

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re RG Liquidation Inc., et al (f/k/a/ RathGibson Inc.)

Case No. 09-12452 (CSS)

Reporting Period: June 11, 2010

MONTHLY OPERATING REPORT

File with Court and submit copy to United States Trustee within 20 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 disbursement journals				
Statement of Operations	MOR-2	X		
Balance Sheet	MOR-3	X		
Status of Postpetition Taxes	MOR-4	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*

7/20/10

Date

EDWARD A. PHILLIPS

Printed Name of Authorized Individual

PLA Administrator

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

NOTES TO THE MONTHLY OPERATING REPORT

This Monthly Operating Report contains financial information that has been prepared by the Debtors' former management and has not been audited or reviewed by independent registered public accountants. The financial information in the Monthly Operating Report has been prepared using standards consistent with generally accepted accounting principles and may be subject to future reconciliations and adjustments. Accordingly, the Monthly Operating Report does not include all of the information, eliminations and footnotes required by generally accepted accounting principles in the United States for complete financial statements. The financial information for operations included herein reflects all adjustments (consisting only of normal recurring adjustments, except as noted elsewhere in the notes to financial statements), which, in the opinion of management, are necessary for a fair presentation of the results for interim periods.

While management of the Debtors has made every effort to ensure that the operating results reflected in the Monthly Operating Report is accurate and complete based on the information that was available at the time of preparation, inadvertent errors or omissions may exist and the subsequent receipt of information may result in material changes in the data contained in the Monthly Operating Report that would warrant amendment of the same. The Debtors reserve the right to amend the Monthly Operating Report as necessary or appropriate and expect to do so as new or additional information becomes available.

These financial statements are prepared for the sole purpose of meeting the Operational Guidelines with respect to debtor in possession companies as required by the Office of the United States Trustee.

The Debtors reserve the right to dispute, or assert offsets or defense to, any claim, including income taxes payable and income tax refunds, reflected on the Monthly Operating Report and any previous Monthly Operating Report as to amount, liability or classification.

On June 11, 2010, the majority of the assets of the Debtors were acquired by RathGibson Acquisition Co, LLC. Additionally, certain of the liabilities of the Debtors were assumed. The sale price, subject to true-up, was approximately \$93.8 million including a \$1 million escrow not under the Control of the Plan Administrator. The cash to the estate was approximately \$8.2 million (excluding the \$1 million in escrow) after repayment of the DIP facility and certain professional fees and other expenses. The sale is reflected in this Monthly Operating Report on a consolidated basis.

In re RG Liquidation Inc., et al
Cash Receipts & Disbursements
June 1, 2010 through June 11, 2010
(USD thousands)

	Pre-Sale		Total	Sale
	RathGibson	Greenville		Proceeds (a)
RECEIPTS				
Receipts	\$ 7,868	\$ 1,208	\$ 9,076	\$ -
Wires - in	-	-	-	8,213
Tax refunds	-	-	-	-
Other	-	-	-	-
Total Receipts	7,868	1,208	9,076	8,213
Expenses				
Trade Payables				
Metal Vendors	2,731	149	2,880	
Freight Vendors	182	7	189	
Industrial Gas Vendors	72	6	78	
Other Vendors	342	-	342	
Subtotal Trade Payables	<u>3,327</u>	<u>162</u>	<u>3,489</u>	<u>-</u>
Utilities	88	-	88	
Rent	25	9	34	
Employee Benefits	177	2	179	
Insurance	63	-	63	
Taxes	-	-	-	
Payroll and Payroll Taxes	777	217	994	
Capital Expenditures	-	5	5	
Professional Fees (Ordinary Course)	28	-	28	
Legal Fees - Union Discussions	-	-	-	
Interest/Bank Fees	5	-	5	
Misc.	360	94	454	
Chapter 11 Related				
Professional Fees	668	-	668	
Admin Claims	-	-	-	
DIP Interest/Fees	-	-	-	
Cure Payments/Claim Amounts	-	-	-	
Other	-	-	-	
Total Expenses	5,518	489	6,007	-
Cash Flow	\$ 2,350	\$ 719	\$ 3,069	\$ 8,213

(a) - Sale proceeds exclude \$1 million in escrow which is subject to true-up.

In re RG Liquidation Inc., et al
Debtor

Case No. 09-12452 (CSS)
Reporting Period:

June 11, 2010

<u>Bank Name</u>	<u>Bank Account #</u>	<u>GL Balance</u>	<u>Deposits in Transit</u>	<u>Outstanding Checks</u>	<u>Transfers</u>	<u>Other</u>	<u>Bank Balance</u>
<u>RG Liquidation, Inc. (Formerly RathGibson)</u>							
Sovereign	9659	8,212,568	-	-	-	-	8,212,568
Total		\$ 8,212,568					\$ 8,212,568

Excludes amount held in escrow pending true-up (\$1,000,000).

FORM MOR-1a

In re RG Liquidation Inc., et al

Debtor

Case No. 09-12452 (CSS)

Reporting Period:

June 11, 2010

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		Year-to-Date	
				Number	Date	Fees	Expenses	Fees	Expenses
Stroock & Stroock & Lavan LLP	6/22/09-7/31/09	\$ 369,885.57	RathGibson, Inc.	Wire	8/14/09	\$ 363,440.46	\$ 6,445.11	\$ 363,440.46	\$ 6,445.11
The Garden City Group, Inc.	7/13/09-7/31/09	\$ 66,668.29	RathGibson, Inc.	172679	8/28/09	\$ 64,019.09	\$ 2,649.20	\$ 64,019.09	\$ 2,649.20
Stroock & Stroock & Lavan LLP	7/14/09-9/9/09	\$ 169,281.18	RathGibson, Inc.	Wire	9/14/09	\$ 168,954.50	\$ 326.68	\$ 532,394.96	\$ 6,771.79
Stroock & Stroock & Lavan LLP	7/14/09-9/9/09	\$ 97,623.34	RathGibson, Inc.	Wire	9/18/09	\$ 95,941.50	\$ 1,681.84	\$ 628,336.46	\$ 8,453.63
The Garden City Group, Inc.	9/21/09	\$ 8,274.75	RathGibson, Inc.	Wire	9/22/09	\$ 8,274.75	\$ -	\$ 72,293.84	\$ 2,649.20
The Garden City Group, Inc.	8/1/09-8/31/09	\$ 90,600.71	RathGibson, Inc.	Wire	9/28/09	\$ 86,874.68	\$ 3,726.03	\$ 159,168.52	\$ 6,375.23
The Garden City Group, Inc.	9/1/09-9/30/09	\$ 76,139.44	RathGibson, Inc.	Wire	10/16/09	\$ 68,622.21	\$ 7,517.23	\$ 227,790.73	\$ 13,892.46
Otterburg, Steindler, Houston & Rosen, P.C.	8/1/09-8/31/09	\$ 255,042.90	RathGibson, Inc.	Wire	10/30/09	\$ 252,105.20	\$ 2,937.70	\$ 252,105.20	\$ 2,937.70
Huron Consulting Group	7/23/09-8/31/09	\$ 155,840.10	RathGibson, Inc.	Wire	10/30/09	\$ 154,838.71	\$ 1,001.39	\$ 154,838.71	\$ 1,001.39
Dave Pudelsky	8/1/09-8/31/09	\$ 155.29	RathGibson, Inc.	173844	10/30/09	\$ -	\$ 155.29	\$ -	\$ 155.29
ECO Management LP	8/1/09-8/31/09	\$ 640.00	RathGibson, Inc.	173847	10/30/09	\$ -	\$ 640.00	\$ -	\$ 640.00
Willkie Farr & Gallagher LLP	7/13/09-8/31/09	\$ 369,562.89	RathGibson, Inc.	Wire	11/6/09	\$ 360,611.20	\$ 8,951.69	\$ 360,611.20	\$ 8,951.69
Young Conaway Stargatt & Taylor, LLP	7/13/09-7/31/09	\$ 46,785.50	RathGibson, Inc.	Wire	11/6/09	\$ 43,409.60	\$ 3,375.90	\$ 43,409.60	\$ 3,375.90
Otterburg, Steindler, Houston & Rosen, P.C.	9/1/09-9/30/09	\$ 90,183.92	RathGibson, Inc.	Wire	11/20/09	\$ 88,379.20	\$ 1,804.72	\$ 340,484.40	\$ 4,742.42
The Garden City Group, Inc.	10/1/09-10/31/09	\$ 35,115.30	RathGibson, Inc.	Wire	11/25/09	\$ 34,707.81	\$ 407.49	\$ 262,498.54	\$ 14,299.95
Huron Consulting Group	9/1/09-9/30/09	\$ 110,252.33	RathGibson, Inc.	Wire	11/30/09	\$ 109,333.34	\$ 918.99	\$ 264,172.05	\$ 1,920.38
Willkie Farr & Gallagher LLP	9/1/09-9/30/09	\$ 316,161.80	RathGibson, Inc.	Wire	12/4/09	\$ 310,329.68	\$ 5,832.12	\$ 670,940.88	\$ 14,783.81
Mesirow Financial Consulting, LLC	7/13/09-8/31/09	\$ 193,395.00	RathGibson, Inc.	Wire	12/4/09	\$ 182,740.00	\$ 10,655.00	\$ 182,740.00	\$ 10,655.00
Jefferies & Company, Inc.	7/13/09-8/31/09	\$ 156,486.41	RathGibson, Inc.	Wire	12/4/09	\$ 139,354.84	\$ 17,131.57	\$ 139,354.84	\$ 17,131.57
Young Conaway Stargatt & Taylor, LLP	8/1/09-8/31/09	\$ 42,842.86	RathGibson, Inc.	Wire	12/4/09	\$ 39,675.20	\$ 3,167.66	\$ 83,084.80	\$ 6,543.56
Young Conaway Stargatt & Taylor, LLP	9/1/09-9/30/09	\$ 22,023.84	RathGibson, Inc.	Wire	12/4/09	\$ 18,920.80	\$ 3,103.04	\$ 102,005.60	\$ 9,646.60
Pepper Hamilton LLP	7/22/09-8/31/09	\$ 23,389.33	RathGibson, Inc.	174600	12/4/09	\$ 22,961.20	\$ 428.13	\$ 22,961.20	\$ 428.13
Pepper Hamilton LLP	9/1/09-9/30/09	\$ 13,479.13	RathGibson, Inc.	174600	12/4/09	\$ 13,318.80	\$ 160.33	\$ 36,280.00	\$ 588.46
Willkie Farr & Gallagher LLP	10/1/09-10/31/09	\$ 257,486.25	RathGibson, Inc.	Wire	12/18/09	\$ 254,297.20	\$ 3,189.05	\$ 393,652.04	\$ 20,320.62
Willkie Farr & Gallagher LLP	Oct. Qtr. Holdback	\$ 231,309.52	RathGibson, Inc.	Wire	12/18/09	\$ 231,309.52	\$ -	\$ 314,394.32	\$ 6,543.56
Mesirow Financial Consulting, LLC	9/1/09-9/30/09	\$ 208,566.20	RathGibson, Inc.	Wire	12/18/09	\$ 168,971.20	\$ 39,595.00	\$ 351,711.20	\$ 50,250.00
Mesirow Financial Consulting, LLC	10/1/09-10/31/09	\$ 48,485.60	RathGibson, Inc.	Wire	12/18/09	\$ 48,389.60	\$ 96.00	\$ 400,100.80	\$ 50,346.00
Mesirow Financial Consulting, LLC	Oct. Qtr. Holdback	\$ 100,025.20	RathGibson, Inc.	Wire	12/18/09	\$ 100,025.20	\$ -	\$ 500,126.00	\$ 50,346.00
Jefferies & Company, Inc.	9/1/09-9/30/09	\$ 132,977.55	RathGibson, Inc.	Wire	12/18/09	\$ 120,000.00	\$ 12,977.55	\$ 259,354.84	\$ 30,109.12
Jefferies & Company, Inc.	10/1/09-10/31/09	\$ 122,894.45	RathGibson, Inc.	Wire	12/18/09	\$ 120,000.00	\$ 2,894.45	\$ 379,354.84	\$ 33,003.57
Jefferies & Company, Inc.	Oct. Qtr. Holdback	\$ 94,838.71	RathGibson, Inc.	Wire	12/18/09	\$ 94,838.71	\$ -	\$ 474,193.55	\$ 33,003.57
Young Conaway Stargatt & Taylor, LLP	10/1/09-10/31/09	\$ 13,560.84	RathGibson, Inc.	Wire	12/18/09	\$ 12,048.00	\$ 1,512.84	\$ 114,053.60	\$ 11,159.44
Young Conaway Stargatt & Taylor, LLP	Oct. Qtr. Holdback	\$ 28,513.40	RathGibson, Inc.	Wire	12/18/19	\$ 28,513.40	\$ -	\$ 142,567.00	\$ 11,159.44
Kelley Drye & Warren LLP	7/13/09-10/31/09	\$ 51,305.99	RathGibson, Inc.	Wire	12/18/09	\$ 51,162.48	\$ 143.51	\$ 51,162.48	\$ 143.51
Kelley Drye & Warren LLP	Oct. Qtr. Holdback	\$ 12,790.62	RathGibson, Inc.	Wire	12/18/09	\$ 12,790.62	\$ -	\$ 63,953.10	\$ 143.51
Otterburg, Steindler, Houston & Rosen, P.C.	10/1/09-10/31/09	\$ 53,026.40	RathGibson, Inc.	Wire	12/18/09	\$ 52,192.80	\$ 833.60	\$ 392,677.20	\$ 5,576.02
Otterburg, Steindler, Houston & Rosen, P.C.	Oct. Qtr. Holdback	\$ 98,169.30	RathGibson, Inc.	Wire	12/18/09	\$ 98,169.30	\$ -	\$ 490,846.50	\$ 5,576.02
Huron Consulting Group	10/1/09-10/31/09	\$ 80,065.72	RathGibson, Inc.	Wire	12/18/09	\$ 80,000.00	\$ 65.72	\$ 344,172.05	\$ 1,986.10
Huron Consulting Group	Oct. Qtr. Holdback	\$ 86,043.01	RathGibson, Inc.	Wire	12/18/09	\$ 86,043.01	\$ -	\$ 430,215.06	\$ 1,986.10
Pepper Hamilton LLP	10/1/09-10/31/09	\$ 10,433.94	RathGibson, Inc.	174797	12/18/09	\$ 9,900.80	\$ 533.14	\$ 46,180.80	\$ 1,121.60
Pepper Hamilton LLP	Oct. Qtr. Holdback	\$ 11,545.20	RathGibson, Inc.	174797	12/18/09	\$ 11,545.20	\$ -	\$ 57,726.00	\$ 1,121.60
The Garden City Group, Inc.	11/1/09-11/30/09	\$ 16,067.58	RathGibson, Inc.	Wire	12/23/09	\$ 16,005.96	\$ 61.62	\$ 278,504.50	\$ 14,361.57
Grant Thornton LLP	10/14/09-11/17/09	\$ 15,052.00	RathGibson, Inc.	175050	12/31/09	\$ 15,052.00	\$ -	\$ 15,052.00	\$ -

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		Year-to-Date	
				Number	Date	Fees	Expenses	Fees	Expenses
Otterburg, Steindler, Houston & Rosen, P.C.	11/1/09-11/30/09	\$ 39,983.90	RathGibson, Inc.	Wire	1/15/10	\$ 39,770.40	\$ 213.50	\$ 530,616.90	\$ 5,789.52
Huron Consulting Group	11/1/09-11/30/09	\$ 48,186.00	RathGibson, Inc.	Wire	1/15/10	\$ 48,186.00	\$ -	\$ 478,401.06	\$ 1,986.10
The Garden City Group, Inc.	12/1/09-12/31/09	\$ 12,508.20	RathGibson, Inc.	Wire	1/20/10	\$ 12,299.86	\$ 208.34	\$ 290,804.36	\$ 14,569.91
Pepper Hamilton LLP	11/1/09-11/30/09	\$ 8,325.48	RathGibson, Inc.	Wire	1/28/10	\$ 8,012.00	\$ 313.48	\$ 65,738.00	\$ 1,435.08
Jefferies & Company, Inc.	11/1/09-11/30/09	\$ 122,492.93	RathGibson, Inc.	Wire	2/5/10	\$ 120,000.00	\$ 2,492.93	\$ 594,193.55	\$ 35,496.50
AccuVal Associates, Incorporated	9/10/09-9/21/09	\$ 18,460.22	RathGibson, Inc.	175627	2/5/10	\$ 16,000.00	\$ 2,460.22	\$ 16,000.00	\$ 2,460.22
Stroock & Stroock & Lavan LLP	9/1/09-11/20/09	\$ 89,532.85	RathGibson, Inc.	Wire	2/8/10	\$ 86,984.50	\$ 2,548.35	\$ 715,320.96	\$ 11,001.98
Stroock & Stroock & Lavan LLP	9/3/09-11/20/09	\$ 14,776.52	RathGibson, Inc.	Wire	2/8/10	\$ 14,749.50	\$ 27.02	\$ 730,070.46	\$ 11,029.00
Stroock & Stroock & Lavan LLP	11/9/09-12/22/09	\$ 22,611.01	RathGibson, Inc.	Wire	2/8/10	\$ 21,620.00	\$ 991.01	\$ 751,690.46	\$ 12,020.01
Stroock & Stroock & Lavan LLP	12/19/09-12/24/09	\$ 8,576.78	RathGibson, Inc.	Wire	2/8/10	\$ 8,574.00	\$ 2.78	\$ 760,264.46	\$ 12,022.79
Otterburg, Steindler, Houston & Rosen, P.C.	12/1/09-12/31/09	\$ 19,161.50	RathGibson, Inc.	Wire	2/19/10	\$ 19,092.40	\$ 69.10	\$ 549,709.30	\$ 5,858.62
Huron Consulting Group	12/1/09-12/31/09	\$ 7,506.00	RathGibson, Inc.	Wire	2/19/10	\$ 7,506.00	\$ -	\$ 485,907.06	\$ 1,986.10
Mesirow Financial Consulting, LLC	11/1/09-11/30/09	\$ 24,310.80	RathGibson, Inc.	Wire	2/25/10	\$ 24,236.80	\$ 74.00	\$ 524,362.80	\$ 50,420.00
Willkie Farr & Gallagher LLP	11/1/09-11/30/09	\$ 157,713.70	RathGibson, Inc.	Wire	2/25/10	\$ 155,909.60	\$ 1,804.10	\$ 314,394.32	\$ 6,543.56
Mesirow Financial Consulting, LLC	12/1/09-12/31/09	\$ 25,462.20	RathGibson, Inc.	Wire	3/5/10	\$ 25,451.20	\$ 11.00	\$ 549,814.00	\$ 50,431.00
Willkie Farr & Gallagher LLP	12/1/09-12/31/09	\$ 139,461.47	RathGibson, Inc.	Wire	3/5/10	\$ 138,312.00	\$ 1,149.47	\$ 452,706.32	\$ 7,693.03
Young Conaway Stargatt & Taylor, LLP	11/1/09-11/30/09	\$ 23,196.51	RathGibson, Inc.	Wire	3/5/10	\$ 22,192.00	\$ 1,004.51	\$ 164,759.00	\$ 12,163.95
Young Conaway Stargatt & Taylor, LLP	12/1/09-12/31/09	\$ 9,801.53	RathGibson, Inc.	Wire	3/5/10	\$ 8,806.00	\$ 995.53	\$ 173,565.00	\$ 13,159.48
Stroock & Stroock & Lavan LLP	1/13/10-1/29/10	\$ 13,434.07	RathGibson, Inc.	Wire	3/9/10	\$ 13,409.50	\$ 24.57	\$ 773,673.96	\$ 12,047.36
Stroock & Stroock & Lavan LLP	2/1/10-2/19/10	\$ 19,282.12	RathGibson, Inc.	Wire	3/9/10	\$ 19,276.00	\$ 6.12	\$ 792,949.96	\$ 12,053.48
The Garden City Group, Inc.	1/1/10-1/31/10	\$ 12,841.70	RathGibson, Inc.	Wire	3/12/10	\$ 12,307.20	\$ 534.50	\$ 303,111.56	\$ 15,104.41
Grant Thornton LLP	11/2/09-1/15/10	\$ 31,228.80	RathGibson, Inc.	176431	3/12/10	\$ 31,228.80	\$ -	\$ 46,280.80	\$ -
Stroock & Stroock & Lavan LLP	2/9/10-2/26/10	\$ 1,099.17	RathGibson, Inc.	Wire	3/15/10	\$ 1,097.50	\$ 1.67	\$ 794,047.46	\$ 12,055.15
Huron Consulting Group	1/1/10-1/31/10	\$ 17,620.48	RathGibson, Inc.	Wire	3/19/10	\$ 17,608.00	\$ 12.48	\$ 503,515.06	\$ 1,998.58
Otterburg, Steindler, Houston & Rosen, P.C.	1/1/10-1/31/10	\$ 31,934.58	RathGibson, Inc.	Wire	3/26/10	\$ 31,110.80	\$ 823.78	\$ 580,820.10	\$ 6,682.40
The Garden City Group, Inc.	3/31/10	\$ 14,520.00	RathGibson, Inc.	Wire	3/31/10	\$ -	\$ 14,520.00	\$ 303,111.56	\$ 29,624.41
Jefferies & Company, Inc.	12/1/09-12/31/09	\$ 122,468.83	RathGibson, Inc.	Wire	4/2/10	\$ 120,000.00	\$ 2,468.83	\$ 714,193.55	\$ 37,965.33
Willkie Farr & Gallagher LLP	1/1/10-1/31/10	\$ 147,698.20	RathGibson, Inc.	Wire	4/2/10	\$ 145,479.60	\$ 2,218.60	\$ 598,185.92	\$ 9,911.63
The Garden City Group, Inc.	4/8/10	\$ 12,540.00	RathGibson, Inc.	Wire	4/9/10	\$ -	\$ 12,540.00	\$ 303,111.56	\$ 42,164.41
Jefferies & Company, Inc.	1/1/10-1/31/10	\$ 120,234.13	RathGibson, Inc.	ACH	4/9/10	\$ 120,000.00	\$ 234.13	\$ 834,193.55	\$ 38,199.46
Mesirow Financial Consulting, LLC	1/1/10-1/31/10	\$ 42,172.00	RathGibson, Inc.	ACH	4/9/10	\$ 42,172.00	\$ -	\$ 591,986.00	\$ 50,431.00
Young Conaway Stargatt & Taylor, LLP	1/1/10-1/31/10	\$ 24,686.56	RathGibson, Inc.	ACH	4/9/10	\$ 23,586.80	\$ 1,099.76	\$ 197,151.80	\$ 14,259.24
Stroock & Stroock & Lavan LLP	2/22/10-4/6/10	\$ 18,773.77	RathGibson, Inc.	ACH	4/12/10	\$ 18,697.50	\$ 76.27	\$ 812,744.96	\$ 12,131.42
Stroock & Stroock & Lavan LLP	4/5/10-4/9/10	\$ 3,525.00	RathGibson, Inc.	ACH	4/12/10	\$ 3,525.00	\$ -	\$ 816,269.96	\$ 12,131.42
Huron Consulting Group	Jan. Qtr. Holdback	\$ 18,325.00	RathGibson, Inc.	ACH	4/16/10	\$ 18,325.00	\$ -	\$ 521,840.06	\$ 1,998.58
Jefferies & Company, Inc.	Jan. Qtr. Holdback	\$ 89,449.55	RathGibson, Inc.	ACH	4/16/10	\$ 89,449.55	\$ -	\$ 923,643.10	\$ 38,199.46
Kelley Drye & Warren LLP	11/1/09-1/31/10	\$ 57,068.45	RathGibson, Inc.	ACH	4/16/10	\$ 55,730.92	\$ 1,337.53	\$ 119,684.02	\$ 1,481.04
Kelley Drye & Warren LLP	Jan. Qtr. Holdback	\$ 13,932.73	RathGibson, Inc.	ACH	4/16/10	\$ 13,932.73	\$ -	\$ 133,616.75	\$ 1,481.04
Mesirow Financial Consulting, LLC	Jan. Qtr. Holdback	\$ 22,965.00	RathGibson, Inc.	ACH	4/16/10	\$ 22,965.00	\$ -	\$ 614,951.00	\$ 50,431.00
Otterburg, Steindler, Houston & Rosen, P.C.	Jan. Qtr. Holdback	\$ 22,493.40	RathGibson, Inc.	ACH	4/16/10	\$ 22,493.40	\$ -	\$ 603,313.50	\$ 6,682.40
Otterburg, Steindler, Houston & Rosen, P.C.	2/1/10-2/28/10	\$ 79,940.70	RathGibson, Inc.	ACH	4/16/10	\$ 79,622.40	\$ 318.30	\$ 682,935.90	\$ 7,000.70
Pepper Hamilton LLP	Jan. Qtr. Holdback	\$ 2,003.00	RathGibson, Inc.	177005	4/16/10	\$ 2,003.00	\$ -	\$ 67,741.00	\$ 1,435.08
Willkie Farr & Gallagher LLP	Jan. Qtr. Holdback	\$ 109,925.15	RathGibson, Inc.	Wire	4/16/10	\$ 109,925.15	\$ -	\$ 708,111.07	\$ 9,911.63

In re RG Liquidation Inc., et al
Consolidating Income Statement
For The Eleven Days Ended June 11, 2010

	Operations Through 6/11					
	RathGibson	Greenville	RGCH	RG Tube	Eliminations/ Reclasses	Consolidated Total
NET SALES:						
Gross sales	\$ (5,680,165)	\$ (1,072,521)	\$ -	\$ -	\$ 159,986	\$ (6,592,700)
Less returns & allowances	6,424	857	-	-	-	7,281
Net sales	(5,673,741)	(1,071,664)	-	-	159,986	(6,585,419)
COST OF GOODS SOLD:						
Material	3,037,309	402,178	-	-	(145,986)	3,293,501
Plant labor	404,719	100,618	-	-	-	505,337
Fixed overhead	538,243	80,979	-	-	-	619,222
Variable overhead	544,576	129,681	-	-	-	674,257
Total cost of goods sold	4,524,847	713,456	-	-	(145,986)	5,092,317
Gross profit	(1,148,894)	(358,208)	-	-	14,000	(1,493,102)
OPERATING EXPENSES:						
Selling, general and administrative	501,598	93,219	-	234	-	595,051
Amortization	183,174	11,693	-	-	-	194,867
Total operating expenses	684,772	104,912	-	234	-	789,918
(Income) loss from operations	(464,122)	(253,296)	-	234	14,000	(703,184)
INTEREST EXPENSE, NET						
(Income) loss from income taxes	530,050	17,748	-	-	-	547,798
(Income) loss from income taxes	65,928	(235,548)	-	234	14,000	(155,386)
INCOME TAX EXPENSE (BENEFIT):						
Federal income tax	1,526,000	(1,522,000)	-	-	(4,000)	-
State income tax	26,891	16,000	-	-	(16,000)	26,891
Deferred income tax	(1,252,000)	1,700,000	(64,000)	-	16,000	400,000
Total income tax expense (benefit)	300,891	194,000	(64,000)	-	(4,000)	426,891
Net (income) loss before Sale Transaction	\$ 366,819	\$ (41,548)	\$ (64,000)	\$ 234	\$ 10,000	271,505
Loss on Sale of Assets						112,575,879
Net (Income) loss						\$ 112,847,384

In re RG Liquidation Inc., et al
Consolidating Income Statement
For The Eleven Days Ended June 11, 2010

	Operations Through 6/11					
	RathGibson	Greenville	RGCH	RG Tube	Eliminations/ Reclasses	Consolidated Total
SUPPLEMENTAL DATA (excluding Sale transaction)						
Depreciation expense:						
Depreciation expense - COGS	\$ 193,067	\$ 28,007	\$ -	\$ -	\$ -	\$ 221,074
Depreciation expense - SG&A	5,240	3,114	-	-	-	8,354
	<u>\$ 198,307</u>	<u>\$ 31,121</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 229,428</u>
Salaries and wages						
Salaries and wages - COGS	\$ 512,839	\$ 160,687	\$ -	\$ -	\$ -	\$ 673,526
Salaries and wages - SG&A	347,568	46,235	-	-	-	393,803
	<u>\$ 860,407</u>	<u>\$ 206,922</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,067,329</u>
Management fees	\$ (30,543)	\$ 30,543	\$ -	\$ -	\$ -	\$ -
Exceptional items:						
Inventory adjustments - purchase accounting - COGS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Oceanering settlement - COGS	-	-	-	-	-	-
Write off of deferred financing costs - SG&A	-	-	-	-	-	-
Equity compensation expense - SG&A	-	-	-	-	-	-
Restructuring fees - SG&A	(197,822)	-	-	-	-	(197,822)
Goodwill and tradename impairment-SG&A	-	-	-	-	-	-
Other - SGA	-	-	-	-	-	-
	<u>\$ (197,822)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (197,822)</u>
Adjusted EBITDA:						
Net income (loss)	\$ (366,819)	\$ 41,548	\$ 64,000	\$ (234)	\$ (10,000)	\$ (271,505)
Income tax expense (benefit)	300,891	194,000	(64,000)	-	(4,000)	426,891
Interest expense	530,050	17,748	-	-	-	547,798
Depreciation and amortization	381,481	42,814	-	-	-	424,295
EBITDA	<u>845,603</u>	<u>296,110</u>	<u>-</u>	<u>(234)</u>	<u>(14,000)</u>	<u>1,127,479</u>
Management fees	(30,543)	30,543	-	-	-	-
Exceptional items	(197,822)	-	-	-	-	(197,822)
Adjusted EBITDA	<u>\$ 617,238</u>	<u>\$ 326,653</u>	<u>\$ -</u>	<u>\$ (234)</u>	<u>\$ (14,000)</u>	<u>\$ 929,657</u>

In re **RG Liquidation Inc., et al**
Consolidating Balance Sheet
As of June 11, 2010

	6/11/2010 Pre-Sale					Sale Transaction		Impact of Sale (a)	6/11/2010 Consolidated Total	
	RathGibson	Greenville	RGCH	RG Tube	Elimin/ Reclasses	Consolidated Total	Assets Sold			Assets Retained
CURRENT ASSETS:										
Cash	\$ 18,960,842	\$ 8,949,442	\$ -	\$ 718,906	\$ -	\$ 28,629,190	\$ (28,629,190)	\$ -	\$ 8,212,568	\$ 8,212,568
Accounts receivable, net										
Accounts receivable	28,000,572	5,379,588	-	-	-	33,380,160	(33,380,160)	-	-	-
Less reserve for bad debts	(257,826)	(54,930)	-	-	-	(312,756)	312,756	-	-	-
	27,742,746	5,324,658	-	-	-	33,067,404	(33,067,404)	-	-	-
Intercompany accounts and notes receivable	-	12,730,490	-	-	(12,730,490)	-	-	-	-	-
Inventories										
Raw materials	22,485,670	3,801,637	-	-	-	26,287,307	(26,287,307)	-	-	-
Work-in-process	4,048,190	661,521	-	-	-	4,709,711	(4,709,711)	-	-	-
Finished goods	12,400,372	90,529	-	-	(33,000)	12,457,901	(12,457,901)	-	-	-
	38,934,232	4,553,687	-	-	(33,000)	43,454,919	(43,454,919)	-	-	-
Prepaid expenses and other	3,218,479	249,432	-	-	(97,000)	3,370,911	(2,473,178)	897,733	-	897,733
Refundable income taxes	1,610,000	1,733,000	51,000	-	(202,000)	3,192,000	(3,228,209)	(36,209)	-	(36,209)
Deferred income taxes	2,763,000	374,000	-	-	-	3,137,000	-	3,137,000	-	3,137,000
Total current assets	93,229,299	33,914,709	51,000	718,906	(13,062,490)	114,851,424	(110,852,900)	3,998,524	8,212,568	12,211,092
PROPERTY, PLANT AND EQUIPMENT, NET:										
Land and land improvements	-	-	-	-	-	-	-	-	-	-
Buildings and structures	-	-	-	-	-	-	-	-	-	-
Leasehold improvements	2,149,743	402,511	-	-	-	2,552,254	(2,552,254)	-	-	-
Machinery and equipment	53,899,330	7,334,805	-	-	-	61,234,135	(61,234,135)	-	-	-
Office furniture and fixtures	1,257,186	362,598	-	-	-	1,619,784	(1,619,784)	-	-	-
Construction in progress	764,777	36,683	-	-	-	801,460	(801,460)	-	-	-
Property, plant and equipment, gross	58,071,036	8,136,597	-	-	-	66,207,633	(66,207,633)	-	-	-
Less accumulated depreciation	(18,722,197)	(2,222,604)	-	-	-	(20,944,801)	20,944,801	-	-	-
Property, plant and equipment, net	39,348,839	5,913,993	-	-	-	45,262,832	(45,262,832)	-	-	-
OTHER ASSETS:										
Goodwill	-	-	-	-	-	-	-	-	-	-
Intangible assets, net	59,449,963	5,162,935	-	-	-	64,612,898	(64,612,898)	-	-	-
Deferred financing costs and other	518,215	29,196	-	-	-	547,411	(547,411)	-	-	-
Deferred income taxes	-	-	15,238,000	-	(9,371,000)	5,867,000	(5,867,000)	-	-	-
Total other assets	59,968,178	5,192,131	15,238,000	-	(9,371,000)	71,027,309	(71,027,309)	-	-	-
INTERCOMPANY INVESTMENTS	89,142,000	-	214,559,751	106,045,063	(409,746,814)	-	-	-	-	-
Total assets	\$ 281,688,316	\$ 45,020,833	\$ 229,848,751	\$ 106,763,969	\$ (432,180,304)	\$ 231,141,565	\$ (227,143,041)	\$ 3,998,524	\$ 8,212,568	\$ 12,211,092

(a) Excludes \$1,000,000 held in escrow pending true-up of final numbers.

In re **RG Liquidation Inc., et al**
Consolidating Balance Sheet
As of June 11, 2010

	6/11/2010 Pre-Sale					Sale Transaction		Impact of Sale	6/11/2010 Consolidated Total
	RathGibson	Greenville	RGCH	RG Tube	Elimin/Reclasses	Consolidated Total	Liabilities Sold		
CURRENT LIABILITIES:									
Current installment of long-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DIP facility	(80,000,000)	-	-	-	-	(80,000,000)	-	(80,000,000)	80,000,000
Accounts payable	(13,711,198)	(1,081,506)	-	-	-	(14,792,704)	14,765,328	(27,376)	-
Intercompany accounts and notes payable	(12,730,490)	-	(97,000)	-	12,827,490	-	-	-	(27,376)
Accrued expenses									
Accrued compensation	(2,067,184)	(572,351)	-	-	-	(2,639,535)	2,639,535	-	-
Interest payable	(499,863)	(108,493)	-	-	-	(608,356)	608,356	-	-
Due to seller	-	-	-	-	-	-	-	-	-
Other accrued expenses	(9,049,744)	(357,457)	-	-	-	(9,407,201)	5,707,854	(3,699,347)	-
	(11,616,791)	(1,038,301)	-	-	-	(12,655,092)	8,955,745	(3,699,347)	3,699,347
Income taxes payable	(16,000)	(198,000)	(3,000)	(10,000)	213,000	(14,000)	7,000	(7,000)	(7,000)
Deferred income taxes	-	-	-	-	-	-	-	-	-
Total current liabilities	(118,074,479)	(2,317,807)	(100,000)	(10,000)	13,040,490	(107,461,796)	23,728,073	(83,733,723)	83,699,347
LIABILITIES SUBJECT TO COMPROMISE:									
Pre-petition accounts payable	(1,535,005)	(217,311)	(61,750)	-	-	(1,814,066)	1,814,066	-	-
Pre-petition other accrued expenses	(223,255)	-	-	-	-	(223,255)	223,255	-	-
Interest payable	(9,250,000)	(2,900)	(4,108,796)	-	-	(13,361,696)	3,781,833	(9,579,863)	(6,050,000)
Bonds payable	(200,000,000)	-	-	-	-	(200,000,000)	-	(200,000,000)	(194,473,570)
IRB	-	(1,635,504)	-	-	-	(1,635,504)	1,635,504	-	-
PIK note payable	-	-	(148,064,724)	-	-	(148,064,724)	-	(148,064,724)	(148,064,724)
Total liabilities subject to compromise	(211,008,260)	(1,855,715)	(152,235,270)	-	-	(365,099,245)	7,454,658	(357,644,587)	9,056,293
DEFERRED INCOME TAXES	(7,465,000)	(1,893,000)	-	(13,000)	9,371,000	-	(9,358,000)	(9,358,000)	(9,358,000)
MANDATORILY REDEEMABLE PREFERRED	-	(2,100,000)	-	-	2,100,000	-	-	-	-
STOCKHOLDERS'S EQUITY									
Common stock, A	(1)	(25)	(1)	-	27	-	-	-	-
Common stock, B	-	(1,015)	-	-	1,015	-	-	-	-
Unit interests	-	-	-	(106,718,921)	-	(106,718,921)	553,456,707	446,737,786	(100,968,208)
Additional paid-in capital	(214,559,750)	(87,040,960)	(106,045,062)	-	407,645,772	-	-	-	-
Retained earnings									
Beginning of year	266,547,834	51,374,995	28,594,582	(24,359)	5,000	346,498,052	(346,498,052)	-	-
Dividends	-	-	-	-	-	-	-	-	-
Current year (income) loss	2,871,340	(1,187,306)	(63,000)	2,311	17,000	1,640,345	(1,640,345)	-	-
End of year	269,419,174	50,187,689	28,531,582	(22,048)	22,000	348,138,397	(348,138,397)	-	-
Total stockholders' equity	54,859,423	(36,854,311)	(77,513,481)	(106,740,969)	407,668,814	241,419,476	205,318,310	446,737,786	(100,968,208)
Total liabilities and stockholders' equity	\$ (281,688,316)	\$ (45,020,833)	\$ (229,848,751)	\$ (106,763,969)	\$ 432,180,304	\$ (231,141,565)	\$ 227,143,041	\$ (3,998,524)	\$ (8,212,568)
									\$ (12,211,092)

In re RG Liquidation Inc., et al
Debtor

Case No. 09-12452 (CSS)
Reporting Period: **June 11, 2010**

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.

	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Date Paid	Check No. or EFT	Ending Tax Liability
Federal						
Payroll Taxes	Processed by ADP					
Sales Taxes	\$ 1,007		\$ (16)	6/10/10	EFT	\$ 991
Total Fiduciary Taxes	<u>\$ 1,007</u>	<u>\$ -</u>	<u>\$ (16)</u>			<u>\$ 991</u>

SUMMARY OF UNPAID POSTPETITION DEBTS

Attach aged listing of accounts payable

	Number of Days Past Due					Total
	Current	0-30	31-60	61-90	Over 90	
Trade Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 27,376	\$ 27,376
Total Postpetition Debts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,376</u>	<u>\$ 27,376</u>

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

Invoices in the non-current columns primarily consist of 1) employee expense reports and invoices with terms of due on receipt which will be paid in the subsequent week and 2) Ch. 11 professional fee invoices awaiting court approval.

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

In re RG Liquidation Inc., et al

Debtor

Case No. 09-12452 (CSS)

Reporting Period:

June 11, 2010

ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation (in thousands)	Amount
Total Accounts Receivable at the beginning of the reporting period	\$ 34,469.9
+ Amounts billed during the period	6,585.4
- Amounts collected during the period	(42,675.6)
+/- Change in collections unavailable to the company (float 1-2 days)	903.8
+/- Other (sold in sale transaction)	(32,663.6)
Total Accounts Receivable at the end of the reporting period	\$ -
Accounts Receivable Aging (in thousands)	
Amount	
Current	\$ -
1-30 days past Due	-
31-60 days past due	-
61+days past due	-
Total Accounts Receivable	-
Amount considered uncollectible (Bad Debt)	-
Accounts Receivable (Net)	\$ -

DEBTOR QUESTIONNAIRE

Must be completed each month	Yes	No
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below. On 6/11, substantially all of the assets of RathGibson were sold to RathGibson Acquisition Company for \$92.8 million excluding true-up escrow (see APA #563).	X	
2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below. As part of the Purchase, Buyer paid certain liabilities (DIP), professionals and other expenses.	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 had been opened provide the required documentation pursuant to the Delaware Local Rule 4001-2		X