

From: Tonucci, Paolo [paolo.tonucci@lehman.com].

Sent:6/5/2008 8:50 AM.

To: piers.murray@jpmorgan.com [piers.murray@jpmorgan.com].

Cc: Donna.Dellosso@jpmorgan.com [Donna.Dellosso@jpmorgan.com].

Bcc: .

Subject: RE: 9am 6/05 Meeting.

Attached is a confidential update for the 9am call.

Regards,
Paolo

-----Original Message-----

From: piers.murray@jpmorgan.com [mailto:piers.murray@jpmorgan.com]

Sent: 04 June 2008 19:45

To: Tonucci, Paolo

Cc: Donna.Dellosso@jpmorgan.com

Subject: Re: 9am 6/05 Meeting

Paolo - thanks for rescheduling for tomorrow morning. Here is a list of questions. Also in text below if you are using BBerry.

(See attached file: Lehman Brothers Questions 06-04-08.doc)

n 1) Please provide guidance on 2Q earnings and highlight material earnings drivers, including MTM adjustments on a gross and net basis, any impairment charges and the impact of DVA.

n 2) Has there been any material pull back in client business or in tri-party relationships in the last couple days as a result of the recent press, and CDS/stock moves?

n 3) Comment on any plans or discussions on raising capital and stock buyback rumors.

n 4) What is the focus of your discussions with the Fed and other regulators?

n 5) Have the rating agencies cited any particular events that could cause them to downgrade Lehman further?

n 6) Please comment on material changes in size and composition

of the residential mortgage and commercial real estate portfolios?

o Please comment on the accounting treatment for these assets

-

accrual vs MTM

o Please comment on the effectiveness of the hedging strategy for

these portfolios.

o Please comment on the funding strategy for these portfolios.

n 7) Comment on the substantial spike (to 8.6%) during FYE2007, and subsequent reduction (to 1.95%) during 1Q'08 in non-performing loans at Lehman Brothers Bank, F.S.B.

n 7) Do Lehman's regulated bank subsidiaries remain Well-Capitalized and a continued source of reliable funding?

n 8) Given the deleveraging strategy please comment on the target size of the balance sheet. Are there any risky assets that you have been unsuccessful in reducing?

n 9) Given Lehman's complex legal entity structure, are there any plans to collapse entities to reduce credit risk and funding mismatches ?

n 10) Please review your liquidity forecasts, net cash capital position, unencumbered assets at the parent level, contingent funding sources, trends, shortfalls from targeted lenders, term vs.

o/n on matched and triparty books

n 11) Could you comment on changes in the size and composition of the following:

n Level III assets (transfers/purchases/origination), and
n Leveraged loans.

n 12) What percentage of Lehman's assets are eligible collateral

at the Fed Window?

Regards,

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