

From: Bernard, Clement <clement.bernard@lehman.com>
Sent: Monday, February 25, 2008 1:49 PM (GMT)
To: Amin, Kaushik <kamin@lehman.com>
Subject: Balance sheet projection
Attach: Capital Update_2 21 08 v2 (2).xls

Kaushik,

To follow up on our conversation on Friday on the net balance sheet for Q1. We are currently running at 15.0 bn above and we need to go down an extra \$5.0 bn for the firm to meet its net leverage limit of 15.2.

I need your help on this. As you know Rates is above its limit (see schedule attached).

Let me know what you can do. I have already contacted Kieran for Europe and he feels that he could be done by \$2.7 bn. If confirmed it would be great but I need more reduction to get to our revised target. Is there anything else you can do. I believe that people were having conversation with Hoffman to check if he could reduce his balance sheet further.

Thanks for your help

Clement

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> From: McGarvey, Michael
> Sent: Monday, February 25, 2008 8:18 AM
> To: Bernard, Clement
> Subject: Capital Update_2 21 08 v2 (2).xls
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> <<Capital Update_2 21 08 v2 (2).xls>>