



Lehman Brothers UK Holdings Limited – in Administration

Notice accompanying the third interim dividend to non-preferential unsecured subordinated creditors

The Joint Administrators' receipts and payments account from the commencement of the Administration on 29 September 2008 to 15 July 2016 is attached at Appendix A

Further information pursuant to Rule 2.98 of the Insolvency Rules 1986

A third interim dividend to non-preferential unsecured subordinated creditors equivalent to 2.8546 pence in the pound has been declared.

A total of £26,326,905 and \$4,868,949 is being paid by way of a cash dividend. The Company's remaining assets have been assigned by way of a distribution in specie. There is no prescribed part, as there is no floating charge.

The following funds have been retained to provide for the costs of bringing the Administration to a close:

	£m
General provision for final costs	0.65
	<hr/>
	0.65

Payments were made by bank transfer on 8 August 2016. The Joint Administrators are unable to estimate the likely timing or quantum of any future dividends.

APPENDIX A -
Lehman Brothers UK Holdings Limited - in Administration

	GBP		USD	
	Cumulative to 15-Jul-16	Movements in period	Cumulative to 04-Apr-16	Movements in period
Receipts				
Dividends from LBHI	-	-	-	4,867,955
Dividends from LBH Plc	1,187,075	-	1,187,075	-
Intercompany debtors	112,117	1,629	110,488	-
Book debts	10,753	-	10,753	-
Recharge of tax function costs	32,886	-	32,886	-
Corporation Tax refunds	91,405	85,000	6,405	-
Sale of shares	1	1	-	-
Interest	881,716	11,312	870,404	80
Total receipts	2,315,953	97,942	2,218,011	4,868,034
			185,313,784	180,445,749
Payments				
Legal fees	145,476	8,782	136,694	-
Joint Administrators' remuneration	1,003,059	111,619	891,440	-
Joint Administrators' category 1 disbursements	1,618	-	1,618	-
Pension related legal costs	603,959	-	603,959	-
Corporation tax	85,000	-	85,000	-
Payment for tax losses	9,944	-	9,944	-
Employee costs (note 1)	25,224	-	25,224	-
Bank charges	8	-	8	85
IT costs	5,741	-	5,741	-
Statutory advertising	38,523	9,633	28,890	-
Settlement of late claiming creditor	70,000	-	70,000	-
Irrecoverable VAT (note 2)	221,612	26,007	195,605	-
Total payments	2,210,163	156,040	2,054,123	85
			512	427
Intracompany transfers				
Payment	-	-	-	-
Receipt	111,393,112	-	111,393,112	(177,177,976)
Total receipts less total payments	111,498,903	(58,097)	111,557,000	4,867,949
			8,135,296	3,267,346
Distributions				
First distribution to ordinary unsecured creditors on 4 September 2014	5,500,000	-	5,500,000	-
First distribution to subordinated creditors on 17 February 2015	50,000	-	50,000	-
Second distribution to subordinated creditors on 13 April 2016	78,980,716	78,980,716	-	3,266,346
Total	26,968,186	(79,938,814)	106,007,000	1,601,603
			4,868,949	3,267,346
Cash balances				
HSBC	256,912	(105,750,089)	106,007,000	1,601,603
Money market deposits (note 3)	26,711,274	26,711,274	-	-
Total cash / movements (note 4)	26,968,186	(79,938,815)	106,007,000	1,601,603
			4,868,949	3,267,346

Notes:

- (1) Includes £20k payment on account to LB SF Warehouse Limited for prefunding of employee payroll.
- (2) Due to the nature of the Company's former business, it is not entitled to recover input VAT on its costs.
- (3) Funds are invested on the money markets in order to accrue interest and to manage risk.
- (4) Total cash as at 15 July 2016 based on exchange rates on 15 July 2016 was £30,656,455.