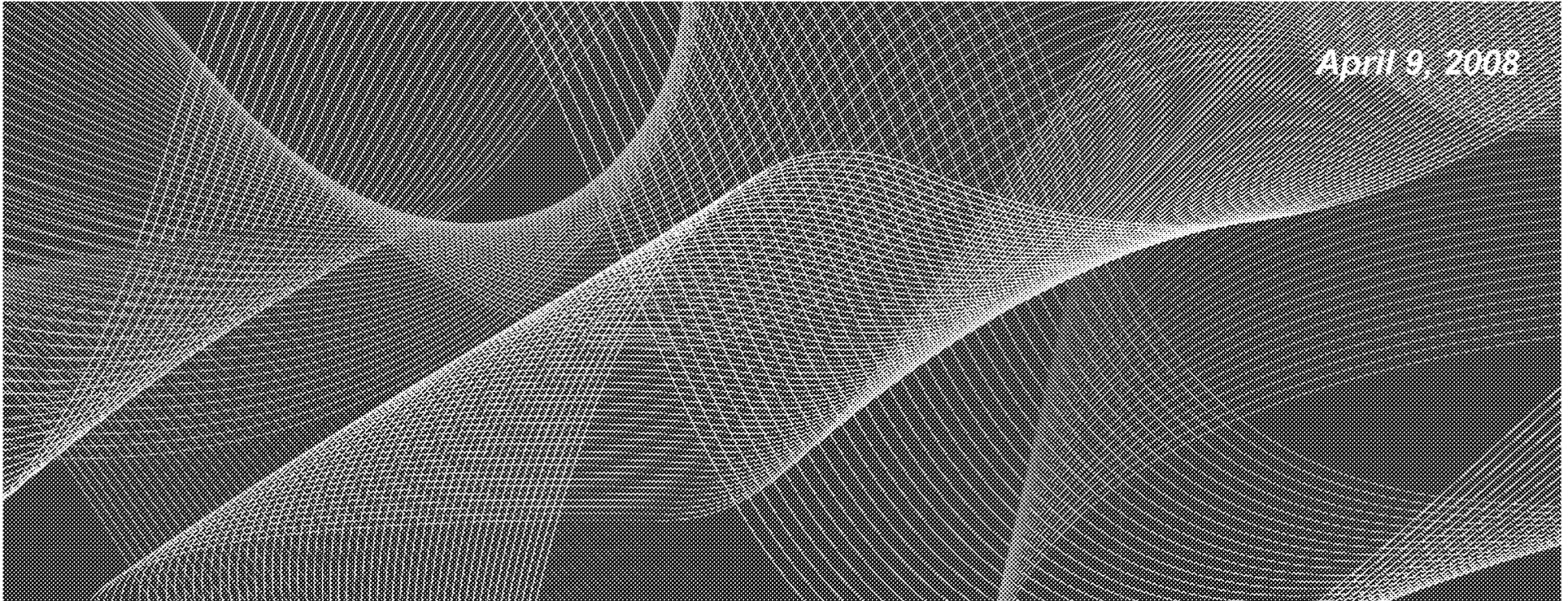


LEHMAN BROTHERS

Balance Sheet and Disclosure Scorecard For Trade Date April 7, 2008



Confidential Presentation

Balance Sheet

LEHMAN BROTHERS

Executive Summary

◆ *Executive Summary*

- The Firm Daily Net Balance Sheet is \$507B, up \$5B. Net Balance Sheet remains \$165B above quarter end targets of \$342B Net.
 - Global Rates are up \$1B due to an increase in flow trading of T-bills in the Short Term Rates business.
 - High Grade Credit was up \$1B mostly due to an increase in US Treasury Notes added to hedge the interest rate exposure in the HG/HY Index Arb JV business.
 - Securitized Products increased \$1B mostly due to an update for future settlement Agency MBS Pools.
 - Real Estate balance sheet reductions pending include Cameron Senior Debt Syndication for €161m this week, IZD Senior Debt Syndication for €75m on April 9th, Vintners Senior Debt Syndication for £40m on April 8th and possibly Calvino for €328m, partially offset with the funding of Protego for €78m.
 - Treasury cash-related assets increased \$3B.

- The Gross Balance Sheet was up \$1B from the prior day as well.

Scorecard - Global

CONSOLIDATED USD millions	Net Balance Sheet					BS at Risk Tradable Long Inventory			Gross Balance Sheet					Cash Capital		
	Current	Daily	Target	Variance	Final	Current	Daily	Final	Current	Daily	Target	Variance	Final	Current	Target	Final
	4/7/2008	Change	Q2'08	Q/E Targ.	Q1'08	4/7/2008	Change	Q1'08	4/7/2008	Change	Q2'08	Q/E Targ.	Q1'08	3/31/2008	Q2'08	Q1'08
Global Rates	144,563	852	41,000	(103,563)	52,010	124,425	510	27,661	256,461	1,418	89,100	(167,361)	153,996	10,311	6,200	8,367
High Grade Credit	14,198	882	11,300	(2,898)	11,335	12,655	825	9,834	17,172	819	16,000	(1,172)	14,620	2,417	2,000	2,096
CDO	11,633	(220)	8,000	(3,633)	11,000	3,895	(209)	3,610	11,822	(179)	8,400	(3,422)	11,175	5,396	2,300	4,831
Securitized Products	61,612	697	55,600	(6,012)	62,135	46,424	700	47,017	63,734	985	65,200	1,466	65,073	16,587	13,300	14,982
Real Estate	64,379	53	58,000	(6,379)	64,968	53,872	77	54,576	64,997	(4)	58,800	(6,197)	65,680	42,916	38,100	42,067
High Yield	15,732	(32)	12,600	(3,132)	14,598	15,365	(25)	14,223	17,319	(33)	14,200	(3,119)	16,205	10,960	9,700	10,646
Municipal Bonds	8,728	(25)	8,000	(728)	9,485	2,793	3,104	3,586	9,438	(26)	7,500	(1,938)	10,231	1,258	400	873
Energy Trading	3,925	13	3,700	(225)	3,716	345	1	145	4,209	13	3,700	(509)	4,002	1,245	1,000	1,004
Foreign Exchange	5,603	72	6,300	697	6,348	1,711	78	2,541	5,616	73	6,500	884	6,351	1,466	2,400	2,357
FID Corporate	3,271	(2)	5,200	1,929	2,244	801	(2)	886	10,657	13	19,800	9,143	9,121	12,655	14,400	12,884
FID Corp Loans	3,107	(51)	3,300	193	3,299	3,107	(51)	3,299	3,147	(51)	3,500	353	3,339		5,600	
IBD Loans	5,830	(132)	6,000	170	6,994	5,830	(132)	6,994	5,839	(132)	6,300	461	7,003	1,107	600	1,125
Total FID Core:	342,580	2,107	219,000	(123,581)	248,130	271,224	1,748	174,372	470,411	2,896	299,000	(171,411)	366,796	106,318	96,000	101,231
Total FID Prime Services:	16,979	(407)	5,500	(11,479)	11,351	7,267	234	1,206	287,220	(3,294)	110,500	(176,720)	132,145	1,296	1,000	1,761
Total FID (Consolidated)	359,560	1,699	224,500	(135,060)	259,482	278,490	1,982	175,577	757,631	(398)	409,500	(348,131)	498,941	107,614	97,000	102,992
Execution Services / Liquid Market	7,482	(103)			9,261	5,042	8	6,990	11,690	(1,868)			14,881	1,155		1,175
Convertible Products	2,403	44			2,743	2,234	(6)	2,611	2,936	37			3,337	326		421
Volatility	26,213	937			29,219	14,445	669	17,105	31,233	1,130			33,159	7,451		7,812
Equities Strategies	3,901	(8)			4,221	2,757	(11)	3,096	5,034	112			5,351	816		939
Firm Relationship Loans	2,900	(93)			2,782	2,900	(93)	2,782	2,900	(93)			2,782			
Equity Corporate	475	(79)			542	73	(0)	96	748	(69)			847	2,774		2,634
Total Equities Core:	43,376	699	40,000	(3,376)	48,768	27,451	567	32,678	54,542	(750)	52,000	(2,542)	60,356	12,522	10,500	12,981
Total Equities Prime Services:	29,762	(630)	34,500	4,738	37,203	12,396	(68)	14,806	121,662	(1,696)	119,500	(2,162)	128,395	3,237	3,000	3,423
Total Equities (Consolidated)	73,137	68	74,500	1,363	85,971	39,848	500	47,485	176,204	(2,446)	171,500	(4,704)	188,751	15,758	13,500	16,404
Total Principal Investing	14,074	(82)	10,000	(4,074)	14,665	13,909	(91)	14,381	16,103	(118)	12,000	(4,103)	16,734	6,980	5,000	7,121
Total IMD	13,568	12	10,000	(3,568)	13,695	10,153	3	10,284	16,781	8	13,200	(3,581)	16,989	9,616	6,000	9,670
Total Non-Core	46,330	3,307	22,600	(23,730)	22,862	15,988	3,692	4,590	50,117	3,458	57,600	7,483	64,620	11,861	12,000	13,236
Total All Other (Consolidated)	73,971	3,236	42,600	(31,371)	51,221	40,050	3,604	29,255	83,001	3,347	82,800	(201)	98,344	28,458	23,000	30,027
Grand Totals Consolidated	506,668	5,004	341,600	(165,069)	396,674	358,388	6,085	252,318	1,016,836	503	663,800	(353,036)	786,035	151,830	133,500	149,423
Liquid Markets Financing	12,188	(575)	1,000	(11,188)	6,983	6,186	244	312	241,793	(4,309)	77,000	(164,793)	92,264	836		1,326
Credit Financing	1,702	167	1,500	(202)	1,270	872	(10)	676	37,011	908	25,500	(11,511)	31,425			
Clearing and Execution	0	0	0	0	27	0	0	27	0	0	0	0	59			
FID Structured Transactions	251	0	300	49	233	209	0	191	360	108	500	140	340	460		435
FID Futures	2,838	0	2,700	(138)	2,838	0	0	0	8,057	0	7,500	(557)	8,057			
Total FID Prime Services:	16,979	(407)	5,500	(11,479)	11,351	7,267	234	1,206	287,220	(3,294)	110,500	(176,720)	132,145	1,296	1,000	1,761
Equity Financing	22,475	(635)	26,500	4,025	29,330	6,301	(56)	8,131	108,674	(1,508)	104,000	(4,674)	114,849	1,293		1,450
Equity Synthetic	7,067	5	7,800	733	7,656	5,960	(12)	6,522	12,764	(187)	15,000	2,236	13,328	1,942		1,969
Clearing and Execution	6	0	0	(6)	3	0	0	0	8	(1)	0	(8)	4	2		4
Structured Transactions	214	(0)	200	(14)	214	135	(0)	153	217	(0)	500	283	214			
Equity Futures	0	0	0	0	0	0	0	0	0	0	0	0	0			
Total Equities Prime Services:	29,762	(630)	34,500	4,738	37,203	12,396	(68)	14,806	121,662	(1,696)	119,500	(2,162)	128,395	3,237	3,000	3,423
Total Prime Services	46,741	(1,038)	40,000	(6,741)	48,554	19,663	166	16,012	408,882	(4,990)	230,000	(178,882)	260,540	4,532	4,000	5,184

As of April 1, 2008	Target ¹
Stockholders' Equity (as reported)	29,695
Leverage Equity (Subject To Limits)	30,501
Gross Leverage External (Total Assets / SE)	22.4
Net Leverage (Net Assets / Leverage Equity)	11.2

(1) Based on Q2 Targets

LEHMAN BROTHERS

Scorecard - Americas

AMERICAS	Net Balance Sheet					BS at Risk Tradable Long Inventory			Gross Balance Sheet				
	Daily					Current	Daily	Final	Daily				
	Today	Variance	Target	Variance	Final				Today	Variance	Target	Variance	Final
	7-Apr-08	Incr/(Decr)	Q2'08	Incr/(Decr)	Q1'08	7-Apr-08	Change	Q1'08	7-Apr-08	Incr/(Decr)	Q2'08	Incr/(Decr)	Q1'08
Global Rates	97,472	478	24,200	(6,000)	30,200	82,786	262	11,365	159,337	1,027	55,800	(29,610)	85,410
High Grade Credit	12,528	1,113	9,600	31	9,569	11,576	1,006	8,698	14,961	1,054	12,800	550	12,250
CDO	7,105	(259)	4,400	(2,995)	7,395	2,640	(256)	2,704	7,283	(219)	2,800	(4,759)	7,559
Securitized Products	47,371	899	43,700	(5,027)	48,727	33,692	902	34,927	49,404	1,250	52,300	740	51,560
Real Estate	36,093	(27)	34,200	(3,387)	37,587	30,254	(4)	31,707	36,711	(56)	35,000	(3,294)	38,294
High Yield	9,459	(12)	7,600	(983)	8,583	9,149	(7)	8,263	10,649	(2)	6,800	(2,970)	9,770
Municipal Bonds	5,600	(25)	8,000	(1,485)	9,485	(336)	(3,154)	3,596	5,975	(25)	7,500	(2,731)	10,231
Energy Trading	3,628	0	3,600	(28)	3,628	81	0	81	3,913	0	3,700	(213)	3,913
Foreign Exchange	4,320	(15)	4,800	(14)	4,814	474	(4)	959	4,320	(15)	4,600	(214)	4,814
FID Corporate	3,104	(2)	5,000	2,911	2,089	757	(142)	(257)	9,626	13	19,800	11,697	8,103
FID Corp Loans	1,757	(57)	1,700	(2)	1,702	1,757	83	1,702	1,797	(57)	3,500	1,757	1,743
IBD Loans	3,304	(141)	3,200	(982)	4,182	3,304	(141)	4,181	3,313	(141)	4,300	110	4,190
Total FID Core:	234,870	1,952	150,000	(17,961)	167,961	179,263	1,675	107,926	310,753	2,828	208,900	(28,936)	237,836
Total FID Prime Services:	16,103	(647)	5,500	(5,668)	11,168	7,181	2,511	(6,943)	199,570	(7,931)	83,600	(16,737)	100,337
Total FID Americas	250,974	1,305	155,500	(23,629)	179,129	186,444	1,946	100,983	510,323	(5,103)	292,500	(45,674)	338,174
Execution Services / Liquid Market	5,262	(32)			6,916	3,941	(24)	5,571	9,102	72		(10,167)	10,167
Convertible Products	1,390	(11)			1,770	1,388	(11)	1,769	1,773	6		(2,265)	2,265
Volatility	4,876	600			4,649	1,709	160	1,748	6,678	535		(6,432)	6,432
Equities Strategies	584	1			1,276	522	(0)	1,216	859	5		(1,594)	1,594
Firm Relationship Loans	2,125	(96)			2,012	2,125	(96)	2,012	2,125	(96)		(2,012)	2,012
Equity Corporate	32	(0)			55	16	(0)	39	281	9		(343)	343
Total Equities Core:	14,269	461	14,200	(2,478)	16,678	9,701	29	12,355	20,818	532	20,500	(2,314)	22,814
Total Equities Prime Services:	17,264	(409)	19,000	(2,874)	21,874	7,003	(134)	10,025	75,302	(2,094)	68,300	(10,567)	78,867
Total Equities Americas	31,533	53	33,200	(5,352)	38,552	16,704	(106)	22,379	96,120	(1,561)	88,800	(12,881)	101,681
Total Principal Investing	9,499	(67)	0	(9,817)	9,817	9,381	(72)	9,711	10,943	(88)	10,000	(1,326)	11,326
Total IMD	8,855	(166)	7,500	(1,634)	9,134	6,652	(175)	7,070	12,069	(171)	10,500	(1,929)	12,429
Total Non-Core	46,199	3,307	22,600	(5)	22,605	15,857	3,692	(5,843)	48,635	3,307	57,600	(5,080)	62,680
Total All Other Americas	64,553	3,073	30,100	(11,457)	41,557	31,890	3,445	10,938	71,646	3,048	78,100	(8,334)	86,434
Grand Totals Americas	347,060	4,431	218,800	(40,437)	259,237	235,038	5,285	134,300	678,089	(3,616)	459,400	(66,889)	526,289
Liquid Markets Financing	11,551	(780)	1,000	(5,923)	6,923	6,186	244	(7,019)	165,836	(8,842)	60,000	(5,922)	65,922
Credit Financing	1,555	133	1,500	280	1,220	872	(10)	(36)	25,410	804	15,800	(10,264)	26,064
Clearing and Execution	0	0	0	(27)	27	0	0	25	0	0	0	(28)	28
FID Structured Transactions	159	0	300	141	159	123	37	86	268	108	300	34	266
FID Futures	2,838	0	2,700	(138)	2,838	0	0	0	8,057	0	7,500	(557)	8,057
Total FID Prime Services:	16,103	(647)	5,500	(5,668)	11,168	7,181	271	(6,943)	199,570	(7,931)	83,600	(16,737)	100,337
Equity Financing	14,017	(319)	15,300	(3,659)	18,959	4,168	(6)	7,495	67,581	(1,756)	59,600	(11,997)	71,597
Equity Synthetic	3,123	(90)	3,500	708	2,792	2,785	(105)	2,444	7,595	(339)	8,500	1,352	7,148
Clearing and Execution	2	1	0	(0)	0	0	0	(1)	2	1	0	(0)	0
Structured Transactions	122	0	200	78	122	49	(23)	86	125	0	200	78	122
Equity Futures	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Equities Prime Services:	17,264	(409)	19,000	(2,874)	21,874	7,003	(134)	10,025	75,302	(2,094)	68,300	(10,567)	78,867
Total Prime Services Americas	33,367	(1,056)	24,500	(8,542)	33,042	14,184	137	3,082	274,872	(10,024)	151,900	(27,304)	179,204

Scorecard - Europe

EUROPE	Net Balance Sheet					BS at Risk Tradable Long Inventory			Gross Balance Sheet				
	Today 7-Apr-08	Daily Incr/(Decr)	Target Q2'08	Variance Incr/(Decr)	Final Q1'08	Current 7-Apr-08	Daily Change	Final Q1'08	Today 7-Apr-08	Daily Incr/(Decr)	Target Q2'08	Variance Incr/(Decr)	Final Q1'08
Global Rates	30,389	337	11,200	(2,973)	14,173	25,049	234	8,933	74,111	344	17,300	(36,761)	54,061
High Grade Credit	888	(141)	900	9	891	299	(121)	263	1,370	(144)	1,600	184	1,416
CDO	2,347	(6)	1,600	15	1,585	844	(6)	158	2,353	(6)	4,000	2,409	1,591
Securitized Products	12,378	(202)	10,000	(1,514)	11,514	10,870	(202)	9,997	12,467	(202)	10,900	(719)	11,619
Real Estate	18,005	95	14,800	(2,524)	17,324	13,499	95	12,802	18,005	95	14,800	(2,530)	17,330
High Yield	3,424	22	2,500	(495)	2,995	3,414	20	2,983	3,742	5	4,900	1,576	3,324
Energy Trading	295	13	100	12	88	264	1	68	295	13	0	(89)	89
Foreign Exchange	286	34	300	(9)	309	274	30	297	298	36	800	489	311
FID Corporate	5	0	0	(5)	5	(5)	(9)	(5)	868	0	0	(868)	868
FID Corp Loans	1,349	6	1,600	4	1,596	1,349	16	1,596	1,349	6	0	(1,596)	1,596
IBD Loans	2,526	9	2,800	(12)	2,812	2,526	9	2,812	2,526	9	2,000	(812)	2,812
Total FID Core:	71,892	167	45,800	(7,493)	53,293	58,385	66	39,905	117,385	156	56,300	(38,719)	95,019
Total FID Prime Services:	876	245	0	(183)	183	86	0	(362)	65,215	1,738	20,900	(9,704)	30,604
Total FID Europe	72,767	412	45,800	(7,676)	53,476	58,471	66	39,543	182,600	1,895	77,200	(48,422)	125,622
Execution Services	1,275	(214)			1,312	542	(28)	351	1,562	(2,078)			3,674
Convertible Products	667	57			580	531	7	490	813	36			659
Volatility	14,904	215			17,358	9,272	453	10,920	18,040	475			19,406
Equities Strategies	1,041	(1)			543	617	2	117	1,080	1			575
Firm Relationship Loans	775	3			769	775	3	769	775	3			769
Equity Corporate	23	0			23	23	0	23	23	0			23
Total Equities Core:	18,686	60	16,500	(4,086)	20,586	11,759	439	12,670	22,294	(1,564)	21,500	(3,607)	25,107
Total Equities Prime Services:	8,405	(183)	11,300	1,201	10,099	3,671	11	4,319	33,052	277	37,500	3,124	34,376
Total Equities Europe	27,090	(123)	27,800	(2,885)	30,685	15,430	450	16,989	55,346	(1,287)	59,000	(484)	59,484
Total Principal Investing	1,223	(21)	1,100	(301)	1,401	1,222	(21)	1,401	1,663	(24)	1,200	(548)	1,748
Total IMD	4,033	156	2,300	(1,694)	3,994	3,736	155	3,713	4,033	156	2,500	(1,495)	3,995
Total Non-Core	63	0	0	(189)	189	63	0	189	1,415	151	0	(1,873)	1,873
Total All Other Europe	5,319	135	3,400	(2,185)	5,585	5,021	135	5,303	7,111	283	3,700	(3,916)	7,616
Grand Totals Europe	105,177	423	77,000	(12,745)	89,745	78,921	651	61,835	245,057	891	139,900	(52,822)	192,722
Liquid Markets Financing	637	211	0	(60)	60	0	0	(310)	53,523	1,634	11,000	(14,138)	25,138
Credit Financing	147	34	0	(50)	50	0	0	(119)	11,600	104	9,700	4,339	5,361
Clearing and Execution	0	0	0	0	0	0	0	0	0	0	0	(31)	31
FID Structured Transactions	92	0	0	(74)	74	86	0	68	92	0	200	126	74
FID Futures	0	0	0	0	0	0	0	0	0	0	0	0	0
Total FID Prime Services:	876	245	0	(183)	183	86	0	(362)	65,215	1,738	20,900	(9,704)	30,604
Equity Financing	6,539	(233)	9,000	1,242	7,758	1,920	(233)	2,110	30,611	194	34,200	2,723	31,477
Equity Synthetic	1,769	51	2,300	54	2,246	1,665	50	2,134	2,344	84	3,000	195	2,805
Clearing and Execution	5	(1)	0	(3)	3	0	0	(11)	6	(2)	0	(3)	3
Structured Transactions	92	(0)	0	(92)	92	86	195	86	92	(0)	300	208	92
Equity Futures	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Equities Prime Services:	8,405	(183)	11,300	1,201	10,099	3,671	11	4,319	33,052	277	37,500	3,124	34,376
Total Prime Services Europe	9,280	62	11,300	1,018	10,282	3,757	11	3,957	98,267	2,015	58,400	(6,580)	64,980

Scorecard - Asia

ASIA	Net Balance Sheet					BS at Risk Tradable Long Inventory			Gross Balance Sheet				
	Today 7-Apr-08	Daily Incr/(Decr)	Target Q2'08	Variance Incr/(Decr)	Final Q1'08	Current 7-Apr-08	Daily Change	Final Q1'08	Today 7-Apr-08	Daily Incr/(Decr)	Target Q2'08	Variance Incr/(Decr)	Final Q1'08
Global Rates	16,702	37	5,600	(2,038)	7,638	16,590	15	7,578	23,013	47	16,000	1,475	14,525
High Grade Credit	782	(91)	800	(75)	875	780	(60)	844	841	(91)	1,600	646	954
CDO	2,180	45	2,000	(19)	2,019	426	53	219	2,186	45	1,600	(425)	2,025
Securitized Products	1,862	0	1,900	6	1,894	1,862	0	1,894	1,862	(63)	2,000	106	1,894
Real Estate	10,282	(14)	9,000	(1,056)	10,056	10,009	(14)	9,783	10,282	(43)	9,000	(1,056)	10,056
High Yield	2,849	(41)	2,500	(520)	3,020	2,802	(38)	2,976	2,927	(36)	2,500	(611)	3,111
Energy Trading	2	0	0	0	0	0	0	(2)	2	0	0	0	0
Foreign Exchange	997	52	1,200	(25)	1,225	963	52	1,192	997	52	1,100	(125)	1,225
FID Corporate	163	0	200	50	150	48	0	(21)	163	0	0	(150)	150
FID Corp Loans	0	0	0	0	0	0	0	0	0	0	0	0	0
IBD Loans	0	0	0	0	0	0	0	0	0	0	0	0	0
Total FID Core:	35,819	(12)	23,200	(3,677)	26,877	33,480	7	24,462	42,274	(88)	33,800	(141)	33,941
Total FID Prime Services:	0	(5)	0	0	(0)	0	(0)	(10)	22,435	2,899	6,000	4,796	1,204
Total FID Asia	35,819	(17)	23,200	(3,677)	26,877	33,480	7	24,452	64,708	2,810	39,800	4,655	35,145
Execution Services / Liquid Market	945	142			1,033	559	17	749	1,025	138		(1,039)	1,039
Convertible Products	345	(2)			393	315	(2)	379	350	(5)		(412)	412
Volatility	6,434	123			7,212	3,464	98	4,280	6,516	120		(7,321)	7,321
Equities Strategies	2,276	(7)			2,402	1,619	(13)	1,731	3,096	107		(3,182)	3,182
Firm Relationship Loans	0	0			0	0	0	0	0	0		0	0
Equity Corporate	421	(79)			464	34	0	235	443	(79)		(481)	481
Total Equities Core:	10,421	177	9,300	(2,204)	11,504	5,991	100	7,374	11,430	281	10,000	(2,435)	12,435
Total Equities Prime Services:	4,093	(39)	4,200	(1,030)	5,230	1,723	18	2,433	13,308	120	13,700	(1,451)	15,151
Total Equities Asia	14,514	139	13,500	(3,234)	16,734	7,714	118	9,807	24,738	402	23,700	(3,886)	27,586
Total Principal Investing	3,352	6	800	(2,646)	3,446	3,306	1	3,405	3,497	(6)	1,000	(2,660)	3,660
Total IMD	680	22	200	(366)	566	(234)	22	(348)	680	22	200	(366)	566
Total Non-Core	67	0	0	(67)	67	67	0	67	67	0	0	(67)	67
Total All Other Asia	4,099	29	1,000	(3,080)	4,080	3,139	24	3,125	4,244	16	1,200	(3,093)	4,293
Grand Totals Asia	54,432	150	37,700	(9,991)	47,691	44,333	149	37,384	93,690	3,228	64,700	(2,325)	67,025
Liquid Markets Financing	0	(5)	0	0	(0)	0	(0)	(10)	22,435	2,899	6,000	4,796	1,204
Credit Financing	0	0	0	0	0	0	0	0	0	0	0	0	0
Clearing and Execution	0	0	0	0	0	0	0	0	0	0	0	0	0
FID Structured Transactions	0	0	0	0	0	0	0	0	0	0	0	0	0
FID Futures	0	0	0	0	0	0	0	0	0	0	0	0	0
Total FID Prime Services:	0	(5)	0	0	(0)	0	(0)	(10)	22,435	2,899	6,000	4,796	1,204
Equity Financing	1,919	(83)	2,200	(413)	2,613	213	(2)	477	10,482	53	10,200	(1,576)	11,776
Equity Synthetic	2,175	45	2,000	(617)	2,617	1,510	20	1,956	2,826	67	3,500	125	3,375
Clearing and Execution	0	0	0	0	0	0	0	0	0	0	0	0	0
Structured Transactions	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Futures	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Equities Prime Services:	4,093	(39)	4,200	(1,030)	5,230	1,723	18	2,433	13,308	120	13,700	(1,451)	15,151
Total Prime Services Asia	4,093	(44)	4,200	(1,030)	5,230	1,723	18	2,423	35,742	3,019	19,700	3,345	16,355

Disclosures

LEHMAN BROTHERS

Mortgage Inventory Disclosures

Mortgage and asset-backed securities

In millions	Q1'2008	31-Mar-08	Variance	Q2'2008 Targ.	Q/E Variance
Residential:					
Securities	18,179	19,838			
Whole loans	11,913	9,605			
Servicing and other	1,660	1,606			
	\$31,752	\$31,049	(\$703)	\$25,000	\$6,049
Commercial:					
Whole loans	24,881	25,500			
Securities and other	11,229	11,300			
	\$36,110	\$36,800	\$690	\$29,400	\$7,400
Other asset-backed securities	6,553	6,254	(299)	5,500	754
MBS Inventory	\$74,415	\$74,103	(\$312)	\$59,900	\$14,203
Real estate-related investments	\$12,900	\$12,100	(\$800)	\$12,000	\$100
Total Mortgage Related Inventory	\$87,315	\$86,203	(\$1,112)	\$71,900	\$14,303

U.S. subprime residential mortgages

In millions	Q1'2008	31-Mar-08	Variance	Q2'2008 Targ.	Q/E Variance
U.S. residential subprime mortgages					
Whole loans	1,295	1,206			
Retained interests in securitizations	2,692	2,189			
Other	30	29			
Total	\$4,017	\$3,424	(\$593)	\$3,000	\$424

Acquisition Finance and High Yield Disclosures

Acquisition finance facilities

In millions	Q1'2008	31-Mar-08	Variance	Q2'2008 Targ.	Q/E Variance
High grade:					
Contingent	7,221	3,290	(3,931)		
Unfunded	798	699	(99)		
Funded	2,945	2,472	(472)		
	\$10,964	\$6,461	(\$4,503)	\$6,000	\$461
High yield:					
Contingent	3,654	2,245	(1,409)		
Unfunded	2,212	2,475	263		
Funded	11,897	12,298	401	8,000	
	\$17,763	\$17,018	(\$745)	\$12,500	\$4,518

High yield instruments

In millions	Q1'2008	31-Mar-08	Variance	Q2'2008 Targ.	Q/E Variance
High yield instruments	\$30,898	\$30,467	(\$431)	\$22,000	\$8,467

Level 3 Assets Disclosure

Note 4 Fair Value of Financial Instruments - Level 3 Assets

In millions	Assets at Fair Value		
	Q1'2008	31-Mar-08	Variance
Mortgage and asset-backed securities	23,812	24,021	209
Government and agencies	0	0	0
Corporate debt and other	4,250	4,250	0
Corporate equities	9,375	9,101	(274)
Commercial paper and other money market instruments	0	0	0
Derivative assets	5,207	5,207	0
Derivative liabilities	(2,408)	(2,408)	0
	\$40,236	\$40,171	(\$65)

Appendix

LEHMAN BROTHERS

4/7/08 Consolidated Balance Sheet Summary

CONSOLIDATED	Gross Balance Sheet Assets			Net Balance Sheet Assets			Asset Breakout (for Current Day)							TD Cash Shorts
	Today 7-Apr-08	Prior 4-Apr-08	Variance Incr/(Decr)	Today 7-Apr-08	Prior 4-Apr-08	Variance Incr/(Decr)	Net BS					FAS 140/ Seg Cash/ Goodwill		
							Net Longs	Repo 105	Fails	Other	Rev Repos		Borrows	
Global Rates	256,461	255,043	1,418	144,563	143,710	852	152,966	(10,745)	1,088	1,253	110,245	1,653	0	(108,019)
High Grade Credit	17,172	16,353	819	14,198	13,317	882	15,133	(1,164)	216	13	1,792	1,183	0	(3,000)
CDO	11,822	12,001	(179)	11,633	11,853	(220)	11,848	(348)	23	110	166	23	0	(198)
Securitized Products	63,734	62,749	985	61,612	60,915	697	60,502	(520)	34	1,596	1,768	51	303	(1,289)
Real Estate	64,997	65,001	(4)	64,379	64,326	53	63,931	(162)	611	0	618	0	0	(554)
High Yield	17,319	17,351	(33)	15,732	15,764	(32)	15,928	(285)	27	62	490	1,096	0	(1,597)
Municipal Bonds	9,438	9,465	(26)	8,728	8,753	(25)	5,599	0	0	0	301	74	0	(546)
Derivatives - Munis	0	0	0	0	0	0	3,128	0	0	0	276	59	0	0
Energy Trading	4,209	4,197	13	3,925	3,912	13	3,526	(7)	30	376	0	0	285	(0)
Foreign Exchange	5,616	5,543	73	5,603	5,531	72	5,562	(91)	8	124	13	0	0	(63)
FID Corporate	10,657	10,644	13	3,271	3,273	(2)	2,051	0	0	1,221	1,833	0	5,553	(0)
Insurance Products Group	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FID Corp Loans	3,147	3,198	(51)	3,107	3,158	(51)	3,107	0	0	0	0	40	0	(79)
IBD Loans	5,839	5,971	(132)	5,830	5,962	(132)	5,830	0	0	0	0	0	9	(0)
Total FID Core:	470,411	467,516	2,896	342,580	340,474	2,107	349,112	(13,322)	2,035	4,755	117,502	4,179	6,150	(115,343)
Total FID Prime Services:	287,220	290,514	(3,294)	16,979	17,386	(407)	7,282	0	6,564	3,134	156,044	108,903	5,294	(4,233)
Total FID (Consolidated)	757,631	758,030	(398)	359,560	357,860	1,699	356,394	(13,322)	8,599	7,888	273,546	113,082	11,444	(119,576)
Execution Services / Liquid Market	11,690	13,557	(1,868)	7,482	7,586	(103)	6,454	(186)	815	399	51	4,110	46	(4,586)
Convertible Products	2,936	2,899	37	2,403	2,359	44	2,328	(88)	129	35	0	534	0	(1,090)
Volatility	31,233	30,103	1,130	26,213	25,276	937	21,805	(318)	78	4,649	314	4,706	0	(15,750)
Equities Strategies	5,034	4,922	112	3,901	3,909	(8)	3,351	(62)	20	591	0	1,133	0	(584)
Firm Relationship Loans	2,900	2,993	(93)	2,900	2,993	(93)	2,900	0	0	0	0	0	0	(0)
Equity Corporate	748	817	(69)	475	554	(79)	73	0	0	403	188	0	85	0
Total Equities Core:	54,542	55,292	(750)	43,376	42,677	699	36,911	(654)	1,042	6,077	553	10,483	131	(22,010)
Total Equities Prime Services:	121,662	123,358	(1,696)	29,762	30,392	(630)	17,555	(4,458)	968	15,696	1,632	87,817	2,451	(24,798)
Total Equities (Consolidated)	176,204	178,650	(2,446)	73,137	73,069	68	54,466	(5,112)	2,010	21,773	2,184	98,300	2,582	(46,808)
Global Principal Strategies	8,460	8,523	(63)	6,812	6,850	(38)	6,781	0	15	16	1,275	373	0	(1,591)
Global Trading Strategies	5,423	5,516	(92)	5,130	5,225	(96)	5,220	(93)	1	2	97	196	0	(294)
Global Opportunities Group	1,111	1,117	(6)	1,024	1,015	8	998	0	10	16	87	0	0	(96)
Direct Principal Investments	1,109	1,066	43	1,109	1,066	43	1,109	0	0	0	0	0	0	0
Total Principal Investing	16,103	16,221	(118)	14,074	14,157	(82)	14,108	(93)	25	34	1,459	570	0	(1,981)
Asset Management	9,419	9,394	25	6,419	6,391	28	4,177	0	16	2,227	4	0	2,966	(46)
Private Equity	7,362	7,379	(17)	7,149	7,165	(16)	6,891	0	1	256	0	0	213	0
Total IMD	16,781	16,773	8	13,568	13,556	12	11,068	0	17	2,483	4	0	3,209	(46)
Investment Banking Division	632	313	319	632	313	319	564	0	0	68	0	0	0	(0)
Treasury	30,400	27,394	3,006	30,173	27,167	3,006	15,035	0	0	15,138	0	0	227	0
Corporate Other Assets / Investments	19,086	18,952	133	15,525	15,542	(17)	603	0	0	14,922	1,000	1,000	1,561	0
Total Non-Core	50,117	46,660	3,458	46,330	43,023	3,307	16,202	0	0	30,128	1,000	1,000	1,788	(0)
Total All Other (Consolidated)	83,001	79,654	3,347	73,971	70,735	3,236	41,377	(93)	43	32,645	2,463	1,570	4,997	(2,027)
Grand Totals Consolidated	1,016,836	1,016,334	503	506,668	501,664	5,004	452,237	(18,527)	10,652	62,306	278,194	212,952	19,023	(168,411)
Liquid Markets Financing	241,793	246,103	(4,309)	12,188	12,763	(575)	6,186	0	5,991	12	132,837	96,692	75	(3,935)
Credit Financing	37,011	36,103	908	1,702	1,534	167	886	0	573	242	23,152	12,157	0	(71)
Clearing and Execution	0	0	0	0	0	0	0	0	0	0	0	0	0	(118)
FID Structured Transactions	360	252	108	251	251	0	209	0	0	42	54	54	0	(109)
FID Futures	8,057	8,057	0	2,838	2,838	0	0	0	0	2,838	0	0	5,219	0
Total FID Prime Services:	287,220	290,514	(3,294)	16,979	17,386	(407)	7,282	0	6,564	3,134	156,044	108,903	5,294	(4,233)
Equity Financing	108,674	110,182	(1,508)	22,475	23,110	(635)	9,678	(3,180)	910	15,066	1,421	82,327	2,451	(14,915)
Equity Synthetic	12,764	12,951	(187)	7,067	7,062	5	7,704	(1,278)	52	589	208	5,489	0	(9,697)
Clearing and Execution	8	8	(1)	6	6	0	0	0	6	0	0	1	0	(4)
Structured Transactions	217	217	(0)	214	214	(0)	172	0	0	42	3	0	0	(182)
Equity Futures	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Equities Prime Services:	121,662	123,358	(1,696)	29,762	30,392	(630)	17,555	(4,458)	968	15,696	1,632	87,817	2,451	(24,798)
Total Prime Services	408,882	413,872	(4,990)	46,741	47,779	(1,038)	24,837	(4,458)	7,532	18,830	157,676	196,720	7,745	(29,031)

LEHMAN BROTHERS

Targets

\$ billions	Net Balance Sheet				Gross Balance Sheet				Cash Capital			
	Q2 2007	Q1 2008	3/25/2008	Target Q2 2008	Q2 2007	Q1 2008	3/25/2008	Target Q2 2008	Q2 2007	Q1 2008	3/21/2008	Target Q2 2008
FID (+IBD)	202	248	361	219	261	368	477	299	79	101	108	96
Equities	51	49	44	40	62	60	57	52	14	13	12	11
CMPS	42	49	56	40	181	261	428	230	7	5	5	4
IMD	11	14	14	10	14	17	17	13	7	8	10	6
Principal	10	15	15	10	12	17	17	12	4	7	6	5
Non Trading Assets	15	13	37	16	32	45	37	48	13	11	11	10
Other	6	9	16	7	23	19	19	9	4	3	2	2
Total Assets	337	397	542	342	586	786	1,052	664	127	150	153	134
Equity ¹	21.9	25.7		25.7	21.1	24.8		24.8				
Leverage Ratio	15.4	15.4		13.3	27.7	31.7		26.7				

(1) Calculations use Leverage Equity for Net Leverage Ratio and Reported Stock Holder's Equity for Gross Leverage Ratio