Commitment Date	Expected Closing Date
<b>HIGH YIELD</b>						
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>		
			<b>\$678.8</b>	<b>\$678.8</b>		
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>		
			<b>\$808.4</b>	<b>\$289.1</b>		
Alliance Data Systems	BL	Revolver	\$500.0	\$100.0	5/31/07	9/07
	BL	Term	\$3,900.0	\$780.0		
	BL	Sr. PIK Bridge	\$1,800.0	\$360.0		
	BL	Sub. Bridge	<u>\$410.0</u>	<u>\$82.0</u>		
			<b>\$6,610.0</b>	<b>\$1,322.0</b>		
ARINC, Inc.	BL	Revolver	\$70.0	\$50.0	6/4/07	TBD
	BL	Term B	\$375.0	\$375.0		
	BL	2nd Lien PIK	\$215.0	\$185.0		
	BL	Sr. Bridge	<u>\$215.0</u>	<u>\$215.0</u>		
			<b>\$875.0</b>	<b>\$825.0</b>		
Asurion Corporation	BL	Revolver	\$100.0	\$33.3	4/16/07	7/2/07
	BL	1st Lien Term	\$1,755.0	\$585.0		
	BL	2nd Lien Term	<u>\$675.0</u>	<u>\$225.0</u>		
			<b>\$2,530.0</b>	<b>\$843.3</b>		
Biomet Inc.	BL	Revolver	\$400.0	\$30.0	1/17/07	6/30/07
	BL	ABL Revolver	\$350.0	\$26.3		
	BL	Tender Offer Facility	<u>\$6,165.0</u>	<u>\$462.4</u>		
			<b>\$6,915.0</b>	<b>\$518.7</b>		
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 Bridge	\$520.0	\$208.0		
	BL	Sub. Bridge	<u>\$960.0</u>	<u>\$384.0</u>		
			<b>\$4,900.0</b>	<b>\$1,960.0</b>		
DAE Aviation Holdings (Dubai Aerospace)	BL	Sr. Bridge	<b>\$300.0</b>	<b>\$150.0</b>	4/2/07	8/07
<i>Debitel Konzernfinanzierungs GmbH</i>	BL	Revolver	€150.0	€150.0	5/31/07	8/01
	BL	Term	€1,275.0	€1,275.0		
	BL	2nd Lien Term	<u>€150.0</u>	<u>€150.0</u>		
			<b>\$2,108.6</b>	<b>\$2,108.6</b>		
Dollar General Corp.	BL	Revolver	\$1,000.0	\$200.0	3/11/07	7/6/07
	BL	1st Lien Term	\$2,500.0	\$500.0		
	BL	Sr. Bridge	\$725.0	\$108.8		
	BL	Sr. Bridge	\$725.0	\$108.8		
	BL	Sub. Bridge	<u>\$650.0</u>	<u>\$97.5</u>		
			<b>\$5,600.0</b>	<b>\$1,015.0</b>		

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**PSYND (cont'd.)**

(mm) Borrower	FRL/BL	Facility Type	Facility Size	Current Lehman Commitment	Commitment Date	Expected Closing Date
<i>Endemol/Edam Acquisition BV (Project Echo)</i>	BL	HoldCo Revolver	€100.0	€15.0	5/11/07	10/07
	BL	OpCo Revolver	€100.0	€15.0		
	BL	Capex/Acquisition Facility	€300.0	€45.0		
	BL	Earn-Out Facility	€200.0	€30.0		
	BL	Term B1	€650.0	€97.5		
	BL	Term B2	€80.0	€12.0		
	BL	Term C1	€650.0	€97.5		
	BL	Term C2	€80.0	€12.0		
	BL	2nd Lien Term	€275.0	€41.3		
		Mezzanine	€410.0	€61.5		
			<b>\$3,808.9</b>	<b>\$571.3</b>		
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>		
			<b>\$2,080.0</b>	<b>\$832.0</b>		
First Data Corp.	BL	Revolver	\$2,000.0	\$260.0	4/1/07	7/31/07
	BL	Term Loan	\$14,000.0	\$1,820.0		
	BL	Sr. Cash-Pay Bridge	\$2,750.0	\$357.5		
	BL	Sr. PIK Bridge	\$2,750.0	\$357.5		
	BL	Sub. Bridge	<u>\$2,500.0</u>	<u>\$325.0</u>		
			<b>\$24,000.0</b>	<b>\$3,120.0</b>		
Goodyear Engineered Products	BL	Revolver	\$100.0	\$33.3	2/20/07	7/2/07
	BL	1st Lien Term	\$650.0	\$216.7		
	BL	2nd Lien Term	<u>\$410.0</u>	<u>\$136.7</u>		
			<b>\$1,160.0</b>	<b>\$386.7</b>		
Great Atlantic & Pacific Tea Co.	BL	Sr. Bridge	<b>\$780.0</b>	<b>\$312.0</b>	3/4/07	4Q07
Harman International Industries Inc.	BL	Revolver	\$550.0	\$129.3	4/25/07	10/07
	BL	Term Loan	\$2,900.0	\$681.5		
	BL	Sr. PIK Bridge	\$1,160.0	\$272.6		
	BL	Sr. Sub Bridge	<u>\$580.0</u>	<u>\$136.3</u>		
			<b>\$5,190.0</b>	<b>\$1,219.7</b>		
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>		
			<b>\$454.9</b>	<b>\$454.9</b>		
<i>Icopal A/S (Project Aztec)</i>	BL	Revolver	€100.0	€100.0		
	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>		
			<b>\$1,196.4</b>	<b>\$1,196.4</b>		
Jarden Corporation	BL	Term	<b>\$750.0</b>	<b>\$750.0</b>	4/24/07	7/07
<i>Klöckner Pentaplast Luxembourg S.à.r.l</i>	BL	Capex/Acquisition	<u>€125.0</u>	<u>€41.7</u>	4/12/07	7/07
			<b>\$167.4</b>	<b>\$55.8</b>		
Krueger International	BL	Revolver	\$50.0	\$10.0	5/31/07	7/31/07
	BL	Term Loan	\$170.0	\$102.0		
	BL	2nd Lien Term	<u>\$85.0</u>	<u>\$51.0</u>		
			<b>\$305.0</b>	<b>\$163.0</b>		
Metavante Corporation	BL	Revolver	\$250.0	\$50.0	5/2/07	10/07
	BL	Term	<u>\$1,750.0</u>	<u>\$350.0</u>		
			<b>\$2,000.0</b>	<b>\$400.0</b>		

Italics=European or Asian deal.

**PSYND (cont'd.)**

(mm) Borrower	FRL/BL	Facility Type	Facility Size	Current Lehman Commitment	Commitment Date	Expected Closing Date
Midwest Generation, LLC	FRL	Revolver	\$500.0	\$43.8	4/26/07	6/07
Nuance Communications, Inc.	BL	Term	\$225.0	\$56.3	6/11/07	6/18/07
PharMerica Corporation	FRL	Revolver	\$100.0	\$8.0	6/14/07	6/29/07
	FRL	Term	\$275.0	\$22.0		
			\$375.0	\$30.0		
PHH Mortgage Corporation	BL	MSR Revolver	\$800.0	\$240.0	3/15/07	7/07
	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			
R.J. O'Brien	BL	Revolver	\$50.0	\$25.0	5/13/07	6/28/07
	BL	Term	\$385.0	\$192.5		
	BL	2nd Lien Term	\$150.0	\$75.0		
		\$585.0	\$292.5			
Rydex Investments, Inc.	BL	Revolver	\$20.0	\$20.0	5/24/07	9/07
	BL	Term	\$260.0	\$260.0		
	BL	2nd Lien Term	\$110.0	\$110.0		
	BL	Bridge	\$60.0	\$60.0		
		\$450.0	\$450.0			
SemGroup Energy Partners, L.P.	FRL	Revolver	\$250.0	\$20.0	4/25/07	7/07
Sheridan Healthcare, Inc.	BL	Revolver	\$75.0	\$25.5	5/1/07	6/15/07
	BL	Term B	\$395.0	\$0.0		
	BL	2nd Lien Term	\$150.0	\$0.0		
		\$620.0	\$25.5			
Standard Aero Holdings, Inc.	BL	Term	\$280.0	\$112.0	5/1/07	6/07
Syniverse Holdings, Inc.	BL	EUR Revolver	\$20.0	\$12.0	3/20/07	7/07
	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			
<i>Top Tour Corporation (CCMP Asia)</i>	BL	Revolver B	¥2,000.0	¥2,000.0	5/25/07	6/30/07
	BL	Bridge D	¥4,000.0	¥4,000.0		
	BL	Term A1	¥4,100.0	¥4,100.0		
	BL	Term A2	¥2,700.0	¥2,700.0		
	BL	Term C	¥1,500.0	¥1,500.0		
		\$115.9	\$115.9			
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			
TXU Corporation	BL	Sub. Bridge	\$2,000.0	\$235.2	2/25/07	3Q07
	BL	Sub. Bridge	\$2,500.0	\$294.0		
		\$4,500.0	\$529.2			
TXU Electric Delivery Company	BL	Revolver	\$2,000.0	\$235.2		
TXU Energy Company (Luminant Energy)	BL	Revolver	\$2,500.0	\$294.0		
	BL	Synthetic LC	\$1,250.0	\$147.0		
	BL	Term	\$16,050.0	\$1,887.5		
	BL	DD Term	\$4,100.0	\$482.2		
	BL	Sr. Bridge	\$5,000.0	\$588.0		
		\$1,750.0	\$205.8			
		\$30,650.0	\$3,604.4			

*Italics=European or Asian deal.*

**PSYND (cont'd.)**

(mm) Borrower	FRL/BL	Facility Type	Facility Size	Current Lehman Commitment	Commitment Date	Expected Closing Date
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	\$190.0	\$123.5		
			<b>\$1,255.0</b>	<b>\$815.8</b>		
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	\$200.0	\$120.0		
			<b>\$660.0</b>	<b>\$396.0</b>		
<b>HIGH YIELD TOTAL</b>				<b>\$26,873.5</b>		
<b>LPG TOTAL</b>				<b>\$35,666.4</b>		

**Other Approved Transactions (Commitments Not Issued)**

(mm) Borrower	FRL/BL	Facility Type	Facility Size	Lehman Commitment	Approval Date	Expected Closing Date
<b>HIGH GRADE</b>						
eBay Inc.	FRL	Revolver	<b>\$2,000.0</b>	<b>\$225.0</b>	5/30/07	7/07
<i>Landesbank Hessen-Thuringen Girozentrale</i>	FRL	Revolver	<b>€15.0</b>	<b>€15.0</b>	12/19/06	TBD
Lea Power Partners, LLC	BL	Construction LC	<b>\$307.0</b>	<b>\$153.5</b>	4/11/07	6/11/07
<b>HIGH GRADE TOTAL</b>				<b>\$398.6</b>		

<b>HIGH YIELD</b>						
Liberty Global Inc.	FRL	Revolver	<b>\$250.0</b>	<b>\$25.0</b>	5/18/07	6/07
Magnum Coal Company	FRL	Revolver	\$50.0	\$0.0	4/23/07	6/07
	FRL	Synthetic LC	\$50.0	\$0.0		
			<b>\$100.0</b>	<b>\$0.0</b>		
<b>HIGH YIELD TOTAL</b>				<b>\$25.0</b>		
<b>LPG TOTAL</b>				<b>\$423.6</b>		

*Italics=European or Asian deal.*

**Portfolio Exposure Changes**

(mm)	Borrower	FRL/BL	Increase / (Decrease)	Explanation
<b>HIGH GRADE</b>				
	Carlyle Group (The)	FRL/BL	\$50.0	New Commitment
	Fortress Operating Entity I LP	FRL	\$95.3	New Commitment
	KKR PEI Investments, L.P.	FRL	\$75.0	New Commitment
	Montpelier Reinsurance Ltd.	FRL	\$42.0	New Commitment
	United States Steel Corporation	FRL	\$23.0	New Commitment
	Fidelity National Information Services, Inc.	FRL	(\$0.1)	Decreased Commitment
	Covidien Ltd.	BL	(\$120.0)	Participation Sale
	GMAC LLC	FRL	(\$175.0)	Decreased Commitment
<b>HIGH GRADE TOTAL</b>			<b>(\$9.8)</b>	

<b>HIGH YIELD</b>				
	<i>Wartsila Corporation</i>	BL	\$1,656.5	New Commitment
	Tribune Co.	FRL	\$50.0	New Commitment
	Hawaiian Telcom Communications	BL	\$12.0	New Commitment
	EXCO Resources Inc.	BL	\$5.5	New Commitment
	Great Lakes Dredge & Dock Corporation	FRL	\$5.0	New Commitment
	Edgen Murray Corp.	BL	\$1.0	New Commitment
	InfoNXX, Inc.	FRL	(\$8.3)	Decreased Commitment
	Hayes Lemmerz International, Inc.	BL	(\$10.0)	Decreased Commitment
	Nutro Products, Inc.	BL	(\$13.0)	Decreased Commitment
<b>HIGH YIELD TOTAL</b>			<b>\$1,698.6</b>	
<b>FX Changes</b>			<b>\$81.5</b>	
<b>LPG TOTAL</b>			<b>\$1,770.4</b>	

*Italics=European or Asian deal.*

**Bold = Closed and currently being syndicated.**

## PORTFOLIO SNAPSHOT

% Drawn	FYE 2005	FYE 2006	6/15/07
HG	4%	9%	12%
HY	42%	35%	33%

Maturities	< 1 year	1– 2 years	2– 4 years	> 4 years	Weighted Average Maturity
HG Loans	14%	4%	33%	48%	3.0 years
HG CDS/Bond Shorts	11%	13%	39%	38%	2.9 years
HY Loans	7%	20%	12%	61%	4.5 years
HY CDS/Bond Shorts	8%	4%	39%	49%	3.6 years

### Top Exposures

The following table lists our 10 largest **HG Net Exposures** as of 6/15/07.

	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	7.9%	\$800.0	3.4%
2.	GMAC LLC	Ba1/BB+/BB+/-	375.0	6.2%	425.0	1.8%
3.	NYSE Euronext, Inc.	A1/AA/-/-	250.0	4.1%	250.0	1.1%
4.	FCAR Owner Trust	--/--/AA	238.0	3.9%	238.0	1.0%
5.	Tyco International Finance S.A.	Baa1/BBB/-/-	233.8	3.8%	233.8	1.0%
6.	Carlyle Group (The)	--/--/BB	183.3	3.0%	183.3	0.8%
7.	Tyco Electronics Group S.A.	Baa2/BBB+▼/-/-	178.8	2.9%	178.8	0.8%
8.	Exelon Corporation	Baa1/BBB▼/BBB+/-	175.5	2.9%	340.5	1.5%
9.	TXU Energy Company LLC	Baa2▼/BB▼/BBB/-	154.2	2.5%	262.2	1.1%
10.	General Electric Capital Corporation	Aaa/AAA/-/-	149.0	2.5%	1,375.0	5.9%
<b>Total</b>			<b>\$2,414.6</b>	<b>39.7%</b>	<b>\$4,286.6</b>	<b>18.4%</b>

The following table lists our 10 largest **HY Net Exposures** as of 6/15/07.

	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>	--/--/-	\$1,656.5	19.5%	\$1,656.5	17.0%
2.	<i>Lavena Holdings 4 GmbH</i>	Ba1*/-/-/BBB*/-	841.8	9.9%	841.8	8.7%
3.	EPCO Holdings, Inc.	Ba2/BB/-/-	696.4	8.2%	31.3	0.3%
4.	<i>Alpha III (Formula One)</i>	--/--/BB-	610.7	7.2%	610.7	6.3%
5.	<i>Klockner Pentaplast Luxembourg Sarl</i>	--/--/B	554.4	6.5%	554.4	5.7%
6.	<i>Lloyds TSB Registrars</i>	--/--/BB	521.4	6.1%	521.4	5.4%
7.	<i>Merlin Entertainments Group</i>	--/--/BB-	486.3	5.7%	486.3	5.0%
8.	<i>Dockwise Transport BV</i>	--/--/B	229.2	2.7%	229.2	2.4%
9.	<i>Danish HoldCo A/S (Dako)</i>	--/--/B	215.8	2.5%	57.0	0.6%
10.	<i>Sisal SpA</i>	--/--/B	163.6	1.9%	163.6	1.7%
<b>Total</b>			<b>\$5,976.0</b>	<b>70.2%</b>	<b>\$5,152.1</b>	<b>53.0%</b>

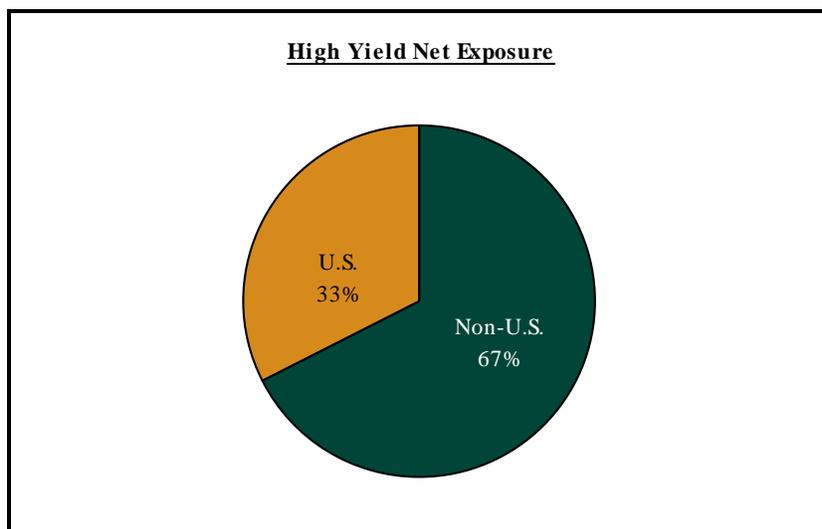
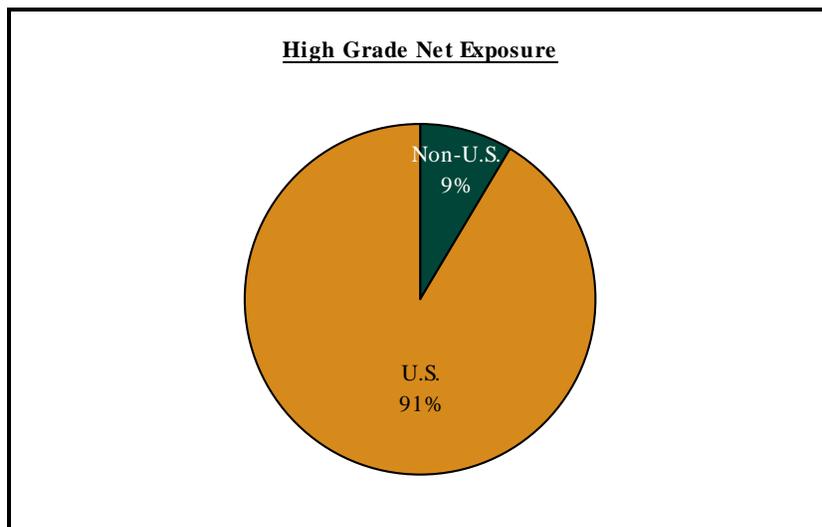
\*Rating=Issuer Rating; does not necessarily represent senior secured rating.

*Italics=European deal.*

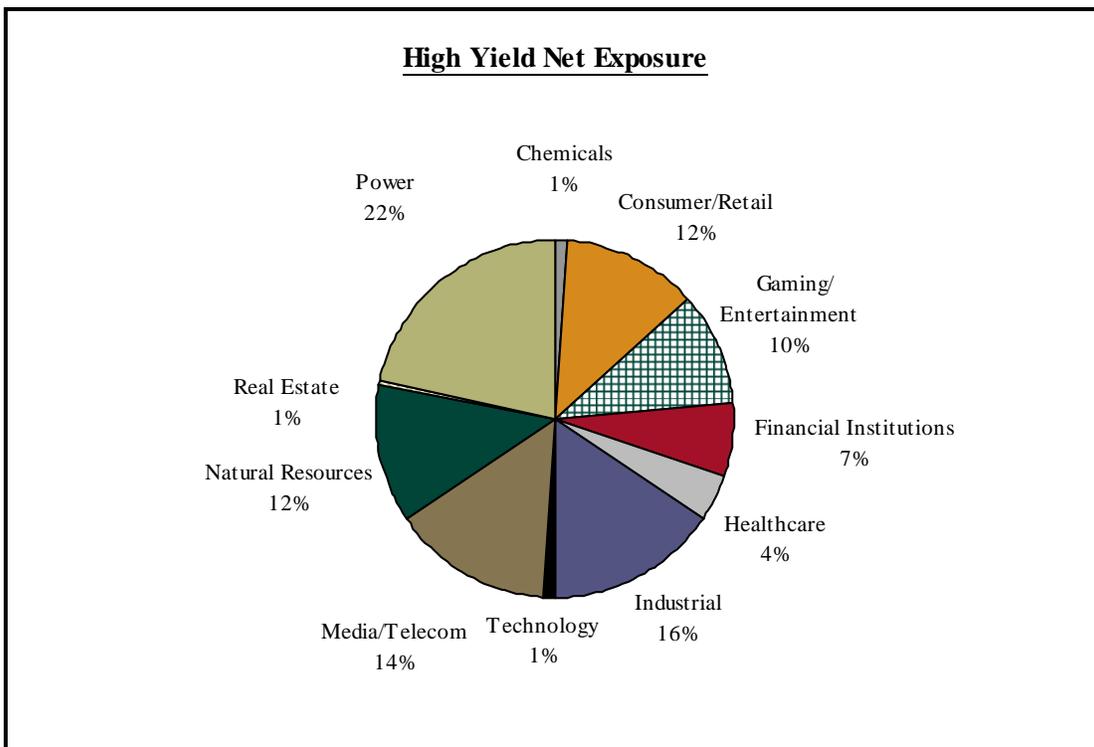
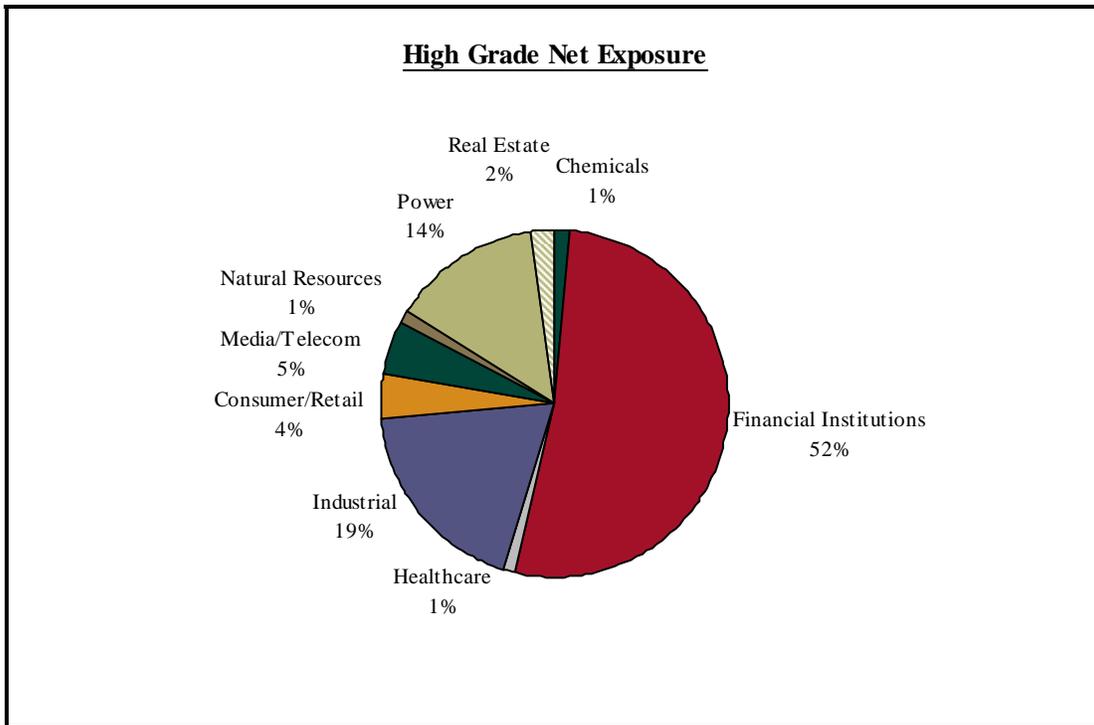
**Bold=Closed & currently being syndicated.**

**Exposure by Geography**

(mm)	HG	%	HY	%
Non-U.S.	524	9%	5,735	67%
U.S.	5,550	91%	2,773	33%
<b>Total</b>	<b>\$6,074</b>	<b>100.0%</b>	<b>\$8,508</b>	<b>100.0%</b>



**Exposure by Sector**



## CREDIT/COMPANY NEWS

### Ratings Recap

Company Name	Date	Agency	Rating	Action	From	To
Mirant North America, LLC	6/8/07	S&P	Sr. Secured	Downgrade	BB▼	BB-▼
Atmos Energy Corporation	6/11/07	S&P	Sr. Unsecured	Outlook Raised	BBB (stable)	BBB (positive)
<i>Banca Italease S.p.A.</i>	6/11/07	Moody's	Sr. Unsecured	Downgrade	A3 (stable)	Baa1▼
Aquila, Inc.	6/12/07	Fitch	Sr. Secured	Upgrade	BB▲	BB+▲
<i>E.ON AG</i>	6/12/07	S&P	Sr. Unsecured	Downgrade	AA-▼	A (stable)
Manitowoc Company, Inc. (The)	6/12/07	Moody's	Corporate	Upgrade	Ba3* (positive)	Ba2* (stable)
Westar Energy, Inc.	6/12/07	Fitch	Sr. Unsecured	Outlook Raised	BBB- (stable)	BBB-▲
Iowa Telecommunications Services Inc.	6/13/07	S&P	Sr. Secured	Outlook Raised	BB- (negative)	BB- (stable)
Lion Gables Realty L.P.	6/13/07	Moody's	Sr. Secured	Withdrawn	Ba2 (stable)	--
Nevada Power Company	6/14/07	Moody's	Sr. Secured	Watch for Upgrade	Ba1 (stable)	Ba1▲
Sierra Pacific Power Company	6/14/07	Moody's	Sr. Secured	Watch for Upgrade	Ba1 (stable)	Ba1▲
Penn National Gaming, Inc.	6/15/07	Moody's	Sr. Secured	Watch for Downgrade	Ba2 (stable)	Ba2▼
Thermal North America Inc.	6/15/07	S&P	Sr. Secured	Watch for Upgrade	BB (stable)	BB▲

*Italics=European or Asian deal.*

*\*Excludes changes to S&P methodology.*

### Company News

#### Consumer

- **Target Corporation (TGT): Neutral** – On 6/14/07, TGT announced it was increasing its share buyback program by \$3.0 billion to \$8.0 billion (having already repurchased \$4.0 billion). The buyback is expected to be completed no later than the end of 2010. *(Ahuva Schwager)*

#### Financial Institutions

- **American International Group, Inc. (AIG): Positive** - On 6/8/07, AIG entered into a supervisory agreement with the OTS over subprime lending activities between July 2003 and May 2006 at units AIG FSB, American General Finance and Wilmington Finance. AIG recorded a \$128 million pretax reserve in 1Q07 to pay the costs of implementing the agreement and will record an additional \$50 million in 2Q07, including a \$15 million donation to promote financial literacy and credit counseling. *(Rohit Nair)*
- **Banca Italease S.p.A. (BIL): Negative** – On 6/11/07 Moody's downgraded BIL's bank loan rating from A3 (Stable) to Baa1 (Possible downgrade). The action follows BIL's disclosure of potential credit exposure of €600m on derivative and announcement of irregularities in the exercise of its management's powers leading to the resignation of the CEO last week. *(Patrick Marshall)*
- **Discover Financial Services (DFS): Neutral** - On 6/7/07, Moody's lowered Discover Bank's senior unsecured ratings to Baa2 (stable) from A3, consistent with earlier indications. Moody's also assigned a Baa3 (stable) senior unsecured rating to DFS. The rating action follows Discover Bank's spin off from Morgan Stanley, which is expected in 3Q07. *(Rohit Nair)*

Media/Telecom

- **Iridium Satellite LLC (IRDMS): Positive** – On 6/13/07, Iridium reported April 2007 results. April revenues and Adj. EBITDA were \$21.0 million (up 31.5% y-o-y) and \$6.3 million (up 140% y-o-y), respectively. April revenues and Adj. EBITDA represent 41.5% and 45% of 2Q07 budgeted amounts. Total debt at 4/30/07 was \$182.3 million and LTM Adj. EBITDA was \$63.7 million for total leverage of 2.9x. 1<sup>st</sup> lien leverage is 2.2x. *(Mike Masters)*
- **Sprint Nextel Corporation (S): Neutral** – On 6/13/07, S announced it was buying affiliate Northern PCS LLC for \$312.5 million, thereby resolving a contract dispute. Northern PCS serves over 236,000 S customers in Minnesota, North Dakota, Wisconsin and Iowa. Northern had sued S for breach of contract, alleging that S' merger with Nextel in 2005 violated an agreement between the companies on territorial exclusivity. The deal is expected to close in 3Q07. *(Ahuva Schwager)*

Power

- **E.On AG (EON): Negative** – On 6/12/07 S&P downgraded EON's bank loan rating from AA- ▼ to A (Stable). The action follows management's announcement of a €7 billion share buy-back exercise and a strategy of acquiring assets with potential for organic growth. *(Patrick Marshall)*
- **PPL Corporation (PPL): Neutral** – On 6/15/07, PPL announced a \$750 million stock repurchase program financed with cash and the sale of the company's Latin American telecommunications business. *(Adrian de Lagarde)*

Technology

- **Verint Systems Inc. (VRNT): Neutral** – On 6/11/07, VRNT reported 1Q07 revenue of \$101.3 million (+15.4% y-o-y). Additionally, management provided guidance for 2007 revenue of \$570-\$600 million, including 8 months of contribution from Witness Systems, which was acquired May 25, 2007. Based on combined adjusted EBITDA for FY06 of \$140.5 million (\$35 million of synergies), closing leverage was 4.6x. Pro forma cash balances were \$110 million, resulting in net leverage of 3.9x. *(Mike Masters)*

**APPENDIX**

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**PORTFOLIO DETAILS**

**HG LOAN PORTFOLIO**

6/12/07		Ratings				Exposure (mm)			FRL/BL	Sector	Portfolio Manager
Company	Equity Ticker	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	20.0	FRL	Financial Institutions	Rohit Nair
Altria Group, Inc.	MO	Baa1	BBB	BBB+	--	180.4	180.4	13.4	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	(16.5)	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	84.0	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	--	88.8	88.8	6.8	FRL	Industrial	Patrick Marshall
Banca Itealese S.p.A.		Baa1▼	--	A-▼	--	133.0	133.0	33.0	FRL	Financial Institutions	Patrick Marshall
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	--	19.7	19.7	9.7	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-	--	85.8	85.8	25.8	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-	--	75.0	75.0	12.0	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	88.0	FRL	Financial Institutions	Rohit Nair
CITIC International Financial Holdings Limited		--	BBB-	--	--	111.3	111.3	111.3	FRL	Financial Institutions	Rohit Nair
Comcast Corporation	CMCSA	Baa2	BBB+	BBB+	--	185.0	185.0	(11.0)	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	(10.0)	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	--	12.2	12.2	2.2	FRL	Healthcare	Ahuva Schwager
Covidien Ltd.		Baa1	A-	--	--	92.5	92.5	92.5	BL	Industrial	Ahuva Schwager
Cox Enterprises, Inc.		Baa3	BB+	BBB-	--	370.0	313.7	(16.3)	BL/FRL	Media/Telecom	Ahuva Schwager
CVS/Caremark Corporation	CVS	Baa2	BBB+	BBB	--	217.0	217.0	77.0	FRL/BL	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	--	--	66.5	66.5	33.5	FRL	Industrial	Patrick Marshall
Deutsche Telekom AG	DT	A3	A-	A-	--	798.3	532.2	51.2	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	37.0	FRL	Consumer/Retail	Patrick Marshall
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▲	--	76.0	39.3	(10.7)	FRL	Power	Adrian de Lagarde
Duncan Energy Partners, L.P.		--	--	--	BB+	8.0	8.0	8.0	FRL	Natural Resources	Adrian de Lagarde
Duquesne Light Company	DQE	Baa2▼	BBB-	BBB-	--	0.0	(0.0)	(0.0)	FRL	Power	Adrian de Lagarde
E.ON AG	EON	A2	A	AA▼	--	96.4	73.2	(126.8)	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▲	--	--	--	66.5	66.5	(13.5)	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+▼	--	46.6	46.6	13.6	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	80.0	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

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

*Italics = European deal.*

**Bold = Closed and currently being syndicated.**

Source: Lehman Brothers

PORTFOLIO DETAILS (cont'd.)

6/12/07 Company	Equity Ticker	Ratings				Exposure (mm)			FRL/ BL	Sector	Portfolio Manager
		Moody's	S&P	Fitch	Internal	Gross	Current	Net			
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 LLP		--	--	--	BBB-	95.3	95.3	95.3	FRL	Financial Institutions	Diane Albanese
FPL Group, Inc.	FPL	A2	A-	A	--	135.0	135.0	51.0	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	(5.0)	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	37.4	37.4	37.4	FRL	Chemicals	Patrick Marshall
GlaxoSmithKline plc	GSK	Aa2	AA	AA	--	100.0	100.0	2.0	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	375.0	FRL	Financial Institutions	Rohit Nair
Gulf Stream Asset Management LLC		--	--	--	BB	6.3	6.3	6.3	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	A+	A+	--	165.0	165.0	20.0	FRL	Consumer/Retail	Ahuva Schwager
Husvarna AB	HUSQA.SS	--	--	--	BBB	38.2	38.2	38.2	FRL	Industrial	Patrick Marshall
Infineon Technologies AG	IFX	--	--	--	BB	46.4	46.4	13.4	FRL	Technology	Patrick Marshall
International Business Machines Corporation	IBM	A1	A+	A+	--	250.0	225.0	(15.0)	FRL	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	--	95.0	95.0	20.0	FRL	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	--	26.6	26.6	6.6	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	(1.7)	FRL	Natural Resources	Adrian de Lagarde
Kinder Morgan, Inc.	KMI	Ba2	BB-	BB	--	31.7	31.7	(3.3)	FRL	Natural Resources	Adrian de Lagarde
KKR PEI Investments, L.P.		--	--	--	--	75.0	75.0	75.0	FRL	Financial Institutions	Rohit Nair
Koninklijke Philips Electronics N.V.	PHG	A3	A-	A-	--	48.0	48.0	(29.0)	FRL	Industrial	Patrick Marshall
Kraft Foods Inc.	KFT	Baa1	A-	A-	--	136.3	64.9	1.9	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-	201.2	201.2	90.2	FRL	Financial Institutions	Rohit Nair
Lanxess AG	LXS.DE	Baa3	BBB-	--	--	86.5	86.5	46.5	FRL	Chemicals	Patrick Marshall
Legal & General Group Plc	LGEN.L	A1	AA-	AA-	--	78.9	78.9	5.9	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	--	115.0	115.0	29.0	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-	--	--	126.6	100.0	5.0	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	(6.3)	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	--	133.0	133.0	46.0	FRL	Financial Institutions	Patrick Marshall
Nokia Corporation	NOK	A1	A	A+	--	77.0	77.0	(21.0)	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+	--	71.0	11.8	11.8	FRL	Financial Institutions	Patrick Marshall
Novartis Finance Corporation	NVS	--	--	--	AAA	25.0	25.0	(3.0)	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+	--	--	24.3	24.3	6.3	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	--	--	\$42.5	\$42.5	\$42.5	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+	--	54.0	54.0	54.0	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 deal.

**Bold = Closed and currently being syndicated.**

Source: Lehman Brothers

PORTFOLIO DETAILS (cont'd.)

6/12/07 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		--	--	--	--	185.0	185.0	145.0	FRL	Power	Adrian de Lagarde
Principal Financial Services, Inc.	PFJ	A2	A	A	--	28.0	7.0	7.0	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	33.0	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	24.0	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
QVC, Inc.		--	--	--	BB+	121.3	121.3	76.3	FRL	Media/Telecom	Ahuva Schwager
Ras Luffan Liquefied Natural Gas Company Limited (II)		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
Resolution plc	RSL.L	--	BBB+	A-	--	46.9	46.9	46.9	FRL	Financial Institutions	Patrick Marshall
Reuters Group PLC	RTRSY	A3	BBB+	BBB+	--	47.3	47.3	(1.7)	FRL	Media/Telecom	Patrick Marshall
Reynolds American Inc.	RAI	Baa2	BBB	BBB-	--	50.0	15.0	1.0	FRL	Consumer/Retail	Ahuva Schwager
Rockies Express Pipeline, LLC		--	--	--	BBB	141.0	41.0	(4.0)	FRL	Natural Resources	Adrian de Lagarde
Royal & Sun Alliance Insurance Group plc	RSA	Baa2	BBB	BBB	--	89.7	89.7	12.7	FRL	Financial Institutions	Patrick Marshall
SABMiller plc	SAB.L	Baa1	BBB+	BBB+	--	119.6	119.6	8.6	FRL	Consumer/Retail	Patrick Marshall
Sealed Air Corporation	SEE	Baa3	BBB	--	--	10.0	10.0	0.0	FRL	Industrial	Ahuva Schwager
Sears Holdings Corporation	SHLD	Baa3	BBB	BBB-	--	207.2	207.2	47.2	FRL	Consumer/Retail	Ahuva Schwager
Security Capital Assurance Ltd.	SCA	--	--	--	BBB+	50.8	50.8	30.8	FRL	Financial Institutions	Rohit Nair
Siemens Aktiengesellschaft	SI	Aa3	AA-	AA-	--	134.0	84.0	(44.0)	FRL	Industrial	Patrick Marshall
SL Green Operating Partnership,L.P.	SLG	--	--	--	BBB-	34.0	34.0	34.0	FRL	Real Estate	Rohit Nair
SLM Corporation	SLM	A2	BBB+	A+	--	327.8	252.8	80.8	FRL	Financial Institutions	Rohit Nair
Southern Company (The)	SO	A3	A	A	--	74.3	36.5	(40.5)	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
Standard Life Bank Limited	SL.L	A3	A-	--	--	24.7	24.7	4.7	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
Swiss Reinsurance Company	RUKN.SWX	Aa2	AA-	AA-	--	200.0	200.0	52.0	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	2.0	FRL	Consumer/Retail	Ahuva Schwager
Telecom Italia S.p.A.	TI	Baa2	BBB+	BBB+	--	214.0	214.0	56.0	FRL	Media/Telecom	Patrick Marshall
Telefónica, S.A.	TEF	Baa1	BBB+	BBB+	--	252.5	252.5	8.5	FRL	Media/Telecom	Patrick Marshall
Telekom Austria Finance B.V.	TKA	--	--	--	BBB+	49.2	49.2	(3.8)	FRL	Media/Telecom	Patrick Marshall
TEPPCO Partners, L.P.	TPP	Baa3	BBB-	--	--	35.0	35.0	25.0	FRL	Natural Resources	Adrian de Lagarde
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	49.0	FRL	Media/Telecom	Ahuva Schwager
Transamerica Asset Funding Corp. I		--	--	--	A+	0.0	0.0	0.0	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	BL/FRL	Power	Adrian de Lagarde
TXU Energy Company LLC	TXU	Baa2	BB	BBB	--	262.2	237.2	154.2	BL/FRL	Power	Adrian de Lagarde
Tyco Electronics Group S.A.		Baa2	BBB+	--	--	178.8	178.8	178.8	BL	Industrial	Ahuva Schwager
Tyco International Finance S.A.		Baa1	BBB	--	--	233.8	233.8	233.8	BL	Industrial	Ahuva Schwager
United States Steel Corporation	X	Baa3	BB+	BBB-	--	47.5	47.5	37.5	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	36.0	FRL	Media/Telecom	Ahuva Schwager
Vodafone Group Public Limited Company	VOD	Baa1	A-	A-	--	375.0	325.0	7.0	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	--	393.1	212.1	(35.9)	FRL	Consumer/Retail	Ahuva Schwager
Walt Disney Company (The)	DIS	A2	A+	A-	--	50.0	5.0	(32.0)	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	\$10.0	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	--	--	37.9	37.9	37.9	FRL	Financial Institutions	Rohit Nair
Wisconsin Energy Corporation	WEC	A3	BBB+	A-	--	85.0	70.0	15.0	FRL	Power	Adrian de Lagarde
Wolseley plc	WOS	--	--	--	BBB	66.5	66.5	66.5	FRL	Industrial	Patrick Marshall
Wolters Kluwer n.v.	WKL.AS	Baa1	BBB+	BBB	--	95.8	95.8	22.8	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	XRJ	Baa3	BBB-	BBB-	--	90.0	52.5	2.5	FRL	Technology	Michael Masters
XL Capital Ltd	XL	A3	A-	A	--	158.0	158.0	58.0	FRL	Financial Institutions	Rohit Nair
Zurich Insurance Company		A1	A	A	--	200.0	200.0	14.0	FRL	Financial Institutions	Patrick Marshall
<b>High Grade Total</b>						<b>\$23,248.2</b>	<b>\$19,608.4</b>	<b>\$6,074.4</b>			

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

Italics = European deal.

**Bold = Closed and currently being syndicated.**

Source: Lehman Brothers

PORTFOLIO DETAILS (cont'd.)

HY LOAN PORTFOLIO

6/12/07		Ratings				Exposure (mm)			FRL/BL	Sector	Portfolio Manager
Company	Equity Ticker	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	0	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 Co.	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-	610.7	610.7	610.7	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	--	--	--	--	--	0.0	0.0	0.0	BL	Natural Resources	Maria Lund
Aquila, Inc.	ILA	Ba1▲	BB▲	BB+▲	--	5.0	5.0	5.0	FRL	Power	Randall Braunfeld
ArvinMeritor, Inc.	ARM	Baa3	B+	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+	9.7	9.7	9.7	BL	Industrial	Patrick Marshall
Avio Spa	--	--	--	--	B+	27.1	27.1	27.1	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+	--	30.3	15.2	(9.3)	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	38.5	BL	Industrial	Maria Lund
Boise Cascade, L.L.C.	--	Ba2	BB+	--	--	9.5	9.5	3.5	BL	Industrial	Diane Albanese
Bonten Media Group LLC	--	Ba3	BB-	--	--	10.5	10.5	10.5	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	B+	--	--	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	--	--	--	--	0.0	0.0	0.0	BL	Healthcare	Craig Malloy
BRSP, LLC	--	--	--	--	--	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	(41.1)	FRL	Consumer/Retail	Ritam Bhalla
Cableuropa SA	--	--	B*	BB-	--	6.7	6.7	6.7	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 Travel	--	Ba3	BB-	--	--	25.0	25.0	25.0	BL	Consumer/Retail	Craig Malloy
CBD Investor Inc.	--	B3*	B▼*	--	--	25.0	25.0	25.0	BL	Media/Telecom	Mike Masters
CBD Media LLC	--	Ba3	B▼*	--	--	2.0	2.0	2.0	BL	Media/Telecom	Mike Masters
Centennial Communications Corporation	CYCL	B2	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	B+	--	--	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.	--	Ca1	CCC+	--	--	33.0	33.0	33.0	BL	Consumer/Retail	Ritam Bhalla
Clondalkin Industries	--	--	B+*	--	--	4.3	4.3	4.3	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+	5.9	5.9	5.9	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	0.0	FRL	Business Services	Ritam Bhalla
Crown Holdings, Inc.	CCK	Baa3	BB-*	--	--	51.5	51.5	2.5	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	215.8	215.8	215.8	BL	Healthcare	Patrick Marshall
DCP Midstream Partners, LP	DPM	--	--	--	BB	\$39.4	\$39.4	\$39.4	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+	8.7	8.7	8.7	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.	--	B2	B+	--	--	48.8	48.8	48.8	BL	Consumer/Retail	Ritam Bhalla

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Italics = European deal.

**Bold = Closed and currently being syndicated.**

Source: Lehman Brothers

PORTFOLIO DETAILS (cont'd.)

6/12/07 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+	--	14.5	14.5	(13.5)	BL	Media/Telecom	Mike Masters
Dex Media West, Inc.	--	Ba1	BB+	BB+	--	4.8	4.8	4.8	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>B</b>	<b>229.2</b>	<b>229.2</b>	<b>229.2</b>	<b>BL</b>	<b>Industrial</b>	<b>Patrick Marshall</b>
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	Frank Turner
Eagle Rock Energy Partners, L.P.	EROC	--	--	--	B+	12.5	12.5	12.5	FRL	Natural Resources	Maria Lund
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
Editis SA	--	--	--	--	BB-	39.9	39.9	39.9	FRL	Media/Telecom	Patrick Marshall
El Paso Corporation	EP	Ba1	BB	--	--	1.0	1.0	1.0	FRL	Natural Resources	Maria Lund
Eno France SAS	--	--	--	--	BB-	37.1	37.1	37.1	BL	Media/Telecom	Patrick Marshall
Entegra TC LLC	--	B3	--	--	--	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▼*	--	--	5.5	5.5	5.5	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
Ferrellgas, LP	FGP	Ba3*	B+*	--	--	20.0	20.0	20.0	FRL	Natural Resources	Maria Lund
First Chemical Holdings (Borsod)	--	--	--	--	B	60.3	60.3	60.3	BL	Chemicals	Patrick Marshall
Firth Rixson Group	--	--	--	--	B	9.9	9.9	9.9	BL	Industrial	Patrick Marshall
Freescall 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-	47.2	47.2	32.9	BL	Gaming/Entertainment	Patrick Marshall
Gaming Invest Sarl	--	--	--	--	B	33.2	33.2	33.2	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	--	45.3	45.3	6.3	FRL	Industrial	Diane Albanese
Global Cash Access Holdings, Inc.	GCA	--	B+*	--	--	18.0	18.0	18.0	FRL	Consumer/Retail	Mike Masters
Globe Pub Co.	--	--	--	--	BB-	39.5	39.5	39.5	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	BB-	--	--	10.0	10.0	2.5	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-	--	--	12.0	12.0	(3.5)	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
Honsel GmbH & Co KG	--	--	--	--	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
Idearc Inc.	IAR	Ba2	BBB-	--	--	13.0	13.0	(19.4)	FRL	Media/Telecom	Mike Masters
Iglo Birds Eye	--	--	--	--	B	7.9	7.9	7.9	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	(4.0)	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	--	--	--	--	--	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
Kion Group GmbH	--	--	--	--	B	54.6	54.6	54.6	BL	Industrial	Patrick Marshall
Klockner Pentaplast Luxembourg Sarl	--	--	--	--	<b>B</b>	<b>554.4</b>	<b>554.4</b>	<b>554.4</b>	<b>BL</b>	<b>Industrial</b>	<b>Patrick Marshall</b>
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
Lavena Holdings 4 GmbH	--	Ba1*	--	BBB*	--	841.8	841.8	841.8	BL	Media/Telecom	Patrick Marshall
Linn Energy, LLC	LINE	--	--	--	BB-	10.0	10.0	10.0	FRL	Natural Resources	Maria Lund
Lion Gables Realty L.P.	--	--	BB+	--	--	10.0	10.0	10.0	BL	Real Estate	Craig Malloy
Lloyds TSB Registrars	--	--	--	--	BB	521.4	521.4	521.4	BL	Financial Institutions	Patrick Marshall

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▲▲▲ = European deal.

**Bold = Closed and currently being syndicated.**

Source: Lehman Brothers

PORTFOLIO DETAILS (cont'd.)

6/12/07 Company	Equity Ticker	Ratings				Exposure (mm)			FRL/ BL	Sector	Portfolio Manager
		Moody's	S&P	Fitch	Internal	Gross	Current	Net			
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
Macquire Properties	--	--	--	--	--	0.0	0.0	0.0	BL	Real Estate	Craig Malloy
Magnum Coal Company	--	B3	B	--	--	20.0	20.0	15.0	BL	Natural Resources	Craig Malloy
Mainitowoc Company, Inc. (The)	MTW	Ba2*	BBB-	--	--	10.0	10.0	10.0	FRL	Industrial	Randall Braunfeld
Mapco Express, Inc.	--	B2	B+	--	--	12.0	12.0	12.0	BL	Consumer/Retail	Ritam Bhalla
Marina District Finance Company, Inc.	--	--	--	--	BB	5.0	5.0	5.0	FRL	Gaming/Entertainment	Diane Albanese
MEG Energy Corporation	--	Ba3▼	BB	--	--	0.0	0.0	0.0	BL	Natural Resources	Maria Lund
<i>Merlin Entertainments Group</i>	--	--	--	--	BB-	<b>486.3</b>	<b>486.3</b>	<b>486.3</b>	<b>BL</b>	<b>Gaming/Entertainment</b>	<b>Patrick Marshall</b>
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	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-	--	47.5	47.5	47.5	FRL	Industrial	Diane Albanese
<i>PagesJaunes Groupe SA</i>	--	--	--	--	B+	14.1	14.1	14.1	BL	Media/Telecom	Patrick Marshall
Parker Drilling Company	PKD	B1	--	--	--	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
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+	--	--	55.2	55.2	55.2	BL	Industrial	Diane Albanese
Pregis Corporation	--	Ba2	B+	--	--	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	B+	--	--	25.0	25.0	25.0	FRL	Healthcare	Craig Malloy
Qwest Communications International Inc.	Q	Ba3	BBB-	BBB-	--	60.0	60.0	12.0	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+	--	--	55.3	18.0	(0.4)	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-	5.4	5.4	5.4	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	B+	--	--	8.9	8.9	8.9	BL	Industrial	Diane Albanese
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 Braunfeld
Sinclair Television Group, Inc.	SBGI	Baa3	BB+	--	--	10.0	10.0	10.0	FRL	Media/Telecom	Mike Masters
<i>Sisal Spa</i>	--	--	--	--	B	<b>163.6</b>	<b>163.6</b>	<b>163.6</b>	<b>BL</b>	<b>Gaming/Entertainment</b>	<b>Patrick Marshall</b>
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+	10.7	10.7	10.7	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
Suncal Companies	--	B1	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	--	B+	--	--	11.0	11.0	3.0	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.	--	--	--	--	--	14.0	14.0	14.0	FRL	Natural Resources	Maria Lund
Targa Resources, Inc.	--	B1	B+▼	--	BB-	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.	--	B1	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	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

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

Italics = European deal.

**Bold = Closed and currently being syndicated.**

Source: Lehman Brothers

PORTFOLIO DETAILS (cont'd.)

6/12/07 Company	Equity Ticker	Ratings				Exposure (mm)			FRL/ BL	Sector	Portfolio Manager
		Moody's	S&P	Fitch	Internal	Gross	Current	Net			
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	Ba1	BBB	BB+	--	98.8	98.8	51.4	FRL	Industrial	Diane Albanese
TVSL SA	--	--	--	--	BB-	22.4	22.4	22.4	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	(25.5)	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
Yought Aircraft Industries, Inc.	--	Ba2	B	--	--	25.0	25.0	(2.0)	BL	Industrial	Diane Albanese
<i>Wartsila Corporation</i>	<b>WRTBK.PK</b>	--	--	--	--	<b>1,656.5</b>	<b>1,656.5</b>	<b>1,656.5</b>	<b>BL</b>	<b>Power</b>	<b>Patrick Marshall</b>
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	--	Ba3	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
<b>High Yield Total</b>						<b>\$9,724.9</b>	<b>\$9,591.4</b>	<b>\$8,508.2</b>			
<b>Loan Portfolio Total</b>						<b>\$32,973.1</b>	<b>\$29,199.9</b>	<b>\$14,582.6</b>			

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*Italics = European deal.*

**Bold = Closed and currently being syndicated.**

Source: Lehman Brothers

## LOAN PORTFOLIO GROUP

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### HIGH GRADE

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### HIGH YIELD

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