

From: Morton, Andrew J <amorton@lehman.com>
Sent: Thursday, June 28, 2007 6:19 AM (GMT)
To: Umezaki, Kentaro <komezaki@lehman.com>
Subject: Re: bal sheet

Ok , I will make sure you get our updated forecast.

Had an interesting meeting with european treasury indicating we could soon be facing reg cap constraints in lbie. In llong term not a problem due to consol supervision but 08 cd be difficult.

On offsite, tough to say. It depends a lot on whether some of these things actually get done. I would rather they focus on absolute execution of half a dozen key items than partial execution of a vast plan to change the entire culture. I also think we need to continue to work on busiiness ownership. In europe my biggest frustration (aside from late delivery) is inertia in upgrading their b players.

----- Original Message -----

From: Umezaki, Kentaro
To: Morton, Andrew J
Sent: Thu Jun 28 00:36:45 2007
Subject: Re: bal sheet

Hi. We were at 200 limit in q2. 203 is global limit proposed for q3 for all FID. The aggregate demand from FID biz as of last week was 218. Not sure whether your email demand was included or not.

Roger and I have a meeting in about 2 weeks with Omeara etal to lobby for more. Not sure what the number will be but it will be more than +3.

I will come b ack to u post that meeting ok? Or buzz me if we need to chat further.

Hey what's ur view on that IT offsite last week?

Ken

----- Original Message -----

From: Morton, Andrew J
To: Umezaki, Kentaro
Sent: Wed Jun 27 12:24:06 2007
Subject: bal sheet

hi ken

have you started to get a sense of how fid global bal sheet is looking for q3 end ? our numbers are looking quite big, e.g. \$4bn ish over due to coeur defense, northern rock cmbs purchase etc.

cheers
andy