

**From:** Yu, Anna <anna.yu@lehman.com>  
**Sent:** Sunday, December 9, 2007 8:07 PM (GMT)  
**To:** Callan, Erin <ecallan@lehman.com>; Vecchio, Laura M <LVecchio@lehman.com>; O'Meara, Chris M (NY) <comeara@lehman.com>; Tonucci, Paolo <paolo.tonucci@lehman.com>; Rudofker, Beth <brudofke@lehman.com>; Grieb, Edward <egrieb@lehman.com>; Kelly, Martin <martin.kelly@lehman.com>  
**Cc:** Stucchio, Anthony <astucchi@lehman.com>; Shotton, Paul <paul.shotton@lehman.com>; Liu, Fong <fong.liu@lehman.com>; Spahr, Eric <eric.spahr@lehman.com>; Axelrod, Ari <ari.axelrod@lehman.com>  
**Subject:** RE: Tier 1 and Total Capital Ratios  
**Attach:** Industry Ratios.XLT;smime.p7s

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Yes, it's true. The industry high seemed to have peaked at 18.7% in August and has declined now to 15.3%. The ratios seem to be converging more closely between the CSE firms. Pls see the attached trend for the last 4 months.

rgds,  
Anna

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**From:** Callan, Erin  
**Sent:** Sunday, December 09, 2007 11:28 AM  
**To:** Yu, Anna; Vecchio, Laura M; O'Meara, Chris M (NY); Tonucci, Paolo; Rudofker, Beth; Grieb, Edward; Kelly, Martin  
**Cc:** Stucchio, Anthony; Shotton, Paul; Liu, Fong; Spahr, Eric; Axelrod, Ari  
**Subject:** RE: Tier 1 and Total Capital Ratios

interesting how much capital declined at the high end in october. GS must have come down alot. 1.5-2% very significant.

Erin Callan  
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**From:** Yu, Anna  
**Sent:** Friday, December 07, 2007 5:56 PM

To: Vecchio, Laura M; Callan, Erin; O'Meara, Chris M (NY); Tonucci, Paolo; Rudofker, Beth; Grieb, Edward; Kelly, Martin  
Cc: Stucchio, Anthony; Shotton, Paul; Liu, Fong; Spahr, Eric; Axelrod, Ari  
Subject: RE: Tier 1 and Total Capital Ratios

For reference, as of Oct month end, **LBHI's capital ratios were: Tier 1: 7.0%; Total cap ratio: 10.6%**

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From: Vecchio, Laura M  
Sent: Friday, December 07, 2007 5:49 PM  
To: Callan, Erin; O'Meara, Chris M (NY); Tonucci, Paolo; Rudofker, Beth; Grieb, Edward  
Cc: Yu, Anna; Stucchio, Anthony; Shotton, Paul; Liu, Fong  
Subject: FW: Tier 1 and Total Capital Ratios

FYI:

From Matt Eichner at the SEC:

To reiterate, the range for the tier 1 ratios at the end of September was 6.6% to 12.1%. The range for the total capital ratio as of that date was 10.5% to 17.5%.

**For October month end, the range for tier 1 was 6.7% to 10.7%. The range for total capital was 10.6% to 15.3%.**

-From: Eichner, Matthew  
Sent: Friday, December 07, 2007 12:53 PM  
To: 'Chartres, John'; 'Berry, Robert'; 'Ng, Victor K'; 'Vecchio, Laura M'; 'Saidenberg, Marc (Regulatory Policy and Relations)'; 'Hayward, Christopher (Finance Director)'; 'Gonfiantini, Fred (FCG)'; 'Russo, David (FIRMMKTRSK)'; 'McNally-Reynolds, Kathleen C (CORPTSY)'; 'Holloway, Mark W'; 'Farber, Jeff - Controllers (Exchange)'; 'Cox, Rupert (Exchange)'; 'Alix, Michael (Exchange)'; 'Modica, Judith M. (Exchange)'; 'Quinn, Jerry'; 'Brandon, Kyle'; 'Grieb, Edward'  
Cc: Macchiaroli, Michael A.; McGowan, Thomas K.; Silva, Kevin  
Subject: Tier 1 and Total Capital Ratios

Hi,

Several of you requested that we update the ranges for the capital numbers at October month-end that Mike read at the SIFMA meeting last week. We are happy to do that, but again want to be sure that there are no objections. Unless I hear otherwise, I send around the October month-end numbers after 4 pm today. Please also let me know if you would like others added to the distribution list.

Thanks,

-matt

