

LEHMAN BROTHERS TREASURY CO. B.V.

Issue of EUR 50,000,000 European Inflation Linked Notes
under the U.S.\$25,000,000,000
Euro Medium-Term Note Program

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Information Memorandum dated 18 August 2004. This Pricing Supplement must be read in conjunction with such Information Memorandum.

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| 1. | (i) Issuer: | Lehman Brothers Treasury Co. B.V. |
| | (ii) Guarantor: | Lehman Brothers Holdings Inc. |
| 2. | Series Number: | 2348 |
| 3. | Specified Currency or Currencies: | Euro ("EUR") |
| 4. | Aggregate Nominal Amount: | |
| | (i) Series: | EUR 50,000,000 |
| 5. | (i) Issue Price: | 100.75 per cent. of the Aggregate Nominal Amount |
| | (ii) Net Proceeds: | 99.50 per cent. of the Aggregate Nominal Amount |
| 6. | Specified Denominations: | EUR 1,000 |
| 7. | (i) Issue Date: | 27 October 2004 |
| | (ii) Interest Commencement Date: | Issue Date |
| 8. | Maturity Date: | 27 October 2014 |
| 9. | Interest Basis: | Fixed Rate and Index-Linked Interest (further particulars specified below) |
| 10. | Redemption/Payment Basis: | Redemption at par |
| 11. | Change of Interest or Redemption/Payment Basis: | As per paragraph 9 above and paragraphs 16 and 19 below. |
| 12. | Put/Call Options: | Not Applicable |
| 13. | (i) Status of the Notes: | Senior Notes |
| | (ii) Status of the Guarantee: | Senior Guarantee |

14. Listing: Application has been made to list the Notes on the Luxembourg Stock Exchange. The Issuer does not make any representation as to the approval of the Luxembourg Stock Exchange in listing the Notes.
15. Method of distribution: Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. Fixed Rate Note Provisions
- Applicable with respect to payments of Interest up to and including the Interest Payment Date occurring on 27 October 2006.
- (i) Fixed Rate of Interest: With respect to the First Fixed Interest Period (as defined in paragraph 16(vi) below), 7.50 per cent. per annum; and
- With respect to the Second Fixed Interest Period (as defined in paragraph 16(vi) below), 4.00 per cent. per annum.
- In each case Interest will be payable annually in arrear.
- (ii) Interest Payment Date: 27 October 2005 and 27 October 2006, provided that if such date does not fall on a Business Day, it shall be adjusted in accordance with the Business Day Convention.
- (iii) Fixed Coupon Amount(s): (1) With respect to the First Fixed Interest Period: EUR 75.00 per Specified Denomination; and
- (2) With respect to the Second Fixed Interest Period: EUR 40.00 per Specified Denomination.
- (iv) Fixed Day Count Fraction: Actual/Actual (ISMA), unadjusted
- (v) Broken Amount(s): Not Applicable
- (vi) Other terms relating to the method of calculating interest for Fixed Rate Notes: “First Fixed Interest Period”: means the period from and including the Interest Commencement Date to but excluding 27 October 2005.

		“Second Fixed Interest Period”: means the period from and including 27 October 2005 to but excluding 27 October 2006.
	(vii) Business Day Convention:	Following Business Day Convention.
17.	Floating Rate Note Provisions	Not Applicable.
18.	Zero Coupon Note Provisions	Not Applicable
19.	Index-Linked Interest Note Provisions	Applicable with respect to each Interest Period commencing on and after 27 October 2006 (each an “Inflation-Linked Interest Period”).
	(i) Index/Formula:	See Annex 1
	(ii) Calculation Agent responsible for calculating the interest due:	Lehman Brothers International (Europe).
	(iii) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:	As per Annex 1 hereto.
	(iv) Interest Period(s)/Interest Payment Dates:	The Interest Payment Dates in respect of the Inflation-Linked Interest Period shall be 27 October of each year, commencing on 27 October 2007 to and including the Maturity Date, provided that if such date does not fall on a Business Day, it shall be adjusted in accordance with the Business Day Convention.
	(v) Business Day Convention:	Following Business Day Convention
	(vi) Additional Business Centre(s):	Not Applicable
	(vii) Minimum Rate of Interest:	1.75 per cent. per annum
	(viii) Maximum Rate of Interest:	Not Applicable
	(ix) Day Count Fraction:	Actual/Actual (ISMA), unadjusted
	(x) Interest Determination Date:	Amounts payable in respect of Index-Linked Interest shall be calculated one Business Day prior to each Interest Period.

20. **Dual Currency Note Provisions** Not Applicable

PROVISIONS RELATING TO REDEMPTION

21. **Call Option** Not Applicable

22. **Put Option** Not Applicable

23. **Final Redemption Amount** Par

24. **Early Redemption Amount**

Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions): An amount determined in accordance with the Conditions, provided the Unwind Costs (as defined in Annex 1) are deducted when the Early Redemption Amount is calculated.

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25. **Form of Notes:** Interests in a temporary global Note in bearer form are exchangeable for interests in a permanent global Note in bearer form

26. **Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):** Not Applicable

27. **Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:** Not Applicable

28. **Details relating to Instalment Notes: Instalment Amounts and Instalment Dates:** Not Applicable

29. **Details relating to Extendible Notes:** Not Applicable

30. **Details relating to Renewable Notes:** Not Applicable

31. **Redenomination, renominatisation and reconventioning provisions:** Not Applicable

32. **Consolidation provisions:** Not Applicable

33. **Other terms or special conditions:** As described in Annex 1.

DISTRIBUTION

34. (i) **If syndicated, names of Managers:** Not applicable

- (ii) Stabilising Manager (if any): Not Applicable
35. If non-syndicated, name of Dealer: Lehman Brothers International (Europe)
36. Selling restrictions:
- (i) Netherlands Selling Restrictions: The Notes will not be offered in the Netherlands by the Managers.
- (i) Additional Selling Restrictions: Republic of Italy:
- The offering of the Notes has not been registered with the Commissione Nazionale per la Società e la Borsa (“CONSOB”) (the Italian securities exchange commission) pursuant to the Italian securities legislation and, accordingly, the Notes may not be offered, sold or delivered nor any copies of the Pricing Supplement (or any other document relating to the Notes) distributed, in the Republic of Italy (“Italy”) in a solicitation to the public at large (sollecitazione all’investimento), and the Notes shall only be offered or sold (as the case may be) in Italy if and to the extent that:
- (i) the Notes are offered or sold to professional investors (operatori qualificati), as defined in Article 31, second paragraph of CONSOB Regulation No 11522 of 1 July 1998 (the “Regulation No 11522”), as amended, and effected in compliance with the terms and procedures provided therein; or
- (ii) the Notes are offered or sold in circumstances which are exempted from the rules of solicitation of investments pursuant to Article 100 of Legislative Decree No 58 of 24 February 1998 (the “Financial Services Act”) and Article 33,

first paragraph, of CONSOB Regulation No 11971 of 14 May 1999 (the “Regulation No 11971”); or

- (iii) the Notes are sold to a person located in Italy who submits an unsolicited offer to purchase the Notes,

and such sale or offer (as the case may be) shall in any event be effected in accordance with all relevant Italian securities, tax and exchange control and other applicable laws and regulations.

Moreover and subject to the foregoing, the Notes may not be offered, sold or delivered and neither the Pricing Supplement nor any other material relating to the Notes may be distributed or made available in Italy unless such offer, sale or delivery of Notes or distribution or availability of copies of the Pricing Supplement or any other material relating to the Notes in the Italy is:

- (a) made by investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the Financial Services Act, Legislative Decree No 385 of 1 September, 1993 (the “Italian Banking Act”), the Regulation No 11522, the Regulation No 11971 and any other applicable laws and regulations; and
- (b) in compliance with Article 129 of the Italian Banking Act and the implementing instructions of the Bank of Italy, pursuant to which the issue, trading or placement of debt securities in Italy is subject to prior

notification to the Bank of Italy, unless an exemption, depending inter alia on the amount of the issue and the characteristics of the securities, applies.

OPERATIONAL INFORMATION

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| 37. | ISIN Code: | XS0202417050 |
| 38. | Common Code: | 020241705 |
| 39. | Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): | Not Applicable |
| 40. | Delivery: | Delivery against payment |
| 41. | The Aggregate Nominal Amount of Notes issued has been translated into US Dollars at the rate of \$1 = €0.78125, producing a sum of (for Notes not denominated in US Dollars): | \$64,000,000 |

RESPONSIBILITY:

Except as indicated in Annex 2 below, which is provided for information only, the Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer:

LEHMAN BROTHERS TREASURY CO. B.V.

By:
Authorized Signatory

Date:

ANNEX 1

1. Definitions

For the purposes of this Annex:

“Reference Index” means subject to the provisions of Clause 4 (Adjustment to and Replacement of Reference Index), Clause 5 (Re-Basing of Reference Index), Clause 6 (Corrections of Reference Index) and Clause 7 (Other Extraordinary Circumstances) below, the unrevised Harmonised Index for Consumer Price (“HICP”) (excluding tobacco) for the European Monetary Union (also defined by the Sponsor as the Monetary Union Index of Consumer Prices ex-tobacco (“MUCIP”)) for the Euro-Area as calculated by the Sponsor;

“Sponsor” means Eurostat and/or, as the context requires or permits, any successor sponsor accepted by the Calculation Agent.

2. **Index Linked Coupon Rate**

In respect of each Note, the Index Linked Coupon Rate payable on each Interest Payment Date with respect to each Index-Linked Interest Period shall be equal to:

Year on Year Inflation + 1.15%

subject to the minimum rate described below.

Where:

“Year on Year Inflation” means a percentage calculated in accordance with the following formula:

$$\left(\frac{CPI_{FINAL} - CPI_{INITIAL}}{CPI_{INITIAL}} \right)$$

“CPI_{INITIAL}” means in respect of each Interest Calculation Period, the Reference Index for the month of June prior to the start of the **previous** Interest Calculation Period (in the case of the first such Interest Calculation Period CPI_{INITIAL} will be the Reference Index published for the month of June 2005) published by the Sponsor; and

“CPI_{FINAL}” means in respect of each Interest Calculation Period, the Reference Index for the month of June prior to the end of the **previous** Interest Calculation Period (in the case of the first such Interest Calculation Period CPI_{FINAL} will be the Reference Index published for the month of June 2006) published by the Sponsor,

as determined by the Calculation Agent.

The minimum rate for the Index Linked Coupon Rate is equal to 1.75 per cent per annum.

Example: Considering CPI_{FINAL} equal to 103;

Considering CPI_{INITIAL} equal to 100,

The Index linked Coupon Rate formula applies as follows:

$$1.15\% + [(103-100)/100] = 1.15\% + 3\% = 4.15\%$$

The above merely represents an example in order to explain the formula for the calculation of the Index Linked Coupon Rate. The data used for the example do not reflect the value of the Reference Index published by the Sponsor at any time. The Calculation Agent remains solely responsible at any time for the calculation of the Index Linked Coupon Rate.

3. Notification of Index Linked Coupon Rate

As soon as reasonably practicable after calculating or otherwise determining each Index Linked Coupon Rate, the Calculation Agent shall give notice of the relevant amount to the Issuer.

4. Adjustment to and Replacement of Reference Index:

- (a) If the Reference Index is (i) not calculated and announced by the Sponsor but is calculated and announced by a successor sponsor provided that such successor has become the agency or authority having jurisdiction to measure the specific type of inflation that was measured by the Reference Index or is otherwise acceptable to the Calculation Agent or (ii) replaced by a successor index (as determined by the Calculation Agent in its sole discretion), then the Reference Index will be deemed to be the index so calculated and announced by that successor sponsor or that successor index, as the case may be.
- (b) If the Sponsor fails to calculate and publish the Reference Index prior to any date on which it is required for the purposes of performing any calculation hereunder (and (a) above doesn't apply), then the Calculation Agent shall calculate the level of the Reference Index using, in lieu of a published level for the Reference Index, the following formula:

$$\text{Level}_w \times (\text{Level}_y / \text{Level}_z)$$

“Level_w” means the level for the Reference Index which was published by the Sponsor for the month falling 12 months prior to that for which the Reference Index is being calculated; and

“Level_y” means the level for the Reference Index which was published by the Sponsor for the last previously occurring month on which such Reference Index was published; and

“Level_z” means the level for the Reference Index which was published by the Sponsor for the month falling 12 months prior to the last previously occurring month on which such Reference Index was published;

In the event that the Sponsor fails to calculate and publish the Reference Index prior to any date on which it is required for the purposes of performing any calculation hereunder for a period of 3 consecutive months or more, then the Sponsor shall be deemed to have ceased publication of the Reference Index altogether and the provisions of Clause 7 (Other Extraordinary Circumstances) below shall apply.

5. Re-Basing of Reference Index

If the Reference Index is re-based (the “Rebased Index”), the Rebased Index will be used for the purposes of determining the Reference Index; provided however, that the Calculation Agent

shall make adjustments to the past fixings of the Rebased Index so that the Rebased Index reflects the same rate of inflation as the Reference Index before it was rebased. Any such rebasing shall not affect any prior coupon payments.

6. Corrections of Reference Index

Notwithstanding the fact that the level of the Reference Index published in respect of such date is subsequently revised by the Sponsor (including any revision due to the original level being a provisional level), the Calculation Agent shall determine the amount that is payable using the level published prior to any such revision except where such revision is made in order to correct a manifest error in the publication of such index (as determined by the Calculation Agent in its sole discretion), in which event the Calculation Agent shall use the level as so corrected.

7. Other Extraordinary Circumstances

If

- (a) on or prior to the publication of the Reference Index the Sponsor makes a material change in the formula for or the method of calculating the Reference Index or in any other way materially modifies the Reference Index (other than in a way which would constitute (a) a Re-basing of the Index (as defined below) or (b) a modification prescribed in that formula or method to maintain the Reference Index in the event of changes in constituent prices or items and other routine events); or
- (b) there should occur any circumstances in relation to the Reference Index which prevents the Calculation Agent from determining the level of the Reference Index for the purposes of performing any calculation hereunder; or
- (c) the Reference Index ceases to be calculated and published altogether by the Sponsor or by any successor thereof, and in each case, such occurrence, circumstance or cessation is not covered by the provisions above;

then the Calculation Agent will use any substitute index or formula and make such amendments, adjustments and corrections to any such index, formulae or any applicable criteria as it shall in its sole discretion deem appropriate in order to calculate the amounts payable hereunder.

8. Determinations by the Calculation Agent

All determinations, calculations or valuations made by the Calculation Agent under of pursuant to the terms of the Notes shall be made in its sole and absolute discretion and the Calculation Agent shall be solely responsible for the determination and calculation of any and all determinations, calculations or valuations in accordance with the terms of the Notes. All such determinations, calculations or valuations made by the Calculation Agent shall be conclusive and binding. The Calculation Agent shall not be liable for any loss, liability, cost, claim, action, demand or expense (including without limitation, any costs, charges and expenses paid or incurred in disputing or defending any of the foregoing) arising out of or in relation to or in connection with its appointment or the exercise of this functions, except such as may result from its own wilful default, negligence or bad faith or that of its officers or agents.

Nothing contained herein shall prevent the Calculation Agent from dealing in these Notes or from entering into any related transactions, including without limitation any swap or hedging transactions, with the Issuer or any holder of Notes.

9. **Unwind Costs**

Where used in connection with these Notes, “Unwind Costs” means the Euro value of any transfer or stamp tax costs, early redemption or termination cost, if any, borne by the Issuer or any hedge counterparty of the Issuer, as determined by the Calculation Agent, in relation to any swap agreement, financing arrangement or other hedging transaction entered into by or on behalf of the Issuer and/or such hedge counterparty.

Annex 2

Information about the Index

The information contained in this Annex 2 relating to the Reference Index consists of extracts from or summaries of information that is publicly available (unless otherwise stated). Neither the Issuer nor the Guarantor has independently verified any such information, and neither accepts any responsibility for error or omission, other than accepting responsibility for accurately reproducing and/or summarising the information relating to the Reference Index. Investors may acquire such further information as they deem necessary in relation to the Reference Index from such publicly available information as they deem appropriate. Investors should make their own investment, hedging and trading decisions (including decisions regarding the suitability of this investment), based upon their own judgment and upon advice from such advisers as such investors deem necessary and not upon any view expressed by the Issuer or the Guarantor.

Given the highly specialised nature of these Notes, the Issuer and the Guarantor consider that they are only suitable for highly sophisticated investors who are able to determine themselves the risk of an investment linked to indexes.

Consequently, if you are not an investor who falls within the description above you should not consider purchasing these Notes without taking detailed advice from a specialised professional adviser.

Summary The Monetary Union Index of Consumer Prices ex-tobacco (“MUCIP”) is an aggregation of relevant Harmonised Indices of Consumer Prices for and reflects consumer price inflation (excluding tobacco) in those EU member states that are members of the Eurozone – having adopted the euro as their currency as participants in the third stage of Economic and Monetary Union.

General Information Harmonised Indices of Consumer Prices (“HICPs”) are indices of inflation compiled according to methodology developed by the national statistical institutes of member states of the European Union in conjunction with Eurostat.

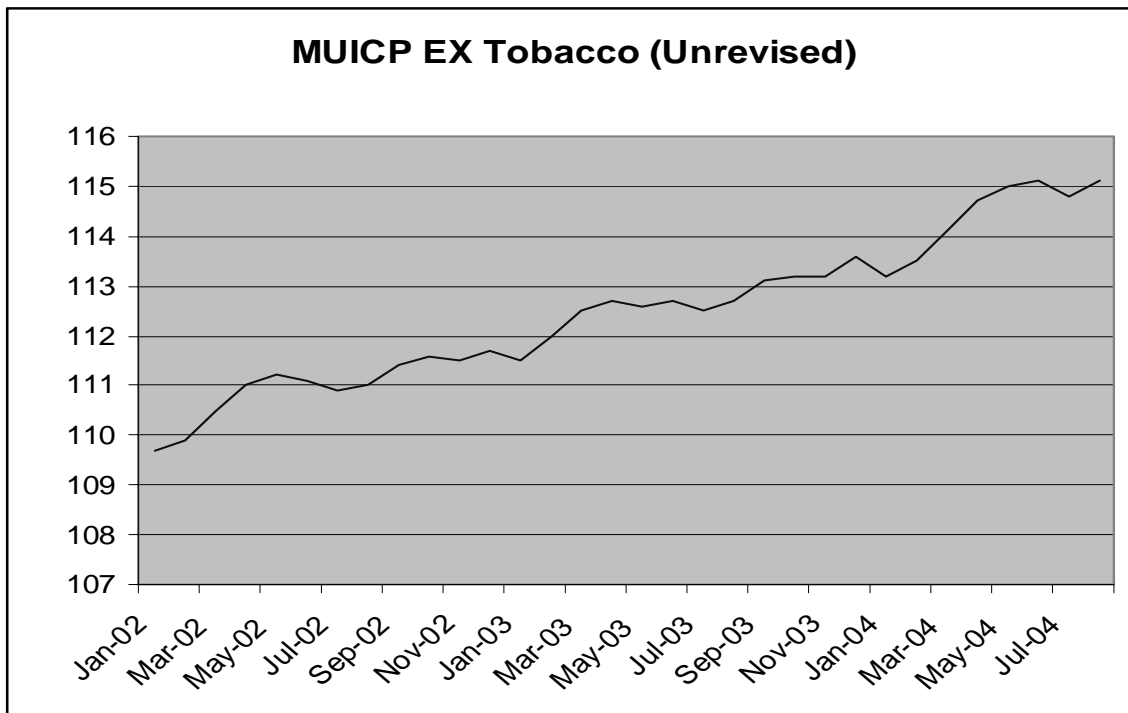
HICP figures are harmonized inflation figures required under Article 121 (consolidated version) of the Treaty establishing the European Community. They are designed for international comparison of consumer price inflation.

HICP indices cover “household final monetary consumption expenditure”. The relative importance of consumers’ expenditure in terms of particular goods or services varies from country to country. Therefore, there is no uniform basket applying to all member states.

Compilation Individual countries first publish their own HICP figures in conjunction with their consumer price indices. Following each country’s publication of its own HICP figures, Eurostat aggregates these and publishes aggregate HICP figures for the European Union (the European Index of Consumer Prices or EICP), for the Eurozone (the Monetary Union Index of Consumer Prices or MUICP) and for the European Economic Area (the European Economic Area Index of Consumer Prices or EEAICP).

Revisions and Publication Eurostat generally publishes MUICP figures approximately 16 to 18 days following the end of the relevant month. MUICP figures as published by Eurostat are occasionally revised after publication upon more accurate data becoming available. The Index as used in connection with the Notes, however, consists only of the unrevised figures first published by Eurostat (disregarding preliminary estimates). The tables of historical data found on the main pages of Eurostat’s website (<http://europa.eu.int/comm/eurostat/>) contain the revised figures and therefore will not reflect exactly the development of the Index. Unrevised figures can be obtained by subscription to Eurostat’s New Cronos database. The most convenient source of information about the development of the Index is currently the internet site of Agence France Trésor (<http://www.aft.fr/oat/us/ipceuro.html>) as the Index is the same as the index used to calculate payments under the French Republic’s OATei securities.

Disclaimer on behalf of Eurostat The Notes are not in any way sponsored, endorsed, sold or promoted by Eurostat. Eurostat has no obligation to take the needs of Bondholders into consideration in composing, determining or calculating the Index (or causing the Index to be calculated). In addition, Eurostat makes no warranty or representation whatsoever, express or implied, as to the results to be obtained from the use of the Index and/or the level at which the Index stands at any particular time on any particular day or otherwise, and shall not be liable, whether in negligence or otherwise, to any person for any error in the Index or under any obligation to advise any person, including, without limitation, the Issuer or Bondholders, of any error therein.

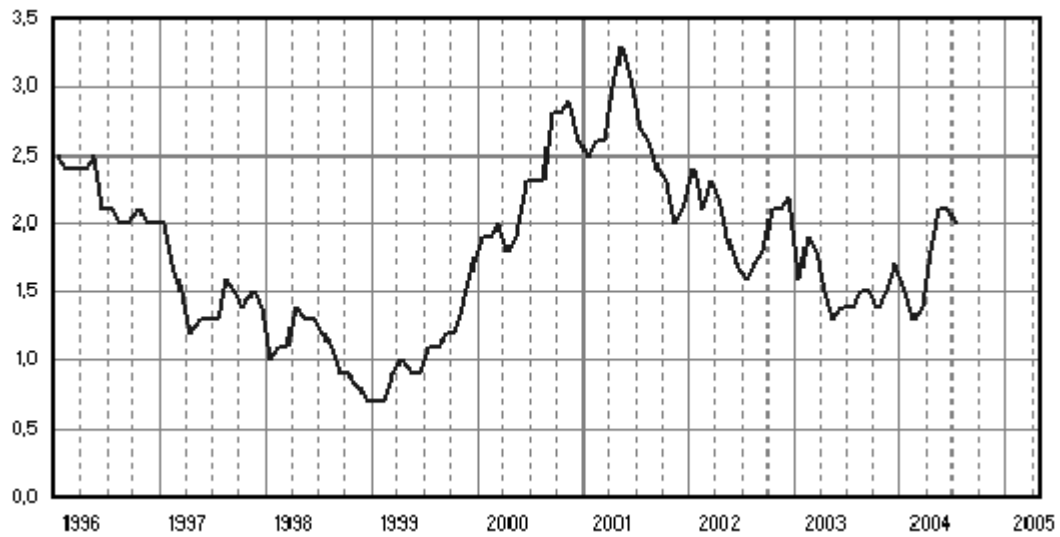


Year on Year Change

Month	Index Level	Year on Year change*
15-Jan-02	109.700	2.43%
15-Feb-02	109.900	2.14%
15-Mar-02	110.500	2.31%
15-Apr-02	111.000	2.21%
15-May-02	111.200	1.92%
15-Jun-02	111.100	1.74%
15-Jul-02	110.900	1.65%
15-Aug-02	111.000	1.74%
15-Sep-02	111.400	1.83%
15-Oct-02	111.600	2.10%
15-Nov-02	111.500	2.11%
15-Dec-02	111.700	2.20%
15-Jan-03	111.500	1.64%
15-Feb-03	112.000	1.91%
15-Mar-03	112.500	1.81%
15-Apr-03	112.700	1.53%
15-May-03	112.600	1.26%
15-Jun-03	112.700	1.44%
15-Jul-03	112.500	1.44%
15-Aug-03	112.700	1.53%
15-Sep-03	113.100	1.53%
15-Oct-03	113.200	1.43%
15-Nov-03	113.200	1.52%
15-Dec-03	113.600	1.70%
15-Jan-04	113.200	1.52%
15-Feb-04	113.500	1.34%
15-Mar-04	114.100	1.42%

15-Apr-04	114.700	1.77%
15-May-04	115.000	2.13%
15-Jun-04	115.100	2.13%
15-Jul-04	114.800	2.04%
15-Aug-04	115.100	2.13%

* Figures rounded to the nearest 2 decimal places for illustration purposes only



Graph of the year on year change in the Reference Index

Sources for text: Eurostat and Agence France Trésor

Source for tables: Agence France Trésor