

From: Bernard, Clement [clement.bernard@lehman.com]
Sent: Friday, February 22, 2008 5:02 PM (GMT)
To: Higgins, Kieran [kieran.higgins@lehman.com]
Subject: Balance Sheet

Kieran,

I am following up on the conversation that we had the other on the Balance sheet. As you may know we are still struggling on our Balance Sheet. We are currently at 19 bn above our target. Within that number Rates Europe is 3.7 bn above target (forecast of 16.0 vs a limit of 12.3).

You mentioned that you would be doing some reduction in gvt and maybe add repo 105. Do you have a feel for what you will be able to do.

Clement