

***Financial report for the period  
3 April 2013 to 31 December 2013***

Lehman Brothers Treasury Co B.V. in  
liquidation

Amsterdam, The Netherlands

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# ***Report of the liquidators***

## ***Report of the liquidators***

This report of the liquidators of Lehman Brothers Treasury Co. B.V. in liquidation ("LBT") covers the period from 3 April 2013 to 31 December 2013.

LBT was a wholly-owned subsidiary of Lehman Brothers UK Holdings (Delaware) Inc, an entity fully owned by Lehman Brothers Holdings Inc. ("LBHI"), the holding company of the worldwide operating Lehman Brothers group of companies. LBT was incorporated for the financing of the business activities of the Lehman Brothers Group by issuing financial instruments, in particular "(structured) notes" to institutional and retail investors. LBT was declared bankrupt by the Amsterdam District Court on 8 October 2008 with the appointment of Rutger Schimmelpenninck and, on 13 October 2009, Frédéric Verhoeven as bankruptcy trustees.

On 10 December 2012, LBT offered a composition plan to its creditors ("Composition Plan"). After approval by the creditors, the Amsterdam District Court confirmed (*gehomologeerd*) the Composition Plan on 22 March 2013. The ultimate date for appealing the decision of the District Court was 2 April 2013. On 3 April 2013, the Composition Plan became effective. As a result, the bankruptcy of LBT ended. Furthermore, on 3 April 2013, LBT was put in voluntary liquidation, and the former bankruptcy trustees of LBT were appointed as liquidators of LBT by Stichting Lehman Brothers Treasury Co ("Stichting").

Since 28 February 2012, Stichting has been the sole shareholder of LBT. Stichting supervises the implementation and execution of the Composition Plan. In accordance with the Composition Plan, distributions from LBT to noteholders as well as other creditors is limited to their pro rata share (based on allowed claims) of cash received by LBT from LBHI or otherwise arising in the liquidation.

LBHI entered into a voluntary US Chapter 11 proceeding on 15 September 2008. LBT has an intercompany claim against LBHI arising from loans made by LBT to LBHI; these loans were made with the proceeds of the notes issued. In the LBHI US Chapter 11 proceedings, the intercompany claim due to LBT, was agreed at an amount of USD 34,548,000,000 in the context of the Third Amended Plan, which was confirmed in December 2011. During the period 3 April 2013 up to 31 December 2013, LBT received two distributions from LBHI on its allowed intercompany claim on LBHI in the amount of USD 2,969,669,941. As of 31 December 2013, cumulative distributions received from LBHI amount to USD 5,642,381,714.

On 8 May 2013, LBT made a first distribution under the Composition Plan on the Outstanding Series of Notes and on Acknowledged Other Ordinary Claims (as defined in the Composition Plan). The distribution percentage was 12.1% and the total amount paid USD 3,903,303,591. With respect to 20 ISINs, distributions were withheld due to operational reasons, part of which were distributed on 2 July (to the value USD 27,318,095), 7 August 2013 (to the value of USD 15,983,804) and on 24 October 2013 (to the value of USD 571,442).

On 24 October 2013, LBT made a second distribution under the Composition Plan on the Outstanding Series of Notes and on Acknowledged Other Ordinary Claims. The distribution percentage was 4.74% and the total amount paid USD 1,606,337,822. With respect to 2 ISINs, distributions were withheld due to operational reasons, part of which were distributed on 23 January 2014 (to the value of USD 4,789,993).

In April 2014, LBT received an additional gross distribution from LBHI of USD 1,749,359,054. On 28 April 2014, LBT made a third distribution under the Composition Plan on the Outstanding Series of Notes and on Acknowledged Other Ordinary Claims. The distribution percentage was 5.10% and the total amount paid USD 1,735,103,503. LBT expects to make further distributions as cash becomes available to LBT.

Amsterdam, The Netherlands, 19 May 2014  
The Liquidators of LBT

R.J. Schimmelpenninck

F. Verhoeven

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## ***Financial statements***

## **Balance sheet as at 31 December 2013**

(after appropriation of result)

<b>Assets</b> (x 1,000)	Note	<b>31 December 2013</b>	
		USD	USD
<b>Non-current assets</b>			
Receivables from former affiliated companies	6.		6,112,332
<b>Current assets</b>			
<b>Receivables</b>			
Taxes and social security contributions	7.	141	
Other debtors, prepayments and accrued income	8.	<u>44</u>	185
<b>Cash and cash equivalents</b>	9.		42,003
<b>Total Assets</b>			<u><u>6,154,520</u></u>
<b>Liabilities and Shareholders' equity</b>			
<b>Shareholders' equity</b>			
Ordinary share capital	10.		
Other reserves	11.	2,754	
	12.	<u>(2,754)</u>	0
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Claims payable	13.	6,126,314	
Administration cost provision	14.	<u>28,206</u>	6,154,520
<b>Total Shareholders' equity and Liabilities</b>			<u><u>6,154,520</u></u>

## ***Income statement for the period 3 April 2013 to 31 December 2013***

(x 1,000)	Note	<b><i>3 April 2013 to</i></b>	
		<b><i>31 December 2013</i></b>	
		USD	USD
<b><i>Interest and similar income</i></b>	15.		544
Net changes in value of assets and liabilities	16.	<u>544</u>	
<b><i>Total operating expenses</i></b>			<u>544</u>
<b><i>Operating profit/(loss)</i></b>			0
<b><i>Result from ordinary activities before taxation</i></b>			0
Income tax expense			<u>0</u>
<b><i>Profit/(loss) after taxation</i></b>			<u><u>0</u></u>

## Cash flow statement for the period 3 April 2013 to 31 December 2013

(x 1,000)	Note	<u>3 April 2013 to</u> <u>31 December 2013</u>	
		USD	USD
<i>Receipts for the period:</i>			
Distributions received from LBHI		2,969,670	
Treasury bills		2,589,000	
Interest received on current and deposit accounts		550	
Tax refund received		<u>2,124</u>	
<i>Total Receipts</i>			5,561,344
<i>Payments for the Period</i>			
Distributions to creditors		5,553,515	
Professional fees (including any applicable value added taxes)		<u>8,891</u>	
<i>Total Payments</i>			<u>5,562,406</u>
Exchange gains/(losses) on cash and cash equivalents			<u>(1,062)</u>
			<u>97</u>
Net increase/(decrease) in cash and cash equivalents			<u>(965)</u>
Movements in cash and cash equivalents consist of:			
<b>Balance as at 3 April</b>			42,968
Movements during the period			<u>(965)</u>
<b>Balance as at 31 December (note 9)</b>			<u><u>42,003</u></u>

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# ***Notes to the balance sheet, income statement and cash flow statement***

## **1. General notes**

### **1.1. Activities**

Lehman Brothers Treasury Co B.V. (in liquidation) (the “Company” or “LBT”) was incorporated in the Netherlands (with registration number 33267-322 with the Chamber of Commerce and Industry of Amsterdam) as a private limited company on 8 March 1995. The Company was incorporated for the financing of the business activities of the Lehman Brothers Group.

The Company was a wholly-owned subsidiary of Lehman Brothers UK Holdings (Delaware) Inc, which company in turn was fully owned by Lehman Brothers Holdings Inc. (“LBHI”), the holding company of the worldwide operating Lehman Brothers Group. All outstanding shares in the Company were transferred to Stichting Lehman Brothers Treasury on 28 February 2012.

The Company was declared bankrupt by the Amsterdam District Court on 8 October 2008. In the Dutch proceedings, a Composition Plan (“Composition Plan”) was approved by the required majority of creditors, and subsequently confirmed by the Amsterdam District Court wherein – inter alia – the Composition Plan defined each noteholder’s (“Noteholders”) and creditor’s allowed claim that was agreed on a binding basis. In accordance with the Composition Plan, distributions from LBT to Noteholders and other creditors are limited to their respective pro rata share (based on allowed claims) of cash received by LBT from LBHI or otherwise arising in the liquidation. Such distributions are expected to occur in the coming years periodically as cash becomes available to LBT.

Following the confirmation of the Composition Plan, the Company emerged from bankruptcy and was put into voluntary liquidation on 3 April 2013. On that date, the Composition Plan became effective.

### **1.2. Registered office**

LBT has its registered office at Schiphol Boulevard 231, 1118 BH, Amsterdam, The Netherlands.

## **2. General policies**

### **2.1. General**

The financial statements have been prepared in accordance with the statutory provisions of Part 9, Book 2 of the Dutch Civil Code and the Guidelines for Annual Reporting in the Netherlands.

These financial statements have been prepared on a liquidation basis. Accordingly assets have been valued at their net realisable value and liabilities at the best estimate of the amounts to be paid (see Note 1.1). The balance sheet, income statement and cash flow statement include references to the notes.

Article 2:384 subsection 3 of the Dutch Civil Code states that the effects of the discontinuity for equity and result should be disclosed in the notes. However, in the Company’s particular circumstances, the effect of the adoption of a liquidation basis of accounting is not presented in the income statement for the period from 3 April 2013 to 31 December 2013, or in any comparative periods, since comparative financial statements have not been reported.

### **2.2. Estimates**

The preparation of financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires the Liquidators to exercise judgement in the process of applying the Company’s accounting policies. If necessary for the purposes of providing the view required under Section 362, subsection 1, Book 2 of the Dutch Civil Code, the nature of these estimates and judgments, including the related assumptions, is disclosed in the notes to the financial statement items in question.



### 2.3. Opening Balances and comparative figures

Comparative figures are not presented in the financial statements for the preceding period since the Company did not emerge from bankruptcy proceedings until 3 April 2013. Prior to this date, during the period of bankruptcy proceedings, the bankruptcy trustees' obligation to provide financial information was governed by the Dutch Bankruptcy Act. Consequently, during the bankruptcy period, the Company did not prepare annual financial statements. Opening balances are presented as of 3 April 2013 on the basis described in these notes to the financial statements.

The table below shows the adjustments to the main assets, liabilities and equity from the amounts reported in the last previously published and audited annual financial statements of the Company to the opening balance sheet as of 3 April 2013.

	<b>30 November 2007</b>	<b>Effect due to Bankruptcy and subsequent Composition Plan</b>	<b>Opening- balance as of 3 April 2013</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>
<i>(x 1,000)</i>			
<b>Financial Assets</b>			
Due from Group companies	23,014,032	(23,014,032)	0
<b>Assets</b>			
Due from Group companies	11,331,314	(4,722,908)	6,608,406
Other Assets	68,181	(66,550)	1,631
Securities	0	2,589,000	2,589,000
Cash at bank	24,623	18,345	42,968
<b>Total Assets</b>	<b>34,438,150</b>	<b>(25,196,145)</b>	<b>9,242,005</b>
<b>Shareholder's Equity</b>			
Common shares	2,545	15	2,560
Retained earnings	77,412	(77,412)	0
Other reserves	0	(2,560)	(2,560)
<b>Long-term Liabilities</b>			
Guaranteed notes payable	29,857,275	(29,857,275)	0
<b>Current Liabilities</b>			
Guaranteed notes payable	4,271,283	4,936,994	9,208,277
Bank overdrafts	26,012	(26,012)	0
Payable to group companies	3,962	(3,962)	0
Accrued interest	199,309	(199,309)	0
Other accrued liabilities	352	33,376	33,728
<b>Total shareholder's equity and liabilities</b>	<b>34,438,150</b>	<b>(25,196,145)</b>	<b>9,242,005</b>

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## **2.4. Foreign currencies**

### **2.4.1. Functional currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the company operates (the functional currency). The financial statements are presented in US dollars, which is the functional and presentation currency of LBT.

### **2.4.2. Transactions, assets and liabilities**

Foreign currency transactions in the reporting period are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates are recognised in the income statement.

## **2.5. Financial instruments**

The Company has deposits with embedded foreign exchange swaps, where US Dollars deposits are swapped into Euros at a set exchange rate and then swapped back into US Dollars at the same set exchange rate at the maturity of the short-term deposit. These financial instruments are not bifurcated and are stated initially at cost and then after initial recognition are then remeasured at fair value.

## **2.6. Accounting policies for the cash flow statement**

The cash flow statement has been prepared using the direct method. The cash items disclosed in the cash flow statement are comprised of cash and cash equivalents except for deposits with a maturity over three months. Cash flows denominated in foreign currencies have been translated at average estimated exchange rates. Exchange differences affecting cash items are shown separately in the cash flow statement. Interest paid and received, dividends received and income taxes are included in cash from operating activities. Transactions not resulting in inflow or outflow of cash are not recognised in the cash flow statement.

## **3. Accounting policies for the balance sheet**

### **3.1. Receivables**

Receivables are recognised at fair value.

### **3.2. Receivables from former affiliated companies**

The claims receivable is recognised at net realisable value. The net realisable value is determined based on market prices of comparable classes of LBHI debt which are traded. These market prices are then adjusted for differences in class features by considering LBHI's ratio of recovery amongst its difference classes of claims.

The ultimate recovery of the Company's receivable from LBHI is not known with certainty and is subject to change. See LBHI's website for more information.

### **3.3. Cash and cash equivalents**

Cash and cash equivalents include cash in hand, bank balances and deposits held at call with maturities of less than 12 months. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet. Cash and cash equivalents are stated at face value.

### **3.4. Administration costs provision**

As the Company is in liquidation, the Liquidators have estimated the administration costs that will be required during the liquidation period to cover the costs of liquidating the Company. The estimate of the costs to be incurred includes Liquidator fees, legal fees, accounting fees, audit fees, banking related fees as well as other costs. This provision is measured on a non-discounted, best estimates basis which is updated each balance sheet reporting date.

### **3.5. Claims payable**

Liabilities are recognised at the Liquidators' best estimate of the amount required to contractually settle the liabilities in accordance with the provisions of the Composition Plan with no regard to LBT's own credit risk. On the basis of the release by the LBT creditors of any claim beyond the cash LBT shall receive (i.e. Available Cash as

defined in the Composition Plan), claims payable is measured as equivalent to the net realisable value of the Company's claim on LBHI (reported as the receivable from former affiliated companies) less the claims administration cost provision and plus any interest income.

#### **4. Accounting policies for the income statement**

##### **4.1. Result**

The net results of the Company are determined as the difference between the income from assets, changes in claims payable and changes in the administration cost provision for the period.

##### **4.2. Exchange rate differences**

Exchange differences arising upon the settlement or conversion of monetary items are recognised in the income statement in the period that they arise.

##### **4.3. Interest income and expense**

Interest income and interest expense are recognised in the income statement for all interest bearing instruments. For all interest bearing financial instruments, interest income or interest expense is recognised on an accrual basis

##### **4.4. Costs**

Costs are recognised based on the historical cost convention and are allocated to the reporting period to which they relate.

##### **4.5. Changes in value of assets and liabilities**

Changes in value of assets and liabilities comprise the unrealised result on the receivable from former affiliated companies, changes in the payable to LBT creditors under the Composition Plan and unrealised currency exchange results.

##### **4.6. Income tax expense**

Income tax is calculated on the profit/loss before tax in the income statement, taking into account any losses carried forward from previous financial years (where not included in deferred income tax assets) and tax exempt items, and plus non-deductible expenses. Account is also taken of changes in deferred income tax assets and liabilities owing to changes in the applicable tax rates.

Given the liquidation of the Company, it is currently estimated that there will be no corporate income tax liability in respect of 2013.

#### **5. Financial instruments and risk management**

##### **5.1. Market risk**

###### **5.1.1. Currency risk**

The Company mainly operates in the Netherlands. The Company's main asset is denominated in US Dollars (the Company's functional currency) but most of the Company's operating expenses are denominated in euros. The Company's liabilities to Noteholders and creditors under the Composition Plan are settled in US Dollars.

Given the terms of the Composition Plan, the Company does not bear any significant currency risk. In general, distributions received (note 6) by the Company are received in US dollars and distributions paid (note 13) by the Company are made in US dollars.

##### **5.2. Credit risk**

The Company is exposed to credit risk on its assets (receivables). The Company has a concentration of credit risk, as the greatest part of the receivable is due from one single party (LBHI).

Given the terms of the Composition Plan, the Company does not bear the ultimate credit risk. Any credit related losses will impact the Available Cash (as defined in the Composition Plan) which effectively transfers the credit loss to the Noteholders and creditors under the Composition Plan.

### 5.3. *Liquidity risk*

LBT uses several banks.

Given the terms of the Composition Plan, Claims Payable creditors are only entitled to receive payments if the Company has Available Cash (as defined in the Composition Plan). If the Liquidators determine that the Company has insufficient Available Cash for a distribution to the Claims Payable creditors then no such payments will be made at that time to the Claims Payable creditors.

Creditors arising from transactions after the Company's emergence from bankruptcy proceedings are not subject to the Composition Plan.

### 6. *Receivables from former affiliated companies*

The movements can be specified as follows:

	<u>LBHI</u>
	USD
(x 1,000 in table)	
<b>Balance as at 3 April 2013</b>	6,608,406
Distributions received from LBHI during the period	(2,969,670)
Change in value of receivable	<u>2,473,596</u>
<b>Balance as at 31 December 2013</b>	<u>6,112,332</u>

LBHI entered into a voluntary US Chapter 11 proceeding on 15 September 2008. The Company has an intercompany claim against LBHI for the proceeds of the LBT Notes issued. In the LBHI US Chapter 11 proceedings, the intercompany claim due was agreed at an amount of USD 34,548,000,000 ("Admitted LBHI Amount") in the Third Amended Plan, which was confirmed in December 2011. The Company received two distributions from LBHI on its allowed intercompany claim on LBHI in the amount of USD 2,969,669,941 during the period 3 April 2013 to 31 December 2013. As of 31 December 2013, cumulative distributions received from LBHI amount to USD 5,642,381,714 which represents approximately 16.3% of the Admitted LBHI Amount. The balance as at 31 December 2013 represents the estimated value of future distributions to be received from LBHI based on market prices obtained of comparable classes of LBHI debt which are traded; this represents an estimated further 17.7% of the Admitted LBHI Amount.

The change in the value of the LBHI receivable reflects the increase in the market prices for LBHI claims observed during the period.

The exact timing and amount of distributions in the future from LBHI is unknown; however, an indeterminable portion of the receivable is expected to be received within 12 months after the balance sheet date. Subsequent to year end, an LBHI distribution was received. See page 16, "Events occurring after the balance sheet date".

### 7. *Taxes and social security contributions*

	<u>31 December 2013</u>
	USD
(x 1,000)	
Value added tax	<u>141</u>

### 8. *Other debtors, prepayments and accrued income*

	<u>31 December 2013</u>
	USD
(x 1,000)	
Interest receivable	<u>44</u>
	<u>44</u>

## 9. Cash and cash equivalents

Of cash and cash equivalents, USD 27,034,000 is not at the Company's free disposal as it is placed on short term deposit.

As of 31 December 2013, the Company retained USD 4,829,910 and USD 12,314,505 for Withheld ISINs and for the Provision for and Administration Costs.

## 10. Shareholders' equity

	<b>Share capital</b>	<b>Other reserves</b>	<b>Total</b>
(x 1,000)	USD	USD	USD
<b>Balance as at 3 April 2013</b>	2,560	(2,560)	0
<b>Movements</b>			
Exchange differences	194	(194)	0
<b>Balance as at 31 December 2013</b>	<u>2,754</u>	<u>(2,754)</u>	<u>0</u>

## 11. Share capital

The authorised share capital of LBT amounts to EUR 3,405,000 divided into 7,500 ordinary shares of EUR 454. Issued share capital consists of 4,406 ordinary shares. The share capital has been converted to USD at year-end at a rate of 1,377.

## 12. Other reserves

Since the company is in liquidation and the share capital is not expected to be repaid to the shareholder, other reserves have been created to reduce the share capital to nil.

## 13. Claims payable

	<b><u>31 December 2013</u></b>
(x 1,000)	USD
Payable to LBT creditors under the Composition Plan	<u>6,126,314</u>

The movements can be specified as follows:

	<b><u>Claims payable</u></b>
(x 1,000)	USD
<b>Balance as at 3 April 2013</b>	9,208,277
Distributions made	(5,553,515)
Increase in value of Claims payable	<u>2,471,552</u>
<b>Balance as at 31 December 2013</b>	<u>6,126,314</u>

The amount of the payable to creditors and the timing of payments is unknown as it is based on factors such as distributions from LBHI (see note 6); An indeterminable portion of the payable is expected to be paid more than 12 months after the balance sheet date. Subsequent to year end, a distribution was made to LBT creditors. See page 16, "Events occurring after the balance sheet date".

#### **14. Administration cost provision**

The movements can be specified as follows:

	<b>Administra- tion cost provision</b>
(x 1,000)	USD
<b>Balance as at 3 April 2013</b>	33,728
Costs paid during the period	(8,221)
Currency translation result	2,699
<b>Balance as at 31 December 2013</b>	<u>28,206</u>

The cost paid during the period included professional services fee incurred prior to the emergence from bankruptcy into voluntary liquidation on 3 April 2013.

	USD
(x 1,000)	
<b>Pre-Liquidation:</b>	
Bankruptcy Trustees Fees	1,417
Consent process related fees (including legal fees)	4,211
Pre-Liquidation related fees paid during the period	<u>5,628</u>
<b>In Liquidation:</b>	
Liquidator Fees	943
Insurance	882
Distribution and other professional services	697
Supervisory Board payments	71
In Liquidation related fees paid during the period	<u>2,593</u>
<b>Total Administration Cost payments during the period</b>	<u><u>8,221</u></u>

The payments in respect of administrative costs are expected to be made over the liquidation period of the Company. An indeterminable portion of these administrative costs will be paid more than 12 months after the balance sheet date.

#### **15. Interest and similar income**

	<b>3 April 2013 to 31 December 2013</b>
(x 1,000)	USD
Interest income on cash and deposit accounts	<u>544</u>

#### **16. Changes in value of assets and liabilities**

	<b>3 April 2013 to 31 December 2013</b>
(x 1,000)	USD
Currency exchange results	2,350
Revaluation of receivable from former affiliated companies	(2,473,596)
Change in value of claims payable	2,471,552
	<u>544</u>

## **17. Audit fees**

The following audit fees relate to the reporting period:

**3 April 2013  
to 31  
December  
2013**

(x 1,000)

USD

Audit of the financial statements

40

## **18. Average number of employees**

During the period 3 April 2013 to 31 December 2013, no employees were employed.

## **19. Related party transactions**

The Company incurred charges from its parent, Stichting Lehman Brothers Treasury Co., totalling USD 71,000. These charges were to compensate for the Company's allocation of the parent's Supervisory Board remuneration.

## **20. Liquidators' remuneration**

During the period 3 April 2013 to 31 December 2013, the Liquidators were paid compensation amounting to nil. The Liquidators are both partners in a law firm which was paid during the period fees for legal assistance and administration of the Company of USD 2,288,572.

## **21. Contingencies**

As described in note 1, LBT has been put in liquidation based on the court-approved Composition Plan. Creditors of LBT that filed claims which were disputed by the bankruptcy trustees of LBT and by LBT itself at the claims admission meeting were referred to the Amsterdam district court for claim referral proceedings.

As at 31 December 2013, two disputed claims regarding the value of the Admissible Amounts of two ISINs (XS0356126705 and XS0331053719) recorded in the Composition Plan are outstanding ("Manifest Error" claims). The two counterparties (that each hold the entire ISIN in question) claim that the Admissible Amount of their two ISINs should be increased by EUR 28,994,352.

As at 31 December 2013, other disputed, non-LBT Notes-related claims were filed for approximately EUR 2,390,000.

As described in note 3.5, any increase or decrease in the Admissible Amount for these Manifest Error claims and disputed claims will not affect the recorded Claims Payable balance as the liability balance is determined based on the net realisable value of the claim against LBHI. Any change in these Manifest Error claims or other disputed claims may affect the allocation of the pro rata entitlement to Available Cash of each creditor under the Composition Plan, but not the total amount available for distribution to creditors as described in the Composition Plan.

Amsterdam,  
Lehman Brothers Treasury Co B.V. in liquidation

The Liquidators

R.J. Schimmelpenninck

F. Verhoeven

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## ***Other information***



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***Provision in the articles of association governing the appropriation of profits***

According to Article 22 of the Company's Articles of Incorporation, the net results are at the disposition of the shareholder.

***Appropriation of result***

The result for the financial period is nil.

***Events occurring after the balance sheet date***

On 3 April 2014, LBHI made its fifth distribution to its creditors, including LBT. The gross amount of the distribution to LBT was USD 1,749,359,054. On 28 April 2014, LBT made a third distribution under the Composition Plan on the Outstanding Series of Notes and on Acknowledged Other Ordinary Claims of USD 1,735,103,503.

# Independent auditor's report

To: the General Meeting of Lehman Brothers Treasury Co. B.V. in liquidation

## **Report on the financial statements**

We have audited the accompanying financial statements 2013 of Lehman Brothers Treasury Co. B.V. in liquidation, Amsterdam, which comprise the balance sheet as at 31 December 2013, the profit and loss account for the period 3 April until 31 December 2013 and the notes, comprising a summary of the accounting policies and other explanatory information.

### *Liquidators' responsibility*

The liquidators are responsible for the preparation and fair presentation of these financial statements and for the preparation of the report of the liquidators, both in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore the liquidators are responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the liquidators, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion with respect to the financial statements*

In our opinion, the financial statements give a true and fair view of the financial position of Lehman Brothers Treasury Co. B.V. in liquidation as at 31 December 2013 and of its result for the period 3 April until 31 December 2013 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

### *Emphasis of uncertainty with respect to the valuation of the claim against LBHI*

We draw attention to note 1.1, note 3.2 and note 6 which describe the uncertainty regarding the estimated recoverability of the claim against LBHI which also results in an uncertainty regarding the claims payable as this liability is estimated at the amount as equivalent to the net realizable value of the claim on LBHI (reported as the receivable from former affiliated companies) less the claims administration cost provision and plus any interest income. On 3 April 2013, the company emerged from bankruptcy and was put into voluntary liquidation. Following these conditions the financial statements have been prepared on a liquidation basis. Accordingly assets have been valued at their net realizable value. Actual results may be at variance with the estimated value of the claim and related liability. Our opinion is not qualified in respect of this matter.

## **Report on other legal and regulatory requirements**

Pursuant to the legal requirement under Section 2:393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the report of the liquidators, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2:392 sub 1 at b-h has been annexed. Further we

report that the management board report, to the extent we can assess, is consistent with the financial statements as required by Section 2:391 sub 4 of the Dutch Civil Code.

Amstelveen, 20 May 2014

For and on behalf of BDO Audit & Assurance B.V.,

sgd.  
O. van Agthoven RA