

# IMPLEMENTATION OF THE FINAL RESOLUTION OF CERTAIN SERIES OF LEHMAN BROTHERS MINIBONDS

Further to our announcement on 28 March 2011, we, the sixteen Distributing Banks (“Distributing Banks”) of Lehman Brothers Minibonds (“Minibonds”), are pleased to announce that **we have begun the process of distributing to our Minibond investors the recovery proceeds from the underlying collateral (“Collateral”) for Minibond Series 10 to 12, 15 to 23 and 25 to 36** (“Relevant Minibonds”). Further details of the recovery process are described in the announcement of Receivers from PricewaterhouseCoopers (the “Receivers”) separately released today.

In their announcement, the Receivers have confirmed that investors in Relevant Minibonds will recover between 71.43% and 95.10% of the amounts they invested, which on a weighted basis are on average 1.6% higher than the indicative recovery stated in the Receivers’ announcement dated 28 March 2011. Based on these recovery rates, the total level of recovery for Eligible Customers, after taking into account the offer of Ex Gratia Payments by the Distributing Banks, will be in the range of **85.715% to 97.55%** of the principal amount of their investment. Details of the ex gratia payment scheme are set out in our announcement of 28 March 2011.

Each investor will receive a letter from their Distributing Bank confirming the amount of their Recovery Payment (if any) and, in the case of Eligible Customers entitled to an Ex Gratia Payment, enclosing a prescribed form of acceptance which will need to be signed and returned to their Distributing Bank prior to the payment of such Ex Gratia Payment.

It is our sincere hope that, with this final resolution to the Minibonds issue, we can bring the matter to a close and move forward together with our customers.

## **Distributing Banks** (In alphabetical order):

Bank of China (Hong Kong) Limited  
Bank of Communications Co., Ltd. Hong Kong Branch  
The Bank of East Asia, Limited  
Chiyu Banking Corporation Limited  
Chong Hing Bank Limited  
CITIC Bank International Limited  
Dah Sing Bank Limited  
Fubon Bank (Hong Kong) Limited

Industrial and Commercial Bank of China (Asia) Limited  
MEVAS Bank Limited  
Nanyang Commercial Bank, Limited  
Public Bank (Hong Kong) Limited  
The Royal Bank of Scotland N.V.  
Shanghai Commercial Bank Limited  
Wing Hang Bank, Limited  
Wing Lung Bank Limited

Hong Kong, 15 June 2011