



**NOTICE OF DECLARATION OF A DIVIDEND PURSUANT TO RULE 14.35 OF  
THE INSOLVENCY (ENGLAND AND WALES) RULES 2016**

**LB HOLDINGS INTERMEDIATE 2 LIMITED - IN ADMINISTRATION**

**REGISTERED NO: 05957878**

**REGISTERED ADDRESS: 7 MORE LONDON RIVERSIDE, LONDON SE1 2RT**

**IN THE HIGH COURT OF JUSTICE, CHANCERY DIVISION, COMPANIES COURT**

**No. 429 OF 2009 / CR-2009-000052**

Notice is hereby given pursuant to Rule 14.35 of the Insolvency (England and Wales) Rules 2016 that a first interim dividend to unsecured, unsecured creditors of 100 pence in the pound plus a share of statutory interest has been declared.

The Joint Administrators' receipts and payments account from the commencement of the Administration on 14 January 2009 to 29 August 2017 is attached.

A gross amount of £940,968,042 is available for distribution with the net amount of £905,226,038, after holding back UK tax, distributed by way of dividend in respect of admitted claims. There is no prescribed part, as there is no floating charge.

The Joint Administrators have retained reserves in order to provide for further costs and potential claims in the estate, as set out below:-

	<b>£m</b>
General provision for final costs	15
UK income tax	5
<b>Total</b>	<b><u>20</u></b>

Payment was made by a bank transfer on 6 September 2017. The Joint Administrators are unable to estimate the likely timing or quantum of any future dividends.

For further information, contact details, and proof of debt forms, please visit <http://www.pwc.co.uk/services/business-recovery/administrations/lehman/lbhi2-limited-in-administration.html>. Alternatively, please call Harmeet Harish, at +44 (0)207 213 8137.

**Joint administrators' details:**

Derek Anthony Howell (IP no. 6604), Anthony Victor Lomas (IP no. 7240), Steven Anthony Pearson (IP no. 8832), Julian Guy Parr (IP no. 8003), Gillian Eleanor Bruce (IP no. 9120), all of PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT, United Kingdom  
Date of administration appointment: 14 January 2009

GE Bruce  
Joint Administrator

**LB Holdings Intermediate 2 Limited - in Administration.**

**Receipts and Payments account for the period ending 29 August 2017**

	Notes	As at 29-Aug-17	GBP Movements in Period	As at 13-Jul-17	As at 29-Aug-17	USD Movements in Period	As at 13-Jul-17
<b>Receipts</b>							
Dividends received	1	-	-	-	100,313,812	-	100,313,812
Sale of subordinated debt and senior claims in LBIE		649,992,000	-	649,992,000	-	-	-
Joint Venture contribution to Waterfall costs	2	4,616,430	-	4,616,430	-	-	-
Reimbursement of Joint Venture travel costs		35,865	-	35,865	-	-	-
Sale of tax losses		9,032,513	-	9,032,513	-	-	-
Loan to LBHI - repayment of principal	3	82,600,000	82,600,000	-	-	-	-
Loan to LBHI - arrangement fee	3	150,000	150,000	-	-	-	-
Gross interest received	3	10,538,084	2,654,021	7,884,063	1,519	-	1,519
<b>Total receipts</b>	<b>4</b>	<b>756,964,892</b>	<b>85,404,021</b>	<b>671,560,871</b>	<b>100,315,331</b>	<b>-</b>	<b>100,315,331</b>
<b>Payments</b>							
Net Tax function costs		100,907	-	100,907	-	-	-
Legal fees and disbursements		8,421,270	603,905	7,817,365	-	-	-
Legal fees and disbursements relating to Waterfall applications		5,822,211	255,096	5,567,115	-	-	-
Recharge of pension related legal costs to LB UK Financing Ltd		56,485	-	56,485	-	-	-
Loans and advances to Joint Venture	2	8,833,333	-	8,833,333	-	-	-
Loan to LBHI	3	82,600,000	-	82,600,000	-	-	-
Investments in subsidiaries		50,000	-	50,000	-	-	-
Gross wages and salaries		27,282	-	27,282	-	-	-
Statutory costs		9,441	9,057	384	-	-	-
IT Costs		5,741	-	5,741	-	-	-
Serviced Office costs		85	-	85	-	-	-
Bank charges		-	-	-	682	-	682
Joint Administrators' remuneration		7,186,643	-	7,186,643	-	-	-
Joint Administrators' category 1 disbursements		89,330	-	89,330	-	-	-
Irrecoverable VAT	5	4,190,949	173,612	4,017,337	-	-	-
<b>Total payments</b>		<b>117,393,677</b>	<b>1,041,670</b>	<b>116,352,007</b>	<b>682</b>	<b>-</b>	<b>682</b>
<b>Intracompany transfers</b>							
Receipts		65,032,017	-	65,032,017	-	-	-
Payments		-	-	-	100,313,305	-	100,313,305
<b>Net position</b>		<b>704,603,232</b>	<b>84,362,351</b>	<b>620,240,881</b>	<b>1,344</b>	<b>-</b>	<b>1,344</b>
<b>Cash balances</b>							
HSBC	6	85,862,582	84,795,446	1,067,136	1,344	-	1,344
Money markets	7	618,740,650	(433,095)	619,173,745	-	-	-
<b>Total cash</b>	<b>8</b>	<b>704,603,232</b>	<b>84,362,351</b>	<b>620,240,881</b>	<b>1,344</b>	<b>-</b>	<b>1,344</b>

**Notes:**

- (1) All of the Company's assets are uncharged, there being no secured creditors.
- (2) In the interests of maximising recoveries from the Joint Venture, LBHI2 makes a contribution towards its running costs and is reimbursed for Waterfall costs borne on behalf of the other Joint Venture partners.
- (3) In September 2016, a fully secured loan of £82.6m was made to Lehman Brothers Holdings Inc. This was repaid in full in August 2017 together with interest of £2.6m and a loan arrangement fee of £150k.
- (4) The estimated to realise values of assets shown in the directors' statement of affairs do not represent a meaningful comparison with the current position and are therefore excluded.
- (5) Due to the nature of the Company's former business, it is not entitled to recover input VAT on its costs.
- (6) The Company's GBP and USD accounts are both interest bearing.
- (7) Funds are invested on the money market in order to accrue interest and to manage risk.
- (8) The GBP equivalent of total cash held at 29 August 2017 based on exchange rates at 29 August 2017 was £704,604,269