From:	Grieb, Edward [egrieb@lehman.com]
Sent:	Tuesday, March 18, 2008 5:41 PM (GMT)
To:	Traversari, Ryan [ryan.traversari@lehman.com]; Tonucci, Paolo [paolo.tonucci@lehman.com]
Cc:	Kelly, Martin [martin.kelly@lehman.com]
Subject:	Re: WSJ numbers question

So the 15.4 this qtr would have been ????

And the 16.1 would have been. ???

----- Original Message -----
From: Traversari, Ryan
To: Grieb, Edward; Tonucci, Paolo
Cc: Kelly, Martin
Sent: Tue Mar 18 13:37:13 2008
Subject: RE: WSJ numbers question

Uptick on a comparative basis is because of preferred offering in this quarter as well as increase in sub. Debt.

-----Original Message-----
From: Grieb, Edward
Sent: Tuesday, March 18, 2008 1:23 PM
To: Traversari, Ryan; Tonucci, Paolo
Cc: Kelly, Martin
Subject: Re: WSJ numbers question

Paolo - based on our discusssion I thought effect was more like .2X or so - are we missing something?

----- Original Message -----
From: Traversari, Ryan
To: Grieb, Edward
Cc: Kelly, Martin; Cohen, Kerrie
Sent: Tue Mar 18 13:20:30 2008
Subject: RE: WSJ numbers question

16.0x

-----Original Message-----
From: Grieb, Edward
Sent: Tuesday, March 18, 2008 1:12 PM
To: Traversari, Ryan
Cc: Kelly, Martin; Cohen, Kerrie
Subject: Re: WSJ numbers question

Sorry can't read the #'s on bberry

What would the 15.4 be under 11/30 def

----- Original Message -----
From: Traversari, Ryan
To: Grieb, Edward
Cc: Kelly, Martin; Cohen, Kerrie
Sent: Tue Mar 18 13:07:00 2008
Subject: FW: WSJ numbers question

See below.

_____

From: Traversari, Ryan
Sent: Tuesday, March 18, 2008 1:06 PM
To: Azerad, Robert; Whitestone, Randall B; Cohen, Kerrie
Cc: Kelly, Martin; Tonucci, Paolo
Subject: RE: WSJ numbers question

Think you are going to have to be careful in responding, the below gives you the comparatives with hybrid restriction and without hybrid restriction.

Feel free to call if you want to discuss.

	Feb 29, 2008	Nov 30, 2007	Aug 31, 2007	May 31, 2007	2007	Feb 28, 2007
With Hybrid Adjustment	15.4	16.0		16.1	16.1	15.4
W/O Hybrid Adjustment	15.4	15.4		16.0	15.8	15.3

_____

From: Azerad, Robert
Sent: Tuesday, March 18, 2008 12:53 PM
To: Traversari, Ryan
Subject: FW: WSJ numbers question

_____

From: Tonucci, Paolo
Sent: Tuesday, March 18, 2008 12:36 PM
To: Whitestone, Randall B
Cc: Azerad, Robert
Subject: RE: WSJ numbers question

Robert should be able to answer this with the team

_____

From: Whitestone, Randall B
Sent: 18 March 2008 12:25
To: Tonucci, Paolo

Subject: FW: WSJ numbers question

Paolo,

Can you help on this? Ed suggested I touch base with you or Robert.

I thought you did well on the call!

Best,

R

_____

From: Whitestone, Randall B
Sent: Tuesday, March 18, 2008 12:19 PM
To: Kelly, Martin; Grieb, Edward
Cc: Cohen, Kerrie
Subject: WSJ numbers question

Passing along this technical question from the WSJ for you. Apparently this is for their roundup on broker earnings for tomorrow's paper. Thanks for any assistance you can provide.

_____

From: Eavis, Peter [mailto:peter.eavis@wsj.com]
Sent: Tuesday, March 18, 2008 12:17 PM
To: Whitestone, Randall B
Subject: FW: numbers question

As discussed.

-----Original Message-----
From: Eavis, Peter
Sent: Tuesday, March 18, 2008 12:14 PM
To: Kerrie Cohen (kacohen@lehman.com)
Cc: Reilly, David
Subject: numbers question

Hi Kerrie,

Quick factual question that I need answered very quickly today on your earnings numbers. Please forward to IR or your CFO.

In your earnings release, you say this:

"Prior to fiscal year 2008, our definition for tangible equity capital limited the amount of junior subordinated notes and preferred stock included in the calculation to 25% of tangible equity capital."

What was the exact starting tangible equity capital number used for calculating the 25% cap for preferreds and subordinated notes? Did you:

a)   Subtract intangibles from shareholders equity and then take 25% of that number as the cap?

b)   Did you subtract both preferreds and intangibles from shareholders' equity and take 25% of that number?

c) Did you take shareholders equity, subtract intangibles and then add subordinated notes and then take 25% of that number?

What we're trying to see is what would have happened to your "net leverage" if you continued to calculate it in the way you did before.

Many thanks,

Peter

Peter Eavis, Staff Reporter, The Wall Street Journal

Office: 212 416 3112

Cell: 347 330 7460

Home email: peter.eavis@gmail.com