

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE

In Re LMI Legacy Holdings, Inc., et al (fka Landauer Healthcare Holdings, Inc.) Case No. 13-12098 (CSS)  
Reporting Period (1) March 1, 2014 - March 31, 2014

**MONTHLY OPERATING REPORT**

File with Court and submit copy to United States Trustee within 30 days after end of month.

Submit copy of report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached	Affidavit/Supplement Attached
Schedule of Cash Receipts and Disbursements	MOR-1	X		
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1a			X
Schedule of Professional Fees Paid	MOR-1b	X		
Copies of bank statements				
Cash disbursements journals				
Statement of Operations	MOR-2	X		
Balance Sheet	MOR-3	X		
Status of Postpetition Taxes	MOR-4	X		X
Copies of IRS Form 6123 or payment receipt				
Copies of tax returns filed during reporting period				
Summary of Unpaid Postpetition Debts	MOR-4	X		
Listing of aged accounts payable	MOR-4	X		
Accounts Receivable Reconciliation and Aging	MOR-5	X		
Debtor Questionnaire	MOR-5	X		

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

Signature of Debtor

Date

Signature of Joint Debtor

Date

Signature of Authorized Individual\*

Date

Printed Name of Authorized Individual

Title of Authorized Individual

\* Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

Note - On February 7, 2014, the Debtors consummated the sale of substantially all of their assets to LMI DME Holdings LLC (the "Purchaser") pursuant to that certain Asset Purchase Agreement, dated as of August 16, 2013, as amended by Amendment No. 1 to Asset Purchase Agreement, dated January 6, 2014, by and among Debtors and Purchaser (the "Purchase Agreement"). Thereafter, and as required by the Purchase Agreement, the Debtors' names were changed to the following: LMI Legacy Holdings Inc. (formerly known as Landauer Healthcare Holdings, Inc.); LMI Legacy Holdings II Inc. (formerly known as Landauer-Metropolitan, Inc.); LMI Legacy Holdings III Inc. (formerly known as Miller Medical & Respiratory, Inc.); LMI Legacy Holdings IV Inc. (formerly known as C.O.T.D. Services, Inc.); LMI Legacy Holdings I LLC (formerly known as American Homecare Supply New York, LLC); LMI Legacy Holdings II LLC (formerly known as American Homecare Supply Mid-Atlantic LLC); LMI Legacy Holdings III LLC (formerly known as Denmark's, LLC); LMI Legacy Holdings IV LLC (formerly known as Genex Homecare, LLC).

March 1, 2014 - March 31, 2014

Reporting Period

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Case No Debtor	13-12099 LMI II Inc	13-12099 LMI II Inc	13-12099 LMI II Inc	13-12099 LMI II Inc	13-12099 LMI II Inc	13-12099 LMI II Inc	13-12103 LMI II LLC	13-12103 LMI II LLC	13-12103 LMI II LLC	13-12103 LMI II LLC	13-12102 LMI II LLC	13-12102 LMI II LLC	13-12102 LMI II LLC
Account Name	LMI A/P Controlled Disbursements	LMI Payroll	LMI Operating Acct	LMI Utilities Deposit Acct	LMI Escrow Acct	AHS Midatlantic LLC Comm MD Acct	AHS Midatlantic LLC Gov't MD Acct	AHS Midatlantic LLC Gov't Young's Acct	AHS Midatlantic LLC Comm'l Young's Acct	AHS Payty Cash	AHSNY LLC Gov't Acct	AHSNY LLC Comm'l Acct	AHSNY Payty Cash
Account Number	xxxxxx8563	xxxxxx8547	xxxxxx41929	xxxxxx6275	xxxxxx0400	xxxxxx0007	xxxxxx9993	xxxxxx703	xxxxxx761	xxxxxx1461	xxxxxx1461	xxxxxx1487	
Cash, Beginning of Month	\$ 1,145,970.65	\$ 18,015.51	\$ 5,833.76	\$ 49,500.00	\$ -	\$ (25.00)	\$ (25.00)	\$ (25.00)	\$ (65.50)	\$ -	\$ -	\$ -	\$ -
<b>Receipts</b>													
Accounts Receivable													
Transfer from Commercial Account		21,000.00											
Transfer from Disbursements Account													
Collections Due 363 Purchaser						89,127.77	37,356.76	70,679.01	579,347.96		17,699.23	310,177.77	
Other		35,000.00											
Step from ZBA's		3,087,157.50											
Total Receipts		4,650,197.73				89,127.77	37,356.76	70,679.01	579,347.96		17,699.23	310,177.77	
<b>Disbursements</b>													
Payroll and Employee Benefits													
Medical Supplies													
Delivery/Rental Service													
Rental Supplies													
Equipment Leases													
Rent													
Oxygen													
Maintenance													
Insurance													
TeleCom													
Medicare/Patient Refunds													
Supplies/3rd party services													
Claims Processing													
Utilities													
IT													
Banking Fees													
Prof. Fees - OCP													
Property Taxes													
Other													
Prof. Fees - Debtor													
Prof. Fees - Sr. Lender													
Prof. Fees - UCC													
US Trustee fees													
Care Payments													
Deposit with UCC													
Travel													
Salary													
Senior Debt Principal													
Senior Debt Interest													
Senior Debt Fee													
Success to Co-Gen Check		71,866.27											
Success to Co-Gen Checking													
Transfer to Disbursements													
Transfer to Payroll													
Total Disbursements		21,000.00				89,127.77	37,356.76	70,679.01	579,347.96		17,699.23	310,177.77	
		5,685,914.41				89,127.77	37,356.76	70,679.01	579,347.96		17,699.23	310,177.77	
		342,087.57				347.25							
		(342,087.57)				(347.25)							
<b>Net Cash Flow</b>		\$ 899,423.15				\$ 5,486.51	\$ (25.00)	\$ (25.00)	\$ (25.00)	\$ -	\$ -	\$ -	\$ -
<b>Cash - End of Month</b>		\$ 2,952,539.97				\$ 49,500.00	\$ (25.00)	\$ (25.00)	\$ (25.00)	\$ -	\$ -	\$ -	\$ -

March 1, 2014 - March 31, 2014

Reporting Period

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Case No 13-12104 13-12104 13-12104 13-12101 13-12101 13-12100 13-12100 13-12100 13-12105 13-12105 13-12105 13-12105  
 Debtor LMI III LLC LMI III LLC LMI III LLC LMI IV LLC LMI IV LLC LMI III Inc LMI III Inc LMI III Inc LMI IV LLC LMI IV LLC LMI IV LLC

Account Name	Denmarks LLC Coastal Acct TD Bank XXXXXXXX1388	Denmarks LLC Patty Cash TD Bank XXXXXXXX4337	COPD Sprinkles, Inc Gov't Acct TD Bank XXXXXXXX9927	COPD Sprinkles, Inc Comm'l Acct TD Bank XXXXXXXX9795	Miller Medical Commersol Acct TD Bank XXXXXXXX9523	Miller Medical Gov't Acct TD Bank XXXXXXXX9513	Miller Petty Cash	Gmoax Homescare LLC Gov't Acct TD Bank XXXXXXXX9498	Gmoax Homescare LLC TD Bank XXXXXXXX8284	Gmoax Homescare LLC Comm'l Acct TD Bank XXXXXXXX9486	Current Month		Cumulative Filing To Date
											Actual	Proposed	
Cash, Beginning of Month	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,450,692.14	\$ -	\$ 1,288,244.03
<b>Receipts</b>													
Accounts Receivable	-	-	-	-	-	-	-	-	-	-	21,000.00	-	39,511,141.08
Transfer from Commercial Account	-	-	-	-	-	-	-	-	-	-	-	-	24,700,775.24
Transfer from Disbursements Account	-	-	-	-	-	-	-	-	-	-	-	-	-
Collection Due 363 Purchaser	246,687.65	914,702.95	16,760.25	233,308.42	332,592.78	34,411.72	-	81,854.28	6,599.36	116,492.09	4,836,235.23	-	4,836,235.23
Other	-	-	-	-	-	-	-	-	-	-	35,500.00	-	28,832.24
Swrap from ZBA's	246,687.65	914,702.95	16,760.25	233,308.42	332,592.78	34,411.72	-	81,854.28	6,599.36	116,492.09	3,000,352.86	-	3,000,352.86
<b>Total Receipts</b>	246,687.65	914,702.95	16,760.25	233,308.42	332,592.78	34,411.72	-	81,854.28	6,599.36	116,492.09	7,986,595.09	-	107,701,371.20
<b>Disbursements</b>													
Payroll and Employee Benefits	-	-	-	-	-	-	-	-	-	-	-	-	15,894,171.61
Medical Supplies	-	-	-	-	-	-	-	-	-	-	-	-	11,899,881.03
Delivery/Rental Service	-	-	-	-	-	-	-	-	-	-	-	-	1,568,937.48
Rental Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment Leases	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent	-	-	-	-	-	-	-	-	-	-	-	-	1,805,183.47
Oxygen	-	-	-	-	-	-	-	-	-	-	-	-	545,580.32
Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	525,193.76
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	383,209.17
TeleCom	-	-	-	-	-	-	-	-	-	-	-	-	550,670.23
Medicare/Patient Refunds	-	-	-	-	-	-	-	-	-	-	-	-	38,598.28
Supplies/3rd party services	-	-	-	-	-	-	-	-	-	-	-	-	447,096.73
Claims Processing	-	-	-	-	-	-	-	-	-	-	-	-	174,716.61
Utilities	-	-	-	-	-	-	-	-	-	-	-	-	138,682.16
IT	-	-	-	-	-	-	-	-	-	-	-	-	259,518.73
Banking Fees	-	-	-	-	-	-	-	-	-	-	-	-	118,996.77
Prof. Fees - OCP	-	-	-	-	-	-	-	-	-	-	-	-	203,365.70
Property Taxes	-	-	-	-	-	-	-	-	-	-	-	-	168,901.08
Auto Fees - Debtor	-	-	-	-	-	-	-	-	-	-	-	-	692,443.96
Prof. Fees - S/Lender	-	-	-	-	-	-	-	-	-	-	-	-	90.33
Prof. Fees - UCC	-	-	-	-	-	-	-	-	-	-	-	-	278,643.67
US Trust Fees - UCC	-	-	-	-	-	-	-	-	-	-	-	-	361,228.76
Client Payments	-	-	-	-	-	-	-	-	-	-	-	-	894,252.23
Deposit with UCC	-	-	-	-	-	-	-	-	-	-	-	-	18,322.09
Reserve Deposit	-	-	-	-	-	-	-	-	-	-	-	-	18,322.09
Utility Deposits	-	-	-	-	-	-	-	-	-	-	-	-	537,409.00
Senior Debt Interest	-	-	-	-	-	-	-	-	-	-	-	-	40,500.00
Senior Debt Principal	-	-	-	-	-	-	-	-	-	-	-	-	1,012,439.16
Disbursements of funds held for 363 Purchaser	-	-	-	-	-	-	-	-	-	-	-	-	875,600.00
Swaps to Commercial	246,687.65	914,702.95	16,760.25	233,308.42	332,592.78	34,411.72	-	81,854.28	6,599.36	116,492.09	5,738,127.93	-	5,738,127.93
Swaps to Genoa Checkline	-	-	-	-	-	-	-	-	-	-	-	-	36,538,207.72
Transfer to Disbursements	-	-	-	-	-	-	-	-	-	-	-	-	45,087.06
Transfer to Payroll	-	-	-	-	-	-	-	-	-	-	-	-	8,810,273.24
<b>Total Disbursements</b>	246,687.65	914,702.95	16,760.25	233,308.42	332,592.78	34,411.72	-	81,854.28	6,599.36	116,492.09	21,000.00	-	15,038,538.00
<b>Net Cash Flow</b>	-	-	-	-	-	-	-	-	-	-	9,195,572.36	-	109,372,415.56
<b>Cash - End of Month</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,251,714.87	\$ -	\$ (382,800.33)

THE FOLLOWING SECTION MUST BE COMPLETED

Debtor Case #	Metropolitan, Landauer inc.	AHSMA 13-12103	AHSWNY 13-12102	Denmark's 13-12104	COPD 13-12101	Miller 13-12100	Genox 13-12105	Total
Total Disbursements	\$ 5,807,984.68	\$ 875,327.75	\$ 376,733.75	\$ 1,210,337.68	\$ 298,925.42	\$ 415,861.25	\$ 260,401.84	\$ 9,195,572.36
Less Transfer to Debtor in Possession Accounts	(21,000.00)			(1,161,390.60)	(250,068.67)	(367,004.50)	(211,545.09)	(3,115,356.86)
Less Disbursement of funds held for 363 Purchaser ***	(5,738,127.93)	(776,471.00)	(327,877.00)					(6,738,127.93)
Plus: Estate Disbursements Made By Outside Sources (i.e. from escrow accounts)								
Total Disbursements For Calculating U.S. Trustee Quarterly Fees	\$ 48,856.75	\$ 48,856.75	\$ 48,856.75	\$ 48,947.08	\$ 48,856.75	\$ 48,856.75	\$ 48,856.75	\$ 342,087.57

\* Note the Debtors are allocating professional and CRO fees evenly across all Debtor entities for purposes of calculating Quarterly fees payable to the Office of the United States Trustee

\*\* Note LMI Legacy Holdings Inc. (fka Landauer Healthcare Holdings, Inc.) (Case No 13-12098) has no bank accounts and no disbursements

\*\*\* On February 7, 2014, the Debtors consummated the sale of substantially all of their assets to LMI DME Holdings LLC (the "Purchaser") pursuant to that certain Asset Purchase Agreement, dated as of August 16, 2013, as amended by Amendment No. 1 to Asset Purchase Agreement, dated January 6, 2014, by and among Debtors and Purchaser. Following the consummation of the sale, and pursuant to that certain Order Pursuant to Sections 363 and 105 of the Bankruptcy Code Authorizing the Debtors and Debtors in Possession to Enter into a Transition Services Agreement with LMI DME Holdings LLC (D.L. 481) (the "Transition Services Order"), which approved and authorized the Debtors to enter into that certain Amended and Restated Transition Services Agreement with the Purchaser (the "Transition Services Agreement"), Debtor receivables invoiced prior to the sale and purchased by the Purchaser are only nominally deposited into the Debtors' accounts before being transmitted on a daily basis on to the Purchaser. This process will continue until the remaining pre-sale invoices are paid. With the consent of the Office of the United States Trustee, these collected and forwarded receivables are not included in the total disbursements calculated hereunder.

CONSOLIDATING INCOME STATEMENT  
 LANDAUER METROPOLITAN, INC.  
 PERIOD FROM MARCH 1, 2014 TO MARCH 31, 2014

Case No Debtor	13-12099		13-12105		13-12101	
	LMI Legacy Holdings II Inc. Current Month	Total	LMI Legacy Holdings IV LLC Current Month	Total	LMI Legacy Holdings IV Inc Current Month	Total
<b>Total Net Revenues</b>	\$ 11,082,628	\$ 11,082,628	\$ 1,970,591	\$ 1,970,591	\$ 2,868,604	\$ 2,868,604
<b>Cost and Expenses:</b>						
Product and supply costs	1,848,467	1,848,467	832,700	832,700	1,687,996	1,687,996
<b>Gross profit</b>	9,234,161	9,234,161	1,137,891	1,137,891	1,180,608	1,180,608
General and administrative	8,798,568	8,838,502	746,991	746,991	881,907	881,907
Selling Expenses	231,193	231,193	115,265	115,265	159,004	159,004
Delivery Expenses	915,456	915,456	309,010	309,010	227,652	227,652
Board of directors and stockholder expenses	(37,735)	(37,735)	-	-	-	-
Provision for doubtful accounts	2,110,083	2,110,083	524,611	524,611	737,298	737,298
Other Income	88,788	88,788	-	-	-	-
Gain on Bargain Purchase	-	-	-	-	-	-
<b>Total Cost and Expenses</b>	13,954,820	13,994,754	2,528,576	2,528,576	3,693,857	3,693,857
<b>Income Before Interest, Taxes, Depreciation and Amortization Expense</b>	(2,872,192)	(2,912,126)	(557,985)	(557,985)	(825,253)	(825,253)
Rental equipment depreciation	1,757,355	1,757,355	303,695	303,695	474,903	474,903
Rental equipment deprec written up assets	299,785	299,785	13,142	13,142	96	96
Other fixed assets depreciation	-	-	-	-	-	-
Other fixed assets deprec written up assets	22,118	22,118	13,743	13,743	3,945	3,945
Amortization of intangible assets	2,079,259	2,079,259	330,580	330,580	478,943	478,943
<b>Total Depreciation and Amortization Exp</b>	(4,951,451)	(4,991,385)	(888,564)	(888,564)	(1,304,196)	(1,304,196)
<b>Income Before Interest and Taxes</b>	92,537	92,537	-	-	-	-
Amortization of Deferred Financing Costs	980,379	980,379	-	-	-	-
Interest expense, net	262,500	262,500	-	-	-	-
Interest expense, Discount on Convertible Debt and Derivatives	119,638	119,638	104	104	49	49
Other Financing Costs	3,308,857	3,669,099	14,625	14,625	11,375	11,375
Acquisition Inventory Obsolescence	17,903,921	17,903,921	1,405,880	1,405,880	1,387,359	1,387,359
Non Recurring - other	22,667,832	23,028,074	1,420,609	1,420,609	1,398,783	1,398,783
Loss on Sale of Assets	(27,619,283)	(28,019,458)	(2,309,173)	(2,309,173)	(2,702,979)	(2,702,979)
<b>Total</b>	(4,003,413)	(4,003,413)	(379,383)	(379,383)	(553,426)	(553,426)
<b>Income Before Provision for Income Taxes</b>	(23,615,870)	(24,016,045)	(1,929,790)	(1,929,790)	(2,149,553)	(2,149,553)
Provision for income taxes	(400,175)	(400,175)	-	-	-	-
<b>NET INCOME</b>	(23,615,870)	(24,016,045)	(1,929,790)	(1,929,790)	(2,149,553)	(2,149,553)

CONSOLIDATING INCOME STATEMENT  
 LANDAUER METROPOLITAN, INC.  
 PERIOD FROM MARCH 1, 2014 TO MARCH 31, 2014

Case No Debtor	13-12103		13-12102		13-12100	
	LMI Legacy Holdings II LLC	Total	LMI Legacy Holdings I LLC	Total	LMI Legacy Holdings III Inc.	Total
	Beg Bal	Current Month	Beg Bal	Current Month	Beg Bal	Current Month
<b>Total Net Revenues</b>	\$ 9,577,954	\$ -	\$ 9,577,954	\$ -	\$ 3,202,613	\$ -
<b>Cost and Expenses:</b>						
Product and supply costs	3,621,246	-	3,621,246	-	915,057	-
<b>Gross profit</b>	5,956,708	-	5,956,708	-	2,287,556	-
General and administrative	3,095,907	-	3,095,907	-	765,612	-
Selling Expenses	553,807	-	553,807	-	119,017	-
Delivery Expenses	718,345	-	718,345	-	250,288	-
Board of directors and stockholder expenses	-	-	-	-	-	-
Provision for doubtful accounts	1,233,141	-	1,233,141	-	726,569	-
Other Income	-	-	-	-	-	-
Gain on Bargain Purchase	-	-	-	-	-	-
<b>Total Cost and Expenses</b>	9,222,446	-	9,222,446	-	2,776,543	-
<b>Income Before Interest, Taxes, Depreciation and Amortization Expense</b>	355,508	-	355,508	-	426,070	-
Rental equipment depreciation	789,925	-	789,925	-	371,482	-
Rental equipment deprec written up assets	-	-	-	-	-	-
Other fixed assets depreciation	10,579	-	10,579	-	29,466	-
Other fixed assets deprec written up assets	-	-	-	-	-	-
Amortization of intangible assets	79,688	-	79,688	-	17,483	-
<b>Total Depreciation and Amortization Exp</b>	880,191	-	880,191	-	400,948	-
<b>Income Before Interest and Taxes</b>	(524,683)	-	(524,683)	-	25,122	-
Amortization of Deferred Financing Costs	-	-	-	-	-	-
Interest expense, net	-	-	-	-	-	-
Interest expense, Discount on Convertible Debt and Derivatives	-	-	-	-	-	-
Other Financing Costs	46	-	46	-	53	-
Acquisition Inventory Obsolescence	-	-	-	-	-	-
Non Recurring - other	16,900	-	16,900	-	6,500	-
Loss on Sale of Assets	4,871,652	-	4,871,652	-	1,329,863	-
<b>Total</b>	4,888,598	-	4,888,598	-	1,336,416	-
<b>Income Before Provision for Income Taxes</b>	(5,413,282)	-	(5,413,282)	-	(1,311,294)	-
Provision for income taxes	(228,119)	-	(228,119)	-	7,769	-
<b>NET INCOME</b>	\$ (5,185,163)	\$ -	\$ (5,185,163)	\$ -	\$ (1,319,063)	\$ -

CONSOLIDATING INCOME STATEMENT  
 LANDAUER METROPOLITAN, INC.  
 PERIOD FROM MARCH 1, 2014 TO MARCH 31, 2014

Case No Debtor	13-12104 LMI Legacy Holdings III LLC			13-12098 LMI Legacy Holdings Inc.			Total		
	Beg Bal	Current Month	Total	Beg Bal	Current Month	Total	Beg Bal	Current Month	Total
<b>Total Net Revenues</b>	\$ 8,849,901	\$ -	\$ 8,849,901	\$ -	\$ -	\$ -	\$ 39,699,420	\$ -	\$ 39,699,420
<b>Cost and Expenses:</b>									
Product and supply costs	3,132,718	-	3,132,718	-	-	-	12,840,711	-	12,840,711
<b>Gross profit</b>	5,717,182	-	5,717,182	-	-	-	26,858,709	-	26,858,709
General and administrative	2,299,512	-	2,299,512	-	-	-	17,590,370	26,193	17,616,563
Selling Expenses	320,533	-	320,533	-	-	-	1,794,452	-	1,794,452
Delivery Expenses	502,195	-	502,195	-	-	-	3,120,269	-	3,120,269
Board of directors and stockholder expenses	972	-	972	-	-	-	(36,763)	-	(36,763)
Provision for doubtful accounts	1,340,388	-	1,340,388	-	-	-	6,910,906	-	6,910,906
Other Income	(4,161)	-	(4,161)	-	-	-	86,918	-	86,918
Gain on Begin Purchase	-	-	-	-	-	-	-	-	-
<b>Total Cost and Expenses</b>	7,592,159	-	7,592,159	-	-	-	42,306,864	26,193	42,333,057
<b>Income Before Interest, Taxes, Depreciation and Amortization Expense</b>	1,257,742	-	1,257,742	-	-	-	(2,607,444)	(26,122)	(2,633,566)
Rental equipment depreciation	626,060	-	626,060	-	-	-	4,609,071	-	4,609,071
Rental equipment deprec written up assets	-	-	-	-	-	-	-	-	-
Other fixed assets depreciation	31,630	-	31,630	-	-	-	406,169	-	406,169
Other fixed assets deprec written up assets	-	-	-	-	-	-	-	-	-
Amortization of intangible assets	79,523	-	79,523	-	-	-	216,499	-	216,499
<b>Total Depreciation and Amortization Exp</b>	737,212	-	737,212	-	-	-	5,231,739	-	5,231,739
<b>Income Before Interest and Taxes</b>	520,530	-	520,530	-	-	-	(7,839,182)	(26,122)	(7,865,304)
Amortization of Deferred Financing Costs	-	-	-	-	-	-	92,537	-	92,537
Interest expense, net	23,434	-	23,434	-	-	-	1,387,914	-	1,387,914
Interest expense, Discount on Convertible Debt and Derivatives	-	-	-	384,102	-	384,102	-	-	-
Other Financing Costs	-	-	-	-	-	-	262,500	-	262,500
Acquisition Inventory Obsolescence	-	-	-	-	-	-	120,004	-	120,004
Non Recurring - other	14,625	-	14,625	-	-	-	3,384,257	156,915	3,541,172
Loss on Sale of Assets	4,625,744	-	4,625,744	-	-	-	32,758,395	1,423,307	34,181,702
<b>Total</b>	4,663,803	-	4,663,803	-	-	-	38,005,608	1,580,222	39,585,830
<b>Income Before Provision for Income Taxes</b>	(4,143,273)	-	(4,143,273)	(384,102)	-	(384,102)	(45,844,790)	(1,606,344)	(47,451,134)
Provision for income taxes	200,866	-	200,866	(161,322)	-	(161,322)	(5,422,549)	-	(5,422,549)
<b>NET INCOME</b>	\$ (4,344,139)	\$ -	\$ (4,344,139)	\$ (222,780)	\$ -	\$ (222,780)	\$ (40,422,241)	\$ (1,606,344)	\$ (42,028,585)

CONSOLIDATING BALANCE SHEET  
LANDAUER METROPOLITAN, INC.  
MARCH 31, 2014

Case No. Debtor	13-12099		13-12105		13-12105		13-12105		13-12105		13-12105		13-12105	
	LMI Legacy Holdings II Inc.	Current	LMI Legacy Holdings IV LLC	Current	LMI Legacy Holdings IV Inc.	Current	LMI Legacy Holdings I LLC	Current	LMI Legacy Holdings I LLC	Current	LMI Legacy Holdings I LLC	Current	LMI Legacy Holdings III Inc.	Current
	Beq Bal		Beq Bal		Beq Bal		Beq Bal		Beq Bal		Beq Bal		Beq Bal	
<b>Assets</b>														
<b>Current Assets</b>														
Cash and cash equivalents	\$ 1,285,285	\$ 1,328,787	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable	7,097,382	-	1,149,497	-	1,685,728	(18,043)	1,358	(58,169)	3,598,981	500	1,028,705	(69)	1,502,226	(200)
Inventory	4,962,724	-	333,973	-	777,846	-	1,887,014	-	822,532	-	822,532	-	359,047	-
Prepaid expenses and other current assets	1,012,711	1,106,148	71,366	-	3,495	-	-	-	19,122	-	-	-	-	-
Income taxes receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred income tax assets	200,003	200,003	(102,909)	(102,909)	(98,691)	(98,691)	(139,903)	(139,903)	11,447	11,447	11,447	11,447	(38,041)	(38,041)
<b>Total Current Assets</b>	<b>14,558,105</b>	<b>2,634,938</b>	<b>1,451,927</b>	<b>(102,909)</b>	<b>2,566,376</b>	<b>(116,734)</b>	<b>5,347,450</b>	<b>(198,072)</b>	<b>1,882,306</b>	<b>11,576</b>	<b>1,882,306</b>	<b>11,576</b>	<b>1,824,082</b>	<b>(36,241)</b>
Property and equipment, net	7,746,564	-	900,852	-	1,122,241	-	1,687,127	-	680,151	-	680,151	-	947,858	-
Goodwill	11,826,805	-	-	-	-	-	-	-	-	-	-	-	-	-
Indefinite intangible assets, net	986,959	-	308,110	-	82,166	-	2,464,531	-	408,966	-	408,966	-	2,589,472	4,084,632
Intercor	3,689,519	(9,595,879)	1,510,549	1,950,338	1,994,126	2,974,602	6,743,794	11,291,310	(156,770)	832,366	(156,770)	832,366	2,589,472	4,084,632
Other assets, net	391,991	122,850	12,685	-	37,344	-	226,440	-	27,687	-	27,687	-	8,439	-
<b>Total Assets</b>	<b>\$ 39,199,943</b>	<b>\$ (6,837,091)</b>	<b>\$ 4,184,123</b>	<b>\$ 1,847,429</b>	<b>\$ 5,694,255</b>	<b>\$ 2,857,868</b>	<b>\$ 16,469,342</b>	<b>\$ 11,093,238</b>	<b>\$ 2,942,340</b>	<b>\$ 843,744</b>	<b>\$ 2,942,340</b>	<b>\$ 843,744</b>	<b>\$ 5,369,851</b>	<b>\$ 4,046,391</b>
<b>Liabilities and stockholders' equity</b>														
<b>Current Liabilities</b>														
Notes payable	\$ 5,148,945	\$ 5,148,945	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current portion of long-term debt	3,500,000	3,500,000	-	-	-	-	-	-	-	-	-	-	-	-
Bank overdrafts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts payable	52,305	52,305	-	-	-	-	-	69,716	-	-	-	-	-	-
Accounts payable - prepetition	13,146,731	12,477,513	171,357	154,750	126,110	130,812	366,285	280,718	69,993	69,217	69,993	138,584	126,419	
Accrued expenses	3,060,898	(1,287,566)	(83,299)	(473,577)	(648,530)	(1,241,066)	141,004	(35,087)	(495,966)	(835,901)	(495,966)	(835,901)	(541,411)	
Current portion of deferred income tax liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other current liabilities	1,776,468	1,669,480	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>26,633,042</b>	<b>21,553,577</b>	<b>88,058</b>	<b>(318,847)</b>	<b>(523,420)</b>	<b>(1,120,254)</b>	<b>507,289</b>	<b>316,347</b>	<b>(423,973)</b>	<b>(766,684)</b>	<b>(423,973)</b>	<b>(766,684)</b>	<b>(410,596)</b>	<b>(414,992)</b>
Long-term debt - net of current portion	21,373,092	2,768,699	224,646	224,646	(47,633)	(47,633)	1,336,086	1,336,086	155,419	155,419	155,419	279,736	279,736	
Deferred income tax liabilities - net of current portion	(988,061)	(988,061)	-	-	-	-	-	-	-	-	-	-	-	
Other long-term liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	
Subordinated notes payable to related parties	2,525,806	2,812,500	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Liabilities</b>	<b>49,543,879</b>	<b>26,146,715</b>	<b>312,704</b>	<b>(94,201)</b>	<b>(571,053)</b>	<b>(1,167,887)</b>	<b>1,843,375</b>	<b>1,652,433</b>	<b>(268,554)</b>	<b>(611,265)</b>	<b>(268,554)</b>	<b>(611,265)</b>	<b>(130,860)</b>	<b>(135,256)</b>
<b>Stockholders' equity</b>														
Series A convertible preferred stock	88,974	88,974	-	-	-	-	-	-	-	-	-	-	-	-
Series B convertible preferred stock	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Common stock	100,810	100,810	100	100	100	100	100	100	100	100	100	100	436,620	
Additional paid-in capital	13,533,422	13,533,422	3,871,319	1,941,530	11,079,318	11,079,318	14,625,967	9,440,805	1,049,900	1,049,900	1,049,900	5,064,091	3,745,027	
Retained earnings	(22,461,466)	(46,477,512)	(1,376,176)	(229,500)	(4,904,110)	(7,053,663)	14,625,967	9,440,805	2,060,894	405,069	2,060,894	405,069	5,064,091	
Notes receivable from stockholders	-	-	-	-	-	-	-	-	-	-	-	-	-	
Treasury stock	(229,500)	(229,500)	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Stockholders' equity</b>	<b>(10,343,936)</b>	<b>(32,983,806)</b>	<b>3,871,419</b>	<b>1,841,630</b>	<b>6,175,208</b>	<b>4,025,735</b>	<b>14,625,967</b>	<b>9,440,805</b>	<b>3,110,894</b>	<b>1,455,029</b>	<b>3,110,894</b>	<b>1,455,029</b>	<b>5,500,711</b>	<b>4,181,647</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 39,199,943</b>	<b>\$ (6,837,091)</b>	<b>\$ 4,184,123</b>	<b>\$ 1,847,429</b>	<b>\$ 5,694,255</b>	<b>\$ 2,857,868</b>	<b>\$ 16,469,342</b>	<b>\$ 11,093,238</b>	<b>\$ 2,842,340</b>	<b>\$ 843,744</b>	<b>\$ 2,842,340</b>	<b>\$ 843,744</b>	<b>\$ 5,369,851</b>	<b>\$ 4,046,391</b>



CONSOLIDATING BALANCE SHEET  
LANDAHER METROPOLITAN, INC.  
MARCH 31, 2014

Line No. Descriptor	13-2104 LMI Legacy Holdings III LLC		13-12098 LMI Legacy Holdings Inc.		Total		Eliminations		Consolidated	
	Reg Bal	Current	Reg Bal	Current	Reg Bal	Current	Reg Bal	Current	Reg Bal	Current
<b>Assets</b>										
<b>Current Assets</b>										
Cash and cash equivalents	\$ 250	\$ (590)	\$ -	\$ -	\$ 1,288,243	\$ 1,251,716	\$ -	\$ -	\$ 1,288,243	\$ 1,251,716
Accounts receivable	3,785,114	-	-	-	19,847,533	-	-	-	19,847,533	-
Inventory	1,629,467	-	-	-	10,772,603	-	-	-	10,772,603	-
Prepaid expenses and other current assets	50	-	-	-	1,106,744	1,106,148	-	-	1,106,744	1,106,148
Income taxes receivable	(345,752)	(345,752)	-	-	(613,846)	(513,846)	-	-	(613,846)	(513,846)
Deferred income tax assets	5,069,129	(346,942)	-	-	32,501,377	1,844,018	-	-	32,501,377	1,844,018
<b>Total Current Assets</b>	<b>2,302,227</b>	<b>2,302,227</b>	<b>-</b>	<b>-</b>	<b>15,387,020</b>	<b>15,387,020</b>	<b>-</b>	<b>-</b>	<b>15,387,020</b>	<b>15,387,020</b>
Property and equipment, net	1,785,689	-	-	-	11,826,805	-	2,327,042	-	14,153,847	-
Goodwill	8,992,716	-	-	-	6,036,421	-	215,571	-	6,251,992	-
Indefinite intangible assets, net	24,889	-	-	-	8,596,626	8,596,759	(8,596,626)	-	-	0
Intero	-	-	-	(171,508,882)	-	-	-	-	-	-
Other assets, net	-	-	-	-	729,475	123,850	-	-	729,475	123,850
<b>Total Assets</b>	<b>\$ 18,174,650</b>	<b>\$ 13,863,930</b>	<b>\$ (16,766,780)</b>	<b>\$ (171,508,882)</b>	<b>\$ 75,077,724</b>	<b>\$ 10,564,627</b>	<b>\$ (6,054,013)</b>	<b>\$ (8,596,759)</b>	<b>\$ 69,023,711</b>	<b>\$ 1,967,868</b>
<b>Liabilities and stockholders' equity</b>										
<b>Current Liabilities</b>										
Notes payable	-	-	-	-	5,148,945	5,148,945	-	-	5,148,945	5,148,945
Current portion of long-term debt	-	-	-	-	3,500,000	3,500,000	-	-	3,500,000	3,500,000
Bank overdrafts	-	-	-	-	-	121,621	-	-	-	121,621
Accounts payable	274,307	224,114	-	-	14,295,367	13,453,523	-	-	14,295,367	13,453,523
Accrued expenses	1,169,426	1,253,225	(1,464,438)	(1,625,760)	1,130,915	(4,785,843)	(750)	(14,515)	1,130,165	(4,800,358)
Current portion of deferred income tax liabilities	-	-	-	-	1,776,468	1,662,880	-	-	1,776,468	1,662,880
Other current liabilities	-	-	-	-	25,849,695	19,100,726	(750)	(14,515)	25,848,945	19,086,211
<b>Total Current Liabilities</b>	<b>1,443,733</b>	<b>1,477,339</b>	<b>(1,464,438)</b>	<b>(1,625,760)</b>	<b>21,373,092</b>	<b>2,768,699</b>	<b>(750)</b>	<b>(14,515)</b>	<b>21,373,092</b>	<b>2,768,699</b>
Long-term debt - net of current portion	-	-	-	-	2,047,021	2,047,021	(47,425)	-	1,999,596	1,999,596
Deferred income tax liabilities - net of current portion	-	-	(165,874)	(165,874)	-	-	-	-	-	-
Other long-term liabilities	-	-	-	-	-	-	-	-	-	-
Subordinated notes payable to related parties	-	-	(1,650,312)	(1,791,634)	51,795,614	26,728,946	(48,175)	(61,940)	51,747,439	26,667,006
<b>Total Liabilities</b>	<b>2,696,435</b>	<b>2,730,041</b>	<b>(1,650,312)</b>	<b>(1,791,634)</b>	<b>51,795,614</b>	<b>26,728,946</b>	<b>(48,175)</b>	<b>(61,940)</b>	<b>51,747,439</b>	<b>26,667,006</b>
<b>Stockholders' equity</b>										
Series A convertible preferred stock	-	-	-	-	88,974	88,974	-	-	88,974	88,974
Series B convertible preferred stock	-	-	-	-	-	-	-	-	-	-
Common stock	100	100	-	-	537,830	537,830	(436,920)	-	100,910	100,910
Additional paid-in capital	4,474,900	4,474,900	(5,525,000)	(5,525,000)	24,612,540	24,612,540	(11,079,318)	-	13,533,222	13,533,222
Retained earnings	11,003,215	6,658,689	(9,611,408)	(9,834,248)	(1,376,176)	(41,174,165)	5,510,400	2,981,419	5,158,842	(38,192,744)
Notes receivable from stockholders	-	-	-	-	(229,500)	(229,500)	-	-	(229,500)	(229,500)
Treasury stock	-	-	-	-	23,282,110	(6,164,319)	(6,005,838)	(8,534,819)	17,276,272	(24,699,138)
<b>Total Stockholders' equity</b>	<b>15,478,215</b>	<b>11,133,889</b>	<b>(15,136,468)</b>	<b>(15,359,248)</b>	<b>75,077,724</b>	<b>10,564,627</b>	<b>(6,054,013)</b>	<b>(8,596,759)</b>	<b>69,023,711</b>	<b>1,967,868</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 18,174,650</b>	<b>\$ 13,863,930</b>	<b>\$ (16,766,780)</b>	<b>\$ (171,508,882)</b>	<b>\$ 75,077,724</b>	<b>\$ 10,564,627</b>	<b>\$ (6,054,013)</b>	<b>\$ (8,596,759)</b>	<b>\$ 69,023,711</b>	<b>\$ 1,967,868</b>

In Re LMI Legacy Holdings, Inc., et al. (f/k/a Landauer Healthcare Holdings, Inc.)  
Debtor

Case No. 13-12098 (CSS)  
Reporting Period March 1, 2014 - March 31, 2014

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES PAID**

This schedule is to include all retained professional payments from case inception to current month

Payee	Period Covered	Amount Approved	Payor	Check		Amount Paid		Fees		Expenses	
				Number	Date	Fees	Expenses	Fees	Expenses		
Carl Marks Advisory Group	8/16/13-8/31/13	\$ 143,472.35	Landauer Metropolitan, Inc	Wire	10/24/2013	\$ 173,064.52	\$ 10,407.83				
Carl Marks Advisory Group	9/1/13-9/30/13	296,827.67	Landauer Metropolitan, Inc	Wire	10/24/2013	275,000.00	22,105.29*				
K&L Gates LLP	8/16/13-9/30/13	444,016.70	Landauer Metropolitan, Inc	Wire	11/8/2013	340,805.20	18,010.20				
Young Conaway Stargatt & Taylor, LLP	8/16/13-9/30/13	189,596.55	Landauer Metropolitan, Inc	Wire	11/8/2013	144,391.20	9,107.55				
Landis Rath & Cobb, LLC	8/27/13-9/30/13	393,105.86	Landauer Metropolitan, Inc	Wire	11/20/2013	304,687.60	12,246.36				
Carl Marks Advisory Group	10/1/13-10/31/13	301,741.09	Landauer Metropolitan, Inc	Wire	11/27/2013	275,000.00	26,463.47				
K&L Gates LLP	10/1/13-10/31/13	148,734.75	Landauer Metropolitan, Inc	Wire	12/11/2013	109,648.80	11,673.75				
Young Conaway Stargatt & Taylor, LLP	10/1/13-10/31/13	66,392.67	Landauer Metropolitan, Inc	Wire	12/12/2013	47,887.20	6,533.67				
Landis Rath & Cobb, LLC	10/1/13-10/31/13	142,778.38	Landauer Metropolitan, Inc	Wire	12/27/2013	113,238.00	1,230.88				
Carl Marks Advisory Group	11/1/13-11/30/13	188,700.26	Landauer Metropolitan, Inc	Wire	12/27/2013	175,000.00	13,700.26				
K&L Gates LLP	11/1/13-11/30/13	112,019.01	Landauer Metropolitan, Inc	Wire	12/31/2013	88,390.00	1,531.51				
Young Conaway Stargatt & Taylor, LLP	11/1/13-11/30/13	34,453.74	Landauer Metropolitan, Inc	Wire	12/31/2013	26,258.40	1,630.74				
Landis Rath & Cobb, LLC	11/1/13-11/30/13	74,312.55	Landauer Metropolitan, Inc	Wire	1/10/2014	58,257.60	1,490.55				
Carl Marks Advisory Group	12/1/13-12/31/13	160,435.63	Landauer Metropolitan, Inc	Wire	1/17/2014	150,000.00	10,435.63				
Epiq Bankruptcy Solutions, LLC	8/16/13-9/30/13	26,350.50	Landauer Metropolitan, Inc	Wire	1/8/2014	21,080.40	-				
Epiq Bankruptcy Solutions, LLC	10/1/13-10/31/13	3,706.50	Landauer Metropolitan, Inc	Wire	1/8/2014	2,965.20	-				
K&L Gates LLP	12/1/13-12/31/13	119,129.56	Landauer Metropolitan, Inc	Wire	2/14/2014	92,858.00	3,057.06				
Young Conaway Stargatt & Taylor, LLP	12/1/13-12/31/13	49,126.90	Landauer Metropolitan, Inc	Wire	2/14/2014	44,773.50	4,353.40				
Landis Rath & Cobb, LLC	12/1/13-12/31/13	73,117.10	Landauer Metropolitan, Inc	Wire	2/14/2014	57,994.40	624.10				
Deloitte Financial Advisory Service LLP	8/29/13-11/30/13	167,800.37	Landauer Metropolitan, Inc	Wire	2/14/2014	130,922.00	4,147.87				
Epiq Bankruptcy Solutions, LLC	11/1/13-11/30/13	5,261.00	Landauer Metropolitan, Inc	Wire	2/18/2014	4,208.80	-				
K&L Gates LLP **	8/16/13-9/30/13	444,016.70	Landauer Metropolitan, Inc	Wire	2/24/2014	85,201.30	-				
K&L Gates LLP **	10/1/13-10/31/13	148,734.75	Landauer Metropolitan, Inc	Wire	2/24/2014	27,412.20	-				
K&L Gates LLP **	11/1/13-11/30/13	112,019.01	Landauer Metropolitan, Inc	Wire	2/24/2014	22,097.50	-				
Young Conaway Stargatt & Taylor, LLP **	8/16/13-9/30/13	189,596.55	Landauer Metropolitan, Inc	Wire	2/24/2014	36,097.80	-				
Young Conaway Stargatt & Taylor, LLP **	10/1/13-10/31/13	66,392.67	Landauer Metropolitan, Inc	Wire	2/24/2014	11,971.80	-				
Young Conaway Stargatt & Taylor, LLP **	11/1/13-11/30/13	34,453.74	Landauer Metropolitan, Inc	Wire	2/24/2014	6,564.60	-				
Epiq Bankruptcy Solutions, LLC **	8/16/13-9/30/13	26,350.50	Landauer Metropolitan, Inc	Wire	2/24/2014	5,270.10	-				
Epiq Bankruptcy Solutions, LLC **	10/1/13-10/31/13	3,706.50	Landauer Metropolitan, Inc	Wire	2/24/2014	741.30	-				
Landis Rath & Cobb, LLC **	8/27/13-9/30/13	393,105.86	Landauer Metropolitan, Inc	Wire	2/25/2014	76,171.90	-				
Landis Rath & Cobb, LLC **	10/1/13-10/31/13	142,778.38	Landauer Metropolitan, Inc	Wire	2/25/2014	28,309.50	-				
Landis Rath & Cobb, LLC **	11/1/13-11/30/13	74,312.55	Landauer Metropolitan, Inc	Wire	2/25/2014	14,564.40	-				
Deloitte Financial Advisory Service LLP **	8/29/13-11/30/13	167,800.37	Landauer Metropolitan, Inc	Wire	2/25/2014	32,730.50	-				
Carl Marks Advisory Group	1/1/14-1/31/14	135,992.39	Landauer Metropolitan, Inc	Wire	3/4/2014	149,443.24***	10,992.39				
Deloitte Financial Advisory Service LLP	12/1/13-12/31/13	18,406.30	Landauer Metropolitan, Inc	Wire	3/4/2014	14,724.00	-				
Young Conaway Stargatt & Taylor, LLP	1/1/14-1/31/14	50,326.34	Landauer Metropolitan, Inc	Wire	3/18/2014	36,996.80	4,117.84				
Landis Rath & Cobb, LLC	1/1/14-1/31/14	60,000.00	Landauer Metropolitan, Inc	Wire	3/18/2014	45,481.71	3,147.86				
K&L Gates LLP	1/1/14-1/31/14	95,516.20	Landauer Metropolitan, Inc	Wire	3/25/2014	73,691.20	3,402.20				

\* Subsequent to payment, Carl Marks agreed to a reduction of \$277.62. As noted in Docket No. 340, the reduction was applied to the Carl Marks October fees paid on 11/27/13.

\*\* Approved amount represents 20% holdback from prior monthly application.

\*\*\* Fees to Carl Marks Advisory Group were overpaid by \$24,443.24. This amount will be deducted from next payment made to Carl Marks for February fees.

Re LMI Legacy Holdings, Inc., et al (f/k/a Landauer Healthcare Holdings, Inc.)  
Debtor

Case No. 13-12098 (CSS)  
Reporting Period March 1, 2014 - March 31, 2014

**STATUS OF POSTPETITION TAXES**

The beginning tax liability should be the ending liability from the prior month or, if this is the first report, the amount should be zero. Attach photocopies of IRS Form 6123 or payment receipt to verify payment or deposit of federal payroll taxes. Attach photocopies of any tax returns filed during the reporting period.

Federal	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Date Paid	Check No. or EFT	Ending Tax Liability
Withholding	\$ -	\$ -	\$ -		-	\$ -
FICA - Employee	-	-	-		-	-
FICA - Employer	-	-	-		-	-
Unemployment	-	-	-		-	-
Income	-	-	-		-	-
Other:	-	-	-		-	-
Total Federal Taxes	\$ -	\$ -	\$ -		-	\$ -
<b>State and Local</b>						
Withholding	\$ -	\$ -	\$ -		-	\$ -
Sales	-	-	-		-	-
Excise	-	-	-		-	-
Unemployment	-	-	-		-	-
Real Property	-	-	-		-	-
Personal Property	-	-	-		-	-
Other:	-	-	-		-	-
Total State and Local	\$ -	\$ -	\$ -		-	\$ -
<b>Total Taxes</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>-</b>	<b>\$ -</b>

\* Debtors use ADP for all payroll processing and current payroll payment schedule splits the Debtors into 2 groups paid on alternating weeks (result is one of the groups is being paid every week). Company remits all funds for taxes to ADP with each payroll and ADP remits to the appropriate government jurisdiction and files the required payroll tax returns. All postpetition amounts were paid to ADP with the respective weeks payroll funding.

**SUMMARY OF UNPAID POSTPETITION DEBTS**

Attach aged listing of accounts payable

	Number of Days Past Due						
	Current	0-30	31-60	61-90	Over 90	Total	
Accounts Payable	\$ 121,622	\$ -	\$ -	\$ -	\$ -	\$ 121,622	
Wages Payable	-	-	-	-	-	-	
Taxes Payable	-	-	-	-	-	-	
Rent/Lease - Building	-	-	-	-	-	-	
Rent/Lease - Equipment	-	-	-	-	-	-	
Secured Debt/Adequate Protection Payments	-	-	-	-	-	-	
Professional Fees	-	-	-	-	-	-	
Amounts Due to Insiders*	-	-	-	-	-	-	
Other:	-	-	-	-	-	-	
Other:	-	-	-	-	-	-	
<b>Total Postpetition Debts</b>	<b>\$ 121,622</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 121,622</b>	

Explain how and when the Debtor intends to pay any past-due postpetition debts

\* "Insider" is defined in 11 U.S.C. Section 101(31).

SUMMARY OF UNPAID POST PETITION DEBTS - SUPPLEMENTAL SCHEDULE  
 AMOUNTS PAYABLE BY DEBTOR  
 MARCH 31, 2014

## ACCOUNTS PAYABLE

Debtor	Case No.	Current	Number of Days Past Due				Total
			0-30	31-60	61-90	Over 90	
LMI Legacy II	13-12099	\$ 52,306	\$ -	\$ -	\$ -	\$ -	\$ 52,306
LMI Legacy IV	13-12105	-	-	-	-	-	-
COPD	13-12101	-	-	-	-	-	-
AHS	13-12103	69,316	-	-	-	-	69,316
AHS - WNY	13-12102	-	-	-	-	-	-
Miller Medical	13-12100	-	-	-	-	-	-
Denmarks	13-12104	-	-	-	-	-	-
LHH	13-12098	-	-	-	-	-	-
Total		\$ 121,622	\$ -	\$ -	\$ -	\$ -	\$ 121,622

## WAGES PAYABLE

Debtor	Case No.	Current	Number of Days Past Due				Total
			0-30	31-60	61-90	Over 90	
LMI	13-12099	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Genox	13-12105	-	-	-	-	-	-
COPD	13-12101	-	-	-	-	-	-
AHS	13-12103	-	-	-	-	-	-
AHS - WNY	13-12102	-	-	-	-	-	-
Miller Medical	13-12100	-	-	-	-	-	-
Denmarks	13-12104	-	-	-	-	-	-
LHH	13-12098	-	-	-	-	-	-
Total		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note - Liability for accrued wages was assumed by Buyer in 363 transaction at 2/7/14. Debtor, therefore, has no unpaid wages.

In Re LMI Legacy Holdings, Inc., et al (f/k/a Landauer Healthcare Holdings, Inc.)  
Debtor

### ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

<b>Accounts Receivable Reconciliation</b>		Amount
Total Accounts Receivable at the beginning of the reporting period		\$ -
+ Amounts billed during the period		-
- Amounts collected during the period		-
- Revenue adjustments and write-offs		-
+ Change in Unbilled A/R		-
- Sale of A/R in 363 Transaction		-
Total Accounts Receivable at the end of the reporting period		\$ -
<b>Accounts Receivable Aging</b>		Amount
0 - 30 days old		\$ -
31 - 60 days old		-
61 - 90 days old		-
91 + days old		-
Total Accounts Receivable		\$ -
Amounts considered uncollectible (Bad Debt)		-
Accounts Receivable (Net)		\$ -

### DEBTOR QUESTIONNAIRE

<b>Must be completed each month</b>		Yes	No
1.	Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide explanation below.		X
2.	Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide explanation below.		X
3.	Have all postpetition tax returns been timely filed? If no, provide an explanation below.	X	
4.	Are workers compensation, general liability and other necessary insurance coverages in effect? If no, provide an explanation below.	X	
5.	Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment account has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3.		X

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

----- X  
In re: : Chapter 11  
: :  
LMI LEGACY HOLDINGS INC., et al.,<sup>1</sup> : Case No. 13-12098 (CSS)  
: :  
: Jointly Administered  
Debtors. :  
: :  
----- X

**DECLARATION REGARDING RECONCILIATION OF THE DEBTORS'  
BANK ACCOUNTS AS OF MARCH 31, 2014**

I, Michael Flynn, hereby declare under penalty of perjury under 28 U.S.C. § 1746:

1. I am the Co-Chief Restructuring Officer of the above-captioned debtors and debtors in possession (collectively, the "Debtors"). Since assuming such role, I have become familiar with the Debtors' day-to-day operations, business, affairs and books and records.

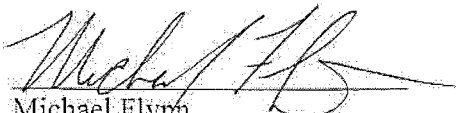
2. All statements in this Declaration are based on my personal knowledge, my review of the relevant documents, my discussions with other employees of the Debtors, or my opinion based upon my experience and knowledge of the Debtors' operations and financial condition. If I were called upon to testify, I could and would testify to each of the facts set forth herein based on such personal knowledge, review of documents or opinion. I am authorized to submit this Declaration of behalf of the Debtors.

3. To the best of my knowledge, all of the Debtors' bank balances as of March 31, 2014 have been reconciled in an accurate and timely manner.

4. Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: April 22, 2014

Respectfully submitted,

  
Michael Flynn  
Co-Chief Restructuring Officer

<sup>1</sup> The Debtors in these cases are as follows: LMI Legacy Holdings Inc.; LMI Legacy Holdings II Inc.; LMI Legacy Holdings III Inc.; LMI Legacy Holdings IV Inc.; LMI Legacy Holdings I LLC; LMI Legacy Holdings II LLC; LMI Legacy Holdings III LLC; LMI Legacy Holdings IV LLC.

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

-----X  
 In re: : Chapter 11  
 :  
 LMI LEGACY HOLDINGS INC., et al.,<sup>1</sup> : Case No. 13-12098 (CSS)  
 :  
 : Jointly Administered  
 Debtors. :  
 :  
 -----X

**DECLARATION REGARDING THE STATUS OF THE DEBTORS'  
POST-PETITION TAXES OF AS OF MARCH 31, 2014**

I, Michael Flynn, hereby declare under penalty of perjury under 28 U.S.C. § 1746:

1. I am the Co-Chief Restructuring Officer of the above-captioned debtors and debtors in possession (collectively, the "Debtors"). Since assuming such role, I have become familiar with the Debtors' day-to-day operations, business, affairs and books and records.

2. All statements in this Declaration are based on my personal knowledge, my review of the relevant documents, my discussions with other employees of the Debtors, or my opinion based upon my experience and knowledge of the Debtors' operations and financial condition. If I were called upon to testify, I could and would testify to each of the facts set forth herein based on such personal knowledge, review of documents or opinion. I am authorized to submit this Declaration of behalf of the Debtors.

3. To the best of my knowledge, from the Petition Date through March 31, 2014 the Debtors have filed all necessary federal, state and local tax returns and made all required postpetition tax payments in connection therewith on a timely basis or have promptly remediated any late filings or payments that may have occurred due to unintentional oversights.<sup>2</sup>

4. Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: April 22, 2014

Respectfully submitted,



Michael Flynn  
Co-Chief Restructuring Officer

<sup>1</sup> The Debtors in these cases are as follows: LMI Legacy Holdings Inc.; LMI Legacy Holdings II Inc.; LMI Legacy Holdings III Inc.; LMI Legacy Holdings IV Inc.; LMI Legacy Holdings I LLC; LMI Legacy Holdings II LLC; LMI Legacy Holdings III LLC; LMI Legacy Holdings IV LLC.

<sup>2</sup> The Debtors used ADP for the remittance of payroll taxes prior to consummation of the sale of substantially all of their assets.