

*Confidential*

ALCO

# Summary Package

*September 13, 2007*

LEHMAN BROTHERS

# Additional Slides In Progress

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- ◆ Box Trend by Asset Category/Regulated Entities
- ◆ Top Increases/Decreases of Secured Funding Volumes by Counterparty
- ◆ Prime Broker Margin Trend
- ◆ Matched Book Term/Principal Funding Gap
- ◆ Trend in High Grade and High Yield Commitment Draws of Existing Revolving Facilities
- ◆ Bank Funding Costs and Potential Sources of Additional Funding
- ◆ Framework for Assessing New Deals and Funding

# Agenda:

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- ◆ Liquidity Update: (slide 3 - 5)

- Liquidity Pool as of September 12 was \$33.2 billion, \$0.4 billion decrease from the previous day.

- Cash Capital Surplus:

<i>\$billions</i>	7/31 (actual)	8/10 (actual)	8/17 (actual)	8/24 (actual)	8/31 (actual)	9/30 (est.)	10/31 (est.)	11/30 (est.)
CC Surplus	5.2	4.2	2.4	4.5	8.1	(2.7)	(6.1)	(3.0)

- ◆ Money Market Repos Status: (slide 6)

- ◆ Secured Funding Status: (slide 7)

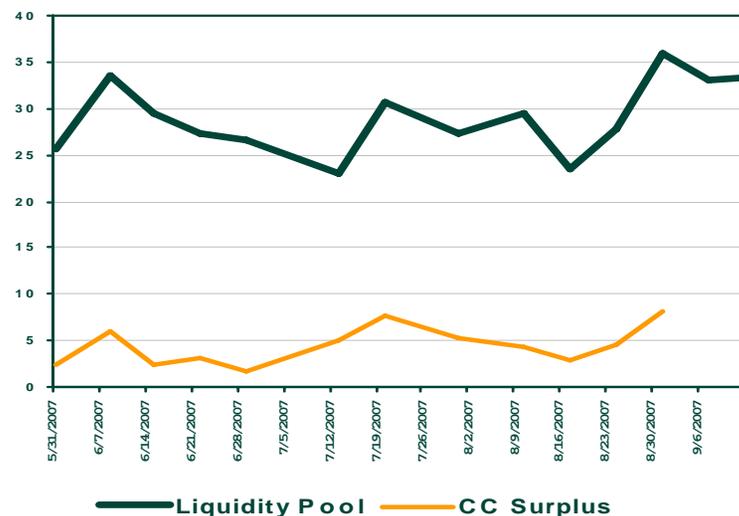
- ◆ Business Changes from Previous Status: (slides 8 - 11)

- ◆ Market Updates: (slide 12)

# Liquidity and Cash Capital

- ◆ Liquidity Pool as of September 12 was \$33.2 billion, \$0.4 billion decrease from the previous day.
- ◆ Q3 Cash Capital surplus was \$8.1 billion. This includes the repayment of \$2 billion US committed facility and \$2.5 billion full draw of the European facility.

## QTD Liquidity Pool and Cash Capital Surplus



## Cash Capital Projection

CC as of 8/31 (Q3)		8.1
<b>Change in Liabilities</b>		
Projected Structured Issuance	1.0	
LTD Retirement	(1.5)	
Cash Capital Facilities (Chase \$2Bn, Racers \$1Bn, Dresdner \$1Bn)	4.0	
ANZ facility paydown	(0.3)	
BGI Secured Facility roll off	(1.0)	
Roll into Current Portion	(2.3)	
Equity	0.2	
		0.1
<b>Change in Business Usage</b>		
HY/HG		
- Loan Funding	(5.4)	
- Syndication/Selldown	0.4	
Total HY/HG	(5.0)	
Real Estate		
- Loan Funding	(4.4)	
- Securitization/Syndication/Selldown	1.1	
Total Real Estate	(3.3)	
Other	(2.5)	
Total Change in Business Usage	(10.8)	
<b>CC Projection for the month ending 9/30</b>		<b>(2.7)</b>
<b>Change in Liabilities</b>		
Projected Structured Issuance	1.3	
Public Debt Issuance	1.5	
Metlife Cash Capital Facility	1.0	
Roll into Current Portion	(1.0)	
Equity	0.2	
		2.9
<b>Change in Business Usage</b>		
HY/HG		
- Loan Funding	(3.9)	
- Syndication/Selldown	1.0	
Total HY/HG	(2.9)	
Real Estate		
- Archstone Equity Funding	(2.4)	
- Loan Funding	(3.2)	
- Securitization/Syndication/Selldown	1.8	
Total Real Estate	(3.8)	
Other	0.4	
Total Change in Business Usage	(6.3)	
<b>CC Projection for the month ending 10/31</b>		<b>(6.1)</b>
<b>Change in Liabilities</b>		
Projected Structured Issuance	1.0	
Roll into Current Portion	(1.6)	
Equity	0.2	
		(0.4)
<b>Change in Business Usage</b>		
HY/HG		
- Loan Funding	(3.9)	
- Syndication/Selldown	1.0	
Total HY/HG	(2.9)	
Real Estate		
- Loan Funding	(1.7)	
- Securitization/Syndication/Selldown	8.1	
Total Real Estate	6.4	
Other	0.0	
Total Change in Business Usage	3.5	
<b>CC Projection for the month ending 11/30</b>		<b>(3.0)</b>

# Q4 Liquidity Pool Projection

- ◆ Liquidity Pool at the end of Q4 is projected to be \$27.4 billion.
- ◆ There are \$8.1 billion of loans in the pipeline for banks in Q4.

## Liquidity Pool vs. Maximum Cumulative Outflow

<i>\$Billions</i>	Q3 (Est.)		Q4 (Est.)	
	31-Aug	30-Sep	31-Oct	30-Nov
<b>Liquidity Pool</b>	<b>36.0</b>	<b>27.6</b>	<b>23.9</b>	<b>27.4</b> *
Pending LTD Settlements	0.5	0.5	0.5	0.5 **
Pending STD Settlements	0.1	-	-	-
Pending Other Settlements	1.0	-	-	-
<b>Total Liquidity (A)</b>	<b>37.7</b>	<b>28.2</b>	<b>24.5</b>	<b>27.9</b>
LTD Maturity	15.6	16.9	17.1	18.2
STD Maturity	9.6	9.5	9.0	8.2
Contingent Commitment (Prefunding)	2.9	3.0	3.0	3.0
Derivatives Uncollateralized Payables/Overcollateralization	1.6	1.6	1.6	1.6
Debt and Equity Buyback	2.0	0.5	0.5	0.5 ***
Letters of Credit	0.4	0.4	0.4	0.4
UK Unapplied Cash	0.3	0.3	0.3	0.3
Contingent Collateralization on Derivatives	0.1	0.1	0.1	0.1
LB Lux Certificates	0.1	0.2	0.2	0.2
<b>Total Outflow (B)</b>	<b>32.7</b>	<b>32.4</b>	<b>32.1</b>	<b>32.4</b>
<b>MCO 1 year forward position (A-B)</b>	<b>5.0</b>	<b>(4.2)</b>	<b>(7.6)</b>	<b>(4.5)</b>

\* Liquidity Pool includes \$2.3 billion AEGIS Investments

\*\* \$0.5 billion LTD issuance projected as pending settlement

\*\*\* \$1.5 billion LTD retirement projected in September

# September Cash Capital Projections

## September Cash Capital Projections

**CC as of 8/31 (Q3) 8.1**

Change in Liabilities		
Projected Structured Issuance	0.3	
Hudson Castle MMP paydown	(0.7)	
ANZ facility paydown	(0.3)	
Roll into Current Portion	(0.5)	
<b>Total Change in Liabilities</b>	<b>(1.2)</b>	
Change in Business Usage		<b>Bank Funding</b>
Funding of Project Calvino	(0.5)	-
Funding of misc. loans	(0.2)	-
Funding of Project Teodora	(0.1)	-
<b>Total Fundings</b>	<b>(0.8)</b>	<b>-</b>
LJAC 5 CMBS	0.5	
Syndication of Rembrandt/Delek	0.1	
<b>Total Syndications</b>	<b>0.6</b>	
<b>Total Change in Business Usage</b>	<b>(0.2)</b>	
Funding of Golden Gate notes purchase	(0.6)	
Intercompany funding	(1.1)	

**CC Projection for the week ending 9/7 5.0**

Change in Liabilities		
Projected Structured Issuance	0.3	
European CC Facility Paydown	(2.5)	
Roll into Current Portion	(0.4)	
<b>Total Change in Liabilities</b>	<b>(2.7)</b>	
Change in Business Usage		<b>Bank Funding</b>
Funding of GM Building	(0.5)	(0.5)
<b>Total Fundings</b>	<b>-</b>	<b>(0.5)</b>
<b>Total Syndications</b>	<b>-</b>	<b>-</b>
<b>Total Change in Business Usage</b>	<b>-</b>	<b>-</b>

**CC Projection for the week ending 9/14 2.3**

Change in Liabilities		
Projected Structured Issuance	0.3	
Roll into Current Portion	(0.0)	
<b>Total Change in Liabilities</b>	<b>0.2</b>	
Change in Business Usage		<b>Bank Funding</b>
Funding of ACTS (Air Canada)	(0.5)	(0.1)
<b>Total Fundings</b>	<b>(0.5)</b>	<b>(0.1)</b>
<b>Total Syndications</b>	<b>-</b>	<b>-</b>
<b>Total Change in Business Usage</b>	<b>(0.5)</b>	<b>(0.5)</b>

**CC Projection for the week ending 9/21 2.0**

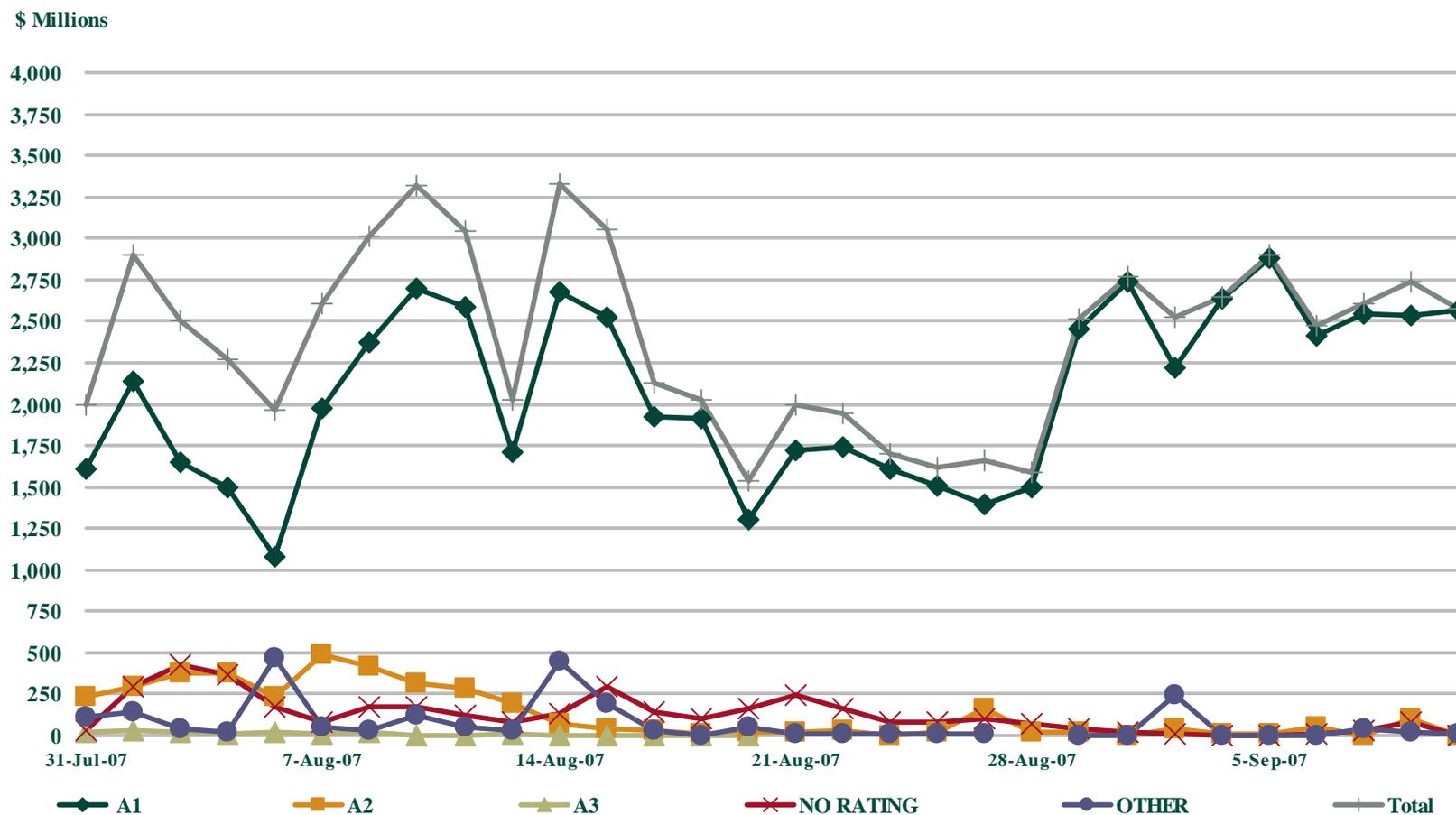
**CC Projection for the week ending 9/21 2.0**

Change in Liabilities		
Projected Structured Issuance	0.3	
Debt Retirement	(1.5)	
Hudson Castle MMP drawdown	0.7	
BGI Secured Facility roll off	(1.0)	
Racers CC Facility	1.0	
Dresdner CC Facility	1.0	
Chase CC Facility	2.0	
European CC Facility	2.5	
Roll into Current Portion	(1.4)	
<b>Total Change in Liabilities</b>	<b>3.6</b>	
Change in Business Usage		<b>Bank Funding</b>
Funding of First Data	(2.8)	(0.1)
Funding of Applebees/IHOP	(1.7)	(0.4)
Funding of CDW	(1.0)	(0.4)
Funding of PHH Corp	(0.6)	(0.1)
Funding of Akasaka Kokusai	(0.7)	-
Funding of Gospel	(0.6)	-
Funding of misc. European Real Estate loans	(0.5)	-
Funding of Conduit/PTG loans	(0.3)	(0.3)
Funding of 230 Park Ave	(0.3)	-
Funding of Star Capital	(0.2)	-
Funding of misc. US Real Estate loans	(0.1)	(0.1)
Funding of misc. Asia Real Estate loans	(0.8)	-
Funding of misc. Asia HY/HG loans	(0.2)	-
Funding of Friars Square	(0.1)	-
Funding of THSRC drawdown in Taiwan	(0.1)	-
Funding of Grand Asset	(0.1)	-
Funding of Protego	(0.1)	-
Funding of Biomet	(0.1)	-
Funding of Beef Island Resort	(0.1)	-
<b>Total Fundings</b>	<b>(10.3)</b>	<b>(1.4)</b>
CASA 2007-1 securitization	0.7	
Syndication of Floater B note and Mezz	0.4	
Transfer of PHS to Bankhaus	0.3	
Syndication of Drapers Gardens	0.1	
Syndication of misc. Asia Real Estate loans	0.1	
<b>Total Syndications</b>	<b>1.6</b>	
<b>Total Change in Business Usage</b>	<b>(8.7)</b>	
Requirement in IMD	(0.3)	
Requirement in Global Special Opportunities Group	(0.1)	
Return of intercompany funding	0.6	
Equity update	0.2	

**CC Projection for the month ending 9/30 (2.7)**

# Money Market Repos

## Money Market Repos



1. Excludes assets funded in Bankhaus, which was \$1.3bn as of Sept. 11<sup>th</sup>, 2007.

# Secured Funding Status

- ◆ Highlights TBD

## Secured Funding Volumes

Collateral Allocated Summary	Principal (\$Bn)	Avg Tenor (Days)
Asset Backs - Investment Grade	11.2	17
Asset Backs - Non-Investment Grade	2.2	24
C1 - Investment Grade Convertibles	2.6	22
C2 - Non-Investment Grade Convertibles	3.0	34
Corporates - Investment Grade	14.2	17
Corporates - Non-Investment Grade	10.9	16
E1 - Major Index Equities	8.6	9
E2 - Non-Major Index Equities	8.9	86
E3 - Non-Major Index Equities (<\$5)	3.9	35
EMG	9.4	46
Fund Units	0.4	86
Money Markets (A1)	3.6	15
Money Markets (A2, A3, Other)	0.1	1
Muni	1.7	1
Other	0.0	2
Preferreds	0.8	2
Private Labels - High Yield	2.7	14
Private Labels - Investment Grade	17.1	20
Wholeloan Residential	2.7	21
<b>Grand Total</b>	<b>103.8</b>	<b>27</b>

## Top 25 Counterparties

Counterparty Group	Principal (\$Bn)	Avg Tenor (Days)
State Street	14.0	32
FIDELITY	7.8	15
DRESDNER	7.6	30
JP MORGAN CHASE	6.2	25
BANKHAUS	6.2	56
RBC	5.9	16
RACERS	2.8	180
DANSKE BANK	2.6	8
CITIBANK	2.4	15
UBS	2.1	1
ABN AMRO	2.0	55
DWIGHT A.M.	2.0	25
DEKABANK	1.8	12
MELLON	1.8	31
FORTIS	1.8	43
BARCLAYS	1.7	12
BANK OF NEW YORK	1.6	1
DEXIA	1.6	26
HSBC	1.5	2
BGI	1.5	20
LANDESBANK	1.5	3
LCH	1.4	6
NOMURA	1.4	9
NORWEST	1.3	1
CALYON	1.3	7
Other (65 Counterparties)	21.9	17
<b>Grand Total</b>	<b>103.8</b>	<b>27</b>

1. The above is based on global cash repo trades and Government Upgrade Collateral Swaps (CPT Trades) as of September 11th, 2007, excluding products traded special, Governments, Treasuries, Government/MBS Agencies, Sovereigns, and Commercial Wholeloans.

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# HY/HG – Loan Funding & Syndication Pipeline

- ◆ Total Funding: \$13.2 Bn
- ◆ Total Syndication: \$2.4 Bn
- ◆ Amounts in post-LLF, post-banks

Timeline	Funding	Bank Funding	Syndication
<b>Closed</b>	-	-	<b>0.1</b> Syndication of Rembrandt/Delek
<b>Projected</b>	<b>13.2</b>	<b>2.4</b>	<b>2.3</b>
<b>Sep</b>	<b>5.4</b>	<b>0.8</b>	<b>0.3</b>
	2.8 Funding of First Data	0.1	0.3 Transfer of PHS to Bankhaus
	1.0 Funding of CDW	0.4	
	0.6 Funding of PHH Corp	0.1	
	0.5 Funding of ACTS (Air Canada)	0.1	
	0.2 Funding of misc. Asia HY/HG loans	-	
	0.2 Funding of misc. US HY/HG loans	-	
	0.1 Funding of Biomet	-	
<b>Oct</b>	<b>3.9</b>	<b>0.5</b>	<b>1.0</b>
	1.9 Funding of TXU	0.1	1.0 Projected Loan Syndication
	0.6 Funding of Sequa	0.1	
	0.5 Funding of Lloyds	-	
	0.4 Funding of LKQ	0.1	
	0.3 Funding of MacArthur	-	
	0.2 Funding of ARINC	0.1	
<b>Nov</b>	<b>3.9</b>	<b>1.1</b>	<b>1.0</b>
	1.1 Funding of Alliance Data	0.1	1.0 Projected Loan Syndication
	1.0 Funding of Harman International	0.1	
	0.5 Funding of TRW Automotive	0.1	
	0.5 Funding of United Rentals	0.4	
	0.4 Funding of McJunkin	0.1	
	0.2 Funding of Hawaiian Telecom	0.3	
	0.1 Funding of Plains Exploration & Production Co	-	
	0.1 Funding of PQ Corp	-	
<b>Total HY/HG</b>	<b>13.2</b>	<b>2.4</b>	<b>2.4</b>
	<b>Total Funding in Q4</b>		<b>Total Syndication in Q4</b>

# Real Estate – Loan Funding & Syndication Pipeline

- ◆ Total Funding: \$11.8 Bn
- ◆ Total Syndication: \$11.0 Bn
- ◆ Amounts in post-LLF, post-banks

Timeline	Funding	Bank Funding	Syndication/Securitization
<b>Closed</b>	<b>0.6</b>		<b>0.5</b>
	0.5 Funding of Project Calvino		LJAC 5 CMBS
	0.1 Funding of Project Teodora		
<b>Projected</b>	<b>11.2</b>	<b>3.4</b>	<b>10.5</b>
<b>Sep</b>	<b>3.8</b>	<b>1.1</b>	<b>0.6</b>
	0.8 Funding of misc. Asia Real Estate loans	-	0.4 Syndication of Floater B note and Mezz
	0.7 Funding of Akasaka Kokusai	-	0.1 Syndication of Drapers Gardens
	0.6 Funding of Gospel	-	0.1 Syndication of misc. Asia Real Estate loans
	0.5 Funding of misc. European Real Estate loans	0.3	
	0.3 Funding of Conduit/PTG loans	0.3	
	0.3 Funding of 230 Park Ave	-	
	0.2 Funding of Star Capital	-	
	0.1 Funding of Friars Square	-	
	0.1 Funding of misc. US Real Estate loans	0.1	
	0.1 Funding of Grande Asset	-	
	0.1 Funding of Protego	-	
	0.1 Funding of Beef Island Resort	-	
	- Funding of GM Building	0.5	
<b>Oct</b>	<b>5.6</b>	<b>1.5</b>	<b>1.8</b>
	2.4 Funding of Archstone	-	0.6 Securitization of Green (repo)
	1.0 Funding of Hilton	0.6	0.2 Securitization of Green (sold)
	0.6 Funding of Legacy Loan	-	0.3 Project Pearl securitization (repo)
	0.6 Funding of misc. Asia Real Estate loans	-	0.2 Project Pearl securitization (sold)
	0.4 Funding of misc. European Real Estate loans	0.3	0.5 Syndication of Floater B note and Mezz
	0.3 Funding of Conduit/PTG loans	0.4	
	0.3 Funding of misc. US Real Estate loans	0.3	
	0.1 Funding of Protego	-	
<b>Nov</b>	<b>1.7</b>	<b>0.9</b>	<b>8.1</b>
	0.6 Funding of misc. Asia Real Estate loans	-	2.0 Gospel Securitisation (repo)
	0.4 Funding of misc. European Real Estate loans	0.3	1.2 Gospel Securitisation (sold)
	0.3 Funding of Conduit/PTG loans	0.4	1.5 Windermere 14 securitization (repo)
	0.3 Funding of misc. US Real Estate loans	0.3	1.2 USCWL C-7 securitization (repo)
	0.1 Funding of Protego	-	0.9 LJAC 6 CMBS
			0.4 Syndication of Clover
			0.3 Syndication of Floater B note and Mezz
			0.3 Syndication of Ryowa
			0.2 Syndication of Kenedix
			0.1 Syndication of West 44th St
<b>Total RE</b>	<b>11.8 Total Funding in Q4</b>	<b>3.4</b>	<b>11.0 Total Syndication/Securitization in Q4</b>

# Archstone-Smith

	Projected Commitment					Projected Commitment with Asset Sales and Fannie Mae				
	Lehman 47.3%	Barclays 25%	B of A 27.7%	Tishman	Total	Lehman 47.3%	Barclays 25%	B of A 27.7%	Tishman	Total
Fixed Rate Loan	2,859	1,511	1,674		6,045	-	-	-		-
Floating Rate Loan	1,481	783	868		3,132	865	457	506		1,828
Term Loan	2,199	1,163	1,288		4,650	1,544	816	904		3,265
Mezzanine	431	228	252		911	431	228	252		911
Development Loan	237	125	139		500	237	125	139		500
Existing Debt Assumed	609	322	356		1,287	609	322	356		1,287
Preferred Units Issued	634	335	371		1,340	634	335	371		1,340
<b>Total Debt</b>	<b>8,450</b>	<b>4,466</b>	<b>4,949</b>	<b>-</b>	<b>17,865</b>	<b>4,319</b>	<b>2,283</b>	<b>2,529</b>	<b>-</b>	<b>9,131</b>
Bridge Equity	2,176	1,150	1,274		4,600	2,176	1,150	1,274		4,600
Permanent Equity*	250			250	500	250			250	500
<b>Total</b>	<b>10,876</b>	<b>5,616</b>	<b>6,223</b>	<b>250</b>	<b>22,965</b>	<b>6,745</b>	<b>3,433</b>	<b>3,803</b>	<b>250</b>	<b>14,231</b>

\* Private Equity

- Lehman's current commitment (excluding Fannie Mae and asset sales) is \$10.9bn, comprised of: \$8.5bn of debt; \$2.2bn of bridge equity and \$250mm of permanent equity.
- Fannie Mae has signed up for \$7.35bn of the total debt subject to a 30 day due diligence period.
- In addition an asset sale agreement has been signed for the San Diego Properties which will close simultaneous to the overall closing on 10/5. Proceeds will be used to reduce the term loan
- A further \$1.8 billion of floating rate loan is currently being looked at by Freddie Mac.
- The term loan is currently being marketed to investors.

# Securitized Products – Loan Funding & Syndication Pipeline

- ◆ Total Funding: \$2.1 Bn
- ◆ Total Syndication: \$0.7 Bn
- ◆ Amounts in post-LLF, post-banks

Timeline	Funding	Bank Funding	Syndication/Securitization
<b>Closed</b>	-	-	-
<b>Projected</b>	<b>2.1</b>	<b>0.4</b>	<b>0.7</b>
<b>Sep</b>	<b>1.8</b>	<b>0.4</b>	<b>0.7</b>
	1.7	0.4	0.7
	0.1		
	Funding of Applebees/IHOP		CASA 2007-1 securitization
	Funding of THSRC drawdown in Taiwan		
<b>Oct</b>	<b>0.1</b>	-	-
	0.1		
	Funding of THSRC drawdown in Taiwan		
<b>Nov</b>	<b>0.2</b>	-	-
	0.2		
	Funding of THSRC drawdown in Taiwan		
<b>Total STF</b>	<b>2.1</b>	<b>0.4</b>	<b>0.7</b>
	<b>Total Funding in Q4</b>		<b>Total Syndication/Securitization in Q4</b>

# Market Update

- ◆ We continue to grind tighter this morning in spreads and stocks are up despite any major positive news. Perhaps the market continues to feel positive on the performance of the brokerage sector in Q3. On the flip side, Goldman's Global Alpha hedge Fund fell 23% in August, making it down 33% on the year. As we approach the Fed meeting next Tuesday, current probabilities of rate cuts on Sep 18 per futures markets are as follows:

Fed Move	Current	1 Week Ago	1 Month Ago
Decrease to 4.75	53.2%	38.0%	16.7%
Decrease to 5.00	36.4%	31.5%	13.5%
Decrease to 4.50	10.4%	14.7%	14.6%
Decrease to 4.25	0.0%	5.1%	1.9%

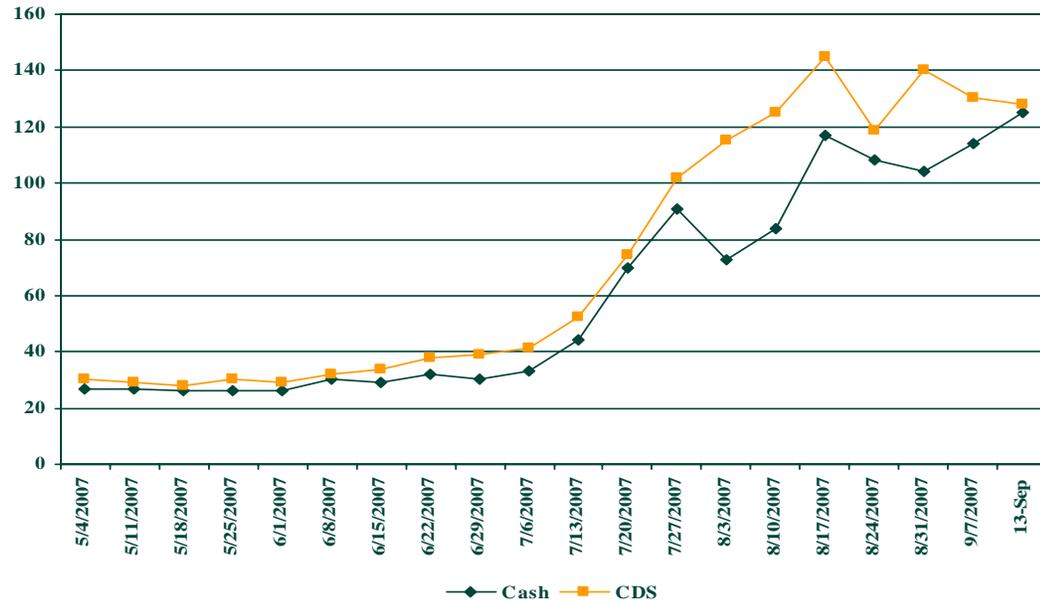
## 5 Year Lehman Spreads – Cash vs CDS

### CDS:

BSC	130/136
GS	62/68
MER	68/74
MS	63/69
LEH	125/131

### Cash:

5yr	L + 125
10y	L + 160
30y	L + 193



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## Appendices

# HG & HY Credit LBO Update

- ◆ Funding in Q4 for High Grade and High Yield is predicted to be \$20.1bn pre banks and \$15.7bn post banks, of this \$8.4bn pre banks, \$7.0bn post banks is in September
- ◆ PHH Corp. commitment of \$1,200mm reclassified from High Grade to High Yield.
- ◆ New \$230mm commitment: Varel Holdings, Inc. with \$215mm expected to be funded on October 31<sup>st</sup>.

## High Yield Bond and Leveraged Loan Bridge Book

### U.S. Deals

Deal	Closing Date	Funding Date	Total Commitment	Additional Bridge Equity	Gross				Net of banks, sales & syndications			
					Sep	Oct	Nov	Dec	Sep	Oct	Nov	Dec
TXU Corp	10/10/07	10/10/07	\$4,734	\$500	\$0	\$3,562	\$3,562	\$3,562	\$0	\$3,437	\$3,437	\$3,437
First Data Corporation	09/28/07	09/28/07	\$2,895	\$250	\$2,723	\$2,723	\$2,723	\$2,723	\$2,598	\$2,598	\$2,598	\$2,598
Riverdeep Group/Houghton-Mifflin/Harcourt Education	1Q08	1Q08	\$2,398		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Applebee's International, Inc/HOP Corp	09/30/07	09/30/07	\$2,139		\$2,039	\$2,039	\$2,039	\$2,039	\$1,664	\$1,664	\$1,664	\$1,664
PHH Corporation	09/28/07	09/28/07	\$1,703		\$1,210	\$1,210	\$1,210	\$1,210	\$1,085	\$1,085	\$1,085	\$1,085
CDW Corporation	09/28/07	09/28/07	\$1,464		\$1,374	\$1,374	\$1,374	\$1,374	\$999	\$999	\$999	\$999
Alliance Data	11/01/07	11/01/07	\$1,322		\$0	\$1,222	\$1,222	\$1,222	\$0	\$0	\$1,097	\$1,097
Harman International Industries	11/01/07	11/01/07	\$1,146	\$350	\$0	\$0	\$1,025	\$1,025	\$0	\$0	\$650	\$650
United Rentals (North America), Inc.	11/01/07	11/01/07	\$975		\$0	\$0	\$833	\$833	\$0	\$0	\$458	\$458
FairPoint Communications	01/31/08	01/31/08	\$832		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sequa Corp	10/01/07	10/01/07	\$820		\$0	\$760	\$760	\$760	\$0	\$635	\$635	\$635
ACTS (Air Canada)	09/21/07	09/21/07	\$689		\$642	\$642	\$642	\$642	\$517	\$517	\$517	\$517
TRW Automotive Inc.	11/30/07	11/30/07	\$650		\$0	\$0	\$600	\$600	\$0	\$0	\$475	\$475
McJunkin	11/30/07	11/30/07	\$569		\$0	\$0	\$499	\$499	\$0	\$0	\$374	\$374
LKQ	10/01/07	10/01/07	\$545		\$0	\$495	\$495	\$495	\$0	\$370	\$370	\$370
Hawaiian Telecom Yellow Pages	11/01/07	11/01/07	\$455		\$0	\$0	\$450	\$450	\$0	\$0	\$200	\$200
Metavante Corporation	10/31/07	10/31/07	\$400		\$0	\$350	\$350	\$350	\$0	\$0	\$0	\$0
Biomet, Inc.	09/28/07	09/28/07	\$389		\$71	\$71	\$71	\$71	\$71	\$71	\$71	\$71
ARINC Incorporated	10/15/07	10/15/07	\$365		\$0	\$328	\$328	\$328	\$0	\$203	\$203	\$203
Plains Exploration & Production Company	11/30/07	11/30/07	\$280		\$0	\$0	\$145	\$145	\$0	\$0	\$145	\$145
Varel Holdings, Inc.	10/31/07	10/31/07	\$230		\$0	\$215	\$215	\$215	\$0	\$215	\$215	\$215
Tenaska	09/28/07	09/28/07	\$146		\$146	\$146	\$146	\$146	\$0	\$0	\$0	\$0
PQ Corporation (CPQ Holdings LLC)	11/15/07	11/15/07	\$145		\$0	\$0	\$145	\$145	\$0	\$0	\$145	\$145
A&P	09/14/07	09/14/07	\$118		\$0	\$0	\$118	\$118	\$0	\$0	\$0	\$0
Chronic Care Solutions Holding Inc. (CCS Medical) (FRL)	10/16/07	10/16/07	\$86		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
American Standard (ASD Acquisition Corp.)	10/15/07	10/15/07	\$75		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Windstream Regatta	09/28/07	09/28/07	\$59		\$55	\$55	\$55	\$55	\$55	\$55	\$55	\$55
Tribune Company	11/01/07	11/01/07	\$52		\$0	\$0	\$32	\$32	\$0	\$0	\$32	\$32
Pregis Corporation	10/01/07	10/01/07	\$20		\$0	\$20	\$20	\$20	\$0	\$20	\$20	\$20
Alliance Resource Operating Partners (FRL)	09/15/07	09/15/07	\$8		\$8	\$8	\$8	\$8	\$8	\$8	\$8	\$8
<b>Total Americas</b>			<b>\$25,709</b>	<b>\$1,100</b>	<b>\$8,268</b>	<b>\$13,997</b>	<b>\$19,064</b>	<b>\$19,064</b>	<b>\$6,997</b>	<b>\$11,876</b>	<b>\$15,450</b>	<b>\$15,450</b>
<b>Europe/Asia Deals</b>												
<b>Deal</b>			<b>Commitment</b>		<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>
Lloyds	05/17/07	10/01/07	\$452		\$0	\$452	\$452	\$452	\$0	\$202	\$202	\$202
Consolidated Minerals / Territory Resources	10/01/07	10/01/07	\$265		\$0	\$265	\$265	\$265	\$0	\$15	\$15	\$15
<b>Total Europe/Asia</b>			<b>\$717</b>		<b>\$0</b>	<b>\$717</b>	<b>\$717</b>	<b>\$717</b>	<b>\$0</b>	<b>\$217</b>	<b>\$217</b>	<b>\$217</b>
<b>TOTAL HY</b>			<b>\$26,426</b>		<b>\$8,268</b>	<b>\$14,714</b>	<b>\$19,781</b>	<b>\$19,781</b>	<b>\$6,997</b>	<b>\$12,093</b>	<b>\$15,667</b>	<b>\$15,667</b>
<b>High Grade</b>												
<b>Deal</b>			<b>Commitment</b>		<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>
Imperial Tobacco	07/18/07	12/01/07	\$3,528		\$0	\$0	\$0	\$2,716	\$0	\$0	\$0	\$2,466
Transocean	12/31/07	12/31/07	\$1,667		\$0	\$0	\$0	\$1,667	\$0	\$0	\$0	\$1,042
ITC Holdings	12/01/07	12/01/07	\$350		\$0	\$0	\$0	\$350	\$0	\$0	\$0	\$0
City of Vernon Power Portfolio	11/12/07	11/12/07	\$203		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Best Buy Co., Inc.	09/14/07	09/14/07	\$180		\$113	\$113	\$113	\$113	\$0	\$0	\$0	\$0
ConocoPhillips	09/14/07	09/14/07	\$150		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Mills, Inc.	09/24/07	09/24/07	\$150		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Saad Investments Company Limited (3)	10/01/07	10/01/07	\$100		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
GLG Partners LP (FA Sub 3 Limited)	09/19/07	11/15/07	\$75		\$0	\$0	\$75	\$75	\$0	\$0	\$0	\$0
Buckeye Partners	12/31/07	12/31/07	\$65		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Darden Restaurants, Inc.	10/01/07	10/01/07	\$50		\$0	\$24	\$24	\$24	\$0	\$0	\$0	\$0
Magellan Midstream Partners, LP	09/14/07	09/14/07	\$45		\$14	\$14	\$14	\$14	\$0	\$0	\$0	\$0
SABMiller plc	10/10/07	10/10/07	\$44		\$0	\$44	\$44	\$44	\$0	\$0	\$0	\$0
PENEX Project Funding Master Trust	09/14/07	09/14/07	\$40		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL HG</b>			<b>\$6,646</b>		<b>\$126</b>	<b>\$193</b>	<b>\$268</b>	<b>\$5,001</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,042</b>
<b>TOTAL HY &amp; HG</b>			<b>\$33,072</b>		<b>\$8,394</b>	<b>\$14,907</b>	<b>\$20,050</b>	<b>\$24,783</b>	<b>\$6,997</b>	<b>\$12,093</b>	<b>\$15,667</b>	<b>\$16,709</b>
<b>Incremental funding</b>					<b>\$8,394</b>	<b>\$6,514</b>	<b>\$5,142</b>	<b>\$4,733</b>	<b>\$6,997</b>	<b>\$5,097</b>	<b>\$3,574</b>	<b>\$1,042</b>

1. All numbers are pre-LLF.
2. Additional Bridge Equity is not included in funding requirement amounts
3. Archstone (\$5.4bn commitment) and Hilton (\$1.6bn commitment) are not included in this report

# Funding Plan by Banks as of August 31, 2007

## Plan: \$8.1bn of loans to go into the banks by year end

- ◆ There are \$8.1bn of loans in the pipeline for banks for Q4, split \$4.2bn HG/HY and \$2.9bn real estate

	Sep	Oct	Nov	Total Q4
<b>High Grade/High Yield</b>				
Bankhaus	\$896	\$475	\$750	\$2,121
LBCB	\$625	\$500	\$750	\$1,875
LBB	\$250	\$0	\$0	\$250
	<u>\$1,771</u>	<u>\$975</u>	<u>\$1,500</u>	<u>\$4,246</u>
<b>Real Estate</b>				
Bankhaus	\$158	\$225	\$1,263	\$1,646
LBCB	\$250	\$250	\$250	\$750
LBB	\$500	\$500	\$500	\$1,500
	<u>\$908</u>	<u>\$975</u>	<u>\$2,013</u>	<u>\$3,896</u>
<b>Total</b>	<b>\$2,679</b>	<b>\$1,950</b>	<b>\$3,513</b>	<b>\$8,142</b>

## \$0.6bn of commitments (\$0.6bn funded) moved into the banks this month

Date	HG/HY/CRE	Loan Name	Commitment	Funded Amount	Entity
09/12/2007	CRE	GM Building	\$218,500,000	\$218,500,000	LBB
09/05/2007	CRE	Crossroads Plaza	\$75,000,000	\$75,000,000	LBB
Various	CRE	Sub \$50mm pieces	\$8,480,000	\$8,480,000	LBB
Various	HG	Sub \$50mm pieces	\$0	\$0	LBB
		<b>LBB Total</b>	<b>\$301,980,000</b>	<b>\$301,980,000</b>	
09/12/2007	CRE	GM Building	\$100,000,000	\$100,000,000	LBCB
09/07/2007	CRE/PTG	Moonlight Basin	\$100,000,000	\$100,000,000	LBCB
09/05/2007	CRE	Southwest Corporate Center	\$57,600,000	\$48,598,176	LBCB
09/05/2007	CRE	Paradise Boutique Hotel	\$66,000,000	\$51,618,000	LBCB
Various	GPS	Sub \$50mm pieces	\$0	\$0	LBCB
Various	HG	Sub \$50mm pieces	\$0	\$0	LBCB
Various	HY	Sub \$50mm pieces	\$0	\$0	LBCB
		<b>LBCB Total</b>	<b>\$323,600,000</b>	<b>\$300,216,176</b>	
		<b>Bankhaus Total</b>	<b>\$0</b>	<b>\$0</b>	
		<b>Total All Banks</b>	<b>\$625,580,000</b>	<b>\$602,196,176</b>	

# Contingent Liquidity Facilities Update

## Lehman Loan Funding (LLF)

### Current Loan Designations & Prefundings

Lehman Loan Fund (LLF)	Designation Capacity	Funding Capacity	Prefunded Amount	Lehman Purchased	Actual Prefunded
	7,500	7,500	-	-	-
<b>Loan</b>	<b>Designated</b>	<b>Funded</b>			
TXU	2,000	-			
SANTA FE	1,000	-			
IMPERIAL	650	-			
IBM	408	408	408		408
<b>Total</b>	<b>4,058</b>	<b>408</b>	<b>408</b>	<b>-</b>	<b>408</b>
<b>Remaining Capacity</b>	<b>3,442</b>	<b>7,092</b>	<b>408</b>	<b>-</b>	<b>408</b>

### Commentary

- ◆ **Overview:** Lehman Loan Funding (LLF) is a conduit affiliate of Lehman which was set up to fund designated acquisition loans. LLF is 75% owned by Hudson Castle, and is funded by secured liquidity notes issued to investors.

- ◆ \$1.1 billion ALCOA commitment expired as of September 7<sup>th</sup>.

## Aegis

### Current Loan Designations & Prefundings

Aegis	Designation Capacity	Funding Capacity	Prefunded Amount	Lehman Purchased	Actual Prefunded
	6,000	2,437	2,281	(1,572)	709
<b>Loan*</b>	<b>Designated</b>	<b>Funded</b>			
GENERAL ELECTRIC CAPITAL CORP	750	-			
IBM	225	-			
THE THOMSON CORP.	203	-			
RESIDENTIAL CAPITAL LLC	150	-			
CISCO SYSTEMS INC.	100	-			
THE HARTFORD FIN SERVICES GRP	100	-			
TIME WARNER INC.	100	47			
SUB \$100MM LOANS	691	16			
<b>Total</b>	<b>2,318</b>	<b>63</b>			
<b>Remaining Capacity</b>	<b>3,682</b>	<b>2,374</b>	<b>2,281</b>	<b>(1,572)</b>	<b>709</b>

\*Only loans greater than \$100mm shown

### Commentary

- ◆ **Overview:** The Aegis conduit was set up to fund unfunded high grade loan commitments. Aegis is backed by Lloyds Bank and is funded through CP issuances.

- ◆ Home Depot \$250mm commitment came off as of September 11<sup>th</sup>.
- ◆ An additional \$7mm of Time Warner funded on September 6<sup>th</sup>.

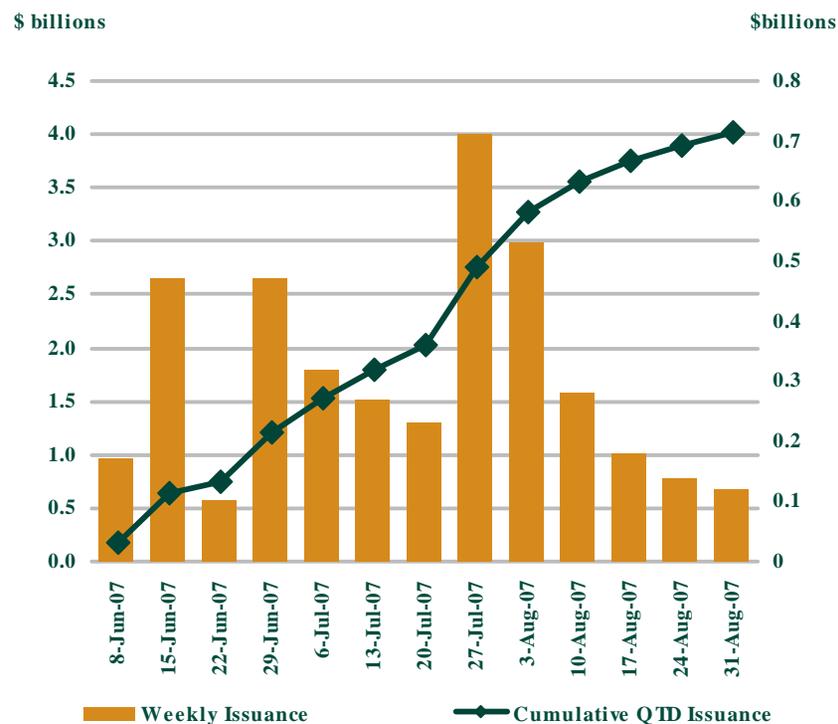
### SLN Maturity Profile

Maturity	Amount (\$mm)
Week of Sep 10	1,572
Week of Sep 17	-
Week of Sep 24	-
Month of Oct	80
Month of Nov	700
	<b>2,352</b>

# Structured Cash Capital Issuance

- ◆ QTD Structured CC Issuance = \$4.0bn on 494 total trades
- ◆ QTD Average Structured CC Issuance per Week ~ \$310mm

## Q3 Issuance Summary



## Q3 Issuance by Currency (\$ millions)

	AUD	CHF	CZK	EUR	GBP	HKD	HUF	JPY	KRW	NZD	SEK	USD	Total
6/8/2007	14	-	-	38	2	-	-	17	-	-	34	63	167
6/15/2007	7	13	-	201	-	12	-	13	-	-	9	218	473
6/22/2007	2	-	-	33	-	-	-	17	-	-	-	53	104
6/29/2007	16	5	2	264	6	-	-	15	52	-	-	109	470
7/6/2007	6	6	-	223	-	-	-	5	-	7	-	70	317
7/13/2007	12	1	-	157	-	-	-	32	-	6	-	65	273
7/20/2007	12	-	-	110	-	-	-	13	12	-	2	79	230
7/27/2007	7	6	-	104	5	-	-	13	-	-	-	578	714
8/3/2007	1	-	-	463	6	-	2	13	-	-	-	50	535
8/10/2007	13	5	3	105	10	-	-	21	-	-	-	124	281
8/17/2007	-	20	-	111	2	-	-	13	-	-	-	38	183
8/24/2007	2	12	-	111	-	-	6	8	-	-	-	5	144
8/31/2007	13	-	4	18	7	-	-	11	-	-	7	65	125

## Q3 Issuance by Tenor (\$ millions)

	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years	Total
6/8/2007	-	14	35	41	-	76	167
6/15/2007	-	91	31	41	16	294	473
6/22/2007	-	15	23	3	36	27	104
6/29/2007	-	183	61	85	59	82	470
7/6/2007	-	62	21	108	-	126	317
7/13/2007	-	153	31	14	11	65	273
7/20/2007	-	69	32	51	12	65	230
7/27/2007	-	472	35	119	57	32	714
8/3/2007	-	34	22	36	14	429	535
8/10/2007	-	75	54	50	42	59	281
8/17/2007	-	29	22	32	3	97	183
8/24/2007	-	22	3	32	3	85	144
8/31/2007	-	43	-	17	32	32	125

# LBHI Facilities Pipeline

## Included in Q4 Projections

Bank Name	Sec/Unsec	Tenor	Currency	New Credit (\$mm)	Owner / Contact
Dresdner				1,000	
MetLife				1,000	
Racers				1,000	
<b>Total Included in Q4 Projections</b>				<b>3,000</b>	

## Remaining Pipeline

Bank Name	Sec/Unsec	Tenor	Currency	New Credit (\$mm)	Owner / Contact
AIG	Secured	5yr	USD	3,000	Jennifer F/ Amberish R.
BTMU (via Victory)	Secured	3yrs renewable annually	JPY	1,000	Emil Cornejo/ Keith Kennerly
Comerica	Secured	18 month extendible	USD	1,000	Steven Becker / Keith Kennerly
HSH Nordbank	Secured	15 months extendible	USD	1,000	
Hypo Public Finance	Secured	13 month rolled monthly	USD	1,000	Treasury - Creditor Relations
Unicredit Americas	Secured	13 month extendible	USD	1,000	Huw Rees/KvR
BNPP	Secured	18-15-18	USD	800	K von Ruffen/AF Sorasio
Blackrock	Secured	13-12-13	USD	500	Steven Becker / Keith Kennerly
BTMU (NY)	Secured	19-18-19	USD	500	Emil Cornejo/ Keith Kennerly
Danske	Secured	13-12-13	USD	500	Amberish R /Huw Rees
Fidelity***	Secured	13 month extendible	USD	500	Steven Becker / Keith Kennerly
State Street	Secured	13-12-13	EUR	400	Steven Becker / Keith Kennerly
BONY	Secured	13-12-13	USD	300	Steven Becker / Keith Kennerly
HSBC	Unsecured	24 month extendible	HKD/JPY/SGD	300	Siddharth Sharad
BBVA	Unsecured	18 month extendible	USD	250	Amberish Ratanghayra
Caylon	Unsecured	18 month extendible	USD	250	Amberish Ratanghayra
Charles Schwabb	Secured	13-12-13	USD	250	Steven Becker / Keith Kennerly
SMBC (Domestic syndicated loan)	Unsecured	5yr	JPY	250	Kishimoto
ABN	Secured	18 month extendible	USD	200	Karen v Ruffer/Huw Rees/ Keith Kennerly
BNPP	Secured	18-15-18	USD	200	K von Ruffen/AF Sorasio
DB	Unsecured	24 month extendible	HKD/JPY/SGD	200	Siddharth Sharad
Oppenheimer Funds	Secured	13-12-13	USD	200	Steven Becker / Keith Kennerly
Commonwealth Bank of Australia	Unsecured	13 month extendible	AUD	170	Nigel Watters
BTMU	Unsecured	24 month extendible	JPY	164	Kishimoto
CGD	Unsecured	18 or 24 month extendible	USD	100	Karen v Ruffer/ Enrique Verdu
Evergreen Investments***	Secured	13-12-13	USD	100	Steven Becker / Keith Kennerly
Frank Russell Investments	Secured	13-12-13	USD	100	Steven Becker / Keith Kennerly
Metrobank	Unsecured	30-18-30	PHP	100	Nigel Watters
Wachovia Golobal Securities	Secured	13-12-13	USD	100	Steven Becker / Keith Kennerly
WAMCO	Secured	13-12-13	USD	100	Steven Becker / Keith Kennerly
JPMorgan Chase	Unsecured	24-21-24	JPY	82	Kishimoto
Standard Chartered	Unsecured	24 month extendible	Multi	75	Nigel Watters
Chuo Mitsui Trust	Unsecured	24-21-24	JPY	41	Kishimoto
BPI	Unsecured	30-18-30	PHP	40	Nigel Watters
DnB Nor	Unsecured	3 year bullet or extendible	Multi	25	Amberish Ratanghayra
ING	Unsecured	2yr bullet	PHP	25	Nigel Watters
Banco MPS (Asia)	Unsecured	24 month bullet	HKD	-	Aireen Phang
DBS (Singapore)	Unsecured	24 month extendible	AUD/HKD/SGD	-	Aireen Phang
SMBC	Secured		USD		Emil Cornejo
<b>TOTAL Remaining</b>				<b>14,822</b>	

# Lehman Extendible Bonds

Sec	Coupons	Effective 1ml Level	SettleDate	Extension	Notice Period	Next		Final MD	Ccy	Notional (USD)
						Extension Date	Current MD			
MTNH109	1mL -1,+0,+1,+2,+3	1	5/24/2006	13-12-13	up until election date	8/14/2007	8/14/2008	6/14/2011	USD	500,000,000
MTNI224A	3ml -1, 0, +1, +2, +3, +3	2	6/5/2007	13-12-13	up until election date	8/27/2007	8/27/2008	6/27/2013	USD	2,250,000,000
MTNG105	1ml 0, +3, +6, +8, +8 thereafter	5	1/26/2004	13-12-13	up until election date	8/22/2007	8/22/2008	2/22/2009	USD	745,000,000
MTNI21	FF+12, +12, +13, +14 +15, +16 thereafter	4	8/24/2006	24-21-24	from 10 to 2 days prior	8/22/2007	5/1/2009	8/22/2016	USD	300,000,000
MTN7061	1m euribor +3, +4, +5, +6, +7	3	5/10/2007	13-12-13	from 8 to 3 days prior	9/10/2007	8/10/2008	5/10/2012	EUR	258,092,000

## LEHMAN EXTENDIBLE INVESTOR BASE

Sec	Investor	Size	Election Date	Status as of 8/31	COUP	Action	Cash Cap a/o 08/31/07	Cash Cap a/o 09/30/07	
MTNH109	Columbia	\$400	8/14/2007	Extended	n/a	Extended	400	400	
	BONY	\$100	8/14/2007	RE-ISSUED		Will Not Extend, agreed to 13mo @ +3bps premium	100	0	
	<b>Total</b>	<b>\$500</b>					<b>500</b>	<b>400</b>	
	<b>MTNI224A</b>								
MTNI224A	FRANK RUSSELL COMPANY	\$300	8/27/2007	RE-ISSUED	3ml flat	Will Not Extend, countered 220mm 13mo at L flat and 80mm retirement, we accepted	220	0	
	EVERGREEN INVESTMENT MGMT CO LLC NORTH CAROLINA	\$300	8/27/2007	RE-ISSUED	3ml + 2	Will Not Extend, agreed to 13mo @ +3bps premium	300	0	
	FLORIDA STATE BOARD OF ADMINISTRATION	\$300	8/27/2007	RE-ISSUED	+4 Ext	Will issue new extendible at +4 prem to each existing coup	300	300	
	WELLS CAPITAL MANAGEMENT CALIFORNIA	\$250	8/27/2007	RE-ISSUED	+4 Ext	Did Extend (accidentally), but agreed new extendible at +4 prem to each existing coup	250	250	
	DREYFUS CORPORATION	\$165	8/27/2007	Extended	n/a	Extended	165	165	
	NORTHERN TRUST COMPANY	\$150	8/27/2007	RE-ISSUED	3ml + 3	Will Not Extend, agreed to 13mo @ +4bps premium	150	0	
	GOLDMAN SACHS ASSET MGMT NY	\$140	8/27/2007	RE-ISSUED	3ml + 2	Will Not Extend, agreed to 13mo @ +3bps premium	140	0	
	TD ASSET MANAGEMENT USA INC.	\$125	8/27/2007	Not Extended	no ext	Will Not Extend, did <u>not</u> accept offer	0	0	
	AMERIPRISE FINANCIAL INC	\$100	8/27/2007	RE-ISSUED	3ml + 2	Did Extend (accidentally), but agreed to 13mo bullet @ +3bps premium	100	0	
	MARSHALL & ILSLEY BANK/PORT WISCONSIN	\$100	8/27/2007	Not Extended	??	Will Not Extend, did <u>not</u> accept offer	0	0	
	TRUSCO CAPITAL MANAGEMENT INC	\$100	8/27/2007	RE-ISSUED	3ml + 3	Will Not Extend, they countered 13mo + 5bps, we ultimately agreed to +4bps premium	100	0	
	T ROWE PRICE MARYLAND	\$50	8/27/2007	RE-ISSUED	3ml + 2	Will Not Extend, agreed to 13mo @ +3bps premium	50	0	
	SEI INVESTMENTS MANAGEMENT CORP	\$45	8/27/2007	Extended	n/a	Extended	45	45	
	PUTNAM INVESTMENTS USA	\$45	8/27/2007	Not Extended	n/a	Will Not Extend, did <u>not</u> accept offer	0	0	
	HARRIS INVESTMENT MANAGEMENT ILLINOIS	\$30	8/27/2007	RE-ISSUED	+4 Ext	Did Extend (accidentally), but agreed new extendible at +4 prem to each existing coup	30	30	
	HARTFORD INVESTMENT MANAGEMENT CONNECTICUT	\$25	8/27/2007	Not Extended	n/a	Will Not Extend, did <u>not</u> accept offer	0	0	
	PRINCIPAL LIFE INSURANCE COMPANY	\$20	8/27/2007	Extended	n/a	Extended	20	20	
	WILLIAMS CAPITAL GROUP LP	\$5	8/27/2007	Not Extended	??	Will Not Extend, did <u>not</u> accept offer	0	0	
	<b>Total</b>		<b>\$2,250</b>					<b>1,870</b>	<b>810</b>
	<b>MTNG105</b>								
	MTNG105	BONY	\$175	8/22/2007	RE-ISSUED	3ml + 11	Will Not Extend, agreed to 13mo @ +3bps premium	175	0
		JPMorgan	\$250	8/22/2007	Not Extended	n/a	Will Not Extend, did <u>not</u> accept offer	0	0
		Merrill	\$150	8/22/2007	Extended	n/a	Extended	150	150
		??	\$170	8/22/2007	Not Extended		Will not extend, do not know investors	0	0
<b>Total</b>			<b>\$745</b>					<b>325</b>	<b>150</b>
<b>MTNI21</b>									
MTNI21	JP MORGAN CHASE BANK NA	\$300	8/22/2007	Not Extended		Will Not Extend, now 21 month bullet	300	300	
	<b>Total</b>		<b>\$300</b>				<b>300</b>	<b>300</b>	
<b>MTN7061</b>									
MTN7061	State Street - Denom in EUR	\$270	9/10/2007	Not Extended		Will Not Extend, did <u>not</u> accept offer	270	0	
	<b>Total</b>		<b>\$270</b>				<b>270</b>	<b>0</b>	
<b>Total Extendible Notional</b>							<b>\$4,065</b>		
<b>Total Current Cash Cap Position</b>							<b>\$3,265</b>	<b>\$1,660</b>	
<b>Confirmed Cash Capital Loss</b>							<b>\$800</b>	<b>\$2,405</b>	

# Top 5 Money Market Repos (9/5 – 9/11)

Date	Product	Rating	Amount (\$Millions)
09/05/2007	C/P AEGIS FINANCE LLC 3(C)(7) RESALE TO QP ONLY	A1	1,252
	RESTRUCTURED ASSET SECURITIES	A1	1,219
	C/P AEGIS FINANCE LLC ECN	A1	245
	C/P EUREKA SECURITIZATION INC 4.2	A1	83
	C/P NOVARTIS FINANCE CRP 4.2	A1	75
	<b>Remaining</b>		<b>376</b>
	<b>Grand Total</b>		<b>2,900</b>
09/06/2007	RESTRUCTURED ASSET SECURITIES	A1	1,305
	C/P AEGIS FINANCE LLC 3(C)(7) RESALE TO QP ONLY	A1	994
	C/P LINKS FINANCE 3(C)(7) RESALE TO QP ONLY	A1	61
	C/P TIME WARNER INC	A2	48
	C/P EUREKA SECURITIZATION INC 4.2	A1	21
	<b>Remaining</b>		<b>48</b>
	<b>Grand Total</b>		<b>2,476</b>
09/07/2007	C/P AEGIS FINANCE LLC 3(C)(7) RESALE TO QP ONLY	A1	1,300
	RESTRUCTURED ASSET SECURITIES	A1	1,191
	C/P ING (US) FUNDING LLC	OTHER	39
	C/P EUREKA SECURITIZATION INC 4.2	A1	21
	C/P BARTON CAPITAL CORP 4.2	A1	21
	<b>Remaining</b>		<b>36</b>
	<b>Grand Total</b>		<b>2,608</b>
09/10/2007	C/P AEGIS FINANCE LLC 3(C)(7) RESALE TO QP ONLY	A1	1,225
	RESTRUCTURED ASSET SECURITIES	A1	1,107
	C/P ROCKIES EXPRESS PIPELINE LLC	A2	66
	DANAHE ECP-DISC 10SEP7-24SEP7	NO RATING	54
	C/P WINDSOR FUNDING TRUST 3(C)(7) RESALE TO QP ONLY	A1	49
	<b>Remaining</b>		<b>232</b>
	<b>Grand Total</b>		<b>2,733</b>
09/11/2007	C/P AEGIS FINANCE LLC 3(C)(7) RESALE TO QP ONLY	A1	1,390
	RESTRUCTURED ASSET SECURITIES	A1	999
	C/P BARTON CAPITAL CORP 4.2	A1	153
	C/P UBS FINANCE DELAWARE INC	OTHER	12
	C/P RABOBANK US FINANCIAL CORP	A1	12
	<b>Remaining</b>		<b>11</b>
	<b>Grand Total</b>		<b>2,577</b>

1. Excludes assets funded in Bankhaus, which was \$1.3bn as of Sept. 11<sup>th</sup>, 2007.

# Conduits

## Lehman Brothers Funding (Lehman Brothers Provides Backstop)

Fenway Pay-Down Schedule (as of each end of day calendar date listed below)

	Fenway Paydowns	Fenway Total Remaining	LLF Total Remaining	LLF Funded Assets (IBM)	LLF Eligible Investments	LLF Transfers to MMP-3	MMP-3 Total Remaining	MMP-3 Treasury Loan (Unsecured)	MMP-3 Funded Assets (CapOne)	Treasury Cash Capital Funding	Treasury Cash Capital Gain (Loss)
09/17/2007	(776,000,000)	2,888,095,000	408,115,942	408,115,942	-	-	2,479,979,058	2,479,979,058	-	2,888,095,000	(1,020,020,942)
09/24/2007	(313,000,000)	2,575,095,000	408,115,942	408,115,942	-	-	2,166,979,058	2,166,979,058	-	2,575,095,000	(1,333,020,942)
10/01/2007	(75,000,000)	2,500,095,000	408,115,942	408,115,942	-	-	2,091,979,058	2,091,979,058	-	2,500,095,000	(1,408,020,942)
10/09/2007	(95,000)	2,500,000,000	2,500,000,000	408,115,942	2,091,884,058	-	-	-	-	408,115,942	(3,500,000,000)
10/15/2007	-	2,500,000,000	2,500,000,000	408,115,942	2,091,884,058	-	-	-	-	408,115,942	(3,500,000,000)
10/22/2007	-	2,500,000,000	2,500,000,000	408,115,942	2,091,884,058	-	-	-	-	408,115,942	(3,500,000,000)
10/30/2007	-	2,500,000,000	2,500,000,000	408,115,942	2,091,884,058	-	-	-	-	408,115,942	(3,500,000,000)
11/05/2007	-	2,500,000,000	2,500,000,000	408,115,942	2,091,884,058	-	-	-	-	408,115,942	(3,500,000,000)
11/13/2007	-	2,500,000,000	2,500,000,000	408,115,942	2,091,884,058	-	-	-	-	408,115,942	(3,500,000,000)
11/23/2007	-	2,500,000,000	2,500,000,000	408,115,942	2,091,884,058	-	-	-	-	408,115,942	(3,500,000,000)
11/27/2007	-	2,500,000,000	2,500,000,000	408,115,942	2,091,884,058	-	-	-	-	408,115,942	(3,500,000,000)
12/03/2007	-	2,500,000,000	2,500,000,000	408,115,942	2,091,884,058	-	-	-	-	408,115,942	(3,500,000,000)
12/10/2007	-	2,500,000,000	2,500,000,000	408,115,942	2,091,884,058	-	-	-	-	408,115,942	(3,500,000,000)
01/15/2008	-	2,500,000,000	2,500,000,000	408,115,942	2,091,884,058	-	-	-	-	408,115,942	(3,500,000,000)
02/05/2008	-	2,500,000,000	2,500,000,000	408,115,942	2,091,884,058	-	-	-	-	408,115,942	(3,500,000,000)
02/12/2008	-	2,500,000,000	2,588,095,000	408,115,942	2,179,979,058	-	-	-	-	408,115,942	(3,500,000,000)
02/22/2008	-	2,500,000,000	2,908,115,942	408,115,942	2,500,000,000	-	-	-	-	408,115,942	(3,500,000,000)

Aegis SLN Paydown Schedule

Maturity Date	Maturing SLNs	SLN Balance	LBI Purchased and Repo'd	SLNs Financed by Street	Cash Capital Funded Assets
09/12/2007	-	2,351,000,000	1,571,731,450	779,268,550	62,862,000
09/13/2007	(1,572,000,000)	779,000,000			
10/30/2007	(80,000,000)	699,000,000			
11/06/2007	(350,000,000)	349,000,000			
11/09/2007	(350,000,000)	(1,000,000)			

Hudson Castle - Belmont

Asset	Commitment	Funded
Cap One (Belmont)	250,000,000	103,233,000
Americredit (Belmont)	255,000,000	78,016,000
<b>Total Outstanding</b>	<b>505,000,000</b>	<b>181,249,000</b>

Liberty Hampshire Roll Schedule

Date	Roll Amt.
09/11/2007	158,682,000
09/12/2007	226,908,000
09/14/2007	122,090,000
09/17/2007	14,000,000
09/19/2007	47,440,000
09/20/2007	36,533,000
10/18/2007	15,393,000
10/22/2007	34,508,000
10/24/2007	87,116,000
11/06/2007	44,780,000
11/08/2007	95,668,000
11/16/2007	124,844,000
<b>Total Outstanding</b>	<b>1,007,962,000</b>

## Client Funding (Lehman Brothers Provides Backstop)

MICA

Asset	Commitment	Funded
Sonic	100,000,000	45,250,000
Dominos	90,000,000	-
Hertz	50,000,000	21,333,000
Dunkin Brands	55,167,000	-
<b>Total Outstanding</b>	<b>295,167,000</b>	<b>66,583,000</b>

Firm Relationship Conduits

Conduit Name	Program Size	Asset	Commitment	Funded
Transamerica Asset Funding	1,700,000,000	Aegon	100,000,000	-
New Center Asset Trust	12,000,000,000	GMAC	325,000,000	-
FCAR Owner Trust	18,011,000,000	Ford	238,000,000	-
Landale Asset Purchasing	2,244,000,000	HBOS	207,233,400	194,981,126
Axon Financial Funding Ltd	20,000,000,000	n/a	50,000,000	-
<b>Total Outstanding</b>	<b>53,955,000,000</b>		<b>920,233,400</b>	<b>194,981,126</b>

# Secured Financing Haircut Widening

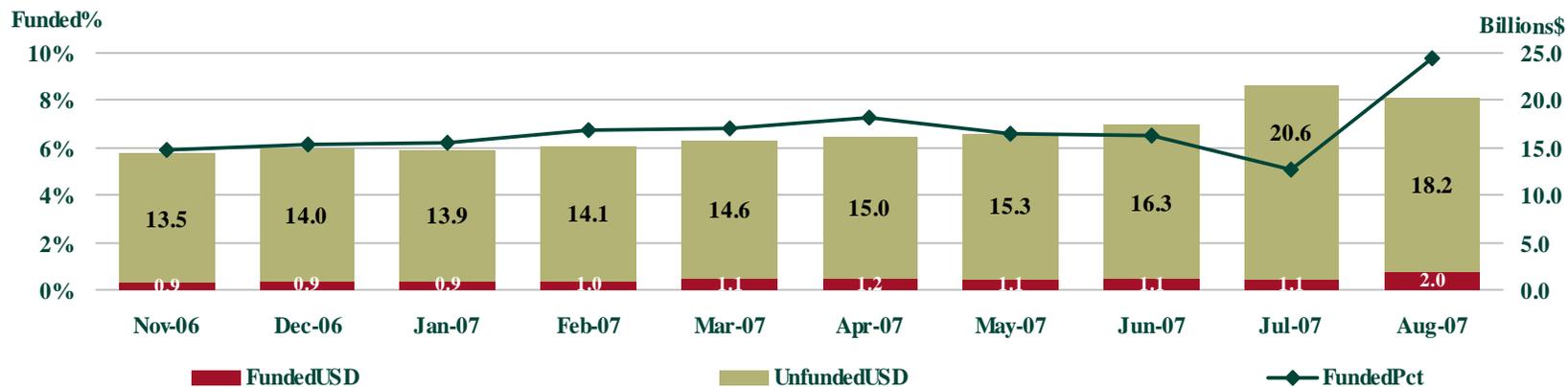
August 28, 2007  
(In Billions)

<u>Counterparty</u>	<u>Amount Funded</u>	<u>Balance with Haircut Changes</u>	<u>Haircut Widening</u>	<u>Additional Collateral Required</u>	<u>Asset Class</u>
State Street	15.20	5.10	3% - 8%	0.24	(U.S.) ABS, Private Label Mortgages
Fidelity	7.40	0.00	None	0.00	None
JP Morgan Chase	6.50	0.00	None	0.00	None
Dresdner	6.20	3.97	2% - 3%	0.11	(U.S.) ABS, Private Label Mortgages, HY Corporates
RBC	6.10	4.00	5% - 8%	0.25	Equities
Top 5 Counterparties	<u>41.40</u>	<u>13.07</u>		<u>0.60</u>	
All Other Counterparties	64.00	5.80		0.21	
<b>Total<sup>1</sup></b>	<b><u>105.40</u></b>	<b><u>18.87</u></b>		<b><u>0.81</u></b>	

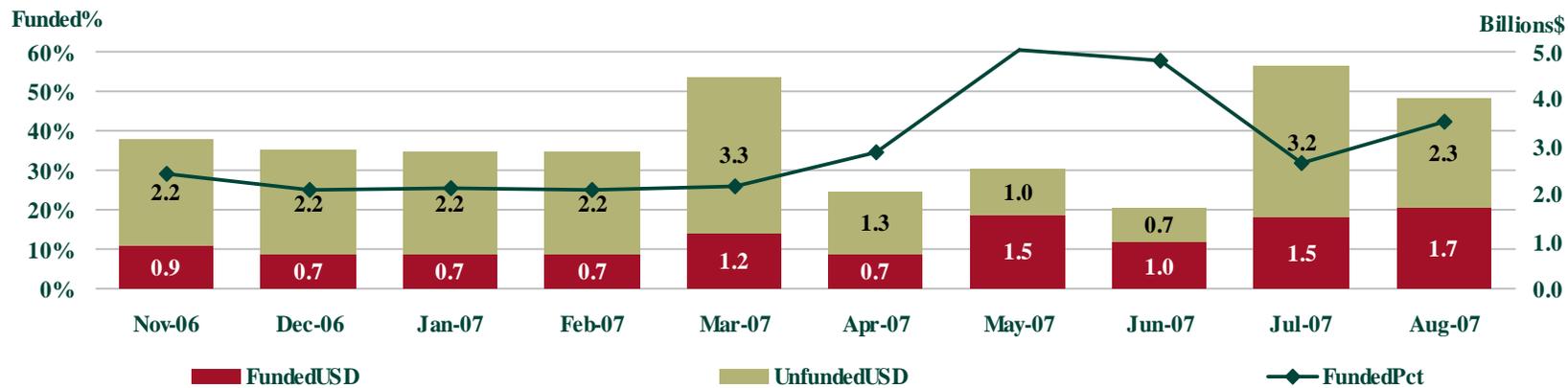
<sup>1</sup> The above is based on global cash repo trades, excluding products trading special, Governments, MBS Agencies, Sovereigns and Commercial Whole Loans

# High Grade Commitments

## High Grade Revolvers



## High Grade Term Loans



# High Yield Commitments

