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FOR IMMEDIATE RELEASE

BETHLEHEM STEEL ANNOUNCES FOURTH QUARTER AND YEAR 1999 RESULTS

BETHLEHEM, Pa., Wednesday, January 26, 2000 -- Bethlehem Steel Corporation today reported a net loss of $38 million ($.37 per diluted share) for the fourth quarter of 1999 compared with net losses of $90 million ($.77 per diluted share) for the third quarter of 1999 and $23 million ($.26 per diluted share) for the fourth quarter of 1998.

Our net loss for the year 1999 was $183 million ($1.72 per diluted share) compared with net income of $120 million ($.64 per diluted share) for the year 1998. Our 1999 results include about $70 million ($58 million after tax) of higher operating costs related to outages taken for extensive planned modernization and related maintenance work and the temporary idling of Hibbing’s iron ore operation during the year. Our 1998 results include a $35 million ($29 million after tax) charge related to the closing of our Sparrows Point plate mill. Excluding this charge, net income for 1998 would have been $149 million ($.87 per diluted share). Sales were $3.9 billion for the year 1999 compared with $4.5 billion for the year 1998.

"Our financial results for 1999, which reflect a number of issues over which we had limited control, were disappointing," said Curtis H. Barnette, Bethlehem’s Chairman and

Chief Executive Officer. "Our shipment levels and prices were depressed because of unfairly traded steel imports, especially plate products. In addition, the results include substantial additional operating costs in connection with planned modernization which will improve our future competitiveness. Our shipments in 1999 were 8.4 million tons compared with 8.7 million tons in 1998. Average steel prices for our products in 1999 were down about 9% from 1998. A 1% increase or decrease in average realized price per ton in our products results in an increase or decrease in net sales and pre-tax income of about $40 million. However, as a result of trade actions by Bethlehem and others, there has been some restoration of fair trade in steel, which should result in more positive results in the future. For example, the fourth quarter was the first quarter since the second quarter of 1998 that average realized prices did not decline and there has been some modest price restoration.

"We have continued to take appropriate legal, government affairs and public affairs actions to restore fair trade. Our legal actions have included bringing appropriate trade cases. Our government affairs actions are centered on working closely with the Administration and Congress for the full and unyielding enforcement and strengthening of U.S. trade laws. Our public affairs activities have been coordinated with the United Steelworkers of America in the "Stand Up for Steel" Campaign. We will continue to take all appropriate actions to ensure fair trade and believe that all of these actions will in due course help to restore fair trade in steel.

"We made significant progress during 1999 in a number of areas that could directly impact our future results. Specifically, we completed the reline of Sparrows Point's 'L' Blast Furnace, advanced its new world-class cold mill project and completed other modernization and maintenance work. The cold mill is proceeding on schedule and will become operational later this year. We also entered into a new five-year labor agreement with the USWA.

"The integration of the Bethlehem and Lukens plate businesses has proceeded very well, and we completed our planned divestiture of the Lukens' stainless businesses in January 2000. We also increased the size of our revolving credit arrangement from $600 million to $660 million, became an equity partner in MetalSite, an internet metals marketplace, and earned recognition by General Motors as a Supplier of the Year for the fourth consecutive year.

"As a result of these and other actions we have taken, we believe that we have improved our competitive position and the prospects for our future profitability. In addition, while we recognize that there are many challenges ahead, we are committed to doing what we can do to help Bethlehem achieve its vision to Be the Premier Steel Company."

Operating Results

Our loss from operations was $35 million for the fourth quarter of 1999 compared with losses from operations of $99 million for the third quarter of 1999 and $14 million for the fourth quarter of 1998. Fourth quarter 1999 operating results declined from a year ago due to significantly lower realized prices which were partially offset by lower costs and higher shipments.

Our loss from operations for 1999 was $179 million compared with income from operations of $225 million (excluding the $35 million charge related to closing our

Sparrows Point plate mill) for 1998. Results declined primarily due to significantly lower realized prices and lower shipments, as well as approximately $70 million of higher costs related to planned modernization and maintenance outages, and the temporary idling of Hibbing's iron ore operation during the year.

Fourth quarter 1999 operating results improved from the $99 million loss experienced in the third quarter of 1999 primarily due to lower costs. Costs were lower during the fourth quarter primarily because of the elimination of the $50 million of higher operating costs from maintenance and modernization outages and the temporary idling of Hibbing's iron ore operation during the third quarter.

Liquidity

At December 31, 1999, total liquidity, comprising cash, cash equivalents, and funds available under our bank credit arrangements, totaled $334 million compared with $479 million at December 31, 1998.

For 1999, cash provided from operations before funding of postretirement benefits was $202 million, compared with $487 million for 1998. These amounts include $70 million for the sale of receivables in 1999 and $64 million in 1998. Other major sources of cash included new borrowings of $250 million and asset sales of $184 million. New borrowings included about $160 million from our inventory credit agreement, a $60 million short-term loan arrangement for a portion of our cold mill capital expenditures, and about $28 million of our $50 million construction financing arrangement for the wide slab casting project at Sparrows Point. Asset sales consisted primarily of the sale of our stainless and distribution assets. In January 2000, we sold our stainless sheet operations in Massillon, Ohio. As a result, we have now completed our planned divestiture of all of the stainless and distribution assets that we acquired as part of our acquisition of Lukens.

Principal uses of cash during 1999 included capital expenditures of $557 million, debt repayments of $65 million and pension funding of $45 million. Capital expenditures included the reline of the "L" Blast Furnace, upgrades to the BOF shop, construction of a new cold mill complex, and preliminary work to increase the width of a new continuous slab casting strand, all at Sparrows Point. Other capital expenditures included our previously announced joint ventures, Columbus Coatings Company and Columbus Processing Company, and our previously announced equity interest in MetalSite, an internet marketplace where companies can buy and sell metal products and services. Capital expenditures also included certain improvements made to the Steckel plate mill at Bethlehem Lukens Plate in accordance with our agreement to provide conversion services to Allegheny Teledyne. As a result of completing these improvements to the Steckel plate mill, we received during the fourth quarter $70 million from Allegheny Teledyne in connection with their purchase of certain stainless assets from us last year.

Major uses of cash for 2000 are expected to be capital expenditures of about $250 million, debt payments and pension funding. We expect to maintain an adequate level of liquidity during 2000 primarily with cash provided from operations, further reductions in inventory, additional asset sales, and available funds under our bank and other financing arrangements.

International Steel Trade

Unfairly traded imports continue to severely injure Bethlehem. Average steel prices for domestic steel companies for all products in 1999 are down from average

1998 steel prices and represent the largest aggregate decline in nearly 20 years. Overall declines in steel prices for domestic steel companies for hot rolled, cold rolled, and plate were 8%, 7%, and 14%, respectively.

Our trade position is simple and clear. We believe in (1) open trade – all world markets should be open, (2) market based trade – determined by privately owned companies, not governments, (3) rule based trade – rules of The World Trade Organization and our national laws and (4) enforcement of the rules when trade is unfair and injurious.

Outlook

We believe that the U.S. economy will continue on a course of moderate and sustainable growth. Also, we believe that domestic industry shipments in 2000 will be about 105 million tons, slightly higher than the estimated 103 million tons shipped in 1999. We continue to be concerned about the high levels of unfairly traded steel imports and believe that imports in 2000 will remain at about 1999 levels, which are down significantly from record 1998 levels, but still represent the second highest year on record.

Overall, steel market conditions are improving and our order entry has recently been strengthening. While average steel prices for our products in 1999 were down about 9% from 1998, we began to realize some modest price restoration during the fourth quarter of 1999. We will continue our strategy of concentrating on steel and rebuilding our financial strength, and we will take all necessary actions to accelerate our cost reduction efforts, improve the use of our assets, advance further growth initiatives, and enhance our overall competitiveness.

We are moving forward with the transition to a new senior management team. Duane Dunham, our current President and Chief Operating Officer, was elected Chairman, President and CEO by our Board of Directors effective on April 25, 2000. Duane has the necessary commercial, steel operations, and general management experience to successfully lead Bethlehem. We also acknowledge with deep appreciation the services of Roger Penny, Vice Chairman and a Director, who will be retiring later this month after 41 years of service with Bethlehem.

Dividends

The Board of Directors today declared dividends of $1.25 per share on Bethlehem's $5.00 Cumulative Convertible Preferred Stock, $0.625 per share on Bethlehem's $2.50 Cumulative Convertible Preferred Stock and $0.875 per share on Bethlehem's $3.50 Cumulative Convertible Preferred Stock, each payable March 10, 2000, to holders of record on February 10, 2000. No dividend was declared on Bethlehem's Common Stock.

Forward-looking Statements

This release contains forward-looking statements. Our use of the words "expect", "believe", "intent", "should", "plan", and similar words are intended to identify these statements as forward-looking. In accordance with the provisions of the Private Securities Litigation Reform Act of 1995, reference is made to "Item 1 - Business - Forward-Looking Statements" of Bethlehem's 1998 Annual Report on Form 10K and to "Cautionary Statement" of Bethlehem's Registration Statement on Form S-4 filed with the Securities and Exchange Commission on April 24, 1998 for important factors that could cause actual results to differ materially from those projected.

Bethlehem Steel Corporation

CONSOLIDATED STATEMENTS OF INCOME

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

Three Months Ended December 31 1999 (unaudited)	Three Months Ended December 31 1998 (unaudited)		Year Ended December 31 1999 (unaudited)	Year Ended December 31 1998
$ 1,012.2	$ 1,012.5	**Net Sales**	$ 3,914.8	$ 4,477.8
		Costs and Expenses:		
942.9	929.0	Cost of sales	3,708.8	3,883.2
69.9	59.9	Depreciation and amortization	257.5	246.5
33.9	37.4	Selling, administration and general expense	127.1	123.6
-	-	Estimated loss on exiting businesses	-	35.0
1,046.7	1,026.3	**Total Costs and Expenses**	4,093.4	4,288.3
(34.5)	(13.8)	**Income (Loss) from Operations**	(178.6)	189.5
		Financing Income (Expense):		
(13.9)	(16.0)	Interest and other financing costs	(51.9)	(55.4)
2.3	1.6	Interest and other income	8.3	10.0
(46.1)	(28.2)	**Income (Loss) before Income Taxes**	(222.2)	144.1
8.0	5.0	**Benefit (Provision) for Income Taxes**	39.0	(24.0)
(38.1)	(23.2)	**Net Income (Loss)**	(183.2)	120.1
10.3	10.3	**Dividends on Preferred and Preference Stock**	41.2	41.7
$ (48.4)	$ (33.5)	**Net Income (Loss) Applicable to Common Stock**	$ (224.4)	$ 78.4
		Net Income (Loss) per Common Share:		
$ (0.37)	$ (0.26)	Basic	$ (1.72)	$ 0.64
$ (0.37)	$ (0.26)	Diluted	$ (1.72)	$ 0.64
		Average Shares Outstanding:		
130.8	129.3	Basic	130.2	122.6
130.8	129.3	Diluted	130.2	125.2
		Additional Data		
2,196	1,933	Steel products shipped (thousands of net tons)	8,416	8,683
2,654	2,516	Raw steel produced (thousands of net tons)	9,406	10,191

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

Bethlehem Steel Corporation

CONSOLIDATED BALANCE SHEETS

(dollars in millions)

ASSETS

	December 31 1999 (unaudited)	December 31 1998
Current Assets:		
Cash and cash equivalents	$ 99.4	$ 137.8
Receivables, less allowances	235.0	307.2
Inventories:		
Raw materials	292.3	319.9
Finished and semifinished	572.5	720.7
	864.8	1,040.6
Other current assets	10.2	9.2
Total Current Assets	1,209.4	1,494.8
Investments and Miscellaneous Assets	123.1	98.0
Property, Plant and Equipment, less accumulated depreciation of $4,263.6 and $4,119.4	2,899.7	2,655.7
Deferred Income Tax Asset - net	960.0	920.0
Net Assets of Discontinued Stainless Operations (Note 3)	3.0	100.0
Goodwill, less accumulated amortization of $19.0 and $7.0 (Note 3)	341.0	353.0
Total Assets	$ 5,536.2	$ 5,621.5

LIABILITIES AND STOCKHOLDERS' EQUITY

	December 31 1999 (unaudited)	December 31 1998
Current Liabilities:		
Accounts payable	$ 427.6	$ 417.9
Accrued employment costs	292.2	307.7
Accrued taxes	56.4	53.4
Debt and capital lease obligations	110.0	44.4
Other current liabilities	147.2	161.8
Total Current Liabilities	1,033.4	985.2
Pension Liability	410.0	415.0
Postretirement Benefits Other Than Pensions	1,645.0	1,630.0
Long-term Debt and Capital Lease Obligations	754.1	627.7
Deferred Gain	117.4	136.0
Other Long-term Liabilities	299.2	338.1
Stockholders' Equity:		
Preferred Stock	11.6	11.6
Preference Stock	2.0	2.2
Common Stock	133.6	132.2
Common Stock held in treasury at cost	(60.6)	(60.3)
Additional paid-in capital	1,961.5	1,991.6
Accumulated deficit	(771.0)	(587.8)
Total Stockholders' Equity	1,277.1	1,489.5
Total Liabilities and Stockholders' Equity	$ 5,536.2	$ 5,621.5

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

Bethlehem Steel Corporation

CONSOLIDATED STATEMENTS OF CASH FLOWS

(dollars in millions)

	Year Ended December 31	
	1999 (unaudited)	1998
Operating Activities:		
Net income (loss)	$ (183.2)	$ 120.1
Adjustments for items not affecting cash from operating activities:		
Depreciation and amortization	257.5	246.5
Estimated loss on exiting businesses	-	35.0
Deferred income taxes	(39.0)	18.0
Other - net	0.6	16.1
Working capital (excluding financing and investing activities):		
Receivables - operating	(65.7)	99.4
Receivables - sold	70.0	64.0
Inventories	175.7	(59.0)
Accounts payable	10.8	(13.1)
Employment costs and other	(24.7)	(40.5)
Cash Provided from Operations before Funding Postretirement Benefits	202.0	486.5
Funding Postretirement Benefits:		
Pension more than expense	(5.0)	(65.0)
Retiree healthcare and life insurance benefits less than expense	20.0	10.0
Cash Provided from Continuing Operating Activities	217.0	431.5
Cash Provided from Operating Activities of Discontinued Stainless Operations (Note 3)	9.6	22.2
Investing Activities:		
Capital expenditures	(557.0)	(328.0)
Purchase of Lukens (Note 3):		
Paid to Lukens stockholders, net of cash acquired	-	(327.8)
Transaction and other related payments	(6.6)	(41.4)
Cash proceeds from asset sales and other	183.6	308.8
Cash Used for Investing Activities	(380.0)	(388.4)
Financing Activities:		
Borrowings	249.7	201.6
Debt and capital lease payments	(65.1)	(290.4)
Cash dividends paid	(40.4)	(40.4)
Other payments	(29.2)	(50.7)
Cash Provided by (Used for) Financing Activities	115.0	(179.9)
Net Decrease in Cash and Cash Equivalents	(38.4)	(114.6)
Cash and Cash Equivalents - Beginning of Period	137.8	252.4
- End of Period	$ 99.4	$ 137.8
Supplemental Cash Flow Information:		
Interest paid, net of amount capitalized	$ 46.1	$ 50.2
Income taxes paid (received)	$ 0.7	$ (14.2)
Capital lease obligations incurred	$ 7.9	$ -

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 December 31, 1999 and 1998 and the year ended December 31, 1999 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. Presentation of certain amounts in the prior year have been revised to be consistent with the current year.

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. Bethlehem paid $6.6 million of the transaction related costs during 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	$	187.8
Property, plant and equipment		265.1
Net assets of discontinued stainless and distribution businesses		316.0
Deferred tax asset, other		70.4
Goodwill		360.0
Current liabilities		(110.0)
Postretirement benefit liabilities		(230.0)
Debt		(268.5)
Other long-term liabilities		(30.2)
Purchase price, net of cash acquired	$	560.6

Through January 2000, we have completed our planned divestiture of the stainless and distribution businesses acquired in the Lukens purchase for amounts esentially equal to $316 million. Since the date of acquisition, these operations were accounted for as discontinued operations and incurred operating losses of about $36 million. The net assets of these businesses are shown separately on the balance sheet and consist primarily of property, plant and equipment and working capital held for sale or to be liquidated.

The unaudited pro forma combined results (excluding stainless) for the year ended December 31, 1998 as if Lukens had been acquired at the beginning of 1998 are estimated to be (dollars in millions, except per share data):

Net Sales	$	4,717.5
Income from Operations		200.1
Net Income		121.4
Net Income per Share:		
Basic	$	.62
Diluted		.62

4. On April 23, 1999 Bethlehem entered into a construction financing arrangement to increase the width of a continuous slab casting strand at Sparrows Point. The financing is for a maximum of $50 million with an interest rate of about 8 1/2% and a term of 16 months. As of December 31, 1999, Bethlehem had borrowed about $28 million under the financing. On July 21, 1999, Bethlehem entered into a loan arrangement for $60 million at an interest rate of about 8% and a term of 18 months to finance a portion of the cold rolling complex at Sparrows Point.

On June 17, 1999, Bethlehem amended its existing non-reducing credit facility. The amendment increases the size of the facility from $600 million to $660 million by increasing the inventory credit agreement from $260 million to $320 million. The size of the receivables purchase agreement remains at $340 million and the maturity of the facility remains June 19, 2003.