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1 Company details

Company number 0 1 8 5 4 6 8 5

Company name in full LEHMAN BROTHERS HOLDINGS PLC

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) EDWARD JOHN

Surname MACNAMARA

3 Administrator's address

Building name/number PWC LLP

Street 7 MORE LONDON

RIVERSIDE

Post town LONDON

County/Region GREATER LONDON

Postcode S E 1 2 R T

Country UNITED KINGDOM

4 Administrator's name ①

Full forename(s) CATHERINE RACHEL

Surname ATKINSON

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number PWC LLP

Street 7 MORE LONDON

RIVERSIDE

Post town LONDON

County/Region GREATER LONDON

Postcode S E 1 2 R T

Country UNITED KINGDOM

② Other administrator

Use this section to tell us about
another administrator.

Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. ①
Attach this to the relevant form.
Use extra copies to tell us of additional insolvency practitioners.

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1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

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- REC1, REC2, REC3
- LIQ02, LIQ03, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s) DAVID ROBERT
Surname BAXENDALE

3 Insolvency practitioner's address

Building name/number PWC LLP
Street 7 MORE LONDON
RIVERSIDE
Post town LONDON
County/Region GREATER LONDON
Postcode S E 1 2 R T
Country UNITED KINGDOM

AM10

Notice of administrator's progress report

6 Period of progress report

From date	^d 1	^d 5	^m 0	^m 3	^y 2	^y 0	^y 2	^y 6	
To date	^d 1	^d 4	^m 0	^m 9	^y 2	^y 0	^y 2	^y 6	

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

Blane

X

Signature date

^d1

^d4

^m1

^m0

^y2

^y0

^y2

^y6

AM10

Notice of administrator's progress report



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **ADRIENNE RORDEN**

Company name **PWC LLP**

Address **CENTRAL SQUARE**

8TH FLOOR

29 WELLINGTON STREET

Post town **LEEDS**

County/Region **WEST YORKSHIRE**

Postcode

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Country **UNITED KINGDOM**

DX

Telephone **01132894000**



Checklist

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- ☐ You have attached the required documents.
- ☐ You have signed the form.



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Lehman Brothers Holdings PLC – in administration

**Joint Administrators' Progress report from
15 March 2026 to 14 September 2026**

Date: 14 October 2026

High Court of Justice, Chancery Division, Companies Court

Case number: 7943 of 2008

Company number: 01854685



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Abbreviations and definitions

The following table shows the abbreviations and insolvency terms that are specific to this appointment and report:

Company / LBH	Lehman Brothers Holdings PLC - in Administration
Company's registered name	Lehman Brothers Holdings PLC
Trading name	Lehman Brothers Holdings PLC
Registered number	01854685
Registered address	PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT
Joint Administrators / Administrators / we / us / our / Office holders	Edward John Macnamara, Catherine Rachel Atkinson and David Robert Baxendale
Joint Administrators' addresses and contact details	PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT Email: uk_lehmanaffiliates@pwc.com
Date of the Administration appointment	15 September 2008
Court details for the Administration	High Court of Justice, Chancery Division, Companies Court - Court Case 7943 of 2008 and CR-2008-000026
Changes in Administrators	On 15 September 2008 Anthony Victor Lomas, Steven Anthony Pearson, Dan Yoram Schwarzman and Michael John Andrew Jervis were appointed Joint Administrators On 30 November 2009 Derek Anthony Howell was appointed as an additional Joint Administrator On 22 March 2013 Gillian Eleanor Bruce and Julian Guy Parr replaced Dan Yoram Schwarzman and Michael John Andrew Jervis as Joint Administrators On 16 July 2018 Ian David Green, Edward John Macnamara and Russell Downs replaced Anthony Victor Lomas, Steven Anthony Pearson and Julian Guy Parr as Joint Administrators On 16 June 2021 David James Kelly replaced Ian David Green as Joint Administrator On 30 November 2021 Russell Downs and Derek Anthony Howell ceased to act as Joint Administrators On 27 February 2026 Catherine Rachel Atkinson and David Robert Baxendale replaced Gillian Eleanor Bruce and David James Kelly as Joint Administrators
Extensions to the initial period of appointment	The Court has granted eight successive extensions to the Administration to: 30 November 2010; 30 November 2011; 30 November 2013; 30 November 2015; 30 November 2020; 30 November 2022; 30 November 2025; and 30 November 2027
Reporting Period	15 March 2026 to 14 September 2026
Website	https://www.pwc.co.uk/lbh
AGFP	AG Financial Products Inc. A US-based affiliate of Assured Guaranty Corp. which provided credit protection to counterparties under credit default swaps
Committee	The Creditors' Committee of the Company
Court	The High Court of Justice, the Business and Property Courts of England and Wales
DB	Deutsche Bank AG (London Branch)
ECAPS	Enhanced Capital Advantaged Preferred Securities issued by Lehman Brothers UK Capital Funding LP ("LP I"), Lehman Brothers UK Capital Funding II LP ("LP II") and Lehman Brothers UK Capital Funding III LP ("LP III") to ECAPS Holders
ECAPS Guarantees	The subordinated guarantee understood to have been given by the Company in relation to the issuance of ECAPS by LP I, LP II and LP III
ECAPS Holder	An investor in any of LP I, LP II or LP III, being the partnerships managed by LBGP, by way of Enhanced Capital Advantaged Preferred Securities
ESH	Eldon Street Holdings Limited - in Creditors Voluntary Liquidation

IRS	Internal Revenue Service – the revenue service for the United States federal government responsible for collecting U.S. federal taxes and administering the Internal Revenue Code
Original Framework Agreement	The agreement entered into by, among others, LBGP, LBHI, DB and the Company and which came into effect on 8 October 2023
Amended Framework Agreement	The agreement entered into by, among others, LBGP, LBHI, DB and the Company and which came into effect on 2 October 2024
Framework Agreements	Collectively, Original Framework Agreement and Amended Framework Agreement
Group / Lehman Brothers group	The UK Lehman Brothers group of companies
LBAM	Lehman Brothers Asset Management (Europe) Limited – a former wholly owned subsidiary of LBH, sold in May 2009
LBGP	LB GP No.1 Limited - in Liquidation
LBHI	Lehman Brothers Holdings Inc.
LBHI2	LB Holdings Intermediate 2 Limited - in Administration
LBIE	Lehman Brothers International (Europe) - formerly in Administration, currently in Members' Voluntary Liquidation
LBL	Lehman Brothers Limited - in Administration
LB SF Warehouse	LB SF Warehouse Limited - a direct subsidiary of LBH
MBAM	MBAM Investor Limited
MVL	Members' Voluntary Liquidation
Partial Discharge Issue	The question concerning the correct calculation of certain of the Company's unsubordinated creditors' remaining entitlement to post-Administration Statutory Interest, where those creditors have received payments from LBHI as guarantor
PLC Sub-Debt	The subordinated debt issued by the Company and held by LBHI
PLC Sub-Notes	The subordinated notes issued by the Company to LP I, LP II and LP III (the partnerships managed by LBGP)
PML	Preferred Mortgages Limited
Priority Application	An application to the High Court to determine, among other matters, the relative priority ranking of the subordinated claims
Priority Application II	The Administrators' application to Court for directions in relation to the Priority Legal Issues, issued on 14 March 2023
Priority Legal Issue 1	The question of whether the principal amount of LBHI's Sub-Debt claim against the Company falls to be paid in priority to statutory interest payable on LBGP's Sub-Notes claim against the Company, or whether statutory interest payable on LBGP's Sub-Notes claim falls to be paid in priority to the principal amount of LBHI's Sub-Debt claim
Priority Legal Issues	Areas of dispute that, following the conclusion of the Priority Litigation, arose on certain legal issues relevant to the priority and payment of future distributions to subordinated debt holders
Priority Litigation	An application to Court issued on 16 March 2018 to determine, among other matters, the relative priority ranking of the subordinated claims of LBGP and LBHI against the Company
SPML	Southern Pacific Mortgage Limited
Wentworth	A joint venture entered into between LBHI2, Elliott Management Corporation and King Street Capital Management to pool their holdings in LBIE of both debt and equity
Wentworth Sharing Agreement	An agreement entered into by the Wentworth parties to share the proceeds of LBIE realisations in an agreed sharing mechanism (the details of which remain confidential to the parties)
WHT	Withholding Tax deducted on distributions and payable to HMRC

The following table shows generic abbreviations and insolvency terms that may be used in this report:

Firm/PwC	PricewaterhouseCoopers LLP
HMRC	HM Revenue and Customs
IA86	Insolvency Act 1986
IR16	Insolvency (England and Wales) Rules 2016
Insolvency code of ethics	The code of ethics aims to help insolvency practitioners meet their professional and ethical obligations. A copy can be found at https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics
Preferential creditors	Claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
Sch B1 IA86	Schedule B1 to the Insolvency Act 1986
Secured creditor(s)	A creditor with security in respect of their debt, in accordance with section 248 IA86
SIP	Statement of Insolvency Practice. SIPs are issued to insolvency practitioners under procedures agreed between the insolvency regulatory authorities. SIPs set out principles and key compliance standards with which insolvency practitioners are required to comply
SIP 2	Statement of Insolvency Practice 2: Investigations by office holders in Administrations and insolvent Liquidations and the submission of conduct reports by office holders
SIP 9	Statement of Insolvency Practice 9: Payments to insolvency office holders and their associates from an estate
SIP 13	Statement of Insolvency Practice 13: Disposal of assets to connected parties in an insolvency process
Statutory Interest	Interest calculated in accordance with IR16 on the amount of admitted claims in respect of the periods during which such claims were outstanding since the date of commencement of the Administration to the date of full repayment, calculated as the greater of the rate payable in accordance with s.17 of the Judgments Act 1838 (currently 8% simple), and the rate applicable to the debt apart from the Administration
Unsecured Creditors	Creditors who are neither secured nor preferential, ranking behind secured creditors and all preferential classes of creditors

This report has been prepared by the Office holders, solely to comply with their statutory duty to report to creditors on the progress of the insolvency, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and it is not suitable to be used, to inform any investment decision in relation to the debt of or any financial investment in the Company.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcome for creditors.

Any person choosing to rely on this report does so at their own risk. To the fullest extent permitted by law, we do not assume any liability in respect of this report to any such person.

Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

We are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. We are bound by the Insolvency code of ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

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Section 1: Key messages

Why we have sent you this report

This is the 36th progress report prepared by the Administrators of the Company.

This report provides an update on the work undertaken by the Administrators during the Reporting Period, together with the information required by law and applicable insolvency guidance.

Please note you should read this report in conjunction with our previous reports, which can be found at www.pwc.co.uk/lbh.

Objective of the Administration

The Administrators are pursuing the objective of achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration) and continue to manage the Administration in accordance with the proposals approved by creditors. The Administrators continue to review the objective of the Administration on a regular basis.

Resolution of certain legal issues and outcome for creditors

As noted in earlier progress reports, the Amended Framework Agreement resolved a number of matters, which streamlined the estate and clarified the distribution framework, enabling further distributions to be made under the agreed arrangements.

During the Reporting Period, a third payment of £10.0m (GBP equivalent) was made to LBGP and LBHI on 12 August 2026 under Tier Y of the sharing formula set out in the Amended Framework Agreement (as described in Section 2.2).

Creditors' Committee

The Administrators periodically meet with the Committee (as well as Paul Copley, an observer appointed by the ECAPS Holders) to explain how key aspects of the Administration are being dealt with and to consult with the Committee on relevant issues.

To date, the Administrators have held 16 meetings, the last meeting being on 30 June 2026. The next Committee meeting is planned for Q4 2026.

Why we remain in office

The Administrators remain in office to progress a number of outstanding matters, including: (i) collecting outstanding debts (notably subordinated debt recoveries from LBHI2); (ii) realising the residual assets purchased from LBIE; (iii) settling the remaining obligation to be addressed in accordance with the resolution of the Partial Discharge Issue; (iv) liaising with the LBL Administrators to support the closure of LBL and receipt of any remaining surplus by way of equity dividend; (v) liaising with the LBIE Liquidators to support the closure of the MVL, given the interconnections between the affairs of LBIE and LBH; (vi) liaising with the LBHI2 Administrators to progress its closure and simplify the legal and operating structure (including certain overseas entities associated with the Wentworth Sharing Agreement); (vii) making further distributions to creditors as funds permit; (viii) ensuring ongoing compliance with tax matters; (ix) fulfilling statutory obligations; and (x) bringing the Administration to a conclusion.

Further details are set out in the body of this report.

What you need to do

This report is for your information and you do not need to do anything.

This report and future updates

The Administrators' next formal progress report to creditors will be in approximately six months' time and will be posted to the case website.

If you have any questions, please contact the Administrators at uk_lehmanaffiliates@pwc.com.

Signed



Edward Macnamara

Joint Administrator

Lehman Brothers Holdings PLC - in Administration

Section 2: Progress in the Reporting Period

Asset realisations

During the Reporting Period, the Administrators realised further amounts for the estate:

- £5.0m was received from LBHI2 in respect of the twelfth distribution on LBH's admitted subordinated debt claim. This represents a further recovery from LBHI2 and continues to be a key source of realisations for the estate;
- £1.5m was received in respect of SPML/PML deferred consideration, reflecting the continued recovery of value from assets acquired from LBIE. The amount reflected in the receipts and payments account at Appendix A is shown net of costs of realisation;
- £391k was received in respect of VAT refunds relating to assets acquired from LBIE;
- £7k was received in respect of the refund of a property deposit; and
- \$353k was received as dividend income in respect of claims against LBHI. The underlying assets of this receipt were previously owned by LBIE. The amount reflected in the receipts and payments account at Appendix A is shown net of costs of realisation.

Distributions

In August 2026, a further distribution under the Amended Framework Agreement of £10.0m was made to LBGP and LBHI as subordinated creditors under the Tier Y agreed sharing formula. Further details are provided in Section 2.2.

Tax planning and compliance

The Administrators continued to progress tax compliance and planning activities across the Group, including preparation for upcoming corporation tax and corporate interest restriction filings and ongoing engagement with HMRC. Work also focused on managing Group tax positions, including the utilisation of losses and assessment of the tax treatment of distributions and asset recoveries.

VAT compliance activities continued during the period, including the processing of returns and refunds. Following an extensive reconciliation exercise and engagement with HMRC, the outstanding VAT matters were resolved, enabling the final allocation of refunds due between LBH and the other Group companies. Further details are set out in Section 2.3.

Investigations and actions

Nothing has come to our attention during the period under review to suggest that we need to do any more work in line with our duties under the Company Directors' Disqualification Act 1986 and SIP 2.

Our receipts and payments account

We set out at Appendix A an account of our receipts and payments for the period and cumulatively. We have detailed above the progress in the period, whether it has resulted in any realisations or not, together with payments made.

Our expenses

We set out at Appendix B a statement of the expenses we have incurred to the date covered by this report and an estimate of our future expenses.

The statement excludes any potential tax liabilities for the period of the Administration that may be payable as an expense because amounts due or to be reclaimed will depend on the position at the end of each tax accounting period.

Our fees

We set out at Appendix C an update on our remuneration which covers our fees, disbursements and other related matters in this case.

Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 18.34 IR16. This information can also be found in the guide to fees at:

<https://www.icaew.com/regulation/insolvency/understanding-business-restructuring-and-insolvency/creditors-guides>

You can also get a copy free of charge by contacting the case team at uk_lehmanaffiliates@pwc.com.

Section 2.1: Key value drivers

As outlined previously, the Amended Framework Agreement resolved a number of material matters affecting the LBH estate and various other steps have been taken in the Reporting Period which impact the ultimate outcome for creditors including:

LBIE

As noted in previous reports, LBIE entered MVL on 8 October 2025, following the settlement of all creditor claims in full and the implementation of steps to facilitate an orderly wind down.

In advance of the MVL, LBH acquired the majority of LBIE's remaining assets (with certain limited exceptions) for consideration of approximately £16.5m. This transaction was undertaken to support the efficient closure of LBIE and to reduce ongoing costs across the estate.

During the Reporting Period, LBH received £1.9m and \$353k in relation to those residual assets. The sterling receipts principally comprised SPML/PML deferred consideration and other recoveries relating to assets acquired from LBIE, whilst the US dollar receipts comprised dividend income in respect of claims against LBHI. These recoveries were offset by a payment of £0.7m under the Wentworth Sharing Agreement.

The Administrators continue to liaise with the Joint Liquidators of LBIE to progress the realisation of the remaining assets acquired from LBIE.

US Tax reclaim

As set out in previous reports, LBIE continues to pursue its outstanding tax refund claim with the IRS and is liaising with its US tax advisers to determine the timing and quantum of any further recoveries.

LBHI2

LBH has an outstanding subordinated claim of £1,346m against LBHI2 in respect of a total subordinated debt claim of US\$3,186m. To date £849.3m has been paid by LBHI2, of which £5.0m was received in the Reporting Period.

The outcome for LBH's creditors is, in part, dependent on the final recoveries from LBHI2. The LBHI2 Administrators are continuing to consider how best to simplify the LBHI2 estate and expedite its closure such that any remaining cash balance can, at that time, be paid to LBH.

Lehman Brothers Limited

As noted in previous reports, LBH retains an economic interest in LBL as its parent entity and where it is expected that a final equity dividend will be paid by LBL to LBH prior to closure.

During the Reporting Period, the LBL Administrators have continued to progress the remaining matters required to conclude the estate and which have largely been tax-related.

Given that LBH is the party with the continuing economic interest in LBL, the ongoing issues and fees are presented to LBH's Committee for review and approval.

The LBL Administration is currently due to end on or before 30 November 2026. The 35th progress report anticipated a final nominal equity distribution to LBH following settlement of LBL's remaining costs; the current plan is now to conclude LBL's Administration and place the company into an MVL, from which any final equity distribution to LBH would be made.

Section 2.2: Creditor claims and dividend prospects

As noted in previous reports and prior to the Reporting Period:

- the principal amounts of admitted, unsubordinated claims had been paid in full (totalling £1,074.8m);
- distributions of £659.2m had been paid in relation to unsubordinated creditors' entitlements to post-Administration Statutory Interest; and
- £361.5m had been paid to LBH's subordinated creditors following the Original Framework Agreement and the subsequent Amended Framework Agreement.

Unsubordinated creditors

The sole remaining unsubordinated creditor is MBAM. The Administrators are of the view that, following the wider resolution of the Partial Discharge Issue, there will ultimately be sufficient realisations to allow unsubordinated creditors' remaining entitlements to post-Administration Statutory Interest to be paid in full. With the agreement of the directors of MBAM, no distribution against its claim was made in the Reporting Period.

Partial Discharge Issue

As noted in previous reports, the Partial Discharge Issue concerns the calculation of certain unsubordinated creditors' remaining entitlement to post-Administration Statutory Interest, where payments have been received from LBHI as guarantor.

The Administrators continue to engage with the directors of MBAM in order to resolve the remaining unsubordinated claim and remain optimistic that this will be concluded in due course.

Subordinated creditors

As detailed in previous progress reports, the Company has received claims in respect of two subordinated debts:

1. The claim from LBGP in respect of the PLC Sub-Notes was agreed and admitted at £187.2m, following discounting in accordance with IR16 and consistent with the outcome of the Priority Litigation, as described in previous progress reports.
2. The claim from LBHI (in respect of the PLC Sub-Debt) as at the Administration date totalled £1,059.0m. In the Priority Application, the Court of Appeal determined that this amount should be reduced, *pro tanto*, to reflect any guarantee payments which had previously been made by LBHI as guarantor of the PLC Sub-Debt.

As previously reported, a number of issues arose in relation to the appropriate approach to distributions between these two subordinated debts, including their respective priority. In October 2024, the parties reached agreement on these matters (including those not resolved in the Original Framework Agreement), which was subsequently formalised in the Amended Framework Agreement. This included revisions to the sharing formula, as summarised below:

Overview	Current position
Tier X The first £187.2m of funds available for the subordinated creditors will be paid as follows: • 92% of Tier X (being £172.2m) will be paid to LBGP; and • The remaining 8% of Tier X (being £15.0m) will be paid to LBHI.	Tier X has been paid in full. Specifically: • £172.2m was paid to LBGP in November 2023; and • £15.0m was paid to LBHI in December 2023.
Tier Y Subject to certain conditions being met, the next £225.0m of funds available to subordinated creditors will be paid in the following proportions: • 73.8% (equivalent of up to £166.05m) to LBGP; and • 26.2% (equivalent of up to £58.95m) to LBHI.	A third payment of £10.0m was made under Tier Y in August 2026. The distribution comprised: • c. £7.4m to LBGP; and • c. £2.6m to LBHI. This brings the cumulative payments under Tier Y to £184.3m (with £136.0m having been paid to LBGP and £48.3m to LBHI).
Tier Z Subject first to the distributions of Tiers X and Y, further distributions to LBH's subordinated creditors will be paid from any remaining funds available in the following proportions: • 40% to LBGP; and • 60% to LBHI.	To date, no Tier Z payments have been made.

Estimated outcome and future distributions

The Administrators' latest assessment of potential economic outcomes for LBH's creditors can be accessed at the website shown below:

<https://www.pwc.co.uk/services/business-restructuring/administrations/lehman/lehman-brothers-holdings/other-notice.html>

The Administrators will continue to provide further updates through the LBH website (or by other means as appropriate).

Section 2.3: Tax and compliance

Specific progress in the Reporting Period includes:

Corporation Tax

1. Tax compliance

- Ongoing tax compliance work following submission of prior period corporation tax returns, including responding to follow-up queries and maintaining supporting computations;
- Preparation of the Company's FY25 corporation tax computation, accounts and tax return, including consideration of the tax treatment of Tier X and Tier Y distributions; and
- Preparation of the FY25 corporate interest restriction return and associated Group Deduction Allowance statement, together with supporting tax return disclosures and correspondence.

2. HMRC engagement and correspondence

We continued to engage with HMRC in relation to various ongoing tax matters, including responding to queries and correspondence and progressing matters required to resolve outstanding tax positions. We also liaised with various advisers as appropriate in considering and responding to matters raised by HMRC.

3. Group relief and tax losses

This work supported the efficient utilisation of tax positions across the Group. Activities included reviewing the availability and utilisation of brought forward losses and group relief across Group companies, including consideration of companies with non-coterminous accounting periods, and assessing the interaction with anticipated taxable income. We also considered the availability and allocation of group deduction allowances and the timing of relevant tax payments and repayments as part of the wider Group tax position.

4. LBIE asset transfers and ongoing tax analysis

Work continued as needed in relation to the tax implications of assets acquired from LBIE and receipts in the period. This included:

- Analysis of the tax treatment of receipts arising from acquired assets (including deferred consideration and other recoveries);
- Updating tax positions and supporting documentation to reflect post-transaction developments;
- Liaising with advisers in respect of ongoing implications for the Group's tax position;
- Undertaking technical analysis of the corporation tax, capital gains and stamp tax implications regarding acquired assets, including the treatment of contingent consideration; and
- Considering the implications for LBH and its creditors of matters relating to LBIE.

5. Payments to creditors

Work was undertaken to assess the tax treatment of payments and distributions to subordinated creditors, including analysis of the characterisation of such payments for corporation tax purposes and consideration of the interaction with the agreed distribution framework.

6. Strategic oversight, stakeholder engagement and closure planning

Senior staff time was spent on oversight, strategic planning and group simplification to align tax, legal and commercial objectives across the wider Lehman Brothers group. This included consideration of the tax implications of the proposed approach to the remaining assets and liabilities, the level and timing of tax reserves and other matters relevant to progressing the Administration towards closure.

VAT

All VAT returns have been submitted up to, and including, the quarter ended 31 August 2026. As VAT group representative, LBH received refunds of c.£0.3m in the Reporting Period in respect of the Group, relating to the quarters ended February 2026 and May 2026, of which c.£0.2m relates to LBH's own costs.

Following continued engagement with HMRC and an extensive reconciliation of amounts received and held on behalf of the VAT group, an agreement was reached during the Reporting Period on the historic VAT repayment withheld by HMRC. The finalisation of this matter allowed us to complete the allocation of the VAT held between LBH and other Group companies, with all VAT received having been accounted for between the Group companies shortly after the Reporting Period.

Appendix A: Receipts and payments

Sterling Account

Amount in £ millions	Notes	As at 14 Sept 2026	As at 14 Mar 2026	Movement
Receipts				
Investments in subsidiaries		768.0	768.0	-
Intercompany debtors		1,354.8	1,349.8	5.0
Receipt of intercompany assets		2.0	0.8	1.2
Sale of tax losses		11.0	11.0	-
Sale of LBAM		(0.8)	(0.8)	-
Third party funds (Group VAT refunds)	1	0.9	1.2	(0.3)
Other receipts		22.0	20.6	1.3
Total receipts		2,157.9	2,150.7	7.3
Payments				
Distributions to unsecured unsubordinated creditors	8	1,733.9	1,733.9	-
Distributions under the Framework Agreement *	8	95.4	92.8	2.6
Purchase of intercompany assets		16.5	16.5	-
Administrators' remuneration	2	25.4	24.9	0.5
Administrators' expenses	3	5.6	5.6	-
Legal and professional fees		19.1	19.0	0.2
Purchase of tax losses		13.5	13.5	-
Other payments	4	3.1	3.0	0.1
Net irrecoverable VAT	1	3.9	2.9	1.0
Net recoverable VAT	1	0.2	1.4	(1.1)
Total Payments		1,916.6	1,913.4	3.3
Inter-currency transfers				
Receipts		99.9	99.9	-
Payments		276.3	268.9	7.4
Total receipts less total payments		64.9	68.3	(3.4)
Cash Balances				
Bank accounts		5.3	6.9	(1.6)
Money market deposits	5	59.6	61.4	(1.8)
Net cash position		64.9	68.3	(3.4)

* Distributions have been made in both GBP and EUR. See note 8 to the receipts and payments accounts.

Note: Amounts have been rounded up or down, to the nearest £0.1m which may result in rounding differences in the casting of the table above.

US Dollar Account

Amount in \$ millions	Notes	As at 14 Sept 2026	As at 14 Mar 2026	Movement
Receipts				
Investments in subsidiaries		0.5	0.5	-
Intercompany debtors		57.9	57.9	0.0
Receipt of intercompany assets		0.7	0.4	0.3
Sale of LBAM		74.1	74.1	-
Other receipts		14.3	14.3	0.0
Total receipts		147.5	147.2	0.4
Payments				
Other payments		0.1	0.1	0.0
Total payments		0.1	0.1	0.0
Inter-currency transfers				
Payments of inter-currency transfers to £ account		146.5	146.5	-
Total receipts less total payments		1.0	0.6	0.4
Net cash position	5	1.0	0.6	0.4

EUR Account

Amount in € millions	Notes	As at 14 Sept 2026	As at 14 Mar 2026	Movement
Receipts				
Other receipts		0.3	0.3	0.0
Total receipts		0.3	0.3	0.0
Payments				
Distributions under the Framework Agreement *	8	316.3	307.7	8.6
Other payments		0.0	0.0	-
Total payments		316.3	307.7	8.6
Inter-currency transfers				
Receipts		316.6	308.0	8.6
Payments		0.3	0.3	-
Total receipts less total payments		0.3	0.3	0.0
Net cash position	5	0.3	0.3	0.0

* Distributions have been made in both GBP and EUR. See note 8 to the receipts and payments accounts.

Notes to the receipts and payments account

1. Amounts shown exclude VAT. Funds currently held may include monies due to HMRC or other members of a VAT group, or exclude monies which will be received in due course from these parties. LBH is VAT registered and entitled to reclaim 63.09% of input VAT, therefore 36.91% of VAT is irrecoverable.
2. As explained further in Appendix C, the Administrators' fees are based on time costs. The receipts and payments account shows the amount paid in the period and total to date.
3. Included within 'Administrators' expenses' is c.£5.4m paid cumulatively to date in relation to 'Category 2' disbursements in accordance with the policy explained in Appendix B.
4. Included within Other payments is £33k paid in the Reporting Period regarding expenses recharged from another part of the Group. In total, c.£1.8m has been paid to date in relation to work the Administrators have either subcontracted or paid to associates, as explained further in Appendix B.
5. Funds are held in interest-bearing accounts or invested in short-term money market deposits. The below table shows the cash held in all bank accounts as at 14 September 2026.

Account type	GBP	EUR	USD	GBP Equiv.
Short-term deposits	59,608,649	-	-	59,608,649
Interest-bearing accounts	5,257,675	329,847	977,684	6,265,578
Total cash held	64,866,324	329,847	977,684	65,874,227

The Administrators continue to manage the estate's funds with a cautious outlook and with regard to appropriate policies (designed by treasury specialists), as amended from time to time whilst attending to other relevant considerations.

6. Funds have been held in different currencies due to certain debtor recoveries, as well as to assist in creditor payments. The GBP equivalent as at 14 September 2026 is set out in the table above.
7. The receipts and payments account does not show "estimated to realise" values from the directors' statement of affairs as this would not provide a meaningful comparison with actual asset recoveries.
8. A detailed breakdown of the distributions to creditors paid to date is included in the below tables.

	£m
1st dividend of 4.08p in the £, declared 3 September 2014	43.8
2nd dividend of 2.00p in the £, declared 10 February 2016	21.6
3rd dividend of 62.963p in the £, declared 6 September 2017	676.7
4th dividend of 18.587p in the £, declared 13 September 2018	199.8
5th dividend of 12.37p in the £, declared 15 March 2019	132.9
5th dividend of a share of statutory interest, declared 15 March 2019	27.1
6th dividend of a share of statutory interest, declared 16 February 2021	267.3
7th dividend of a share of statutory interest, declared 15 September 2021	59.7
8th dividend of a share of statutory interest, declared 23 November 2023	24.4
9th dividend of a share of statutory interest, declared 11 March 2024	33.0
10th dividend of a share of statutory interest, declared 11 September 2024	13.0
11th dividend of a share of statutory interest, declared 28 October 2024	4.5
Settlement of LBL statutory interest claim, agreed on 21 November 2024	174.6
12th dividend of a share of statutory interest, declared 11 March 2025	48.6
13th dividend of a share of statutory interest, declared 9 September 2025	7.0
Total distributions	1,733.9

Subordinated creditors - under the Framework Agreements	Currency	m	GBP Equiv £m
Tier X			
24 November 2023 (to LBGP)	EUR	172.9	151.5
24 November 2023 (to LBGP)	GBP	20.7	20.7
29 December 2023 (to LBHI)	GBP	15.0	15.0
Tier Y			
9 September 2025 (to LBHI)	GBP	29.3	29.3
12 September 2025 (to LBGP)	EUR	81.9	71.1
12 September 2025 (to LBGP)	GBP	11.4	11.4
12 February 2026 (to LBHI)	GBP	16.4	16.4
12 February 2026 (to LBGP)	EUR	52.9	46.1
12 August 2026 (to LBHI)	GBP	2.6	2.6
12 August 2026 (to LBGP)	EUR	8.6	7.4
Total payments under the Framework Agreements			371.5

Appendix B: Expenses

Expenses are amounts properly payable by us as Administrators from the estate, but exclude our fees and distributions to creditors.

These include disbursements which are expenses met by and reimbursed to an Office holder in connection with an insolvency appointment. Expenses fall into two categories:

Expense	SIP 9 definition
Category 1	Payments to persons providing the service to which the expense relates who are not an associate of the Office holder.
Category 2	Payments to our firm or our associates or which have an element of shared costs (for example, photocopying and mileage disbursements, or costs shared between different insolvent estates).

We do not need approval from creditors to draw Category 1 expenses as these have all been provided by third parties but we do need approval to draw Category 2 expenses. The body of creditors who approve our fees (in this case the Committee) also has the responsibility for agreeing the basis for payment of Category 2 expenses.

The rate for services provided by the Administrators' own firm (Category 2 expenses) may periodically rise (for example to cover annual inflationary cost increases) over the period of the Administration. All other disbursements are charged at cost.

The following table provides a breakdown of the Category 2 expenses incurred in the period, together with details of the Category 1 expenses that have been incurred as disbursements by PwC and will be recharged to the case.

Category	Cost incurred by	Basis of cost	Costs incurred (£)
1	External Providers	Travel, hotels and food for business purposes	1,173
1	External Providers	Postage	202
2	PwC	Printing - up to 3 pence per page printed, applied to bulk printing required in connection with statutory compliance and Administration of the case.	Nil
Total			1,375

The expense policy set out above has been approved by the Committee.

Payments to associates

During the Reporting Period, £33k was paid to LB SF Warehouse Limited in respect of director fees relating to LB Holdings Intermediate 1 Limited. As part of the ongoing simplification of the Lehman Brothers group structure, LBH acquired the shares in LBHI2 from LB Holdings Intermediate 1 Limited. LBH agreed to meet the relevant LB Holdings Intermediate 1 Limited director fees as that company was moved into MVL.

No payments were made to associates of the Firm during the Reporting Period in respect of subcontracted work. Details of amounts paid historically in respect of such work are included in the receipts and payments account at Appendix A.

Details of subcontracted work

Historically, certain centralised services were undertaken on behalf of the Company by individuals retained by other Lehman entities due to their knowledge of the Company's affairs, with the associated costs recharged to LBH. No such subcontracted work was undertaken by associates of the Firm during the Reporting Period.

An individual who previously provided services to LBH as an employee of LBIE continued to provide services during the Reporting Period in their capacity as an independent contractor. Accordingly, these services do not constitute subcontracted work undertaken by an associate of the Firm.

Analysis of expenses and Administrators' remuneration

In line with applicable insolvency rules, the presentation of the expenses statement below shows expenses incurred in the Reporting Period. This provides greater clarity and transparency for creditors by presenting the costs attributable to the period, irrespective of the timing of payment.

Creditors should refer to the receipts and payments account in Appendix A for details of amounts paid both in the current and prior periods.

Given the reduced level of activity and associated costs, expenses are now presented in £'000 to improve readability. The receipts and payments account continues to be presented in £'m for consistency with prior reports.

R&P Category (£'000)	Incurred in the period
Legal fees and disbursements	162.0
Administrators' remuneration	806.5
Administrators' expenses	1.4
Other costs	113.9
Irrecoverable VAT	80.0
Total	1,163.8

Given the stage reached in the Administration and the complexity and interdependent nature of the remaining matters, including those involving other entities within the wider Lehman Brothers group, the Administrators are not currently able to provide a sufficiently reliable detailed forecast of future costs.

Based on the work presently expected to be required through to closure, the Administrators estimate that total remaining costs will be in the region of £3m to £6m. This indicative range takes into account the anticipated costs of progressing the outstanding workstreams, including the resolution of remaining intercompany matters, making final distributions and completing the steps necessary to bring the Administration to a close.

The Administration is currently expected to continue for approximately a further 14 months. The timing of closure will, however, depend on the progress and outcome of the remaining matters and may therefore be shorter or longer than currently anticipated. As a result, the total costs ultimately incurred may also vary from the range set out above.

The estimate does not include any potential tax liabilities that may become payable as an expense of the Administration. The amount of any such liabilities will depend on the tax position determined at the end of the relevant accounting periods.

There remains a degree of uncertainty over both the timing and level of future costs, particularly where progress is dependent on matters outside the Administrators' direct control. The Administrators will continue to review the estimate as the remaining workstreams progress and will update creditors as appropriate in future reports.

Legal and other professional firms

We have instructed the following professionals on this case:

Relevant parties have been chosen due to their specific area of expertise or technical knowledge and payments to those parties are based on standard commercial terms.

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Legal services	Hogan Lovells International LLP	Industry knowledge	Time costs
Legal services	Linklaters LLP	Industry knowledge	Time costs

The selection of individual legal firms is determined by the jurisdiction and nature of the advice being sought, and whether conflicts exist.

All professional firms instructed by the Administrators are required to provide a narrative explanation in support of invoices. All invoices are reviewed before being approved for payment. The Administrators are satisfied that the level of legal costs is appropriate.

Appendix C: Remuneration update

The Administrators' fees were approved by the Committee by reference to time properly given by the Administrators and their staff in attending to matters arising in the Administration. To 14 September 2026, the Administrators have drawn fees of c. £25.4m in line with the approval given, as shown on the receipts and payments account. During the Reporting Period, the Administrators drew fees of c. £510k on account of their time costs.

The time cost charges incurred in the Reporting Period are £806,549. An analysis of the total hours and cost incurred by grade of staff can be found later in this appendix.

We set out in Appendix B and later in this appendix details of our work to date, anticipated future work, subcontracted work and payments to associates.

Our time charging policy and hourly rates

We and our team charge our time for the work we need to do in the Administration. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and we supervise them properly to maximise the cost-effectiveness of the work done. Complex matters or matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the Administration (including our cashiers, support and secretarial staff) charge time directly to the case and are included in any analysis of time charged. Each grade of staff has an hourly charge out rate which is reviewed from time to time. Work carried out by our cashiers, support and secretarial staff is charged for separately and isn't included in the hourly rates charged by partners or other staff members. Time is charged in six-minute units. The minimum time chargeable is three minutes (i.e. 0.05 units). We don't charge general or overhead costs.

We set out below the maximum charge-out rates per hour for the grades of our staff who already or who are likely to work on the Administration.

We call on colleagues such as those in our Tax and VAT departments where we need their expert advice. We may also utilise Technology Specialists from the wider Restructuring team or other parts of our firm. Their specialist charge-out rates vary but the following are the maximum rates by grade per hour.

In common with many professional firms, our scale rates may rise e.g. to cover annual inflationary cost increases.

Grade	To 30 June 2026		From 1 July 2026	
	Restructuring, Insolvency & Forensics (£)	Tax, Legal, Data & Technologists (£)	Restructuring, Insolvency & Forensics (£)	Tax, Legal, Data & Technologists (£)
Partner	1,120	1,465	1,150	1,505
Consultant	N/A	1,465	N/A	1,505
Director	1,030	1,380	1,060	1,420
Senior Manager	825	1,120	850	1,150
Manager	660	815	680	840
Senior Associate	540	600	555	620
Associate and support staff*	340	335	350	345

Our relationships

We have no business or personal relationships with the parties who approve our fees or who provide services to the Administration where the relationship could give rise to a conflict of interest.

Analysis of Administrators' time costs for the Reporting Period

Classification of work	Partner / Director		Consultant ¹		Senior Manager / Manager		Senior Associate		Associate / Support Staff *		Total	
	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£
Accounting and Treasury	6.8	7,583	-	-	47.7	33,057	125.7	68,768	52.0	17,718	232.1	127,125
Subsidiaries and Intercompany	23.0	25,799	-	-	89.0	63,489	29.7	12,981	11.0	3,723	152.6	105,992
Strategy and Planning	10.1	11,289	-	-	21.7	16,062	24.9	13,494	7.3	2,482	64.0	43,327
Creditor related matters	19.3	21,781	-	-	54.2	44,733	14.5	7,988	-	-	87.9	74,501
Litigation - AGFP, Partial Discharge and other	-	-	-	-	-	-	-	-	-	-	-	-
Creditors' Committee interactions and updates	10.5	11,915	-	-	56.3	45,816	19.2	10,385	-	-	86.0	68,115
Statutory and Compliance	2.3	2,576	-	-	11.9	9,298	36.2	19,592	23.4	7,956	73.8	39,422
Tax and VAT	24.3	31,997	66.9	99,057	191.9	211,260	10.5	5,684	0.2	70	293.7	348,067
Total for 6 months ended 14 September 2026	96.1	112,938	66.9	99,057	472.5	423,714	260.6	138,892	93.8	31,949	989.9	806,549
Average hourly rate for the 6 month period to 14 September 2026											815	
Brought forward total to 14 March 2026 ³											25,455,419	
Cumulative total to 14 September 2026											26,261,968	

* includes offshore professionals

Classification of work	Brought Forward £	Period £	Cumulative £
Accounting and Treasury	2,713,498	127,125	2,840,623
Subsidiaries and Intercompany	364,147	105,992	470,139
Strategy and Planning	12,995,086	43,327	13,038,413
Creditor related matters	1,247,185	74,501	1,321,687
Litigation - AGFP, Partial Discharge and other	79,123	-	79,123
Creditors' Committee interactions and updates	297,948	68,115	366,064
Statutory and Compliance	3,064,468	39,422	3,103,889
Tax and VAT	4,693,965	348,067	5,042,031
Total	25,455,419	806,549	26,261,968

Notes:

1. The Administrators have continued to employ a retired tax partner (referred to as "Consultant" in the above tables) for the purpose of utilising their expertise.
2. Hours and costs have been rounded up or down, to the nearest 0.1 hour or whole pound which may result in rounding differences in the casting of the tables above.
3. Time incurred during the prior period was 1.4 hours and £2,279 higher than previously reported. This reflects valid work undertaken on LBH which had not been captured at the time of the last report. The cumulative brought forward values have been updated accordingly. All time incurred is subject to internal review prior to billing and, as such, not all recorded time is necessarily charged to the estate

Our work in the Reporting Period

In the following table we provide detail on the key areas of work; this is not an exhaustive list.

Category	Description of tasks
Accounting and Treasury This is an essential function for the management of funds held by the Administrators on behalf of the Company. The Administrators' treasury and cash management teams monitor and control the movement of funds, mitigate risk and seek to maximise the interest made on investments for the benefit of the Company's creditors.	- Collection and analysis of financial information for statutory reporting purposes; - Considering the appropriate strategy for managing the Company's investments; - Reviewing interest rates available from approved counterparties and actively managing money market investments to optimise returns while mitigating investment risk; - Monitoring liquidity and investment maturities to ensure sufficient funds are available to meet ongoing costs and Administration expenses; - Investment, monitoring and control of LBH's available cash resources, including ensuring that funds are placed at competitive rates with approved banks and within regularly reviewed counterparty limits. This work has continued to maximise returns on funds held during the Administration. In the six months to 14 September 2026, investments made by the Treasury team generated interest income of c.£1.3m, approximately £0.8m more than would have been earned using Barclays' standard products; - Arranging receipts and payments and appropriately recording and coding movements of funds; - Performing regular bank reconciliations and monitoring movements across the Company's bank accounts; - Updating relevant stakeholders regarding outstanding deposits and month-end bank balances; and - Regularly monitoring immediate and forecast cash requirements to ensure an appropriate balance is maintained between liquidity needs and funds held on deposit.
Subsidiaries and Intercompany For efficiency purposes, LBH provides a limited accounting and treasury function to MBAM and LB SF Warehouse (both being direct subsidiaries of LBH). This includes processing receipts and payments as well as performing reconciliations. Additionally, LBH has taken on the beneficial and legal ownership of assets assigned from other members of the Lehman Brothers Group.	- Meetings and correspondence with external directors and internal stakeholders regarding ongoing strategy, group simplification and outstanding subsidiary matters, including matters arising from LBH's acquisition of LBH12 shares; - Liaising with stakeholders in relation to residual LBIE assets, including the IRS receivable, and other intercompany matters; - Performing regular bank reconciliations for MBAM and LB SF Warehouse and monitoring movements across their bank accounts; - Updating relevant stakeholders regarding outstanding deposits and bank balances; - Monitoring and managing cash movements across the subsidiary entities, including arranging receipts and payments and appropriately recording and coding transactions; and - Assisting with tax compliance and other statutory requirements across the subsidiary entities.
Strategy and Planning The inherent complexities of the Company's estate mean that the Administrators and their staff continue to invest a significant proportion of their time in the planning and delivery of their strategy for the progression of the Administration, for the ultimate benefit of creditors as a whole.	- Considering strategies to maximise outcomes for LBH's creditors and liaising with stakeholders in relation to the ongoing strategy for the Administration; - Continuing to develop and analyse financial models to assess potential outcomes for stakeholders and support strategic decision-making; - Reviewing and maintaining financial information, including updating fees incurred, the estimated outcome statement and appropriate reserves; - Preparing time cost information in support of the billing of costs on account; - Preparing the Administrators' six-monthly internal case reviews in accordance with professional requirements; - Holding regular internal meetings to monitor case progression, outstanding matters and next steps; and - Liaising with specialist teams and advisers on matters relevant to the ongoing strategy and progression of the Administration.
Creditor related matters	Issuing a notice of intended dividend to creditors;

This relates to tasks undertaken in relation to creditors, including the calculation and payment of distributions and responding to inbound creditor queries received.	● Preparing and making the 15th interim distribution to creditors and dealing with associated legal notices; ● Responding to creditor enquiries received via the Lehman Affiliates mailbox and updating creditor information on LBH's database; and ● Updates to the Company website.
Committee interactions and updates Reporting to the Committee is essential in the insolvency process for maintaining transparency. It allows the insolvency practitioner to demonstrate how they are managing the debts and resolving the insolvency. The reporting process also holds the insolvency practitioner accountable, requiring them to explain their actions, decisions, and expenses. It enables the Committee to scrutinise the practitioner's work and provide oversight.	● Preparing materials for the 16th meeting of the Committee, including a comprehensive presentation covering developments across the UK Lehman estates, key value drivers and the current Group structure; ● Collating and analysing financial information across multiple entities to support updated estimated outcome statements and consideration of potential recovery scenarios, sensitivities and uncertainties; ● Preparing analysis of intercompany relationships, creditor positions and distribution mechanics to support discussions regarding anticipated returns to stakeholders; ● Developing and presenting materials on the ongoing simplification of the UK Lehman structure, including the sequencing of key steps and associated risks and dependencies; ● Coordinating input from relevant workstreams and advisers, including tax, treasury and legal, and preparing supporting analysis on key outstanding matters for consideration by the Committee; ● Preparing the remuneration materials for the Committee, including supporting information on time costs, workstreams and proposed fee approvals across a number of Lehman entities; and ● Attending the Committee meeting, responding to queries from members and their advisers and progressing follow-up actions arising from the meeting.
Statutory and Compliance This relates to work the Administrators undertake in order to ensure compliance with statutory and regulatory requirements.	● Preparing and circulating the Administrators' 35th progress report; ● Dealing with statutory filings at Companies House and other regulatory requirements; ● Preparing remuneration and future expenses summaries for inclusion in progress reports to creditors; ● Maintaining appropriate regulatory controls and ensuring compliance with insolvency legislation and internal policies; ● Maintaining case files, statutory records and the internal case database; and ● Dealing with other ad hoc compliance and statutory matters as they arise.
Tax and VAT Work reported in this category includes compliance with tax legislation under the Administrators' obligations as proper officers for tax, and planning to ensure the efficient realisation of assets for the benefit of the Company's creditors as a whole.	● Considering the tax implications of payments to creditors and distributions; ● Input into and attendance at Committee and other stakeholder meetings, including preparation of supporting tax analysis; ● Input into the 35th progress report to creditors; ● Ongoing tax compliance activities, including preparation of corporation tax and corporate interest restriction returns, maintaining supporting computations and responding to related queries; ● Reviewing and managing the utilisation of group relief, brought forward losses and group deduction allowances across the Group; ● Liaising with HMRC in respect of ongoing tax matters and responding to queries and correspondence; ● Considering the tax implications of transactions involving remaining assets and liabilities, including assets acquired from LBIE; ● Undertaking an extensive reconciliation of VAT refunds following agreement with HMRC, including determining the appropriate allocation of amounts between LBH and other Group companies; ● Preparing and submitting quarterly VAT returns and accounting for VAT amounts received, recoverable and irrecoverable; ● Considering tax matters relevant to the ongoing simplification of the Lehman Brothers group structure and progressing the Administration towards closure; ● Preparing and updating tax analysis and advice, and liaising with the Administrators, legal advisers and PwC tax specialists; and ● Holding regular internal meetings to monitor and progress outstanding tax and VAT matters.

Our future work

We still need to do the following work to achieve the purpose of the Administration. Examples of work remaining to be done are shown below. This is not an exhaustive list.

Category	Description of tasks
Accounting and Treasury The ongoing management of funds held by the Administrators is necessary to mitigate risks and maximise returns to creditors.	- Continuous maintenance and monitoring of cash reserves and investments ensuring appropriate handling of funds to maximise returns to creditors while remaining in line with the Firm's risk policies; and - Processing of payments and receipts.
Subsidiaries and Intercompany The Administrators continue to manage the subsidiary accounts and support statutory compliance to deliver efficiencies that reduce costs and improve returns to creditors. In addition, LBH has assumed ownership and responsibility for assets that were previously held by other Lehman Brothers entities. As a result, any receivables generated from these assets now directly benefit the creditors of LBH.	- Meetings with external directors and other stakeholders regarding ongoing and exit strategies; - Supporting LBIE and other subsidiaries in the realisation of assets, with a view to maximising recoveries available for distribution to LBH; - Working with the Administrators of LBL and LBHI2 to resolve the remaining issues within those estates with a view to reducing ongoing insolvency costs and moving towards the point at which LBHI2 and LBL can be concluded; - Processing payments, receipts and bank reconciliations for MBAM and LB SF Warehouse; and - Assisting with tax filing and other statutory requirements.
Strategy and Planning Considering the ongoing tasks and requirements and determining the appropriate course of action is necessary for the most efficient and cost-effective exit of the Administration.	- Continuous review and reconsideration of overall strategy as the previously discussed ongoing issues are resolved and developments across the Group which affect LBH occur; - Six-monthly review of case progress; - Planning and applying for either further extensions of the Administration as required or completion of necessary tasks to exit Administration; and - Oversight of reporting and accounting, including periodic meetings to monitor progress.
Creditor related matters Ongoing work is undertaken to ensure creditors receive timely responses to queries and that distributions are calculated and paid accurately in accordance with the agreed framework, thereby supporting the overall outcome of the Administration.	- Responding to creditor queries and maintaining accurate records of creditor claims and positions; - Calculating, preparing and making distributions to creditors as funds become available; - Implementing and monitoring payments in accordance with the agreed distribution framework; - Providing periodic updates to stakeholders, including ECAPS Holders, in respect of the estimated outcome for subordinated creditors; and - Managing intercompany balances and coordinating distributions across the Group to facilitate payments to creditors.
Committee interactions and updates Providing timely updates to the Committee allows for greater transparency and holds the Administrators more accountable for their strategy and actions.	Preparing for and holding regular meetings with the Committee and any Observer appointed to it, including providing updated financial information as well as information concerning the Administrators' fees for the purpose of fee approval.
Statutory and Compliance This relates to work the Administrators undertake in order to ensure compliance with statutory and regulatory requirements.	- Preparing and issuing further progress reports to creditors; - Maintaining case records and internal databases; - Compliance with regulatory and internal controls; and - Other statutory filings at Companies House and Court.
Tax and VAT Work reported in this category includes compliance with tax legislation under the Administrators' obligations as proper officers for tax, and planning to ensure the efficient realisation of assets for the benefit of the Company's creditors as a whole.	- Preparation and submission of corporation tax and corporate interest restriction returns; - Providing input into the ongoing strategy for Group simplification and the closure of remaining entities; - Preparing and submitting quarterly VAT returns and arranging for group VAT repayments to be processed and allocated; - Reviewing and managing the utilisation of group relief, brought forward losses and the Group's overall tax position; and - Managing the tax implications of payments to creditors.