



**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 third interim dividend of 100 pence in the pound has been declared in relation to the admitted portion of creditors' non preferential unsecured subordinated claims.

The Joint Administrators' receipts and payments account from the commencement of the Administration on 14 January 2009 to 13 January 2019 is attached.

A sum of £160,000,000 was paid by way of dividend. 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>
Potential claims	49.0
General provision for final costs	38.9
UK income tax	1.0
<b>Total</b>	<b><u>88.9</u></b>

Payment was made by a bank transfer on 14 March 2019. 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 send an email to [lehman.affiliates@uk.pwc.com](mailto:lehman.affiliates@uk.pwc.com) for the attention of Diane Adebawale.

**Joint Administrators' details:**

Derek Anthony Howell (IP no. 6604), Gillian Eleanor Bruce (IP no. 9120), Ian David Green (IP no. 9045), Russell Downs (IP no. 9372), Edward John Macnamara (IP no. 9694), 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 13 January 2019

Receipts	Notes	GBP			USD		
		As at 13-Jan-19	Movements in Period	As at 13-Jul-18	As at 13-Jan-19	Movements in Period	As at 13-Jul-18
Dividends received	1	550,331,546	293,163,504	257,168,042	106,560,193	-	106,560,193
Sale of subordinated debt and senior claims in LBIE		649,992,000	-	649,992,000	-	-	-
Sale of A claim in LBHI		-	-	-	99,272	-	99,272
Reimbursement of contribution to Joint Venture Waterfall costs	2	4,616,430	-	4,616,430	-	-	-
Reimbursement of Joint Venture travel costs		60,914	-	60,914	-	-	-
Reimbursement of loan and advances to Joint Venture	3	9,666,666	9,666,666	-	-	-	-
Sale of tax losses		9,032,513	-	9,032,513	-	-	-
Repayment of loan to LBHI		82,750,000	-	82,750,000	-	-	-
Recovery of investments in subsidiaries		37,777	-	37,777	-	-	-
Gross interest received	4	13,480,834	2,704,305	10,776,529	2,682	16	2,666
<b>Total receipts</b>		<b>1,319,968,680</b>	<b>305,534,475</b>	<b>1,014,434,205</b>	<b>106,662,147</b>	<b>16</b>	<b>106,662,131</b>
<b>Payments</b>							
Net Tax function costs		100,907	-	100,907	-	-	-
Legal fees and disbursements		11,534,803	1,329,059	10,205,744	-	-	-
Legal fees and disbursements relating to Waterfall applications	5	5,872,480	-	5,872,480	-	-	-
Recharge of pension related legal costs to LB UK Financing Ltd		56,485	-	56,485	-	-	-
Loans and advances to Joint Venture	3	9,666,666	-	9,666,666	-	-	-
Loan to LBHI		82,600,000	-	82,600,000	-	-	-
Investments in subsidiaries		170,400	50,400	120,000	-	-	-
Gross wages and salaries		61,890	2,928	58,962	-	-	-
Statutory costs		20,583	11,141	9,442	-	-	-
IT Costs		18,965	13,224	5,741	-	-	-
Serviced Office costs		85	-	85	-	-	-
Bank charges		-	-	-	937	-	937
Joint Administrators' remuneration		11,751,028	1,280,702	10,470,326	-	-	-
Joint Administrators' category 1 disbursements		89,330	-	89,330	-	-	-
Irrecoverable VAT	6	5,770,334	526,824	5,243,510	-	-	-
<b>Total payments</b>		<b>127,713,956</b>	<b>3,214,278</b>	<b>124,499,678</b>	<b>937</b>	<b>-</b>	<b>937</b>
<b>Intracompany transfers</b>							
Receipts		69,752,816	-	69,752,816	-	-	-
Payments		-	-	-	106,659,357	-	106,659,357
<b>Total receipts less total payments</b>		<b>1,262,007,540</b>	<b>302,320,197</b>	<b>959,687,343</b>	<b>1,853</b>	<b>16</b>	<b>1,837</b>
<b>Distributions</b>							
1st interim distribution to unsecured creditors - 100p in the £ paid 6 Sep 2017	7	698,529,813	-	698,529,813	-	-	-
1st interim distribution to unsecured creditors - share of statutory interest (£206.7m) paid - 6 Sep 2017; £35.7m in July 2018	7	242,438,229	35,742,005	206,696,224	-	-	-
2nd interim distribution to unsecured creditors - the remaining share of statutory interest paid on 12 Sep 2018	8	240,533,945	240,533,945	-	-	-	-
2nd interim distribution to unsecured creditors - a portion of subordinated debt paid on 12 Sep 2018	8	44,661,311	44,661,311	-	-	-	-
<b>Total distributions</b>		<b>1,226,263,298</b>	<b>321,037,261</b>	<b>905,226,037</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total cash receipts less total payments less distributions</b>		<b>35,744,241</b>	<b>(18,717,064)</b>	<b>54,461,305</b>	<b>1,853</b>	<b>16</b>	<b>1,837</b>
<b>Cash balances</b>							
HSBC	9	1,945,927	(1,671,423)	3,617,350	1,853	16	1,837
Money markets	10	33,798,314	(17,045,641)	50,843,955	-	-	-
<b>Total cash</b>	<b>11</b>	<b>35,744,241</b>	<b>(18,717,064)</b>	<b>54,461,305</b>	<b>1,853</b>	<b>16</b>	<b>1,837</b>

Notes:

All of the Company's assets are uncharged, there being no secured creditors

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

"Joint Venture" refers to Wentworth

(1) Dividends received in the period were from Lehman Brothers Limited - in administration (£58m) and Wentworth (£235.1m)

(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) LBHI2 made a contribution towards the Joint Venture costs by way of loans and advances. The total advanced (£9.7m) has now been repaid in full

(4) A significant proportion (i.e. £2.6m) of interest earned in the period relates to interest accrued on loans advanced by the Joint Venture. See note 3 above for details of loans advanced

(5) Legal fees of £3k have been reclassified from "Loans and advances to Joint Venture" to "Legal fees and disbursements relating to Waterfall applications" to provide an appropriate classification of Joint Venture costs

(6) Due to the nature of the Company's former business, it is not entitled to recover input VAT on its costs

(7) First interim distribution of £941.0m declared with £905.3m paid to unsecured creditors on 6 September 2017. £35.7m held back for UK tax has now been released and paid in July 2018

(8) Second interim distribution of £240.6m declared and paid to unsecured creditors, being the balance of the statutory interest entitlement. A separate payment of £44.7m was made in respect of subordinated debt

(9) The Company's GBP and USD accounts are both interest bearing

(10) Funds are invested on the money market in order to accrue interest and to manage risk

(11) Total cash at 13 January 2019 based on exchange rates at 11 January 2019 was £35,746,095