

From: Grieb, Edward <egrieb@lehman.com>
Sent: Wednesday, August 22, 2007 11:35 AM (GMT)
To: O'Meara, Chris M (NY) <comeara@lehman.com>
Subject: FW: Final Language

This is current wording being discussed with Joe G this am (see my suggested edit below), not sure if you will be on call:

NEW YORK, August 22, 2007 * Lehman Brothers announced today that market conditions have necessitated a substantial reduction in its resources and capacity in the subprime space. As a result, the Firm is closing its BNC Mortgage LLC subsidiary. The Firm continues to originate mortgages in the U.S. through its Aurora Loan Services LLC platform.

The closure affects approximately 1,200 employees in 23 U.S. locations. In connection with the closure, the Firm will take all related after-tax charges, including severance, real estate and technology costs, of approximately \$25 million and a 100% after-tax goodwill write-down of approximately \$30 million.

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> From: Whitestone, Randall B
> Sent: Wednesday, August 22, 2007 7:31 AM
> To: Grieb, Edward; Janulis, Theodore P; Burns, Hannah
> Subject: RE: Final Language

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> I will take this up with us to Joe.

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> From: Grieb, Edward
> Sent: Wednesday, August 22, 2007 7:30 AM
> To: Whitestone, Randall B; Janulis, Theodore P; Burns, Hannah
> Subject: RE: Final Language

> Possible alternative

> .and an impairment write-down for all associated goodwill of approximately \$30 million.

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> _____
> From: Whitestone, Randall B
> Sent: Wednesday, August 22, 2007 7:26 AM
> To: Grieb, Edward; Janulis, Theodore P; Burns, Hannah
> Subject: Final Language
> Importance: High

> In connection with the closure, the Firm will take all related after-tax charges, including severance, real estate and technology costs, of approximately \$25 million and a 100% after-tax goodwill write-down of

approximately \$30 million.
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