Lehman Brothers Inc. Trustee Receives Court Approval for Second Interim Distribution for Unsecured Creditors

$2.2 Billion in Distributions Expected to Begin in Mid-March

New York, NY, February 19, 2015 – James W. Giddens, Trustee for the liquidation of Lehman Brothers Inc. (LBI) under the Securities Investor Protection Act and chair of the Hughes Hubbard and Reed Corporate Reorganization and Bankruptcy Group, today received Bankruptcy Court approval to initiate the second interim distribution to unsecured general creditors with allowed claims. In January 2015, the Trustee allocated approximately $2.2 billion for allowed unsecured general creditor claims.

"We are moving ahead with our second multi-billion distribution to unsecured general creditors as we continue winding down the LBI estate," Giddens said. "We will work toward additional distributions while maintaining appropriate reserves and protecting claimants' interests and due process rights."

The Trustee has distributed more than $3.7 billion to LBI's creditors since July 2014. With a second interim distribution of $2.2 billion, unsecured general creditors will achieve an approximately 27 percent payout on allowed claims. Distributions are expected to begin the second week of March, pending final Court orders. Claimants include former employees, pension funds, institutions, banks, and Lehman affiliates.

In total, customers have received more than $106 billion, fully satisfying the 111,000 customer claims. Secured, priority, and administrative creditors have also received 100 percent distributions. Together, the customer and general creditor distributions represent the largest distributions across the worldwide Lehman insolvency proceedings. The Trustee's principal focus is now to resolve remaining claims and make further general creditor distributions in order to close the estate as promptly as possible.

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