

Bethlehem Steel Corporation

Bethlehem Steel Corporation (OTC: BHMS)
1170 8th Ave.
Bethlehem, PA 18016-7699
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<http://www.bethsteel.com>

Employees: 13,100
Revenues: \$ 3,334,300,000
Net Income: \$ (1,949,600,000)
Assets: \$ 4,244,000,000
Liabilities: \$ 5,924,500,000
As of December 31, 2001

Description: Bethlehem Steel (the #3 US steel producer behind United States Steel and Nucor) is under Chapter 11 bankruptcy protection. Its three divisions -- Burns Harbor, Sparrows Point, and Pennsylvania Steel Technologies -- produce sheet steel hot-rolled, cold-rolled, coated, and automotive), plate steel, and specialty steels such as tool steel. Bethlehem's customers include the appliance, automotive, construction, and machinery markets. Its Pennsylvania Steel Technologies division makes railroad rails, flat bars, and pipe. Bethlehem Steel owns eight short- line railroads, and it has a stake in an iron mine in Minnesota.

Bankruptcy Basics:

Chapter 11 Petition Date : Oct. 15, 2001
Case Number : 01-15288
Court : United States Bankruptcy Court
Southern District of New York
Judge : The Honorable Burton R. Lifland
Counsel : Harvey R. Miller, Esq.
Jeffrey L. Tanenbaum, Esq.
George A. Davis, Esq.
WEIL, GOTSHAL & MANGES LLP

Asbestos Discussion from SEC filings:

From the Company's Form 10-K for the period ending December 31, 2002 at
<http://www.sec.gov/Archives/edgar/data/11860/000001186002000008/ten.txt>
Filed On: February 5, 2002

Bethlehem has been and is a party to numerous legal proceedings incurred in the ordinary course of its business. These proceedings include a large number of cases in which plaintiffs allege injury due to exposure to asbestos, allegedly resulting from past operations of Bethlehem and others. All of the asbestos cases resolved to date have either been dismissed as to Bethlehem or

settled for immaterial amounts. Bethlehem cannot predict with certainty the outcome of any legal proceedings to which it is a party. In Bethlehem's opinion, however, adequate reserves have been recorded for losses that are likely to result from all legal proceedings. To the extent that such reserves prove to be inadequate, Bethlehem would incur a charge to earnings, which

could be material to its future results of operations in particular quarterly, or annual periods. The outcome of these proceedings,

however, is not currently expected to have a material adverse effect on Bethlehem's consolidated financial position.

Asbestos Discussion from SEC filings:

From the Company's Form 10-Q for the quarter ended September 30, 2002

<http://www.sec.gov/Archives/edgar/data/11860/000001186002000044/threeq.txt>

Filed On: October 21, 2002

On October 15, 2001, Bethlehem and certain of its direct and indirect subsidiaries filed voluntary petitions under chapter 11 of title 11, United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of New York (Case Nos. 01-15288 (BRL) through 01-15302 BRL) and 01-15308 (BRL) through 01-15315 (BRL)). Bethlehem and its subsidiaries remain in possession of their assets and properties, and continue to operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

In the ordinary course of its business, Bethlehem is involved in various pending or threatened legal proceedings. These proceedings include a large number of cases in which plaintiffs allege injury due to exposure to asbestos, allegedly resulting from past operations of Bethlehem and others. All of the asbestos cases resolved to

date have either been dismissed or settled for immaterial amounts. We cannot predict with certainty the outcome of any legal proceedings to which Bethlehem is a party. In our opinion, however, (1) adequate reserves have been recorded for losses that are probable to result from all legal proceedings relating to events occurring prior to September 30, 2002, and (2) the amount of additional losses beyond the reserves recorded that are reasonably possible is not material to the financial statements. The prosecution of any claims and any payments related to litigation existing on October 15, 2001, the date of filing for protection under chapter 11 of the Bankruptcy Code, are automatically stayed pending resolution of all unsecured claims as part of a chapter 11 plan.

Bethlehem does not have any material developments in legal proceedings to report for the third quarter of 2002.

Asbestos-Related News:

[Finds Protection in Bankruptcy from Asbestos Suits \(Published November 01, 2002\)](#)