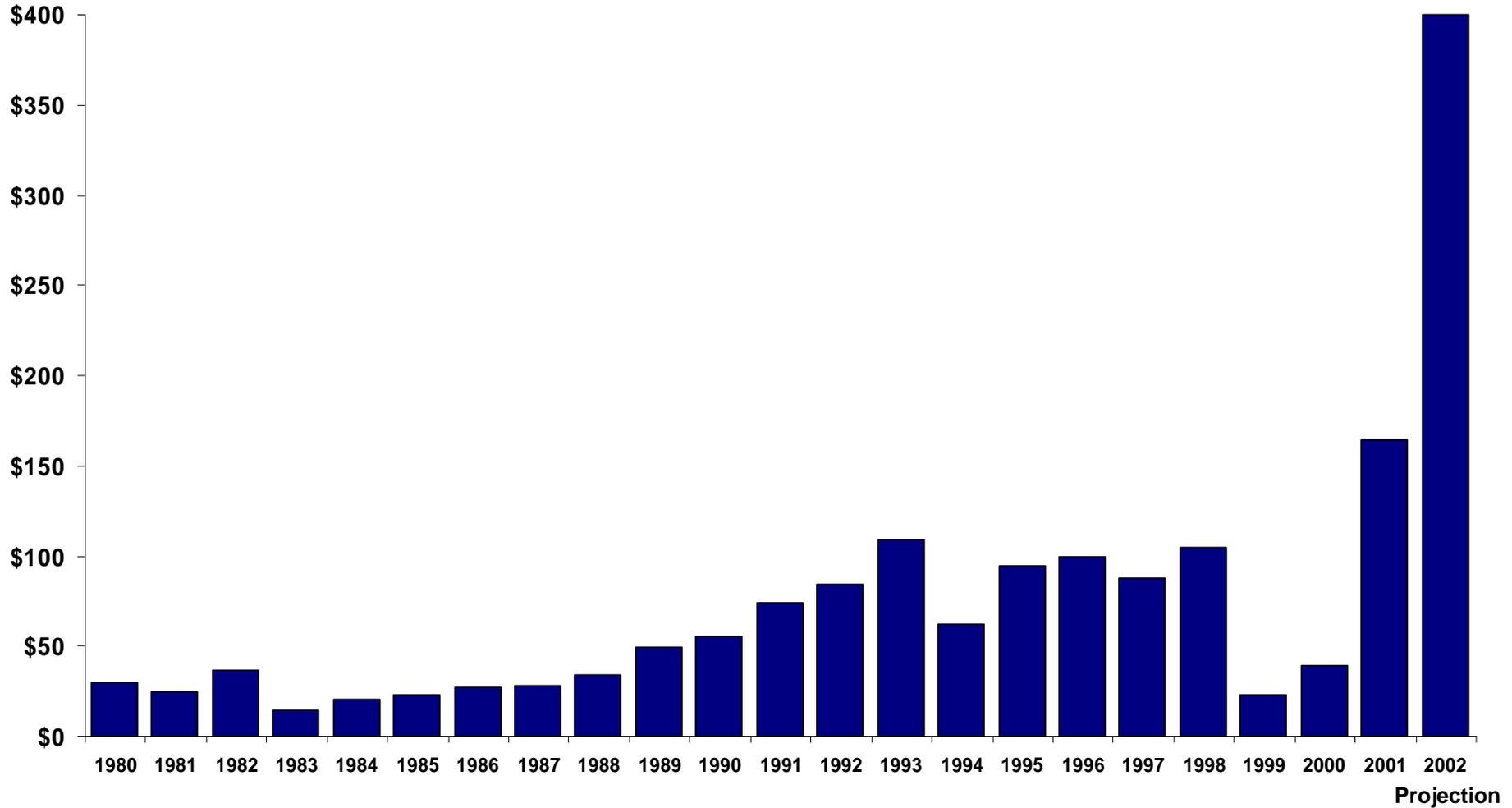


Total Underfunding Insured Single-Employer Plans

Chart 1

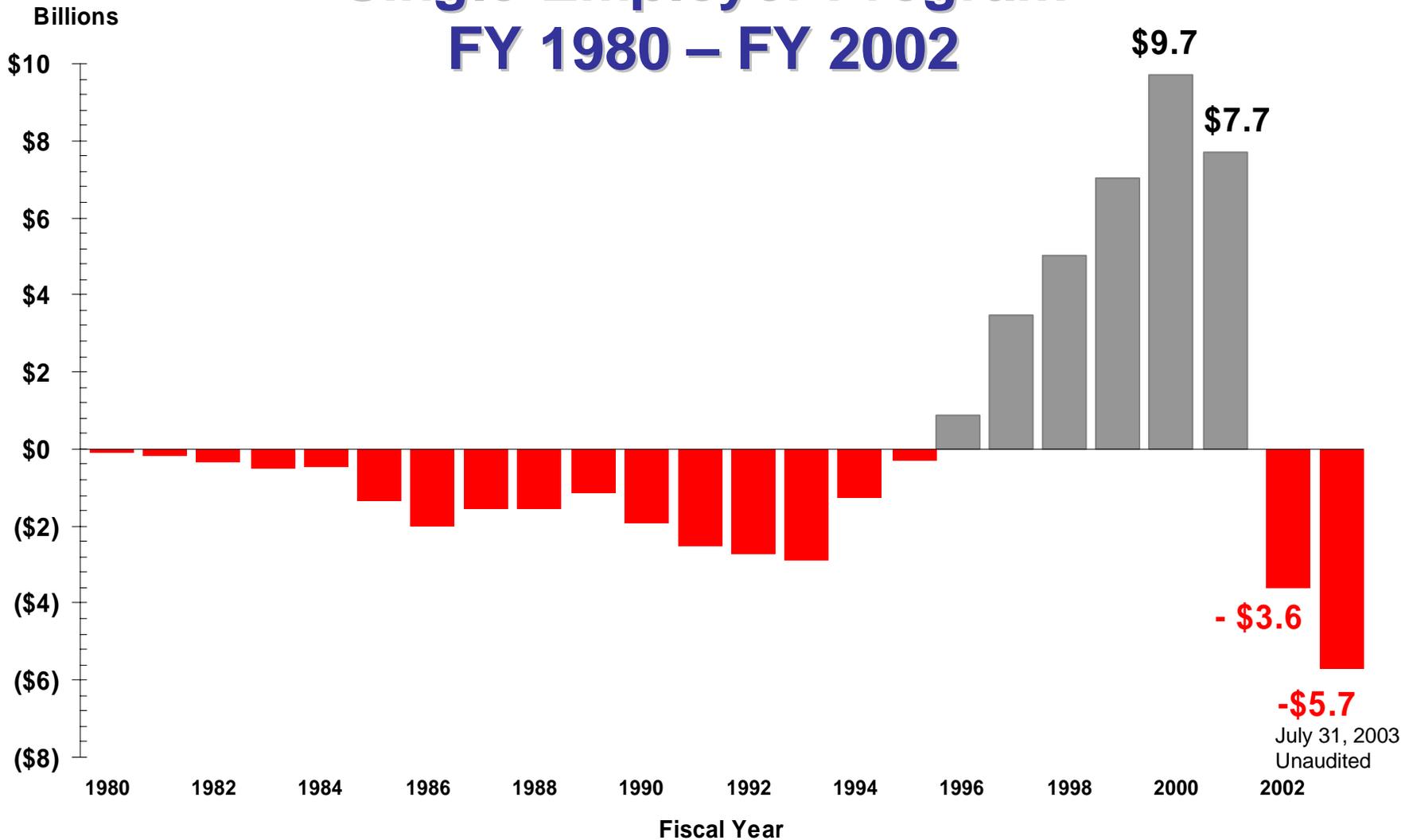
Billions



PBGC estimates from Form 5500 and Section 4010 Filings

PBGC Net Position Single-Employer Program FY 1980 – FY 2002

Chart 2

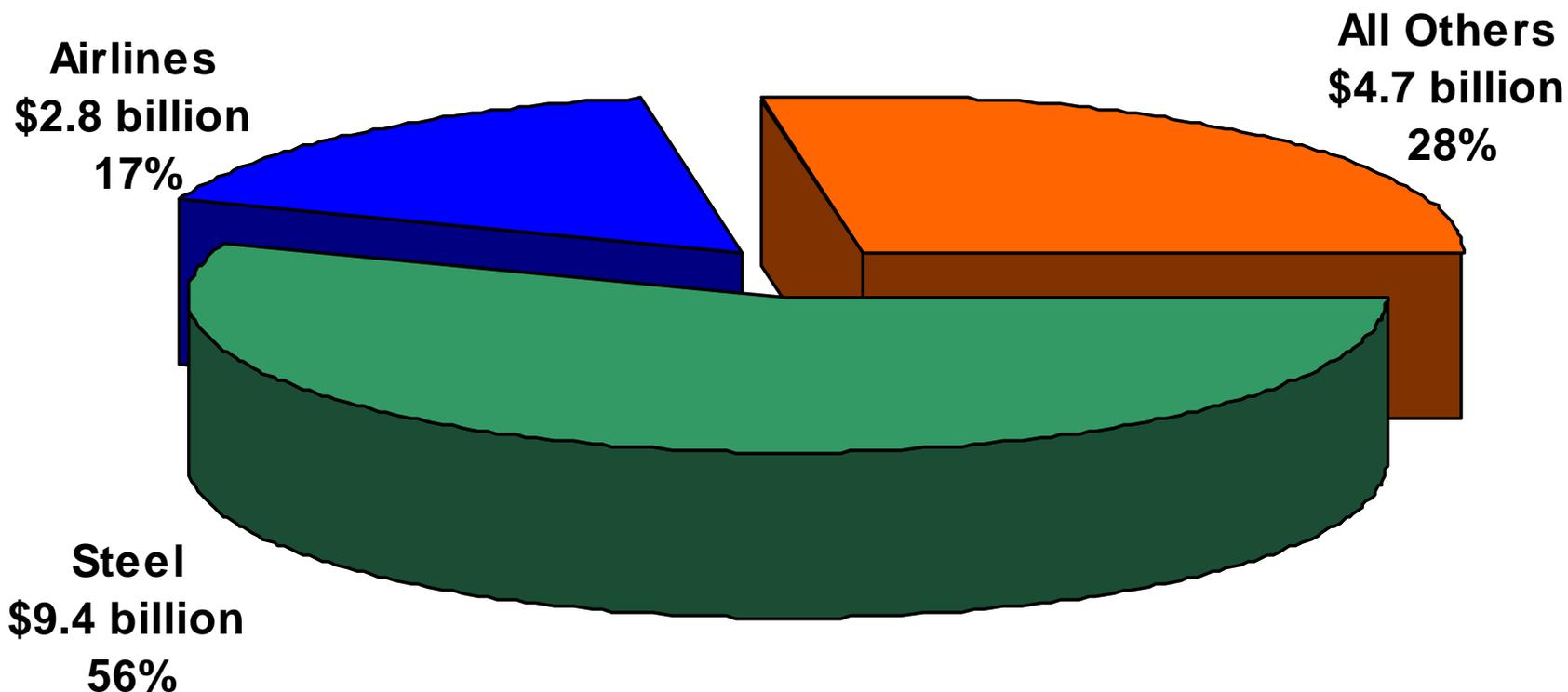


Data does not include restored LTV plans in 1986

Historic PBGC Claims

PBGC Claims FY 1975 - 2002

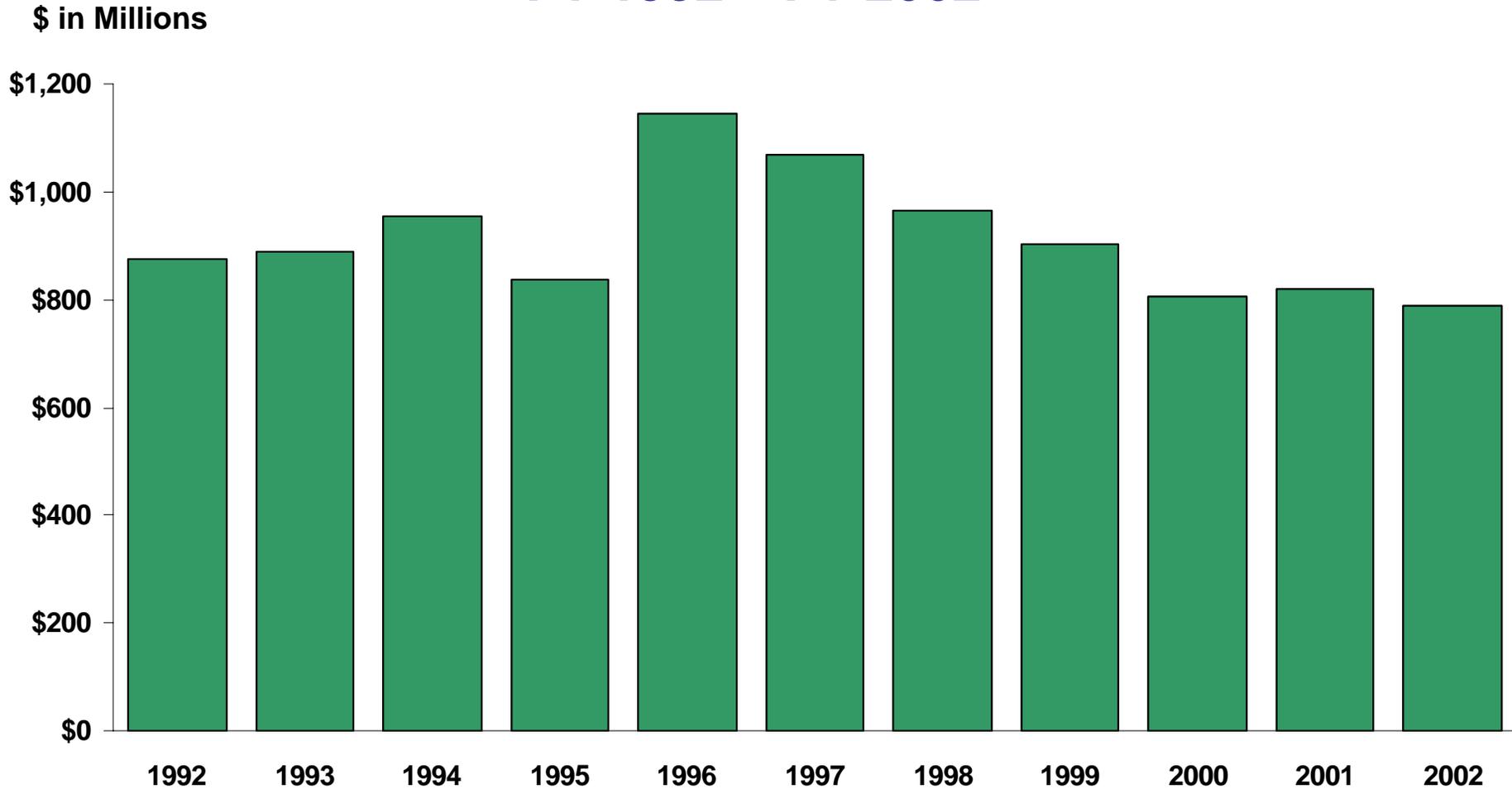
(including Bethlehem, National Steel and US Airways Pilots)



Note: Historically, Steel has represented less than 3% of participants covered by PBGC and Airlines less than 2%.

Single-Employer Premium Income

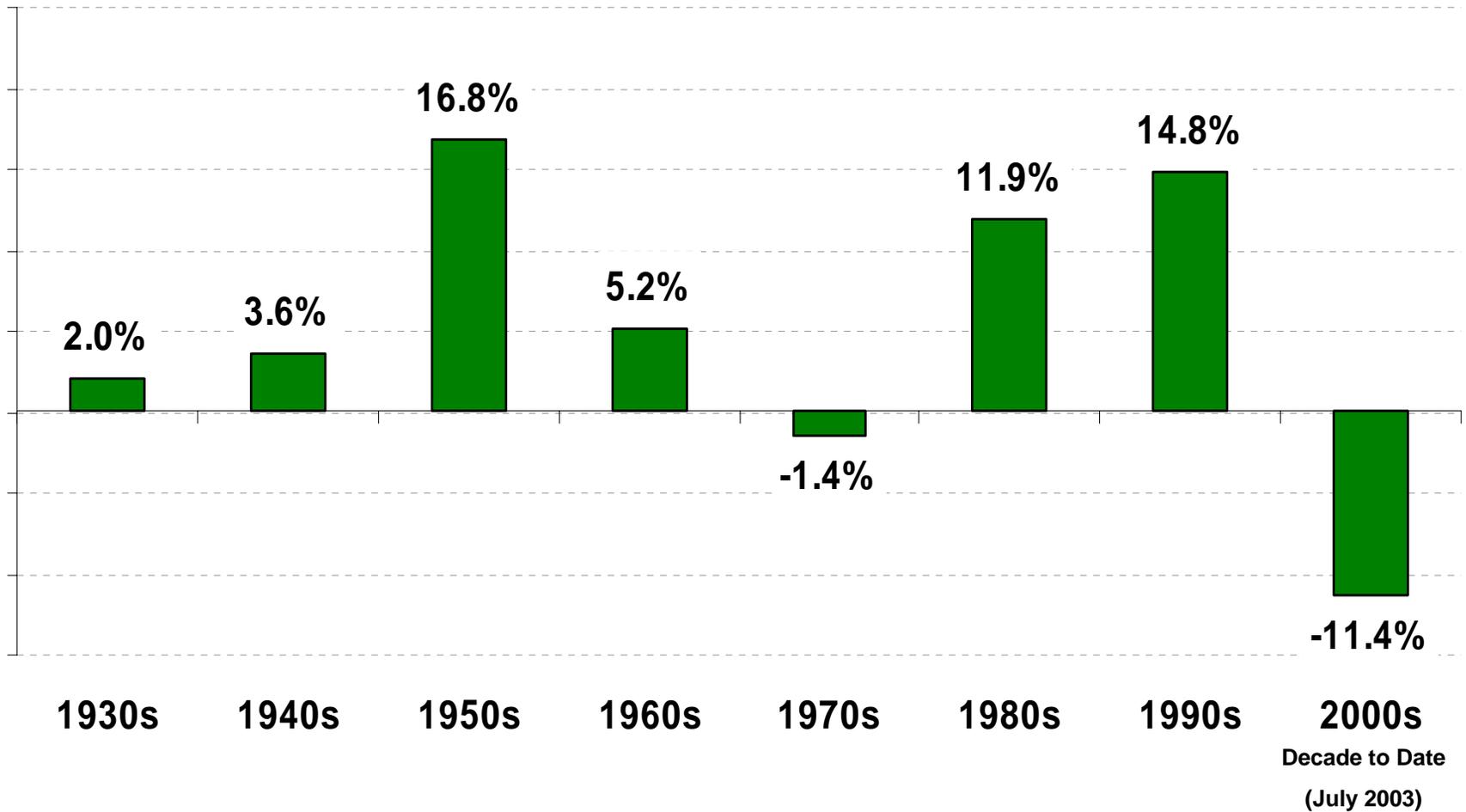
FY 1992 – FY 2002



NOTE: The variable rate premium was capped until 1996

Real Equity Returns

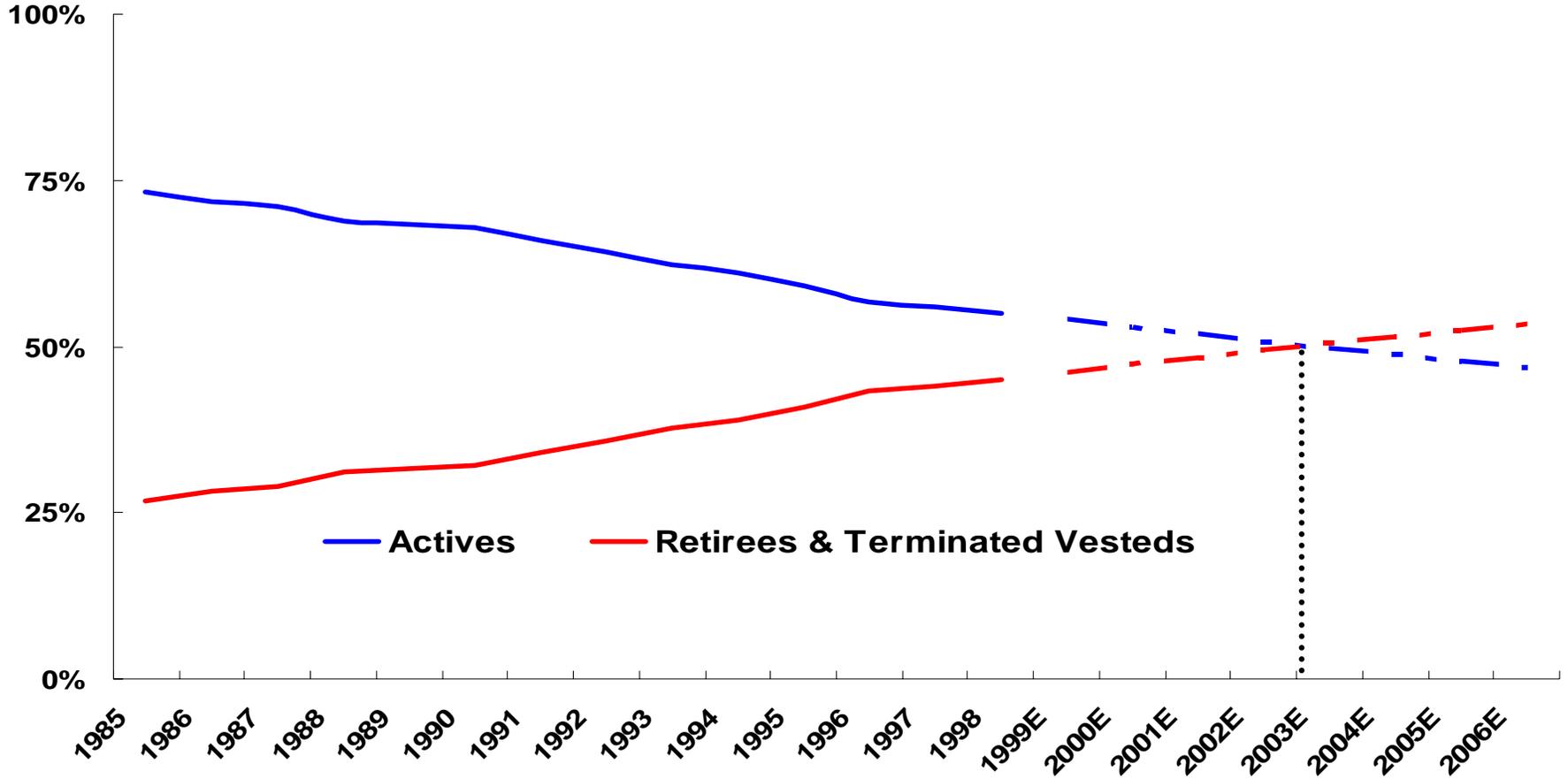
Chart 5



Source: Ibbotson Associates

Participants in Defined Benefit Pension Plans

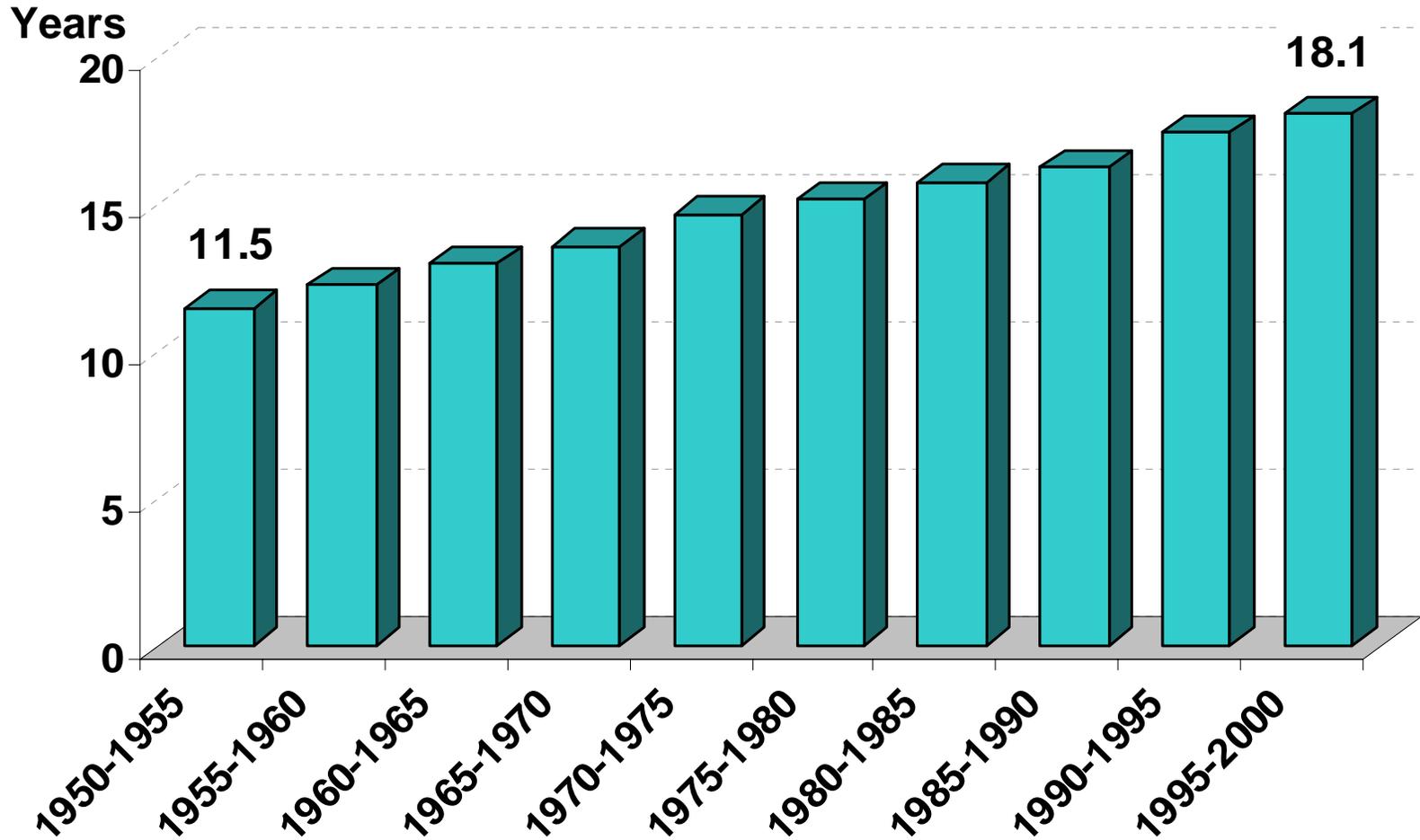
[1985 - 2006^{est.}]



Source: U.S. Department of Labor
 Pension and Welfare Benefits Administration
 Abstract of 1998 Form 5500 Annual Reports Winter 2001 - 2002

Average Number of Years Spent in Retirement

(Males)



Bethlehem Steel

	1996	1997	1998	1999	2000	2001	2002
Current Liability	78%	91%	99%	96%	86%	84%	NR
Was the company required to make a deficit reduction contribution?	Y	N	N	N	N	NR	NR
Was the company obligated to send out a participant notice?	Y	Y	N	N	N	N	N
Did the company pay a variable rate premium?	\$15 million	\$17 million	N	N	N	N	N
Actual Contributions	\$354 million	\$32.3 million	\$30.9 million	\$ 8.1 million	\$0	\$0	\$0

Termination Benefit Liability Funded Ratio 45%

Unfunded Benefit Liabilities \$4.3 billion

US Airways Pilots

Chart 9

	1996	1997	1998	1999	2000	2001	2002
Current Liability	97%	100%	91%	85%	104%	94%	NR
Was the company required to make a deficit reduction contribution?	N	N	N	N	N	N	NR
Was the company obligated to send out a participant notice?	N	N	N	N	N	N	N
Did the company pay a variable rate premium?	\$4 million	N	N	N	\$2 million	N	N
Actual Contributions	\$112.3 million	\$0	\$45 million	\$0	\$0	\$0	\$0

Termination Benefit Liability Funded Ratio 33%

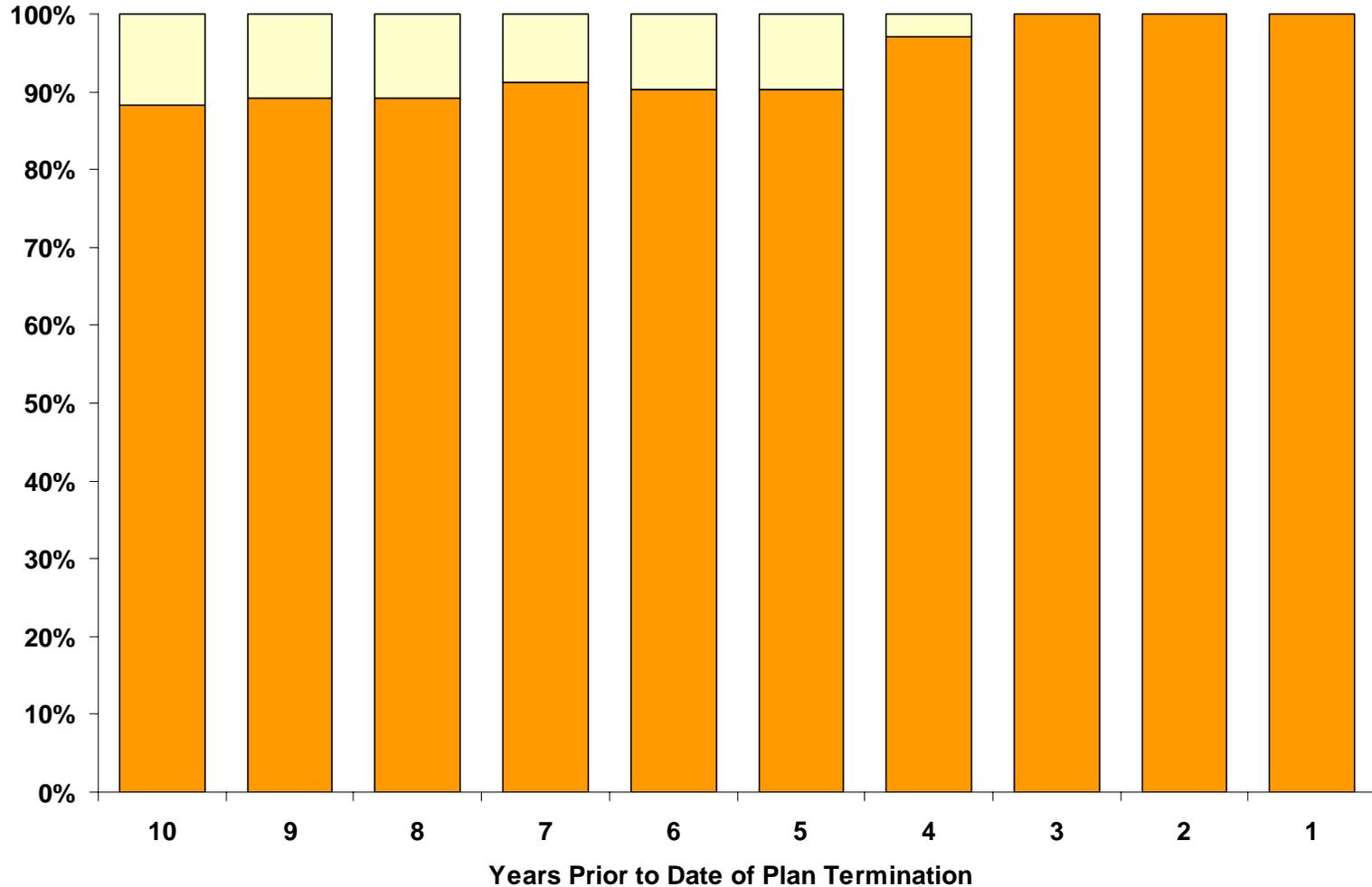
Unfunded Benefit Liabilities \$2.5 billion

Debt Ratings for Large Claims

Chart 10

Below Investment Grade Investment Grade

PERCENT OF CLAIMS



NOTE: Based on 27 of PBGC's largest claims representing over 50% of all claims.