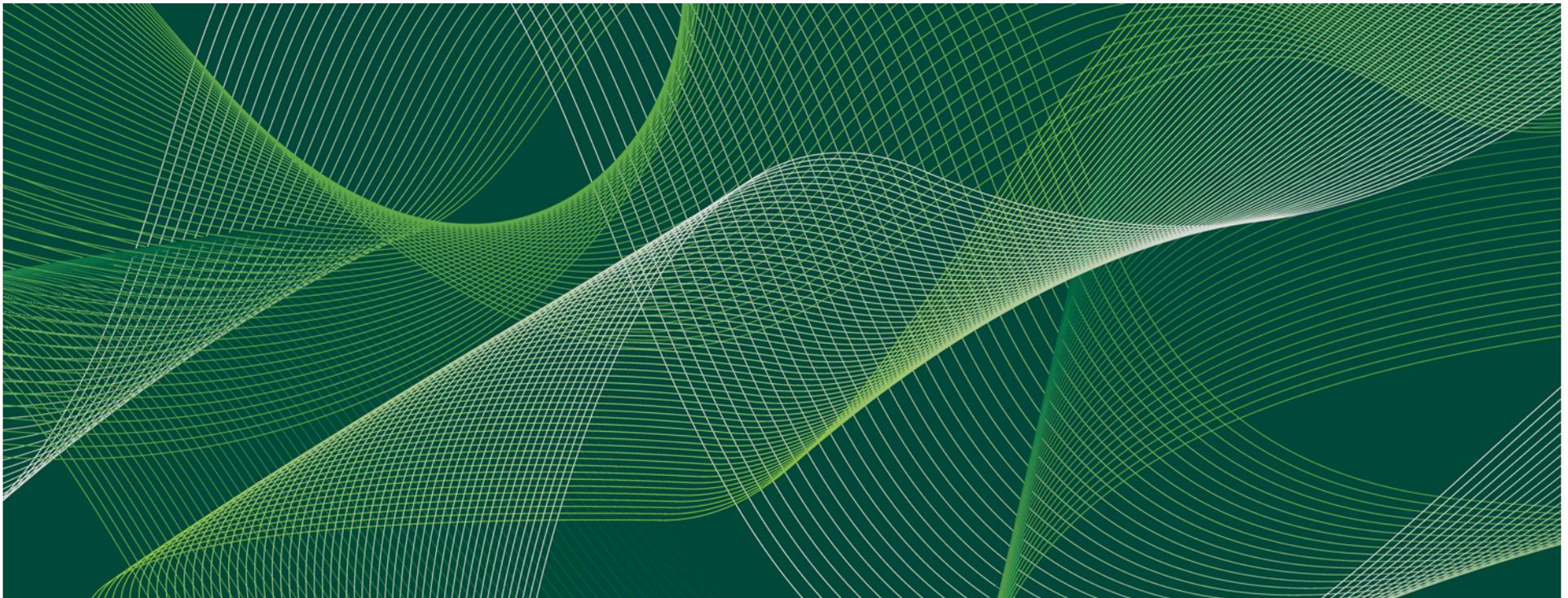


LEHMAN BROTHERS

*Commodities Weekly Metrics
As of 9/4/08*

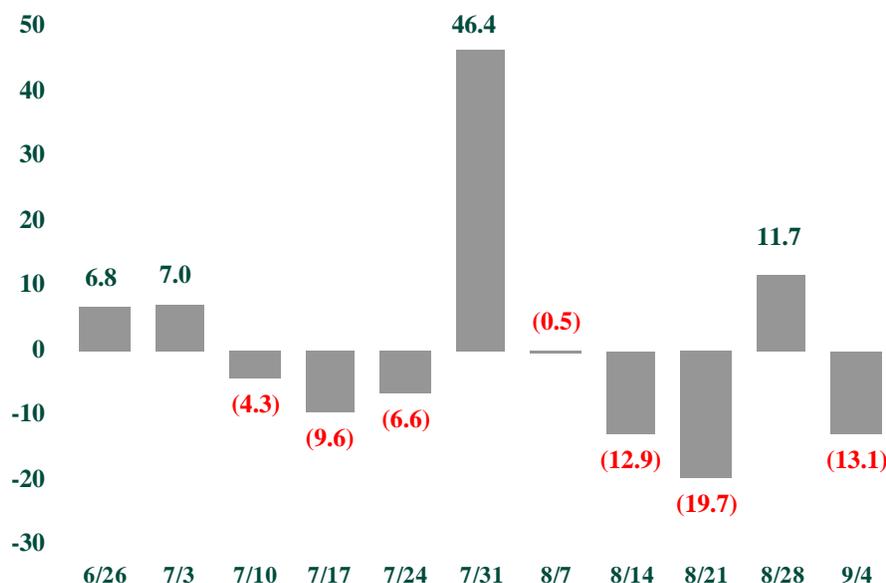


Weekly Update - as of 9/4/08

Key Global Metrics - By Region

	Global	Americas	Europe	Asia	Vs Bud / Target
Revenues (in \$mm)	289	277	5	7	13
Sales Credits (in \$mm)	325	214	95	16	127
VaR (in \$mm)	14.4	13.9	4.0	3.1	N/A
Risk App (in \$mm)	364.0	301.0	112.0	52.0	(94.0)
B/S (in \$bn)	6.8	5.8	0.7	0.3	1.2
HC	263	181	55	27	N/A

Weekly Revenue Trend (in \$mm)



Weekly Revenue Highlights

◆ GLOBAL - \$13.1mm

◆ Americas: (-\$13.8mm)

◆ **Power (-\$9.0mm):** Losses driven by tightening Texas spreads along with lower gas vols.

◆ **Eagle (-\$4.0mm):** Widening western basis spreads.

◆ **CVA (+\$2.3mm):** Lower gas vols.

◆ **Natural Gas (-\$2.1mm):** Weakness in gas vols.

◆ **US Oil (-\$1.0mm):** Weakness in crude vols.

◆ Europe: (+\$5.1mm)

◆ **Europe Investor Products (+\$2.6mm):** Model reserves release along with lower crude vols.

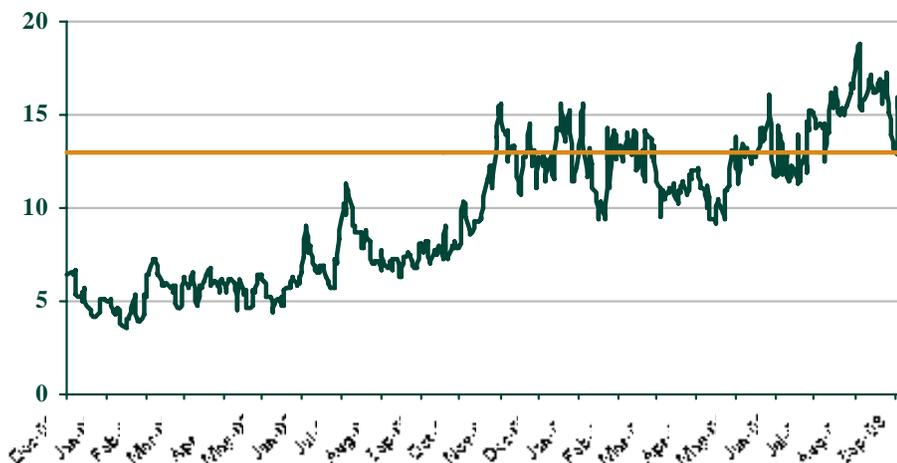
◆ **Europe Oil (+\$0.7mm):** Weakness in crude vols.

◆ Asia: (-\$4.4mm)

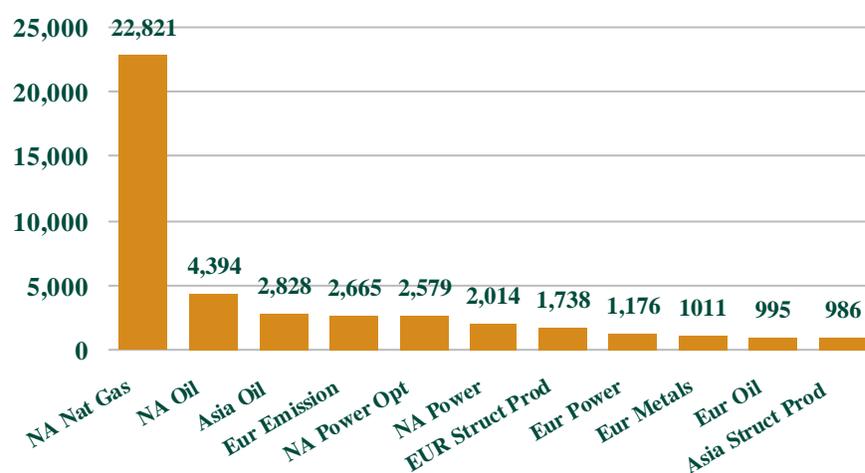
◆ **Asia Oil (-\$4.1mm):** Increase in reserves (-\$2.5mm) along with lower crude vols.

Market Risk – as of 9/4/08

Global VaR & Liquidity Risk Trend 2007-current (in \$mm)



VaR (Liq+Mkt) By Business (in '000s) *



Risk by Trader – Americas (in '000s) *

	Liq+Mkt Risk	Market Risk	Prev Mkt
Eagle	5,768	5,768	5,457
Dorland	5,318	5,318	5,178
Sussman	3,924	3,924	3,746
Torres	2,605	2,605	2,536
Jindal	2,528	2,528	2,704
Blakeslee	2,104	2,104	2,483
Shapiro	2,485	1,588	1,482
Sinn	1,066	1,066	1,083
Govender	1,036	1,036	1,303
Willig	686	686	693
Green	670	670	694
Parikh	625	625	656
Sussman/Kiel	622	622	580
Bowmar	596	596	606
Riviere	569	569	640
Brower	536	536	510
Moore	479	479	92
Race	456	456	435
Horner	452	452	438
Coreth	410	410	415

Risk by Trader – Europe (in '000s)

	Liq+Mkt Risk	Market Risk	Prev Mkt
Tudor	3,612	3,612	3,726
Karra	2,806	2,806	2,789
Williams	1,138	1,138	1,169
Pilz	965	965	1,040
Hokmark	832	832	684
Nicholas	690	690	596
Gkinis	666	666	600

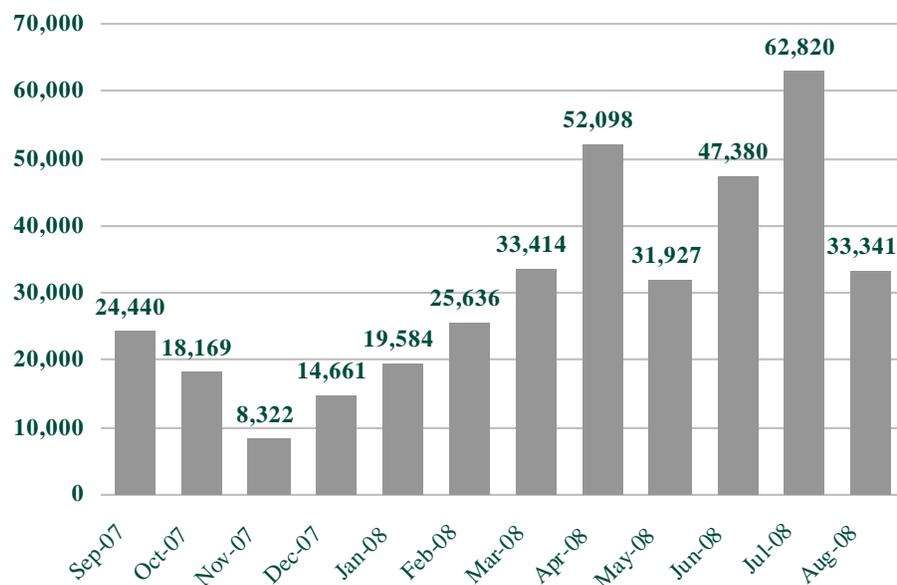
Risk by Trader – Asia (in '000s)

	Liq+Mkt Risk	Market Risk	Prev Mkt
Jain	3,205	3,205	3,250
Slater	1,121	1,121	1,087
Murthy	899	899	871
Brecker	124	124	122

* VaR is 1 day / 95%

Sales Information - as of 9/4/08 (in \$'000s)

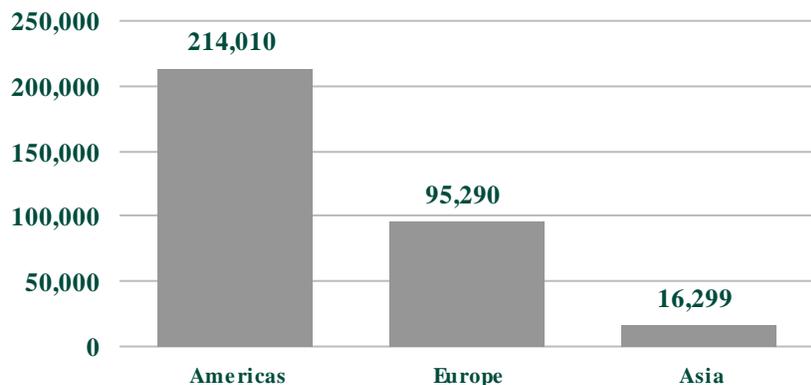
Sales Credits by Month (Trailing 12)



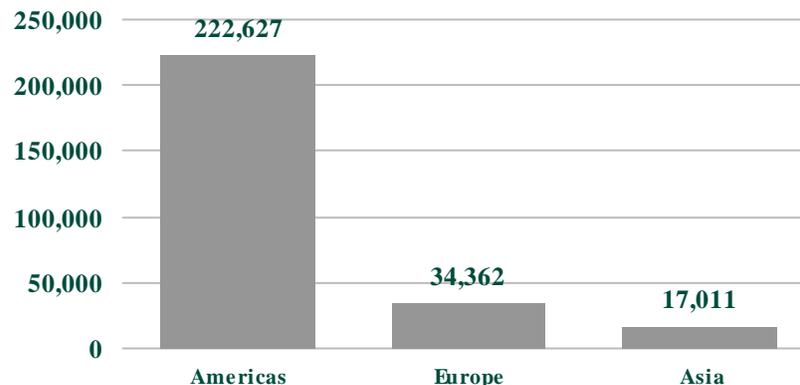
Commodities Production by Salesforce

Commodities Sales	Total
Consumers	72,881
Producers	38,236
Index Sales	36,962
Commodities Sales - London	35,699
Physical Gas Sales	28,307
Hedge Fund Sales	28,290
Commodities Sales - Singapore	12,827
Flow Power Sales	11,697
Structured Power Sales	5,842
Commodities Sales - Toyko	4,184
Metals - North America	3,564
Lat Am	2,869
Agricultural	117
Subtotal	280,453
Non-Commodities - Europe	31,636
Non-Commodities - Americas	9,504
Non-Commodities - Asia	4,777
Totals	45,917
Grand Total	326,370

Regional YTD Sales Credits (Product View)



Regional YTD Sales Credits (Sales View)



Document Update – Americas

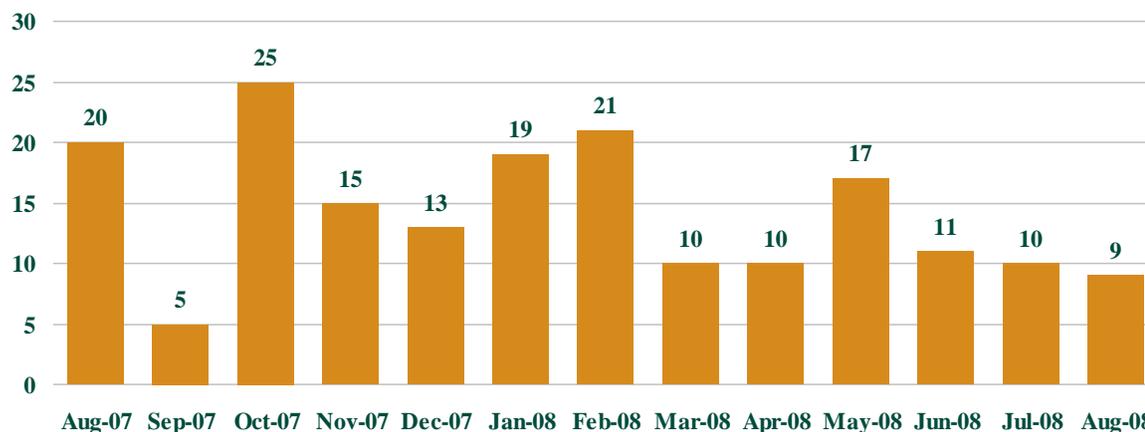
Executed Documents*

- ◆ Executed ** – 432
 - ◆ ISDA – 333
 - ◆ Gas Annex – 48
 - ◆ Power Annex - 76
 - ◆ EEI / EDI – 25
 - ◆ NAESB / NAESB Lite – 30
 - ◆ WSPP – 39
 - ◆ MNA – 4
 - ◆ CTA - 2

* LBCS / LBSF only

** Does not include Gas and Power Annex in count

Executed Documents By Month Trend **



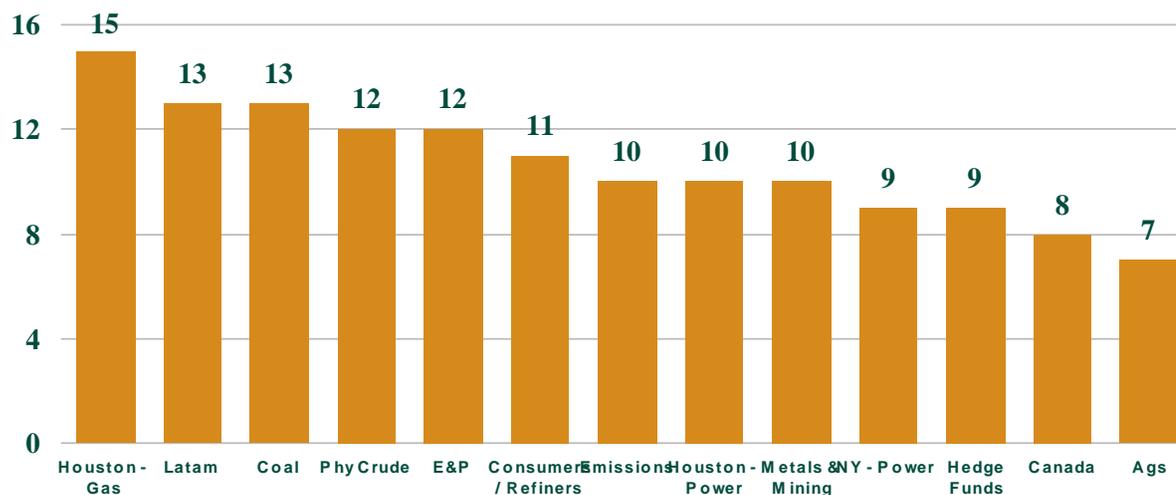
** Documents trend is Americas (ex Eagle) / monthly trend based on revised executed data from CMCL

In Negotiation ***

- ◆ In Negotiation – 225
 - ◆ ISDA – 145
 - ◆ EEI / EDI - 25
 - ◆ NAESB / NAESB Lite – 27
 - ◆ WSPP – 6
 - ◆ Master Net / LEAP – 12
 - ◆ CTA – 10

*** Per E Master Report / Does not include EAUS negotiations

Document Negotiations (By Area) – Priority 1's

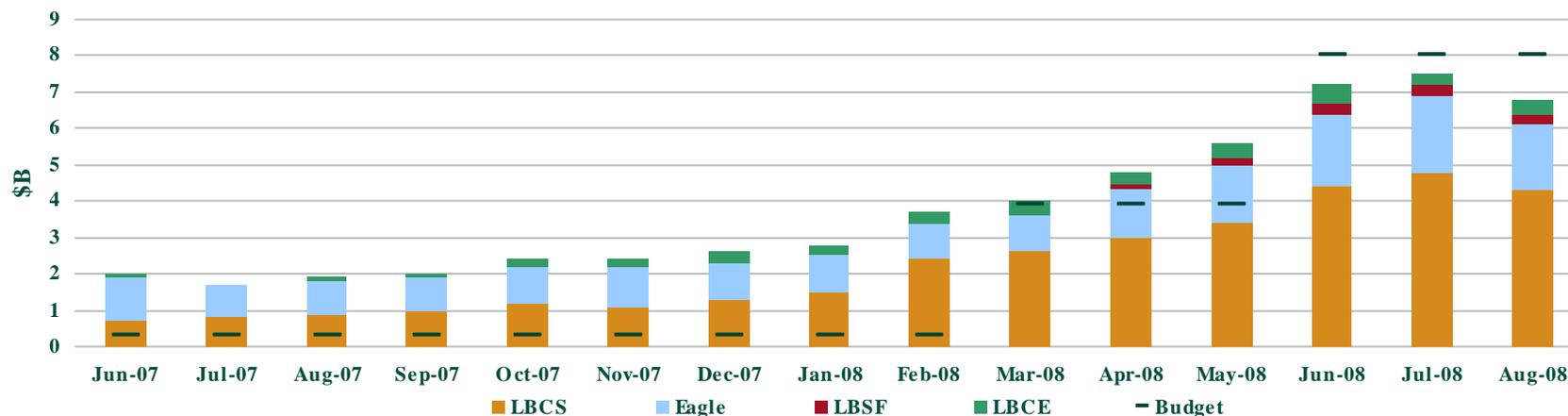


Balance Sheet Summary (August 2008)

Balance Sheet by Region (in \$bns)

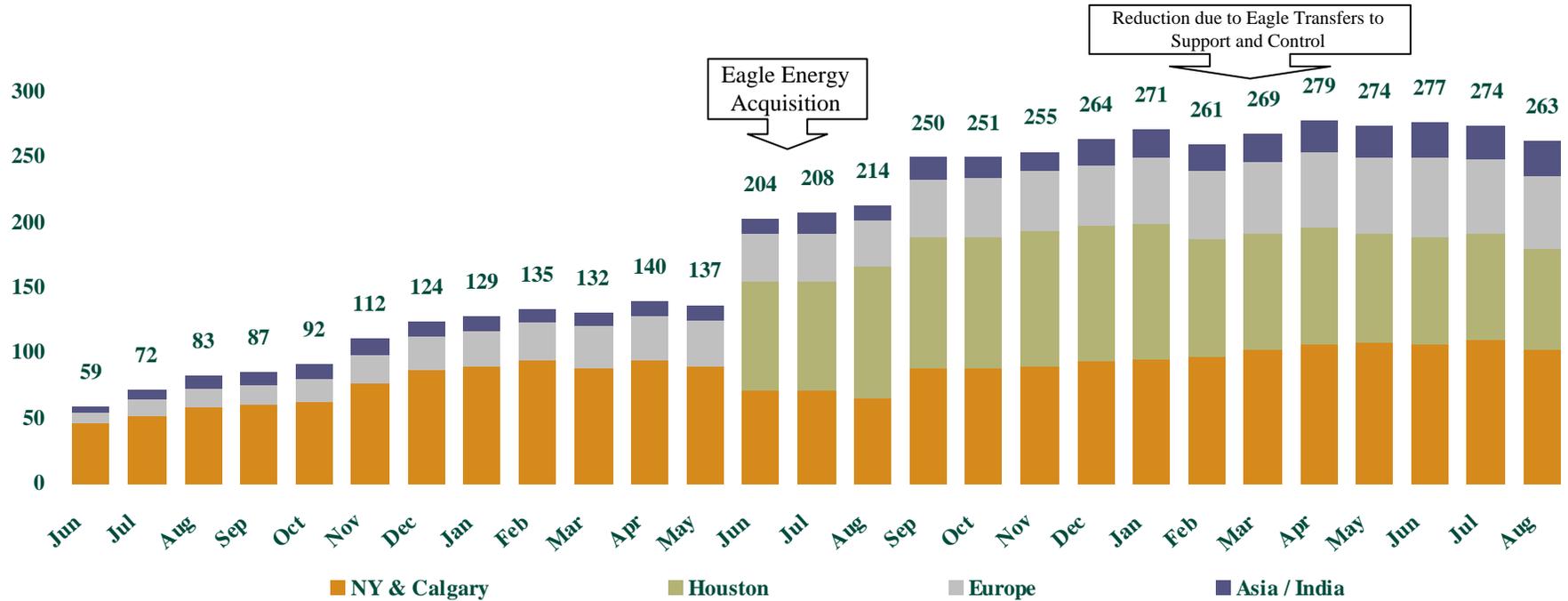
	US	Hst	Europe	Asia	India	Total
Derivatives	1.8	0.6	0.4	0.2	0.0	3.0
Exchange Margin	2.0	0.1	0.0	0.0	0.0	2.1
Inventory	0.0	0.3	0.0	0.0	0.0	0.3
Physical Gas Pre-pay	0.0	0.4	0.0	0.0	0.0	0.4
Goodwill	0.0	0.3	0.0	0.0	0.0	0.3
Corp Debt	0.0	0.0	0.1	0.0	0.0	0.1
Rec from Clearing Orgs	0.1	0.0	0.0	0.0	0.0	0.1
Other	0.1	0.0	0.2	0.0	0.0	0.3
Total Assets	4.0	1.8	0.8	0.2	0.0	6.8
Derivatives	1.3	0.6	0.4	0.1	0.0	2.4
Senior Debt (MS)	0.9	0.0	0.0	0.0	0.0	0.9
Option Value @ Exchange	1.1	0.0	0.0	0.0	0.0	1.1
Other	(0.2)	0.1	0.0	0.0	0.0	(0.1)
Total Liabilities	3.1	0.6	0.4	0.1	0.0	4.3
Cash Capital	0.9	1.1	0.4	0.0	0.0	2.5

Balance Sheet Trend



Front Office Headcount

Headcount Trend (2006-2008)



Key Pipeline & Recent Hires & Departures

Recent Additions

Region	Name	Area	Start Month
NA			

Recent Departures

Region	Name	Area	End Month
NA			

Expense Update (as of Jul 08) – (in \$‘000s)

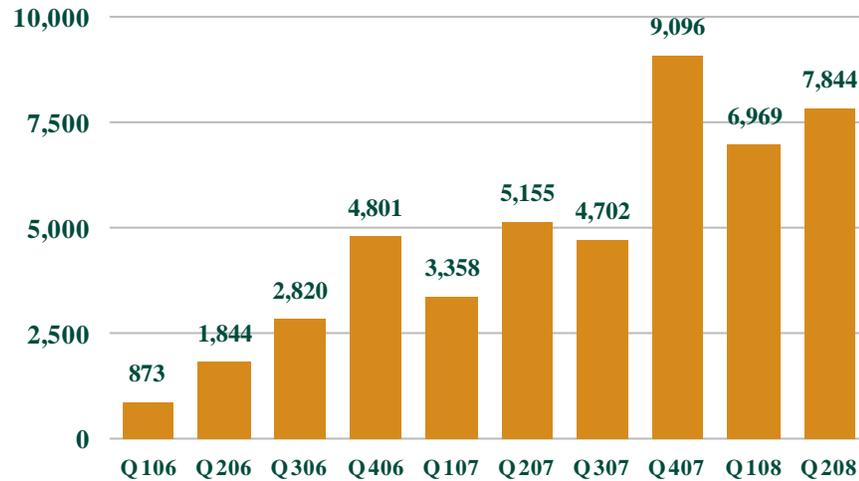
	Americas	Eagle	Europe	Asia/India	Global	YTD Bud	Variance
Fixed	(8,434)	(3,766)	(6,340)	(1,873)	(20,414)	(17,986)	2,427
Variable	(12,849)	(5,131)	(7,846)	(1,439)	(27,266)	(22,416)	4,850
Total NPE	(21,283)	(8,897)	(14,186)	(3,313)	(47,679)	(40,402)	7,277
Technology	(5,863)	0	1,033	(1,043)	(5,874)	(9,901)	(4,028)
Operations	(3,769)	0	(2,124)	(506)	(6,399)	(5,589)	810
Finance	(2,064)	(536)	(1,413)	(22)	(4,035)	(4,646)	(611)
CAD	0	0	(702)	0	(702)	(1,672)	(970)
Risk Management	0	0	(595)	0	(595)	(174)	421
Recruiting	(149)	(152)	0	(10)	(311)	(338)	(27)
HR	(128)	(130)	(1)	(9)	(268)	(448)	(180)
Business Development Services	0	0	(4)	0	(4)	0	4
Other Dedicated	(5,021)	(1,364)	(3,957)	(314)	(10,656)	(7,078)	3,579
Dedicated Expenses	(16,994)	(2,183)	(7,764)	(1,903)	(28,844)	(29,847)	0
Banking Allocation	(20,851)	0	0	0	(20,851)	0	20,851
Cost of Sales	3,366	(2,075)	(3,747)	379	(2,076)	(565)	1,511
Shared Expenses	(12,315)	(6,889)	(7,702)	(2,210)	(29,126)	(37,613)	(8,487)
Total Non PE Expenses	(68,078)	(20,044)	(33,399)	(7,047)	(128,577)	(108,427)	21,152

Main Components of Non PE Expenses

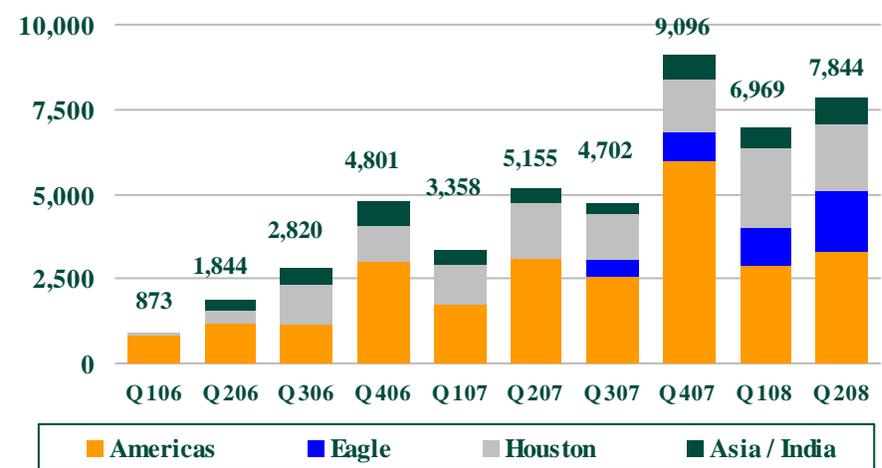
- ◆ NPE – Fixed (T&E, Market Data, Non Real Time Data, etc.) and Variable (Brokerage)
- ◆ Dedicated Expenses – dedicated charges from Support and Control organization
- ◆ Banking Allocation – Banking derived revenues that get allocated back to IBD
- ◆ Cost of Sales – cost of PIM sales group
- ◆ Shared Expenses – shared across various businesses, including HR, Exec Admin, etc.

NPE – Global Focus (in \$'000s)

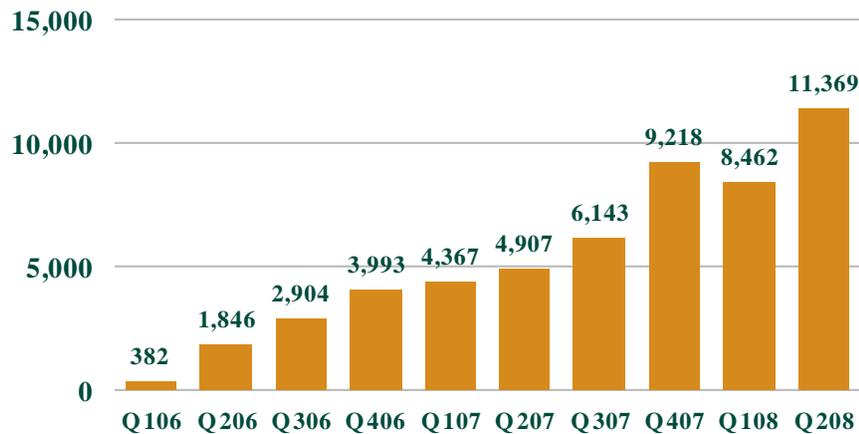
Fixed by Quarter



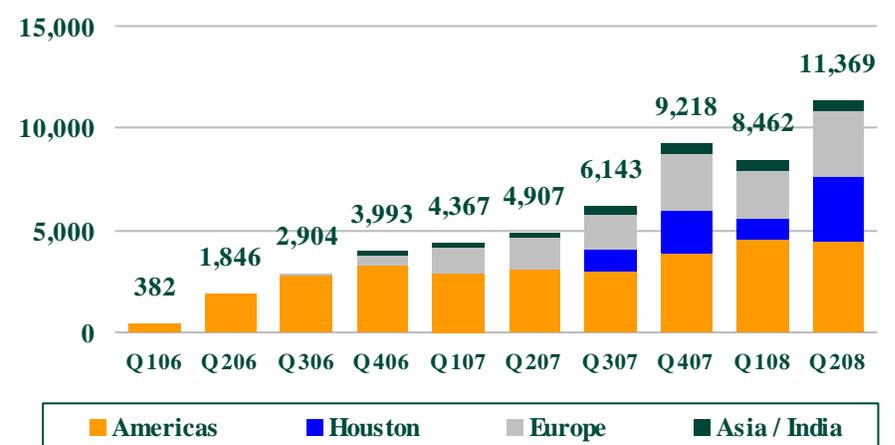
Fixed - Regional View



Variable by Quarter



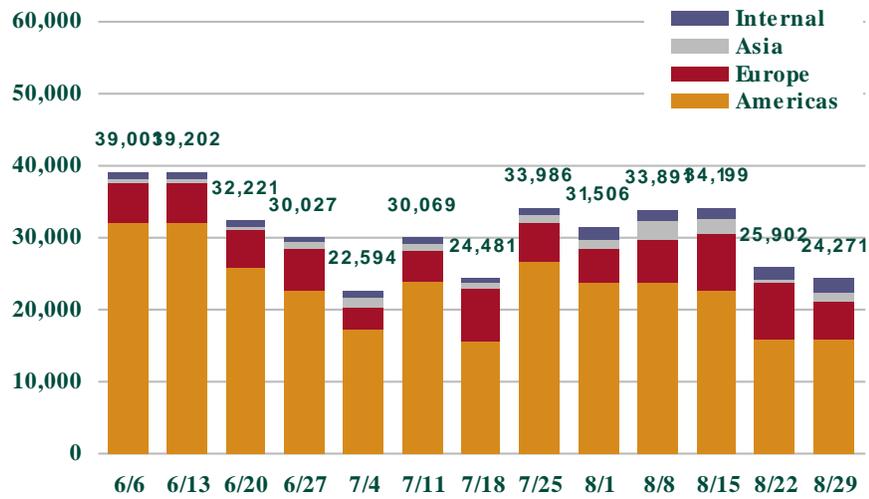
Variable – Regional View



OVERALL NOTES ON GRAPHS - ALL NPE FIGURES ARE IN USD

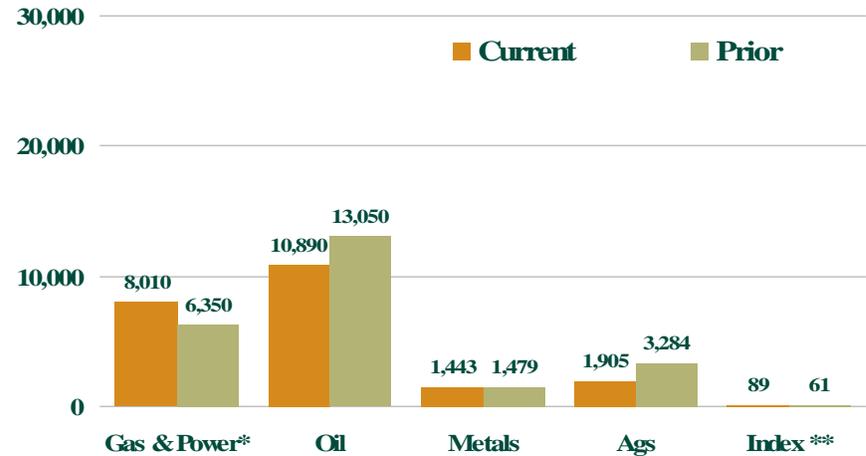
Operations Weekly Metrics – as of 8/29/08

Weekly Volumes by Region (week over week) *



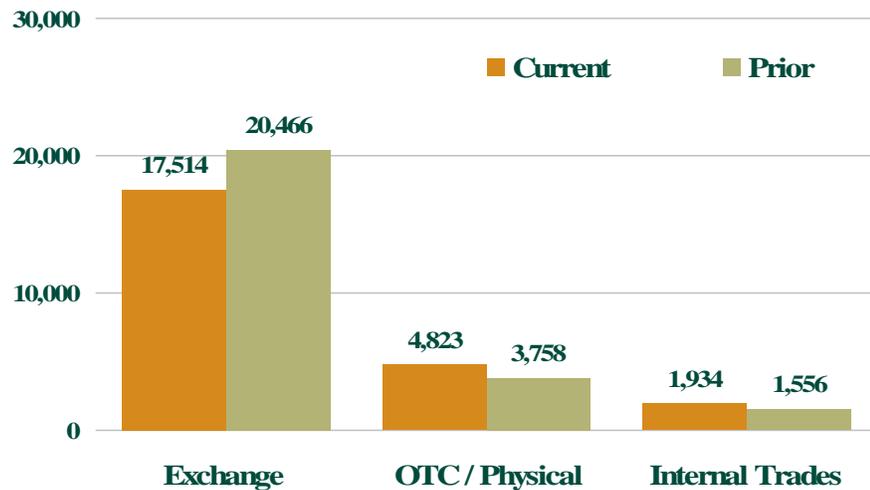
* Volumes are slightly different than by product due to Kinetix tracking issues

Weekly Volumes by Commodity (week over week)

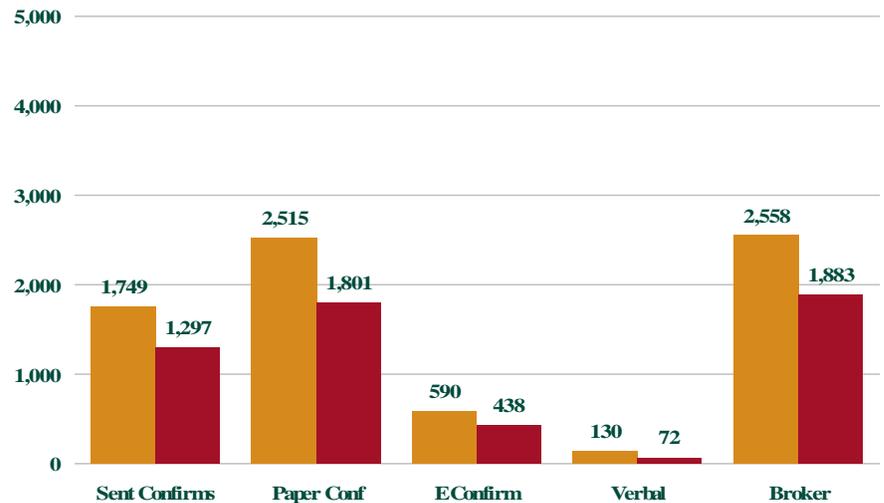


* Includes Coal, Emissions ** Includes Index, Structured and Exotics trading volumes

Weekly Volumes by Type (week over week)



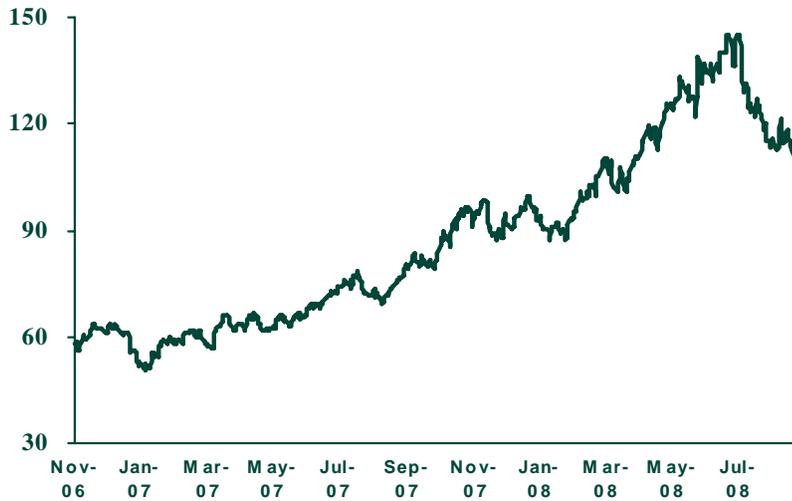
Confirmed Trades by Type (week over week)



Appendices

Commodities Price Trends

Crude Oil (per barrel)



Natural Gas (per mmbtu)



Gold (per ounce)



Corn (per bushel)



Global Revenue - as of 9/4/08 (in \$'000s)

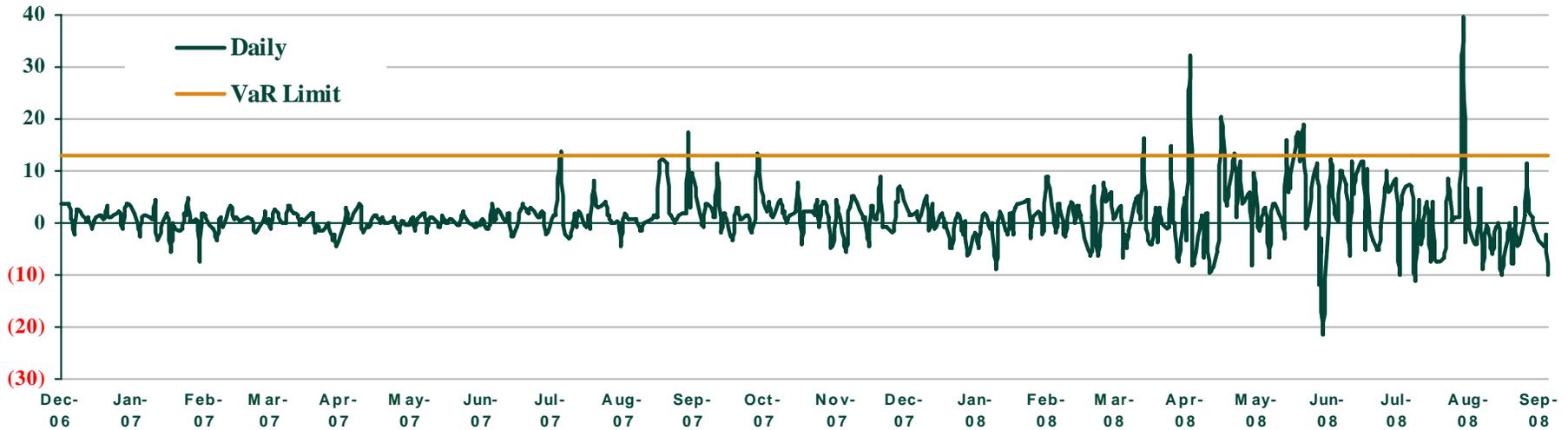
	P&L			Brokerage YTD	2008 Budget	2007 Actual	Actual vs. Budget		Client Revenue		VaR
	Daily	MTD	YTD				MTD	YTD	MTD	YTD	
Americas											
Power	(2,722)	(26,783)	48,377	(4,053)	80,000	70,593	(33,157)	(11,225)	545	9,325	3,722
Natural Gas	1,777	5,566	116,745	(5,215)	125,000	67,778	(4,394)	23,618	19,982	104,934	13,433
Power Options	(1,760)	393	50,751	(622)	20,000	28,165	(1,201)	35,851	600	5,520	2,212
Oil (US)	1,573	8,655	41,860	(1,159)	50,000	1,267	4,671	4,609	3,304	45,761	6,335
Investor Products	331	2,575	38,536	(1,699)	30,000	19,428	185	16,186	(575)	22,457	1,463
AGS	(362)	(3,034)	13,051	(167)	0	0	(3,034)	13,051	864	865	-
CVA	235	625	6,932	0	5,000	1,987	227	3,207	-	-	601
Eagle	(278)	(3,245)	57,864	(5,475)	0	28,310	(3,245)	57,864	-	20,749	6,860
Corporate (US)	742	(2,218)	(83,197)	(1,690)	(90,000)	601	4,953	(16,145)	-	-	-
Americas Total	(465)	(17,465)	290,920	(20,080)	220,000	218,129	(34,995)	127,015	24,720	209,612	34,626
Europe											
Coal	2	9	309	(89)	5,000	0	(390)	(3,416)	0	96	832
UK Gas	(67)	104	(903)	(667)	15,000	369	(1,091)	(12,079)	21	765	690
UK Power	14	(420)	(1,701)	(221)	10,000	1,917	(1,217)	(9,152)	0	0	1,138
UK Spark	28	(2,663)	7,681	(100)	0	0	(2,663)	7,681	0	0	-
Continental Power	116	748	3,240	(385)	20,000	(1,066)	(846)	(11,660)	0	330	-
Continental Gas	(53)	212	390	(10)	0	0	212	390	0	0	-
Energy Reserves	0	3	(928)	0	0	(555)	3	(928)	0	0	-
Global Carbon	271	(6,358)	(12,701)	(510)	10,000	(225)	(7,155)	(20,151)	0	0	2,806
Oil (Eur)	(47)	275	1,588	(1,476)	15,000	2,655	(920)	(9,588)	313	15,814	666
Commodities Structured (Eur)	846	1,057	30,096	(279)	30,000	35,116	(1,333)	7,745	1,176	67,166	3,612
Metals (Eur)	(178)	2,391	170	(493)	10,000	10,911	1,594	(7,281)	974	8,062	965
Corporate (Eur)	0	0	(27,796)	0	0	(213)	0	(27,796)	63	63	-
Europe Total	932	(4,642)	(557)	(4,233)	115,000	48,909	(13,805)	(86,234)	2,546	92,295	10,710
Asia											
Oil (Asia)	744	1,139	574	(703)	15,000	4,356	(56)	(10,602)	3,334	12,115	5,349
Commodities Structured (Asia)	(77)	239	9,032	(173)	10,000	374	(558)	1,582	0	0	-
Metals (Asia)	0	0	2,100	0	0	0	0	2,100	0	4,100	-
Asia Index Trading	0	0	12	0	0	0	0	12	0	0	-
Asia Ags	9	(40)	(373)	0	0	0	(40)	(373)	0	0	-
Asia Total	676	1,338	11,344	(875)	25,000	4,730	(654)	(7,281)	3,334	16,215	5,349
Global Total	1,143	(20,769)	301,707	(25,188)	360,000	271,768	(49,454)	33,500	30,600	318,121	50,685

GAAP SUMMARY

	Daily	MTD	YTD	LTD
Lehman - US	(218)	(4,903)	(4,820)	686
Eagle - US	13,587	27,568	(132,266)	(100,666)
Lehman - Europe	165	(1,985)	(4,024)	(9,185)
Total GAAP Adjustment	13,534	20,680	(141,110)	(109,165)

Revenue Trend (Daily and Monthly) - (in \$'000s)

Daily Revenue vs. VaR Trend



Monthly Revenue Trend

