
***LB UK RE Holdings
Limited –
In Administration***

Joint Administrators' progress
report for the period 15 September
2014 to 14 March 2015

10 April 2015

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Section 1 Purpose of the Joint Administrators' progress report

Introduction

This is the thirteenth progress report by the Joint Administrators of LB UK RE Holdings Limited ("LB UK RE" or the "Company").

Creditors should have received the Joint Administrators' (the "Administrators") proposals dated 4 November 2008, which were approved at a meeting of creditors held on 20 November 2008 and the Administrators' twelve previous progress reports. If any creditor requires copies of these reports, please contact Stephen Ingle at PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT, alternatively these are also available on the Administrators' website <http://www.pwc.co.uk/business-recovery/administrations/lehman/lb-uk-re-holdings-limited-in-administration.jhtml>.

This report provides an update on the work that the Administrators have undertaken and the progress made since our appointment, with particular focus on the progress made in the six months to 14 March 2015 (the "Period").

Business activities

The principal activity of LB UK RE was the management of investments in portfolios of sub-performing, non-performing and performing loans and in real estate.

LB UK RE utilised employees from Lehman Brothers Limited (in Administration) and operated from the Lehman Group's former premises at 25 Bank Street, London, E14 5LE.

Objective of the Administration

The Administrators are pursuing the objective of achieving a better result for LB UK RE's creditors as a whole than would be likely if LB UK RE were wound up (without first being in Administration).

The specific aims of the Administration are to:

- Protect and manage LB UK RE's portfolio of assets; and
- Realise these assets on a managed basis.

Creditors' Committee

A Creditors' Committee (the "Committee") was formally constituted on 29 January 2009 and has the following members:

1. Lehman Brothers Holdings Inc ("LBHI"),

formerly in Chapter 11 Bankruptcy proceedings in the US;

2. Reed Smith Richards Butler LLP;
3. Eldon Street Holdings Limited (in Administration);
4. Lehman Brothers Europe Limited (in Administration); and
5. Lehman Brothers Limited (in Administration).

The Administrators will continue to manage the Administration in accordance with the proposals approved by creditors and in consultation with the Committee. The Administrators have met with the Committee nine times, the latest meeting having been held on 22 September 2014.

LBHI proposal

As previously reported, LBHI had indicated a desire to use a company voluntary arrangement ("CVA") process to compromise the liabilities and assume control of LB UK RE.

A revised CVA proposal from LBHI was received by the Administrators in January 2015. The revised proposal, in common with the previous proposal, provides for an up-front cash payment to all creditors except LBHI and those creditors controlled by LBHI ("LBHI Connected Creditors"). However, the revised proposal differs in that the option to take equity in LB UK RE as an alternative has been withdrawn. The claims of the LBHI Connected Creditors are to remain uncompromised and, following the CVA, LB UK RE is to enter into negotiations with the LBHI Connected Creditors with a view to distributing the residual assets in the estate to them and filing for dissolution. The Administrators are working with LBHI and the CVA will be provided to creditors for their consideration if and when appropriate.

Distributions to creditors

As previously reported, on 27 August 2014 the Administrators paid a fourth interim dividend of 8.5 pence in the pound to creditors with agreed claims. This took the cumulative dividend to 51.7 pence in the pound and aggregate payments to £640m. The final range is estimated to be between 58 and 61 pence in the pound.

Future reports

The Administrators will next report to creditors in approximately six months. The Administrators will contact creditors before this with any material developments regarding the LBHI proposal.

Signed: 

D Y Schwarzmenn

Joint Administrator

LB UK RE Holdings Limited

DY Schwarzmenn, AV Lomas, SA Pearson, and JG Parr have been appointed as Joint Administrators of LB UK RE Holdings Limited. The Joint Administrators were appointed to manage the Company's affairs, business and property as agents without personal liability.

DY Schwarzmenn, AV Lomas, SA Pearson, and JG Parr are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

The Joint Administrators are Data Controllers of personal data as defined by the Data Protection Act 1998. PricewaterhouseCoopers LLP will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the Administration.

Section 2 Joint Administrators' actions to date

Progress to date

The Administrators have continued with the strategy set out in their proposals as approved by creditors on 20 November 2008.

The following sections summarise the work that has been carried out by the Administrators and their staff in respect of LB UK RE's most significant assets and other key issues.

2.1 Loan portfolios

Introduction

LB UK RE invested in portfolios of sub-performing, non-performing and performing loans (“SNPLs”) throughout the world. These SNPL portfolios comprise a mixture of unsecured loans and loans secured on (mainly residential) property assets.

Strategy

The strategy adopted by the Administrators is to:

- Develop and implement bespoke strategies to optimise recoveries from each of LB UK RE’s SNPL portfolios; and
- Maintain and refine the necessary processes and resources to manage the SNPL portfolios on a day-to-day basis.

Progress to date

The Administrators have:

- Pro-actively managed the SNPL portfolios, working closely with, and directing the activities of, servicers and other relevant parties, to ensure that collections are made in a timely and cost efficient manner, in the face of challenging market conditions;
- Maintained reporting frameworks to manage and monitor SNPL portfolio collections; and
- Secured collections from the SNPL portfolios during the Period of £2.6m. This brings the cumulative SNPL portfolio collections during the Administration to £291.1m.

A summary, by country, is given below of the work undertaken on the portfolios with particular emphasis on the work undertaken during the Period.

Portugal

The Administrators have:

- Monitored the post-completion portfolio collections and expenses for a final true-up of the accounting for the disposal which took place in December 2014 and secured the release of a significant portion of the purchase price hold-back; and
- Monitored the status of the small number of remaining properties in LB UK RE’s wholly owned real estate vehicle, Firstcity, as part of managing the wind down of the vehicle.

Germany

The Administrators have:

- Managed and resolved several post completion matters following the conclusion of the portfolio sales; and
- Continued to progress the dissolution of the securitisation structure, including:
 - Discussing with relevant parties the process of liquidating the issuer of the securitisation loan notes;
 - Liaising with multiple parties in relation to the drafting and negotiating of a global termination agreement;
 - Leading and facilitating discussions with the directors of the German collateral agents in relation to the closure process; and
 - Continuing to liaise with German and UK tax experts to investigate the options available to repatriate the remaining funds held within the securitisation structure in the most tax efficient and cost effective manner.

Poland

The Administrators have:

- Continued to actively direct, manage and monitor the collection activities of the local servicer, which is managing the collections from secured and unsecured corporate debtors;
- Reviewed and approved loan settlement proposals negotiated by the local servicer;
- Following a potentially beneficial change in local regulations, further considered the potential benefit of submitting a new application for the refund of VAT on fees paid to the servicer; and
- Continued to investigate the optimal timing and method of closure of the portfolio, including preparing for a review of a sample of remaining loans to re-evaluate and validate the value assumptions made by the local servicer and to assist in determining the most suitable exit timing.

Other portfolios

- Belgian portfolio – the Administrators have continued to oversee and monitor the local servicer’s progress in making recoveries on a small number of residual assets where it is cost effective to do so; and
- Argentinian portfolio – a small portfolio of loans continues to be serviced in Argentina and steady progress is being made in relation to collections. The Administrators continue to evaluate options for the sale of the residual portfolio.

Future strategy

The Administrators will continue to:

- Develop and implement final closure strategies and plans, where appropriate; and
- Monitor SNPL portfolio performance for the Polish, Belgian and Argentinian portfolios.

2.2 Real estate investments

Introduction

LB UK RE was the principal vehicle through which the Lehman Group's European real estate investments were made.

These investments were principally in the form of debt/equity positions in approximately 50 joint venture property holding companies ("JVs") with around 40 different partners.

Strategy

In view of the market conditions at the date of the Administration and the nature of the investments, quick distressed sales would not have realised optimal value. As such, since their appointment, the Administrators have had the objective of stabilising the real estate investments such that:

- LB UK RE's equity is not diluted or extinguished by partners' or lenders' actions;
- Senior and mezzanine lenders do not enforce any event of default;
- Terms of property fundings are negotiated to achieve optimal positions;
- JV partners and local asset managers are incentivised to manage the investments and underlying properties actively; and
- Performance of the underlying properties is improved by increasing occupancy and rents and reducing costs.

Once the investments have been stabilised they can be managed at the same time as actively identifying, negotiating and completing either individual property or portfolio sales to achieve optimum value for the Administration.

Progress to date

A summary of the work undertaken to date is given below.

The Administrators continue to implement the strategy by:

- Building on the comprehensive understanding of LB UK RE's real estate investment portfolio with the assistance of Lehman Group employees and JV partners;
- Updating and adjusting a detailed strategy for each investment with a view to maximising realisations;

- Engaging with JV partners and senior lenders to implement the strategy;
- Defending or pursuing legal actions to protect ownership and/or value of the real estate investments;
- Selling investments or enforcing the repayment of loans when it is deemed that the optimal value can be realised; and
- Refining the necessary processes and resources to manage the real estate investment portfolio on a day-to-day basis.

The Administrators have:

- Realised £49.5m to date, of which £1.3m was realised during the Period, from the sale of investments, redemption and partial repayment of loans, as well as distributions from subsidiaries. In particular, in the Period, this included the sale of one of LB UK RE's Italian subsidiaries that held a banking regulatory licence. As well as generating cash for the estate, the sale will result in saving the ongoing fees and expenses that would otherwise be incurred in keeping the company open or placing it into liquidation;
- Realised €24.5m to date, in LB UK RE subsidiaries from the sale of investments, redemption and partial repayment of loans, as well as distributions from subsidiaries;
- Realised £188m to date from the sale of individual properties within portfolios to prepay senior lenders and release cash to assist in servicing the remaining assets in the portfolios;
- Undertaken extensive market exercises to identify potential purchasers of LB UK RE's investments in property groups and companies or individual properties therein.
- Worked with and managed JV partners, local asset managers and letting agents:
 - Developing a programme of key site visits to inspect properties and property developments;
 - Formulating property developments, improvements and letting strategies;
 - Managing development remedial works to

- meet warranties provided as part of the pre and post Administration sales;
- Agreeing the appointment of an employee to the Asset Management Oversight Committee for assets held by a securitisation vehicle where LB UK RE is entitled to a Deferred Purchase Price in excess of the value of the bonds repaid;
- Negotiating consensual sales with discounted pay-offs to the senior lenders or a sales fee to avoid distressed liquidation;
- Agreeing a guarantee claim as a result of a shortfall in repayment of a mezzanine loan following a consensual sale of the underlying property assets; and
- Agreeing share sales to JV partners.
- Negotiated with various JV partners, senior lenders and suppliers, taking legal action where necessary, to protect and enhance LB UK RE's and its subsidiaries' interests, including:
 - Waiving LB UK RE's and its subsidiaries' insolvency event of default;
 - Agreeing loan standstills as both borrower and lender as a precursor to loan restructuring agreements;
 - Taking legal steps against buyers of assets for non-payment of deferred consideration for completed asset sales;
 - Pursuing and winning court cases against tenants who claimed that their pre-emption right to acquire their homes was still valid when the properties were sold;
 - Submitting an interest rate swap mis-selling claim against a senior lender;
 - Agreeing senior loan term extensions;
 - Brokering loan restructures between equity and senior lenders where LB UK RE has an interest in the mezzanine debt;
 - Varying shareholder agreements;
 - Agreeing debt for equity swaps;
 - Issuing notices to increase the interest rate ahead of an interest reset date to encourage refinancing by the senior lender;
 - Negotiating with tenants to remove lease break clauses;
 - As part of a sale contract, facilitating initial negotiations with Lehman Brothers Bankhaus AG (“Bankhaus”) and the purchaser to release a land charge for a senior loan repaid in full;
- Instigating and managing solvent subsidiary liquidations resulting in distributions of trapped cash;
- Agreeing the cancellation of an interest rate swap, with the swap counterparty agreeing to waive the swap break costs;
- Agreeing an extension to a banking facility (where the bank wanted to close the account) to identify and open a new facility with a different bank;
- Agreeing the release of cash held in escrow following satisfaction of the escrow conditions;
- Selling in the Period a long dated unsecured claim that LB UK RE had against an insolvent Italian company. This resulted in proceeds of €0.7m being received by LB UK RE; and
- Realising £0.6m from the disposal of an unlisted Note issued by an Irish special purpose vehicle.
- Negotiated with various third party service providers and tax authorities to manage and reduce costs and tax liabilities, including:
 - Reducing the level of suppliers' fees;
 - Renegotiating loan service contracts to reduce servicing fees;
 - Managing and streamlining the group structures in which property investments are held to save costs;
 - Following extensive negotiations to eliminate a €1.0m claim, negotiated the release of the associated €1.0m cash reserve held by Bankhaus to LB UK RE's subsidiaries;
 - Agreeing the reimbursement of legal and other professional fees incurred;
 - Working with local Italian tax advisers in respect of claiming exemption from the 5% tax payable by holders of interests in Italian real estate funds by overseas investors (Quota Holder of Italian Real Estate Funds Decree); and
 - Working with Italian tax advisers to settle, with a significant discount, Italian tax assessments issued for omitting

withholding tax on pre and post Administration dividends paid to LB UK RE.

- Negotiating and agreeing inter-company loan balances between LB UK RE's subsidiaries and non-UK Administration companies; and
- Researched the charges registered as "outstanding" on LB UK RE's charges register at Companies House and identified how these could be released.

Future strategy

The Administrators will continue to:

- Manage the 15 remaining real estate investments, of which around 10 have the potential to generate material recoveries for LB UK RE;
- Keep under review the potential to receive further deferred consideration of approximately €15m arising from the sale of LB UK RE's interest in the Cœur Défense office complex, which completed in March 2014;
- Monitor the market to understand whether changes in conditions indicate that a sales strategy is now appropriate for certain assets;
- Identify, negotiate and complete realisation opportunities where appropriate; and
- Work with and manage JV partners, local asset managers and letting agents to improve the performance and value of the assets.

2.3 *Principal investments*

Introduction

In addition to the SNPL portfolios and real estate investments, LB UK RE had other investments which included:

- Seed capital investments in Lehman Group funds;
- External hedge fund investments;
- Listed company investments; and
- Minority shareholdings.

Strategy

The Administrators have worked closely with Lehman Group employees to:

- Understand the legal and beneficial ownership structures of these investments; and
- Formulate strategies for each investment, mindful of the prevailing market conditions.

Progress to date

The Administrators have made significant realisations across all categories of principal investments, having realised almost all of those that are within their control. Total realisations for all principal investments to date are £356.1m.

In the Period, final redemptions totalling \$11k were received from the Bluebay Multi Strategy Fund.

With regard to the Company's largest remaining external hedge fund investment, further progress has been made with the fund manager in connection with the ability of the fund to pay an interim dividend to LB UK RE, and also in respect of agreeing a strategy for closure of the fund. Subsequent to the Period, the Company received a distribution totalling £9.0m in relation to this investment.

The Administrators are continuing to pursue a hold strategy in relation to two remaining small stakes in illiquid companies, and are liaising with the fund manager as regards any further distributions to be realised from the Company's investment in the Cirrus Master Fund.

Future strategy

The Administrators will continue to:

- Retain control of and manage the investments; and

- Realise the four remaining investments when appropriate.

2.4 Inter-company claims

Introduction

LB UK RE had over 60 inter-company debtor and creditor balances, representing \$600m of debtors and \$2.4bn of creditors at book values as at 12 September 2008.

Strategy

Since their appointment the Administrators have:

- Submitted claims in the estates of other Lehman entities by any relevant bar dates; and
- Continued and in most cases concluded the detailed process of reviewing the complex underlying detail behind each inter-company relationship for both debtors and creditors.

Progress to date

The Administrators have:

- Filed claims with a total value of \$1.1bn against affiliates. These include trust asset claims, guarantee claims and general inter-company claims;
- Pursuant to the settlement agreement executed in 2011 by LBHI and certain US debtor affiliates and by LB UK RE and certain UK affiliates, LB UK RE has received seven interim dividends from Lehman Commercial Paper Inc. totalling \$5.4m, of which \$0.2m was received after the end of the Period. The quantum and timing of additional future dividends are uncertain;
- Received further sums totalling approximately £70k in the Period from other inter-company debtor positions. As far as the Administrators are aware there are no further debtor claims to submit into other affiliate estates, although further small recoveries are expected from the existing inter-company debtor positions; and
- Following the claims agreement process in 2012, agreed all but one of the inter-company creditor balances.

Future Strategy

The Administrators will continue to progress resolution of the one remaining creditor claim submitted but not yet agreed.

2.5 Taxation issues

The corporation tax return for the period ended 14 September 2013 has been filed with HM Revenue and Customs (“HMRC”) and the preparation of the corporation tax computation for the period ended 14 September 2014 will commence shortly. The enquiry window is now closed for all periods up to 14 September 2012, with substantial losses being carried forward to set off against future profits. Amounts of £6.1m and £5.4m have been recovered to date in respect of corporation tax repayments and group relief respectively. Further recoveries for group relief for subsequent periods may be available, but these have yet to be finalised. Opportunities to sell losses to other group companies are being explored; however, these are not likely to be material.

The main workstreams undertaken in the Period have been in respect of:

- Ongoing work with LBHI in respect of the proposed CVA;
- Review of Foreign Account Tax Compliance Act (“FATCA”) status to ensure compliance with US regulatory requirements;
- Ongoing review of tax controls to ensure compliance with the Senior Accounting Officer (“SAO”) legislation as required by Para 2 Schedule 46 of Finance Act 2009;
- Tax planning in respect of a real estate vehicle within the German securitisation structure;
- Disposal planning for the sale of the shares in an Italian subsidiary including:
 - Liaison with PwC Italy regarding local tax issues; and
 - Considering the tax implications of the waiver of the associated Luxembourg debt including liaison with PwC Luxembourg and reviewing the UK tax position.
- Preparation of the accounting information and review and submission of the tax return for the period ended 14 September 2013.

VAT compliance work has been carried out including the preparation of returns for the periods ended 31 August 2014 and 30 November 2014. A VAT repayment totalling £0.2m has been received

in respect of the VAT return period ended 31 May 2014. The VAT repayment totalling £0.1m for the period ended 31 August 2014 has been received by LB UK RE after the end of the Period. A VAT repayment of £0.1m in respect of the period ended 30 November 2014 has been received by the VAT group representative member, and will be distributed to LB UK RE shortly.

The Administrators continue to take steps to ensure that tax efficiency is maintained. As such, the tax grouping has been maintained so that any tax losses suitable for group relief are potentially available to other group companies (being both the LB UK RE sub-group and the wider administration group) to shelter profits.

Section 3 Statutory and other information

<i>Court details for the Administration:</i>	High Court of Justice, Chancery Division, Companies Court - case 7944 of 2008.
<i>Full name:</i>	LB UK RE Holdings Limited.
<i>Trading name:</i>	LB UK RE Holdings Limited.
<i>Registered number:</i>	05347966.
<i>Registered address:</i>	Level 23, 25 Canada Square, London E14 5LQ, United Kingdom.
<i>Date of the Administration appointment:</i>	15 September 2008.
<i>Administrators' names and addresses:</i>	DY Schwarzmann, AV Lomas, SA Pearson, and JG Parr, of PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT.
<i>Appointer's name and address:</i>	High Court of Justice, Chancery Division, Companies Court.
<i>Objective being pursued by the Administrators:</i>	Achieving a better result for LB UK RE's creditors as a whole than would be likely if LB UK RE were wound up (without first being in Administration).
<i>Division of the Administrators' responsibilities:</i>	In relation to paragraph 100(2) Sch.B1 of The Insolvency Act 1986, during the period for which the Administration is in force, any act required or authorised under any enactment to be done by any or all of the Joint Administrators may be done by any or one or more of the persons for the time being holding that office.
<i>Details of any extensions of the initial period of appointment:</i>	The Court has granted an extension of the Administration to 30 November 2016.
<i>Proposed end of the Administration:</i>	The Administrators are not yet in a position to determine the most likely exit route from the Administration and wish to retain the options available to them.
<i>Estimated dividend for unsecured creditors:</i>	The Administrators estimate a dividend range of 58 to 61 pence in the pound to creditors (including the 51.7 pence already paid) however this is subject to a number of uncertainties.
<i>Estimated values of LB UK RE's net property and the prescribed part</i>	In the absence of qualifying floating charges, The Insolvency Act 1986 (Prescribed Part) Order 2003 does not apply to these proceedings.
<i>Whether and why the Administrators intend to apply to court under Section 176A(5) IA86:</i>	Not applicable.
<i>The European Regulation on Insolvency Proceedings (Council Regulation(EC) No. 1346/2000 of 29 May 2000):</i>	The European Regulation on Insolvency Proceedings applies to this Administration and the proceedings are the main proceedings.

Section 4 Financial information

Administrators' remuneration

On 29 January 2009 the Committee was formed, whose duties include approving the basis and quantum of the Administrators' remuneration.

The Committee resolved that the basis of the Administrators' remuneration be fixed by reference to the time properly given by the Administrators and their staff in attending to matters arising in the Administration, and accordingly the Committee has been provided with an account of the time spent and the relevant charge-out rates, together with additional information setting out the approach to the project and key milestones.

During the Period, pursuant to the resolution agreed by the Committee in February 2012, the Joint Administrators have drawn remuneration of £1.5m plus VAT, including remuneration of £0.8m plus VAT in respect of 75% of their time costs on account from 1 August 2014 to 31 January 2015.

As previously reported, at a meeting of the Committee held on 22 September 2014, the Committee approved the Administrators' time costs for the period 1 January 2014 to 30 June 2014 totalling £1.8m plus VAT.

The time cost analysis and narratives for the period from 1 July 2014 to 31 December 2014 have been submitted to the Committee.

The Administrators have drawn remuneration of £45.9m plus VAT in total since the commencement of the Administration.

Additional analysis of Administrators' remuneration

The table below provides an analysis of the total hours and cost by grade in respect of the period 1 July 2014 to 31 December 2014:

Grade	Hours	Costs (£)
Partner	92.8	68,419
Director	96.2	74,015
Senior Manager	593.8	376,286
Manager	995.0	429,752
Senior Associate	641.8	177,471
Associate	415.5	91,580
Total	2,835.1	1,217,523

The following table provides a further analysis of the total hours and costs incurred by activity:

Activity	Hours	Costs (£)
Working assets/realisations	1,299.3	622,017
Strategy, administration, planning and compliance	619.3	242,806
Tax and VAT	238.7	130,656
Creditors, intercompany and LB UK RE group companies	200.0	83,658
Treasury	410.6	122,365
Central services	67.2	16,021
Total	2,835.1	1,217,523

As previously reported, LB UK RE incurred time costs in relation to the recovery of Corporation Tax from the date of administration to 30 September 2011. These time costs were initially borne on a Group level basis for the Lehman Group of companies and apportioned to and paid by individual estates based on the level of individual recovery.

All entities within the Group have now collected all expected recoveries, and a full and final breakdown of the time costs is now available. Details of LB UK

RE's allocation of these time costs are outlined in the table below:

Grade	Hours	Costs (£)
Partner	42.5	40,725
Director	29.3	25,473
Senior Manager	64.8	35,854
Manager	23.7	9,119
Senior Associate	32.1	7,750
Associate	2.6	464
Support	0.7	60
Total	195.7	119,445

Receipts and payments account

An account of the receipts and payments in the Administration for the six months to 14 March 2015, and a cumulative total since commencement of the Administration, is set out in Section 5 of this report.

Significant receipts in the Period include:

- £2.6m in respect of sale proceeds, principal and interest income from the SNPL portfolios; and
- £1.3m in respect of the sale of real estate investments.

Significant payments in the Period are:

- £1.7m (including VAT) in respect of Administrators' remuneration; and
- £0.5m (including VAT) in respect of legal fees.

Cash held as at 14 March 2015 totals £42m (GBP equivalent).

Section 5 Receipts and payments

RECEIPTS	As at 14 March 2015			As at 14 March 2015		Movements from 14 September 2014 to 14 March 2015		As at 14 September 2014		As at 14 September 2014	
	GBP (£)	US (\$)	EUR (€)	TOTAL GBP equivalent GBP (£)	GBP (£)	GBP (£)	RESTATED at 14 March 2015 exchange rate GBP (£)	GBP (£)	GBP (£)	GBP (£)	GBP (£)
	mil	mil	mil	mil	mil	mil	mil	mil	mil	mil	mil
SNPL recoveries	3.0	58.0	348.9	291.1	2.6	288.5	314.0				
Real Estate recoveries	15.1	2.2	46.2	49.5	1.3	48.2	51.9				
Principal investments	60.3	236.0	190.4	356.1	-	356.1	357.5				
Other recoveries	0.8	-	-	0.8	-	0.8	0.8				
Distributions received	43.4	5.2	-	47.0	0.3	46.7	46.4				
Internal currency transfer	644.8	2.6	1.7	647.8	2.9	644.9	644.9				
Corporation Tax repayments	11.5	-	-	11.5	0.3	11.2	11.2				
VAT repayments	6.1	-	-	6.1	0.2	5.9	5.9				
Interest	0.9	0.9	2.8	3.5	0.1	3.4	3.6				
Receipts Grand Totals	785.9	304.9	590.0	1,413.4	7.7	1,405.7	1,436.2				
PAYMENTS											
Building and occupancy costs	5.1	-	0.1	5.2	-	5.2	5.2				
Payroll and employee costs	17.4	-	3.3	19.8	0.4	19.4	19.7				
Legal fees	16.0	-	1.0	16.7	0.5	16.2	16.3				
Insurance premiums	2.2	-	0.2	2.3	-	2.3	2.4				
Principal investments	-	0.3	-	0.2	-	0.2	0.2				
Acquisition of Portuguese loan portfolio	-	-	7.3	5.2	-	5.2	5.8				
Office holders' remuneration	54.9	-	-	54.9	1.7	53.2	53.2				
Office holders' disbursements	0.3	-	-	0.3	-	0.3	0.3				
Other professional fees	4.8	-	2.0	6.2	0.1	6.1	6.2				
Distribution to unsecured creditors	640.0	-	-	640.0	-	640.0	640.0				
Real Estate valuation costs	0.2	-	-	0.2	-	0.2	0.2				
Firstcity credit facility	-	-	4.0	2.9	-	2.9	3.2				
Portuguese tax liability	-	-	1.7	1.2	-	1.2	1.4				
Bonus payments in relation to Portuguese assets	-	-	5.7	4.1	-	4.1	4.5				
Internal currency transfer	3.2	304.4	564.5	612.2	3.1	609.1	637.5				
Payments Grand Totals	744.1	304.7	589.8	1,371.4	5.8	1,365.6	1,396.1				
NET POSITION	41.8	0.2	0.2	42.0	1.9	40.1	40.1				
CASH BALANCES											
HSBC	4.2	0.2	0.2	4.4							
Bank of New York	3.0	-	-	3.0							
Money markets	34.6	-	-	34.6							
Total Cash	41.8	0.2	0.2	42.0							

Exchange rate as at 14 September 2014

US\$ 1 : GBP	0.6162
EURO €1 : GBP	0.7973

Exchange rate as at 14 March 2015

US\$ 1 : GBP	0.6779
EURO €1 : GBP	0.7132

Amounts include VAT where applicable

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