BETHLEHEM STEEL CORPORATION
1170 Eighth Avenue
Bethlehem, PA 18016-7699

Media Contact:
Bette Kovach (610) 694-3711
Investor Relations Contact:
Ken Webster (610) 694-6977
Internet Homepage Address:
www.bethsteel.com

FOR IMMEDIATE RELEASE

BETHLEHEM STEEL ANNOUNCES FIRST QUARTER 1999 RESULTS

BETHLEHEM, Pa., Tuesday, April 27, 1999 -- Bethlehem Steel Corporation today reported a net loss of $26 million, or a net loss of $.28 per diluted share, for the first quarter of 1999 compared with net income of $69 million, or net income of $.49 per diluted share, for the first quarter of 1998. Sales for the first quarter of 1999 were $960 million compared with $1.13 billion for the first quarter of 1998.

"The serious injury caused by unfairly traded steel imports adversely affected our performance during the first quarter," said Curtis H. Barnette, Bethlehem's chairman and chief executive officer. "We are taking all appropriate actions and believe that these, along with actions taken by other companies, the United Steelworkers, the Congress and the Administration, will help to restore fair trade in steel.

"While we are disappointed with our first quarter financial results and have intensified our actions to increase profitability and reduce costs, we have continued to make significant progress in improving our competitiveness. The integration of the Bethlehem and Lukens plate businesses has proceeded very well. Consistent with our strategy to concentrate on the carbon and alloy steel businesses, we are completing our exit from the stainless businesses that we obtained as part of our acquisition of Lukens.

We have sold Washington Specialty Metals to Ryerson Tull and signed a letter of intent to sell the remaining manufacturing operations of Washington Steel. Our performance has earned recognition by General Motors as a Supplier of the Year for the fourth consecutive year, and, today, we are announcing a $60 million investment to convert one of Sparrows Point's two existing caster strands into a wide slab caster that will significantly enhance the competitiveness of both Sparrows Point and Bethlehem Lukens Plate."

Operating Results

Our loss from operations was $20 million for the first quarter of 1999 compared with income from operations of $90 million for the first quarter of 1998. First quarter 1999 operating results declined from a year ago due to lower realized prices and shipments resulting primarily from high levels of unfairly traded steel imports. Steel shipments of about 2 million net tons for the first quarter of 1999 were lower than the 2.2 million net tons shipped in the first quarter of 1998. Lower shipments at Burns Harbor, Sparrows Point and Pennsylvania Steel Technologies, Inc. were partially offset by additional shipments resulting from our acquisition of Lukens.

First quarter 1999 operating results declined somewhat from the fourth quarter of 1998 principally due to lower realized prices which were nearly offset by lower costs.

Liquidity

At March 31, 1999, total liquidity, comprising cash, cash equivalents and funds available under our bank credit arrangement, totaled $419 million compared with $479 million at December 31, 1998.

During the first quarter of 1999, we completed the sale of our stainless distribution business, Washington Specialty Metals Corporation, to Ryerson Tull, Inc. for about $70 million. On April 7, 1999, we signed a letter of intent to sell the remaining stainless operations of Washington Steel to a company to be formed by SB International Inc., a steel marketing company in Dallas, Texas, and Jindal Strips Ltd., part of the Jindal Organization of India. The sale is expected to be completed in the second quarter of 1999.

For the first quarter of 1999, cash used for operations before pension activities was $15 million compared with cash provided from operations before pension activities of $130 million for the first quarter of 1998. Principal uses of cash during the first quarter of 1999 included capital expenditures of $83 million and debt repayments of $24 million.

Major uses of cash for 1999 are expected to be capital expenditures of about $450 million, debt payments of about $45 million and pension funding. As previously mentioned, today we are announcing a $60 million investment to convert one of Sparrows Point's two caster strands into a wide slab caster. The wider slabs will be rolled into wide, light gauge coiled plates on Bethlehem Lukens Plate's (BLP) Steckel mill located at Conshohocken, Pennsylvania, and into long length, light gauge plates for cut-to-length orders on BLP's 110-inch plate mill located at Burns Harbor, with yields in excess of 90% and at significantly lower cost per ton of shipment. This investment will also permit Sparrows Point to increase cast slab production which will reduce a corporate requirement for purchased slabs.

We expect to maintain an adequate level of liquidity during 1999 with cash provided from operations, proceeds from the sale of assets, reductions in working capital and available funds under our credit arrangement.

International Steel Trade

The legal, public affairs and governmental efforts being undertaken jointly by the steel industry and the United Steelworkers have been helpful, but the serious injury from unfairly traded imports continues. Imports are down in some products from certain countries because of cases that had been filed and the other actions being taken. There are increases in imports from countries not covered by recent unfair trade cases, such as cold rolled, tin mill and rail products, and the overall levels in all products are much too high.

Bipartisan legislation is now pending before the United States Congress that deserves full consideration within the framework of how best to provide an effective and comprehensive solution. We are in a period of record domestic demand, and yet we have widespread losses in our industry caused by imports that are dumped, subsidized and closed out of other markets by foreign governments and foreign company actions that are contrary to our laws. Legislation is needed now to prevent these continuing violations of our laws, to provide prompt enforcement procedures and to make sure those remedies continue into the future.

We will continue to file appropriate legal actions and work with the Administration and the Congress to restore fair trade in steel on a comprehensive and lasting basis. Our company, stockholders, employees, customers, suppliers and the communities in which we operate have been seriously damaged by unfair trade. If we are to have a trade policy based on open markets, rule based and market based trade, then the rules must be vigorously enforced when trade is unfair.

Outlook

The U.S. economy is continuing on a course of moderate and sustainable growth and low inflation. We believe that steel consumption in the U.S. will continue to be relatively strong at about the same level as last year. We also believe that domestic industry shipments in 1999 will be about 100 million tons, slightly lower than the estimated 102 million tons shipped in 1998, as lower imports offset reductions in inventories.

Currently, we are seeing some improvement in our order entry. However, unfairly traded imports continue and there is excess global steel capacity, new domestic supply and continuing high levels of inventories in the marketplace. Also, in early June we will begin a reline of our “L” blast furnace at Sparrows Point which will have an adverse impact on our costs during the second and third quarters of this year.

Our current labor agreements with the United Steelworkers of America (USWA), covering USWA represented employees at Burns Harbor, Sparrows Point and Pennsylvania Steel Technologies expire on August 1, 1999. We are prepared to commence negotiations with the USWA to reach a new mutually satisfactory long-term agreement.

While current business conditions remain very competitive, we believe that strategically we are on the right path, and we are making steady progress toward achieving our Vision to Be The Premier Steel Company.

Bethlehem Steel Corporation

CONSOLIDATED STATEMENTS OF INCOME

(dollars and shares in millions, except per share data)

(unaudited)

	Three Months Ended March 31	
	1999	**1998**
Net Sales	$ 959.5	$ 1,132.5
Costs and Expenses:		
Cost of sales	888.4	957.0
Depreciation and amortization	61.2	59.8
Selling, administration and general expense	29.4	25.3
Total Costs and Expenses	979.0	1,042.1
Income (Loss) from Operations	(19.5)	90.4
Financing Income (Expense):		
Interest and other financing costs	(13.9)	(11.6)
Interest and other income	2.3	3.3
Income (Loss) before Income Taxes	(31.1)	82.1
Benefit (Provision) for Income Taxes	5.5	(13.5)
Net Income (Loss)	(25.6)	68.6
Dividends on Preferred and Preference Stock	10.3	10.5
Net Income (Loss) Applicable to Common Stock	$ (35.9)	$ 58.1
Net Income (Loss) per Common Share:		
Basic	$ (0.28)	$ 0.51
Diluted	$ (0.28)	$ 0.49
Average Shares Outstanding:		
Basic	129.7	113.1
Diluted	129.7	127.8

Additional Data

	1999	1998
Steel products shipped (thousands of net tons)	2,003	2,221
Raw steel produced (thousands of net tons)	2,529	2,487

The accompanying Notes are an integral part of the Consolidated Financial Statements.

Bethlehem Steel Corporation

CONSOLIDATED BALANCE SHEETS

(dollars in millions)

ASSETS

	March 31 1999 (unaudited)	December 31 1998	March 31 1998 (unaudited)
Current Assets:			
Cash and cash equivalents	$ 84.7	$ 137.8	$ 287.2
Receivables, less allowances	310.5	307.2	307.4
Inventories:			
Raw materials	284.3	319.9	296.4
Finished and semifinished	744.0	720.7	574.7
	1,028.3	1,040.6	871.1
Other current assets	8.2	9.2	10.9
Total Current Assets	1,431.7	1,494.8	1,476.6
Investments and Miscellaneous Assets	90.4	98.0	99.9
Property, Plant and Equipment, less accumulated depreciation of $4,170.7, $4,119.4, and $4,145.4	2,678.2	2,655.7	2,353.9
Deferred Income Tax Asset - net	925.5	920.0	867.0
Net Assets of Discontinued Stainless Operations (Note 3)	25.0	100.0	-
Goodwill	350.0	353.0	-
Total Assets	$ 5,500.8	$ 5,621.5	$ 4,797.4

LIABILITIES AND STOCKHOLDERS' EQUITY

	March 31 1999 (unaudited)	December 31 1998	March 31 1998 (unaudited)
Current Liabilities:			
Accounts payable	$ 380.2	$ 417.9	$ 361.0
Accrued employment costs	280.2	307.7	295.1
Accrued taxes	58.3	53.4	53.0
Debt	48.8	44.4	44.4
Other current liabilities	161.4	161.8	120.8
Total Current Liabilities	928.9	985.2	874.3
Pension Liability	420.1	415.0	456.0
Postretirement Benefits Other Than Pensions	1,635.0	1,630.0	1,436.3
Long-term Debt	599.4	627.7	427.5
Deferred Gain on Sales	131.3	136.0	-
Other Long-term Liabilities	330.4	338.1	328.8
Stockholders' Equity:			
Preferred Stock	11.6	11.6	11.6
Preference Stock	2.2	2.2	2.3
Common Stock	132.5	132.2	115.3
Common Stock held in treasury at cost	(60.5)	(60.3)	(60.1)
Additional paid-in capital	1,983.3	1,991.6	1,844.7
Accumulated deficit	(613.4)	(587.8)	(639.3)
Total Stockholders' Equity	1,455.7	1,489.5	1,274.5
Total Liabilities and Stockholders' Equity	$ 5,500.8	$ 5,621.5	$ 4,797.4

The accompanying Notes are an integral part of the Consolidated Financial Statements.

Bethlehem Steel Corporation

CONSOLIDATED STATEMENTS OF CASH FLOWS

(dollars in millions)

(unaudited)

	Three Months Ended March 31	
	1999	**1998**
Operating Activities:		
Net income (loss)	$ (25.6)	$ 68.6
Adjustments for items not affecting cash from operating activities:		
Depreciation and amortization	61.2	59.8
Deferred income taxes	(5.5)	13.0
Other - net	1.0	4.4
Working capital (excluding financing and investing activities):		
Receivables - operating	(44.4)	(1.4)
Receivables - sold	40.0	-
Inventories	12.3	22.7
Accounts payable	(37.7)	(10.1)
Employment costs and other	(16.6)	(26.7)
Cash Provided from (Used for) Operations before Pension Activities	(15.3)	130.3
Pension Activities:		
Pension expense	10.0	21.0
Pension funding	(5.3)	(5.0)
Cash Provided from (Used for) Continuing Operating Activities	(10.6)	146.3
Cash Provided from Operating Activities of Discontinued Stainless Operations (Note 3)	0.1	-
Investing Activities:		
Capital expenditures	(82.6)	(61.2)
Payments related to the purchase of Lukens (Note 3)	(3.6)	-
Cash proceeds from asset sales and other	82.6	2.3
Cash Used for Investing Activities	(3.6)	(58.9)
Financing Activities:		
Borrowings	0.7	0.2
Debt payments	(24.1)	(21.5)
Cash dividends paid	(10.1)	(10.1)
Other payments	(5.5)	(21.2)
Cash Used for Financing Activities	(39.0)	(52.6)
Net Increase (Decrease) in Cash and Cash Equivalents	(53.1)	34.8
Cash and Cash Equivalents - Beginning of Period	137.8	252.4
- End of Period	$ 84.7	$ 287.2
Supplemental Cash Payment Information:		
Interest, net of amount capitalized	$ 21.6	$ 16.1
Income taxes paid	$ 0.1	$ 3.5

The accompanying Notes are an integral part of the Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. The Consolidated Financial Statements as of and for the three month periods ended March 31, 1999 and 1998 were not audited. However, in Management's opinion, the information reflects all adjustments necessary for a fair statement of the results for the periods presented. Management believes all adjustments were of a normal and recurring nature.

2. These Consolidated Financial Statements should be read together with the 1998 audited financial statements in Bethlehem's Annual Report on Form 10-K filed with the Securities and Exchange Commission.

3. On May 29, 1998, Bethlehem acquired all of the outstanding capital stock of Lukens Inc. The aggregate purchase price of $560.6 million comprises cash of $327.8 million, the issuance of 15.1 million shares of Bethlehem common stock valued at $184.8 million, and transaction related costs of $48.0 million. $3.6 million of the transaction related costs were paid during the first quarter of 1999. The transaction was accounted for as a purchase and, accordingly, Lukens' results are included in the Consolidated Financial Statements from the date of acquisition.

The fair value (in millions) of the assets acquired and the liabilities assumed is as follows:

Current assets	$	184.7
Property, plant and equipment		277.3
Net assets of discontinued stainless operations		310.0
Deferred tax asset, other		70.5
Goodwill		360.0
Current liabilities		(113.5)
Pension and other postretirement benefit liabilities		(220.0)
Debt		(268.5)
Other long-term liabilities		(39.9)
Purchase price, net of cash acquired	$	560.6

In February 1999, Bethlehem completed the sale of the stainless distribution business, Washington Specialty Metals Corporation for about $70 million. In April 1999, Bethlehem signed an agreement to sell the stainless sheet operations in Massillon, Ohio and Washington, Pennsylvania. The stainless and distribution businesses were acquired with the purchase of Lukens Inc. and are being accounted for as discontinued operations. Income or losses from these operations are not included in Bethlehem's operating results. Since the date of acquisition, these operations have incurred operating losses of about $32 million. The net assets of these operations are shown separately on the balance sheet and consist primarily of property, plant and equipment and working capital.

Bethlehem will finalize all purchase accounting adjustments upon the sale of the stainless sheet operations described above. Any adjustments are not expected to materially affect the recorded values of the assets acquired or liabilities assumed, including the recorded amount of goodwill.

The unaudited first quarter 1998 pro forma combined results (excluding stainless) as if Lukens had been acquired at the beginning of 1998 are estimated to be (dollars in millions, except per share data):

Net Sales	$	1,271.9
Income from Operations		100.6
Net Income		72.4
Net Income per Share:		
Basic	$	.48
Diluted		.47