

SECURITIES AND EXCHANGE COMMISSION

FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: **1995-07-28** | Period of Report: **1995-06-30**
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FILER

LTV CORP

CIK: **60731** | IRS No.: **751070950** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **10-Q** | Act: **34** | File No.: **001-04368** | Film No.: **95557204**
SIC: **3312** Steel works, blast furnaces & rolling mills (coke ovens)

Mailing Address	Business Address
25 WEST PROSPECT AVENUE CLEVELAND OH 44115-1069	25 WEST PROSPECT AVENUE P O BOX 655003 CLEVELAND OH 44115-1069 2166225000

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For quarter ended June 30, 1995

Commission File No. 1-4368

THE LTV CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

75-1070950
(IRS Employer
Identification No.)

25 West Prospect Avenue
Cleveland, Ohio
(Address of principal executive offices)

44115
(Zip Code)

Registrant's telephone number, including area code: 216/622-5000

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter periods that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No
----- -----

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date.

104,939,635 shares of common stock

(as of July 21, 1995)

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<TABLE>

PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS
THE LTV CORPORATION
CONSOLIDATED STATEMENT OF INCOME
(in millions, except per share data)
(Unaudited)

<CAPTION>

	Three Months Ended June 30,		Six Months Ended June 30,	
	1995	1994	1995	1994
<S>	<C>	<C>	<C>	<C>
SALES	\$ 1,113.2	\$ 1,056.1	\$ 2,198.1	\$ 2,051.2

Costs and expenses:

Cost of products sold	919.5	897.1	1,832.3	1,779.6
Depreciation and amortization	62.1	62.9	126.8	124.2
Selling, general and administrative	35.6	34.9	69.2	67.5
Net interest income	(9.2)	(1.7)	(17.5)	(1.4)
	-----	-----	-----	-----
Total	1,008.0	993.2	2,010.8	1,969.9
	-----	-----	-----	-----
INCOME BEFORE INCOME TAXES AND DISCONTINUED OPERATIONS	105.2	62.9	187.3	81.3
Income tax provision:				
Taxes payable (refundable)	0.9	1.5	1.1	(2.8)
Taxes not payable in cash	39.7	22.7	70.7	29.3
	-----	-----	-----	-----
Total	40.6	24.2	71.8	26.5
	-----	-----	-----	-----
INCOME FROM CONTINUING OPERATIONS	64.6	38.7	115.5	54.8
Net loss from discontinued operations	(9.0)	(1.2)	(8.7)	(2.0)
	-----	-----	-----	-----
NET INCOME	\$ 55.6	\$ 37.5	\$ 106.8	\$ 52.8
	=====	=====	=====	=====
EARNINGS (LOSS) PER SHARE:				
Primary:				
Continuing operations	\$ 0.59	\$ 0.41	\$ 1.07	\$ 0.58
Discontinued operations	(0.08)	(0.01)	(0.08)	(0.02)
	-----	-----	-----	-----
Net income	\$ 0.51	\$ 0.40	\$ 0.99	\$ 0.56
	=====	=====	=====	=====
Fully diluted:				
Continuing operations	\$ 0.58	\$ 0.40	\$ 1.04	\$ 0.58
Discontinued operations	(0.08)	(0.01)	(0.08)	(0.02)
	-----	-----	-----	-----
Net income	\$ 0.50	\$ 0.39	\$ 0.96	\$ 0.56
	=====	=====	=====	=====

<FN>

See notes to consolidated financial statements.

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<TABLE>

THE LTV CORPORATION
CONSOLIDATED BALANCE SHEET
(in millions, except share data)

<CAPTION>

	June 30, 1995	December 31, 1994
	----- <C> (Unaudited)	----- <C>
<S>		
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 285.0	\$ 335.4
Marketable securities	480.4	357.5
	-----	-----
	765.4	692.9
Receivables, less allowance for doubtful accounts	414.3	464.5
Inventories:		
Products	562.6	512.6
Materials, purchased parts and supplies	242.0	239.0

Total inventories	804.6	751.6
Prepaid expenses, deposits and other	89.5	118.5
Total current assets	2,073.8	2,027.5
INVESTMENTS AND OTHER NONCURRENT ASSETS	293.4	308.6
PROPERTY, PLANT AND EQUIPMENT	3,556.5	3,485.0
Allowance for depreciation	(411.2)	(296.0)
Total property, plant and equipment	3,145.3	3,189.0
	\$ 5,512.5	\$ 5,525.1
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 255.1	\$ 267.2
Accrued employee compensation and benefits	442.2	394.0
Other accrued liabilities	180.5	175.9
Total current liabilities	877.8	837.1
NONCURRENT LIABILITIES		
Long-term debt	186.7	183.1
Postemployment health care and other insurance benefits	1,648.0	1,633.4
Pension benefits	951.8	1,138.7
Other	419.1	450.0
Total noncurrent liabilities	3,205.6	3,405.2
SHAREHOLDERS' EQUITY		
Convertible preferred stock (stated value \$50.0 million)	0.5	0.5
Common stock (par value \$0.50 per share)	53.0	53.0
Additional paid-in capital	911.2	872.8
Retained earnings	472.2	366.7
Minimum pension liability adjustment	(5.8)	(5.8)
Other	(2.0)	(4.4)
Total shareholders' equity	1,429.1	1,282.8
	\$ 5,512.5	\$ 5,525.1
	=====	=====

<FN>

See notes to consolidated financial statements.

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<TABLE>

THE LTV CORPORATION
CONSOLIDATED STATEMENT OF CASH FLOWS
(in millions)
(Unaudited)

<CAPTION>

	Six Months Ended June 30,	
	1995	1994
	<C>	<C>
OPERATING ACTIVITIES		
Income from continuing operations	\$ 115.5	\$ 54.8
Adjustments to reconcile income from continuing operations to net cash provided by operating activities:		
Proceeds from antitrust litigation	-	171.0
Depreciation and amortization	126.8	124.2
Income tax provision not payable in cash	70.7	29.3

Defined benefit pension expense	58.1	58.0
Postemployment benefit payments less than expense	14.6	2.9
Changes in assets and liabilities	(18.4)	(2.1)
Other	(0.2)	(8.3)
	-----	-----
Net cash provided by operating activities	367.1	429.8
	-----	-----
INVESTING ACTIVITIES		
Property additions	(84.1)	(77.5)
Investment in Trico Steel	(24.9)	-
Proceeds from dispositions of businesses and property	10.2	6.7
Net purchases of marketable securities	(122.9)	(353.4)
Other	(2.9)	(6.3)
	-----	-----
Net cash used in investing activities	(224.6)	(430.5)
	-----	-----
FINANCING ACTIVITIES		
Pension funding to restored plans	(191.0)	(221.6)
Preferred dividends paid	(1.1)	(1.1)
Other	(0.8)	(0.9)
	-----	-----
Net cash used in financing activities	(192.9)	(223.6)
	-----	-----
Net decrease in cash and cash equivalents	(50.4)	(224.3)
Cash and cash equivalents at beginning of period	335.4	406.3
	-----	-----
Cash and cash equivalents at end of period	\$ 285.0	\$ 182.0
	=====	=====

<FN>

See notes to consolidated financial statements.

</TABLE>

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THE LTV CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 1995

NOTE (1) - The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and disclosures required by generally accepted accounting principles for complete financial statements. All adjustments which are, in the opinion of management, necessary for a fair presentation have been made and are of a recurring nature unless otherwise disclosed herein. Certain prior period amounts have been reclassified to conform with the current period presentation. The results of operations for the interim periods are not necessarily indicative of results of operations for a full year. For further information, refer to the consolidated financial statements and the notes thereto for the year ended December 31, 1994 included in the LTV Annual Report to Shareholders incorporated by reference into the 1994 Annual Report on Form 10-K filed with the Securities and Exchange Commission.

NOTE (2) - In July 1995, the Company entered into an agreement to sell its energy products segment, Continental Emsco Company ("Continental Emsco"), for \$74.3 million, subject to certain working capital adjustments at closing. Closing of the sale is expected to take place in August 1995. A portion of the proceeds will be used to reduce LTV's long-term debt. Continental Emsco is reflected as a discontinued operation in LTV's financial statements for all periods presented. The applicable net assets held for sale are included in current prepaid expenses, deposits and other assets, and the results of

operations of Continental Emsco are included in net loss from discontinued operations. Net assets held for sale, which consist principally of receivables, inventories and property, plant and equipment, less current liabilities, postemployment health care liabilities and other liabilities, totaled \$64.2 million (which is also net of a reserve related to the sale) at June 30, 1995 and \$85.2 million at December 31, 1994.

The results from discontinued operations for the second quarter and first six months of 1995 included income from the energy products segment operations of \$1.0 million and \$1.3 million, respectively, which is net of income tax expense of \$0.8 million in the second quarter and \$1.1 million in the first six months. Also, the results from discontinued operations for the 1995 periods included the loss on the sale of the business of \$10.0 million, which is net of income tax benefits of \$6.0 million. The results from discontinued operations for the second quarter and first six months of 1994 included losses from the energy products segment operations of \$1.2 million and \$2.0 million, respectively, which is net of income tax benefits of \$1.0 million in the second quarter and \$1.4 million in the first six months. Sales of the energy products segment were \$153.9 million and \$143.9 million for the six months ended June 30, 1995 and 1994, respectively, and \$77.1 million and \$73.1 million for the second quarter ended June 30, 1995 and 1994, respectively.

NOTE (3) - The Company's income tax provision from continuing operations was \$71.8 million in the first six months of 1995 compared with \$26.5 million in 1994. The effective tax rate of 33% in the first six months of 1994 reflects the Company reaching a settlement on certain state income tax issues and recording a benefit of \$5.0 million. Included in the 1995 and 1994 first six months income tax provisions are federal and state income tax expense amounts of \$70.7 million and \$29.3 million, respectively, which do not result in cash payments. Such amounts were reflected as reductions to the Company's intangible asset, which was reduced to zero in the first quarter of 1995, and subsequent amounts totaling \$38.2 million were reported as increases to the additional paid-in capital account of shareholders' equity. As benefits of the Company's pre-reorganization net deferred tax assets are realized, the Company's actual income tax cash payments will continue to be less than the financial statement income tax expense amount.

NOTE (4) - The primary earnings per share calculations for the second quarter and first six months of 1995 were both based on average common and common equivalent shares outstanding of 108.2 million. Common equivalent shares primarily included Common Stock that is issuable in exchange for the Series B Preferred Stock. The fully diluted earnings per share calculations for the second quarter and first six months of 1995 were both based on average fully diluted shares outstanding of 113.4 million. Fully diluted shares were determined by increasing the primary shares outstanding to reflect the Common Stock issuable upon conversion of the convertible notes.

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The primary earnings per share calculations for the second quarter and first six months of 1994 were based on average common and common equivalent shares outstanding of 94.5 million and 94.6 million, respectively. The fully diluted earnings per share calculations for the second quarter and first six months of 1994 were both based on fully diluted shares outstanding of 99.7 million.

NOTE (5) - Supplemental cash flow information is presented as follows (in millions):

<TABLE>
<CAPTION>

	Six Months Ended June 30,	
	1995	1994
<S>	<C>	<C>
Interest payments	\$ 5.6	\$ 8.1
Income tax payments	1.3	0.4
Capitalized interest	4.1	2.5
Marketable securities: Purchases	2,430.7	660.8

Unrealized gains
Sales and maturities
</TABLE>

2.0
2,309.8

-
307.4

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF
RESULTS OF OPERATIONS AND FINANCIAL CONDITION

RESULTS OF OPERATIONS - COMPARISON OF SECOND QUARTER AND FIRST SIX MONTHS 1995
AND 1994.

Sales
- - - - -

Sales of \$1.11 billion in the second quarter of 1995 increased by \$57 million (5%) from the second quarter of 1994. Second quarter 1995 steel shipments of 2.01 million tons increased by 35,000 tons (2%) from the second quarter of 1994. Sales of \$2.20 billion in the first six months of 1995 increased by \$147 million (7%) from the first six months of 1994. Steel shipments of 3.98 million tons in the first six months increased by 66,000 tons (2%) from the first six months of 1994. The sales increases in 1995 reflects higher selling prices and increased demand from the Company's major markets.

Hot and cold flat rolled product sales of \$559.2 million were 9% higher in the second quarter of 1995 versus the second quarter of 1994, reflecting a 6% increase in shipments and an increase in average selling prices. Galvanized product sales of \$320.4 million were 5% higher in the second quarter of 1995 versus the second quarter of 1994, reflecting a 3% decrease in shipments offset by an increase in average selling prices. Tin mill product sales of \$112.8 million were 6% lower in the second quarter of 1995, reflecting a 10% decrease in shipments offset by an increase in average selling prices. Tubular product sales of \$83.3 million, consisting primarily of electrical conduit, electric weld pipe and welded tubing, were 12% higher in the second quarter of 1995, reflecting a 7% increase in shipments and an increase in average selling prices.

Hot and cold flat rolled product sales of \$1,105.7 million were 8% higher in the first six months of 1995 versus the first six months of 1994, reflecting a 3% increase in shipments and an increase in average selling prices. Galvanized product sales of \$651.0 million were 9% higher in the first six months of 1995 versus the first six months of 1994, reflecting a less than 1% decrease in shipments offset by an increase in average selling prices. Tin mill product sales of \$209.5 million were 3% lower in the first six months of 1995, reflecting a 7% decrease in shipments partially offset by an increase in average selling prices. Tubular product sales of \$165.1 million were 17% higher in the first six months of 1995, reflecting an 11% increase in shipments and an increase in average selling prices.

Nonsteel sales in the second quarter of 1995 of \$37.5 million were \$6.1 million less than in the second quarter of 1994. Nonsteel sales in the first six months of 1995 of \$66.8 million were \$4.8 million less than the first six months of 1994. The decreases in both periods were principally due to lower outside sales of iron ore.

Production and Costs
- - - - -

Raw steel production of 2.02 million tons in the second quarter of 1995 decreased by 81,000 tons (4%) compared with the second quarter of 1994. The average operating rate at the Company's steelmaking facilities during the second quarter of 1995 was 98% compared with 102% in 1994. This reduced production level was due to a four-week production interruption for a blast furnace repair outage at the Indiana Harbor Works. During the second half of 1995, LTV will complete two previously planned blast furnace repair outages at

the Cleveland Works, which should each take less than 30 days to complete. The first planned outage began on July 21, and the second planned outage is expected to begin in October. The remainder of LTV's raw steel facilities are expected to operate at capacity during 1995.

Raw steel production of 4.22 million tons in the first six months of 1995 increased by 92,000 tons (2%) compared with the first six months of 1994. The average operating rate at the Company's steelmaking facilities during the first six months of 1995 was 103% compared with 100% in 1994. Production and costs in the 1994 first quarter were negatively impacted by the extremely cold weather conditions at the operating units.

Cost of products sold as a percentage of sales decreased from 85% in the second quarter of 1994 to 83% in the second quarter of 1995. Cost of products sold as a percentage of sales decreased from 87% in the first six months of 1994 to 83% in the first six months of 1995. These improvements were primarily due to higher average selling prices and improved marketing strategies. The 1995 results were also favorably impacted by productivity and operating performance improvements, including those achieved through the Cleveland Works' continuous steel casting and rolling complex which became fully operational in the second quarter of 1994.

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However, these benefits were partially offset by additional costs related to the June 1994 labor agreement with the United Steelworkers of America ("USWA") and higher purchased scrap prices.

During the 1995 second quarter, the Company incurred costs of approximately \$8 million related to the blast furnace repair outage at the Indiana Harbor Works and recognized a \$6 million gain from the sale of warrants which the Company received when it sold its Bar Division in 1989.

Net Interest Income

- -----

Net interest income of \$9.2 million in the second quarter of 1995 increased by \$7.5 million from the second quarter of 1994 and net interest income of \$17.5 million in the first six months of 1995 increased by \$16.1 million from the first six months of 1994. The increases were primarily due to higher interest income because of higher invested cash and marketable securities' balances along with a higher earnings rate on such balances, and lower fees on credit facilities and higher capitalized interest.

Income Taxes

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For information regarding income taxes, see Note (3) to the consolidated financial statements.

DISCONTINUED OPERATIONS - ENERGY PRODUCTS SEGMENT
SECOND QUARTER AND SIX MONTHS 1995 COMPARED WITH SECOND QUARTER AND SIX MONTHS 1994

In July 1995, the Company entered into an agreement to sell its energy products segment, Continental Emsco Company ("Continental Emsco"), for \$74.3 million, subject to certain working capital adjustments at closing. Closing of the sale is expected to take place in August 1995. A portion of the proceeds will be used to reduce LTV's long-term debt. Continental Emsco is reflected as a discontinued operation in LTV's financial statements for all periods presented. The applicable net assets of \$64.2 million (which is net of a reserve related to the sale) at June 30, 1995 and \$85.2 million at December 31, 1994 are included in current "prepaid expenses, deposits and other assets" in the accompanying financial statements, and the results of operations of Continental Emsco are included in net loss from discontinued operations.

The results from discontinued operations for the second quarter and first six months of 1995 included income from the energy products segment operations of \$1.0 million and \$1.3 million, respectively, which is net of income tax expense of \$0.8 million in the second quarter and \$1.1 million in the first six months. Also, the results from discontinued operations for the 1995 periods

included the loss on the sale of the business of \$10.0 million, which is net of income tax benefits of \$6.0 million. The results from discontinued operations for the second quarter and first six months of 1994 included losses from the energy products segment operations of \$1.2 million and \$2.0 million, respectively, which is net of income tax benefits of \$1.0 million in the second quarter and \$1.4 million in the first six months. The improvement in results during 1995 (excluding the loss on sale) was due to higher margin sales and lower selling, general and administrative expenses.

LIQUIDITY AND CAPITAL RESOURCES

The Company's sources of liquidity include cash and cash equivalents, marketable securities, cash from operations, amounts available under credit facilities and other external sources of funds. Management believes that these sources are sufficient to fund the current requirements of working capital, capital expenditures, investments in a joint venture, pensions and postemployment health care.

During the first six months of 1995, cash provided by operating activities amounted to \$367.1 million. Major uses of cash during the first six months of 1995 consisted primarily of contributions to the Company's restored pension plans of \$191.0 million and capital expenditures of \$84.1 million. Since December 31, 1994, total cash, cash equivalents and marketable securities have increased by \$72.5 million to \$765.4 million at June 30, 1995.

The Company's receivables credit facility permits borrowings of up to \$320 million for working capital requirements and general corporate purposes, \$100 million of which may be used to issue letters of credit. At June 30, 1995, no borrowings were outstanding and letters of credit outstanding amounted to \$25.8 million under this facility. The Company's letter of credit facility is a separate credit facility that provides for the issuance of up to \$150 million in letters of credit. At June 30, 1995, letters of credit totaling \$87.3 million were outstanding under this facility.

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The Company's long-term debt and credit facilities agreements contain various covenants which require the Company to maintain certain financial ratios and amounts. These agreements, as well as the Company's agreement with the Pension Benefit Guaranty Corporation, place certain restrictions on payments of dividends, capital expenditures, investments in subsidiaries and borrowings. Under the terms of the most restrictive covenant, approximately \$70 million of retained earnings are available for Common Stock dividend payments at June 30, 1995. Substantially all of the Company's receivables and inventories are pledged as collateral under these debt agreements. The Company does not believe that the restrictions contained in these financial and operating covenants will cause significant limitations on the Company's financial flexibility.

A 1993 agreement with the USWA provided that a portion of the requirements with respect to certain postemployment benefits would be secured by a junior lien of \$250 million on collateral with an unencumbered fair market value of at least \$500 million. The initial security was provided by the grant of a mortgage on facilities having a carrying value of approximately \$500 million.

LTV competes directly with domestic and foreign integrated flat rolled carbon steel producers and indirectly with producers of plastics, aluminum and other materials such as ceramics and wood which sometimes can be substituted for flat rolled carbon steel in manufacturing and construction. LTV also competes with minimills which are relatively efficient, low-cost producers that generally produce steel from scrap in electric furnaces. Their participation in steel markets has traditionally been limited to structural, plate, bar and rod products. Recently developed thin slab casting technologies have allowed minimills to enter certain flat rolled markets which have traditionally been supplied by integrated producers. Certain companies, including Trico Steel Company, L.L.C. ("Trico"), a 50% LTV-owned venture with Sumitomo Metal Industries, Ltd. and British Steel plc, have begun construction of, announced plans for, or have indicated that they are evaluating whether to construct additional minimills to produce flat rolled products. LTV will continue to require substantial funds in future years to maintain and improve its steel operations in order to compete with steel substitutes, minimills and other fully integrated steelmakers. Capital expenditures for the six months ended

June 30, 1995 totaled \$84.1 million and for the full year are estimated to total \$235 million. LTV's investment in Trico for the six months ended June 30, 1995 totaled \$24.9 million and for the full year is estimated to total \$105 million.

ENVIRONMENTAL LIABILITIES AND RELATED COSTS

LTV is subject to changing and increasingly stringent environmental standards and laws concerning air emissions, water discharges and waste disposal in the normal course of conducting its business. The Company spent \$7.4 million during the first six months of 1995 for environmental clean-up and related matters at operating and idled facilities, and at June 30, 1995, has a recorded liability of \$97.7 million for known and identifiable environmental and related matters. The Company also spent \$8.8 million in the first six months of 1995 for environmental compliance-related capital expenditures and expects it will be required to spend an average of approximately \$40 million annually in capital expenditures during the next five years to meet environmental standards.

Estimates for future costs required for environmental compliance are difficult to determine due to numerous uncertainties, including the evolving nature of the regulations, the possible imposition of more stringent requirements and the availability of new technologies. If any of the Company's facilities are unable to meet required environmental standards, those operations could be temporarily or permanently closed. The effect of the outcome of these matters on the Company's future results of operations and liquidity cannot be predicted because any such effect depends on future results of operations and the amount and timing of the resolution of such matters. While it is not possible to predict with certainty, management believes that the ultimate resolution of such matters will not have a material adverse effect on the consolidated financial position of the Company.

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OTHER MATTERS

The Company is continuing a comprehensive review relating to the redesign of its business processes to strengthen customer focus and improve productivity. As part of such effort, LTV recently reached a long-term agreement with a large technology consulting organization to manage LTV's information systems and data processing functions, effective mid-September 1995. This long-term agreement is expected to increase LTV's overall competitiveness by enabling the Company to concentrate more of its resources on the core business, while reducing ongoing costs. One-time transitional costs related to the agreement could approximate \$6 million in the third quarter of 1995; however, this amount will be principally offset by a gain related to unclaimed bankruptcy distributions which is also expected to be recognized in the third quarter of 1995. LTV expects that this multi-faceted business processes review will identify other current processes which can be improved to enhance customer service, and that the resulting process redesigns will lead to a reduction in the number of employees and a reduction of future ongoing expense levels. Currently, LTV is unable to determine the amount and timing of potential future cost savings or other charges related to the effects of these various efforts.

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PART II

ITEM 1. LEGAL PROCEEDINGS.

The U. S. Department of Justice has indicated to the Company that it is preparing on behalf of the U.S. EPA to file litigation in federal court against LTV Steel Company, Inc. ("LTV Steel") alleging violations of the Clean Air Act in connection with certain prior operations at LTV Steel's Chicago Coke Plant. The threatened litigation relates to an earlier Notice of Violation issued by the U.S. EPA in connection with operations at the plant which was described in the Company's Report on Form 10-K for the year ended December 31, 1994. The government has offered to settle the matter for \$3.5 million in civil penalties and unspecified injunctive relief. Discussions with the government regarding settlement are continuing.

ITEM 5. OTHER INFORMATION

REQUIRED APPROVAL FOR CERTAIN PURCHASES OF
COMMON STOCK AND SERIES A WARRANTS

For the purpose of preserving LTV's ability to utilize certain favorable tax attributes, Article Ninth of LTV's Restated Certificate of Incorporation prohibits, with certain limited exceptions, any unapproved acquisition of Common Stock or Series A Warrants that would cause the ownership interest percentage of the acquirer or any other person to increase to 4.5% or above. A person's ownership interest percentage for purposes of Article Ninth is determined by reference to specified federal income tax principles, including attribution of shares from certain related parties, deemed exercise of rights to acquire stock (such as the Company's Series A Warrants) and aggregation of shares purchased by persons acting in concert. PURCHASES OF COMMON STOCK OR SERIES A WARRANTS FROM ANY PERSON OTHER THAN THE COMPANY ARE SUBJECT TO THE LIMITATIONS IMPOSED BY ARTICLE NINTH, AND ANY UNAPPROVED PURCHASE IN EXCESS OF THE AMOUNTS PERMITTED BY ARTICLE NINTH WILL BE VOID AB INITIO. A PROSPECTIVE PURCHASER OF COMMON STOCK OR SERIES A WARRANTS WHO BELIEVES THAT IT MAY BE SUBJECT TO THE LIMITATIONS IMPOSED BY ARTICLE NINTH SHOULD CONSULT WITH THEIR ADVISORS OR LTV IN ADVANCE OF ACQUIRING SUCH SECURITIES TO DETERMINE IF ADVANCE APPROVAL MUST BE OBTAINED FROM LTV'S BOARD OF DIRECTORS.

ITEM 6. EXHIBITS AND REPORTS ON 8-K

(a) Exhibits

Certain of the exhibits to this Report are hereby incorporated by reference, as specified below, to other documents filed with the Commission by LTV. Exhibit designations below correspond to the numbers assigned to exhibit classifications in Regulation S-K.

- (10)-(1) - LTV Executive Benefit Plan as amended and restated effective January 1, 1985 (incorporated herein by reference to Exhibit (10) (c)-(2) to LTV's Report on Form 10-K for the year ended December 31, 1985)

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- (10)-(2) - Amendment to LTV Executive Benefit Plan adopted November 20, 1987 (incorporated herein by reference to Exhibit (10) (c)-(3) to LTV's Report on Form 10-K for the year ended December 31, 1987)

- (10)-(3) - LTV Excess Benefit Plan dated as of January 1, 1985 (incorporated herein by reference to Exhibit (10)(c)-(5) to LTV's Report on Form 10-K for the year ended December 31, 1984)

- (10)-(4) - Employment Agreement dated February 1, 1991, between LTV and David H. Hoag (incorporated herein by reference to Exhibit (10)(c)-(9) to LTV's Report on Form 10-K for the year ended December 31, 1990)

- (10)-(5) - Settlement Agreement dated as of June 28, 1993 between LTV, the PBGC, the Initial LTV Group (as defined in the Settlement Agreement) and LTV, as Administrator of the Restored Plans (incorporated herein by reference to Exhibit 10.10 to LTV's Report on Form 10-Q for the quarter ended June 30, 1993)

- (10)-(6) - Assignment, Pledge and Security Agreement dated as of June 28, 1993 between LTV Steel Company, Inc. and the PBGC (incorporated herein by reference to Exhibit 10.11 to LTV's Report on Form 10-Q for the quarter ended June 30, 1993)

- (10)-(7) - Securities Purchase Agreement dated as of May 26, 1993 by and among LTV, LTV Steel Company, Inc. and SMI America, Inc. (incorporated herein by reference to Exhibit 2 to SMI America, Inc.'s 13D Filing)

- (10)-(8) - Common Stock Registration Rights Agreement dated as of June 28, 1993 by and between LTV and SMI America, Inc. (incorporated herein by reference to Exhibit 5 to SMI America, Inc.'s 13D Filing)

- (10)-(9) - Consultation and Management Participation Agreement dated as of June 28, 1993 between LTV and Sumitomo Metal Industries, Ltd. (incorporated herein by reference to Exhibit 6 to SMI America, Inc.'s 13D Filing)

- (10)-(10) - L-S Exchange Right and Security Agreement dated as of June 28, 1993 by and among LTV/EGL Holding Company, Sumikin EGL Corp., LTV, SMI America Inc., and Sumitomo Metal USA Corporation (incorporated herein by reference to Exhibit 7 to SMI America, Inc.'s 13D Filing)

- (10)-(11) - Letter of Credit Agreement dated as of October 12, 1994 among LTV Steel Company, Inc., Continental Emsco Company, LTV Steel Mining Company, LTV Steel Tubular Products Company, LTV, various financial institutions and BT Commercial Corporation (incorporated herein by reference to Exhibit (10)-(12) to LTV's Report on Form 10-Q for the quarter ended September 30, 1994)

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- (10)-(12) - Subsidiary Guaranty dated as of October 12, 1994 by Georgia Tubing Corporation, Youngstown Erie Corporation, Erie B Corporation and Erie I Corporation for the benefit of BT Commercial Corporation as agent (incorporated herein by reference to Exhibit (10)-(13) to LTV's Report on Form 10-Q for the quarter ended September 30, 1994)

- (10)-(13) - Collateral Account Agreement dated as of October 12, 1994 among LTV Steel Company, Inc., Continental Emsco Company, LTV Steel Mining Company, LTV Steel Tubular Products, LTV and BT Commercial Corporation as collateral agent (incorporated herein by reference to Exhibit (10)-(14) to LTV's Report on Form 10-Q for the quarter ended September 30, 1994)

- (10)-(14) - Inventory Security Agreement dated as of June 28, 1993 and amended and restated as of October 12, 1994 among LTV, LTV Steel Company, Inc., LTV Steel Mining Company, Continental Emsco Company, LTV Steel Tubular Products Company and BT Commercial Corporation as agent (incorporated herein by reference to Exhibit (10)-(15) to LTV's Report on Form 10-Q for the quarter ended September 30, 1994)
- (10)-(15) - Inventory Intercreditor Agreement dated as of June 28, 1993 and amended and restated as of October 12, 1994 among BT Commercial Corporation as agent for the Lenders and SMI America, Inc. as agent for the Noteholders (incorporated herein by reference to Exhibit (10)-(16) to LTV's Report on Form 10-Q for the quarter ended September 30, 1994)
- (10)-(16) - Intercreditor Collateral Account Agreement dated as of October 12, 1994 by and among LTV Steel Company, Inc., LTV and BT Commercial Corporation (incorporated herein by reference to Exhibit (10)-(17) to LTV's Report on Form 10-Q for the quarter ended September 30, 1994)
- (10)-(17) - Pledge Agreement dated as of October 12, 1994 between LTV, LTV Steel Company, Inc., Continental Emsco Company, LTV Steel Tubular Products Company, Georgia Tubing Corporation and BT Commercial Corporation (incorporated herein by reference to Exhibit (10)-(18) to LTV's Report on Form 10-Q for the quarter ended September 30, 1994)
- (10)-(18) - Amended and Restated Subordination Agreement dated as of June 28, 1993 and amended and restated as of October 12, 1994 among the PBGC, BT Commercial Corporation and Chemical Bank (incorporated herein by reference to Exhibit (10)-(19) to LTV's Report on Form 10-Q for the quarter ended September 30, 1994)

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- (10)-(19) - Amendments Nos. 1 and 2 to the Securities Purchase Agreement dated as of May 26, 1993 among LTV, LTV Steel Company, Inc. and SMI America, Inc. (incorporated herein by reference to Exhibit (10)-(20) to LTV's Report on Form 10-Q for the quarter ended September 30, 1994)
- (10)-(20) - Amendments Nos. 1 through 4 to the Settlement Agreement dated as of June 28, 1993 by and among the PBGC, LTV, the Initial LTV Group (as defined in the Settlement Agreement) and LTV, as Administrator of the Restored Plans (incorporated herein by reference to Exhibit (10)-(21) to LTV's Report on Form 10-Q for the quarter ended September 30, 1994)
- (10)-(21) - Revolving Credit Agreement dated as of October 12, 1994 among LTV Sales Finance Company, the financial institutions parties thereto as banks, the issuing banks, the facility agent and collateral agent (incorporated herein by reference to Exhibit (10)-(22) to LTV's Report on Form 10-Q for the quarter ended September 30, 1994)
- (10)-(22) - Receivables Purchase and Sale Agreement dated as of October 12, 1994 among LTV, LTV Steel Company, Inc., Continental Emsco Company, LTV Steel Tubular Products Company, Georgia Tubing Corporation and LTV Sales Finance Company (incorporated herein by reference to Exhibit (10)-(23) to LTV's Report on Form 10-Q for the quarter ended September 30, 1994)

- (10)-(23) - Accession Agreement dated as of October 12, 1994 among LTV Sales Finance Company, the financial institutions listed on the signature pages thereof, the issuing bank named thereon, and Bankers Trust Company as facility agent and collateral agent (incorporated herein by reference to Exhibit (10)-(24) to LTV's Report on Form 10-Q for the quarter ended September 30, 1994)
- (10)-(24) - Trust Termination Acknowledgment and Agreement, dated October 12, 1994, between LTV Sales Finance Company and Wilmington Trust Company (incorporated herein by reference to Exhibit (10)-(25) to LTV's Report on Form 10-Q for the quarter ended September 30, 1994)
- (10)-(25) - Assignment and Transfer Agreement, dated as of October 12, 1994, by and between LTV Master Receivables Trust and LTV Sales Finance Company (incorporated herein by reference to Exhibit (10)-(26) to LTV's Report on Form 10-Q for the quarter ended September 30, 1994)
- (10)-(26) - Collateral Trust Agreement dated as of May 25, 1993 among LTV, LTV Steel Company, Inc., United Steelworkers of America and Bank One Ohio Trust Company, NA, as Collateral Trustee (incorporated herein by reference to Exhibit 10.33 to LTV's Report on Form 10-Q for the quarter ended June 30, 1993)

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- (10)-(27) - Open--2nd Mortgage, Security Agreement and Fixture Filing dated as of June 28, 1993 by LTV Steel Company, Inc. to Bank One Ohio Trust Company, N.A. (incorporated herein by reference to Exhibit 10.34 to LTV's Report on Form 10-Q for the quarter ended June 30, 1993)
- (10)-(28) - License Agreement dated as of June 28, 1993 between LTV Steel Company, Inc. and Bank One Ohio Trust Company, N.A. (incorporated herein by reference to Exhibit 10.35 to LTV's Report on Form 10-Q for the quarter ended June 30, 1993)
- (10)-(29) - Warrant Agreement dated as of June 28, 1993 between LTV and Society National Bank, as Warrant Agent (incorporated herein by reference to Exhibit 10.37 to LTV's Report on Form 10-Q for the quarter ended June 30, 1993).
- (10)-(30) - Settlement Agreement and Stipulated Order on behalf of the United States of America on behalf of the United States Environmental Protection Agency approved by the United States Bankruptcy Court Southern District of New York (the "Court") on April 15, 1993 and supplemented by Exhibit 10.38 below (incorporated herein by reference to Exhibit 10.38 to LTV's Report on Form 10-Q for the quarter ended June 30, 1993)
- (10)-(31) - Second Settlement Agreement and Stipulated Order supplementing 10.36 above and approved by the Court on May 19, 1993 (incorporated by reference to Exhibit 10.39 to LTV's Registration Statement on Form S-1 (Registration No. 33-50217))
- (10)-(32) - Settlement Agreement and Stipulated Order on behalf of the State of Minnesota approved by the Court on May 19, 1993 (incorporated herein by reference to Exhibit 10.39 to LTV's Report on Form 10-Q for the quarter ended June 30, 1993)
- (10)-(33) - Settlement Agreement and Stipulated Order on behalf of the State of Indiana on behalf of the Indiana Department of Environmental Management approved by the Court on May 24, 1993 (incorporated herein by reference to Exhibit 10.40 to LTV's Report on Form 10-Q for the

quarter ended June 30, 1993)

(10)-(34) - Settlement Agreement and Stipulated Order on behalf of the State of New York and approved by the Court on May 24, 1993 (incorporated herein by reference to Exhibit 10.42 to LTV's Report on Form 10-Q for the quarter ended June 30, 1993)

(10)-(35) - Settlement Agreement and Stipulated Order on behalf of the State of Connecticut and approved by the Court on May 19, 1993 (incorporated herein by reference to Exhibit 10.43 to LTV's Report on Form 10-Q for the quarter ended June 30, 1993)

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(10)-(36) - Settlement Agreement and Stipulated Order on behalf of the Commonwealth of Pennsylvania and approved by the Court on May 24, 1993 (incorporated herein by reference to Exhibit 10.44 to LTV's Report on Form 10-Q for the quarter ended June 30, 1993)

(10)-(37) - Settlement Agreement and Stipulated Order on behalf of the State of Ohio on behalf of the Ohio Environmental Protection Agency and approved by the Court on May 24, 1993 (incorporated herein by reference to Exhibit 10.45 to LTV's Report on Form 10-Q for the quarter ended June 30, 1993)

(10)-(38) - Settlement Agreement and Stipulated Order on behalf of the State of Georgia and approved by the Court on May 24, 1993 (incorporated herein by reference to Exhibit 10.46 to LTV's Report on Form 10-Q for the quarter ended June 30, 1993)

(10)-(39) - Closing Agreement Between LTV, its subsidiaries and the Commissioner of Internal Revenue as filed with the United States Bankruptcy Court for the Southern District of New York on May 14, 1993 (incorporated herein by reference to Exhibit 10.47 to LTV's Report on Form 10-Q for the quarter ended June 30, 1993)

(10)-(40) - The LTV Corporation Non-Employee Directors Stock Option Plan adopted on October 22, 1993 (incorporated herein by reference to Exhibit 10.49 to Amendment No. 2 to LTV's Registration Statement on Form S-1 [Registration No. 33-50217])

(10)-(41) - Amendment to LTV Executive Benefit Plan adopted October 22, 1993 (incorporated herein by reference to Exhibit 10.50 to Amendment No. 2 to LTV's Registration Statement on Form S-1 [Registration No. 33-50217])

(10)-(42) - LTV Executive Benefit Trust Agreement approved on October 22, 1993 (incorporated herein by reference to Exhibit 10.51 to Amendment No. 2 to LTV's Registration Statement on Form S-1 [Registration No. 33-50217])

(10)-(43) - The LTV Corporation Supplemental Management Retirement Plan adopted on October 22, 1993 (incorporated herein by reference to Exhibit 10.52 to Amendment No. 2 to LTV's Registration Statement on Form S-1 [Registration No. 33-50217])

(10)-(44) - The LTV Corporation Supplemental Management Retirement Trust Agreement approved on October 22, 1993 (incorporated herein by reference to Exhibit 10.53 to Amendment No. 2 to LTV's Registration Statement on Form S-1 [Registration No. 33-50217])

(10)-(45) - The LTV Corporation Management Incentive Program as amended on January 28, 1994 (incorporated by reference to Exhibit (10)-(53)

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to LTV's Report on Form 10-K for the year ended December 31, 1993)

- (10)-(46) - Amendment to The LTV Corporation Supplemental Management Retirement Plan adopted on January 28, 1994 (incorporated by reference to Exhibit (10)-(54) to LTV's Report on Form 10-K for the year ended December 31, 1993)
- (10)-(47) - Amendment to LTV Executive Benefit Plan adopted October 28, 1994 (incorporated herein by reference to Exhibit (10)-(48) to LTV's Report on Form 10-Q for the quarter ended September 30, 1994)
- (10)-(48) - Amendment to The LTV Corporation Management Incentive Program adopted October 28, 1994 (incorporated herein by reference to Exhibit (10)-(49) to LTV's Report on Form 10-Q for the quarter ended September 30, 1994)
- (10)-(49) - Amendment to The LTV Corporation Non-Employee Directors Stock Option Plan adopted October 28, 1994 (incorporated herein by reference to Exhibit (10)-(50) to LTV's Report on Form 10-Q for the quarter ended September 30, 1994)
- (10)-(50) - Amendment to The LTV Corporation Supplemental Management Retirement Plan adopted on October 28, 1994 (incorporated herein by reference to Exhibit (10)-(51) to LTV's Report on Form 10-Q for the quarter ended September 30, 1994)
- (10)-(51) - The LTV Corporation Non-Employee Directors' Equity Compensation Plan (incorporated herein by reference to Exhibit 4.3 to LTV's Registration Statement on Form S-8 [Registration No. 33-56857])
- (10)-(52) - The LTV Corporation Non-Employee Directors' Deferred Compensation Plan (incorporated herein by reference to Exhibit (10)-(53) to LTV's Report on Form 10-K for the year ended December 31, 1994)
- (10)-(53) - The LTV Corporation Executive Deferred Compensation Plan (incorporated herein by reference to Exhibit (10)-(54) to LTV's Report on Form 10-K for the year ended December 31, 1994)
- (10)-(54) - Amendment No. 5 to the Settlement Agreement dated as of June 28, 1993 by and among the PBGC, LTV, the Initial LTV Group and LTV, as Administrator of the Restored Plans (incorporated herein by reference to Exhibit (10)-(55) to LTV's Report on Form 10-K for the year ended December 31, 1994)
- (10)-(55) - The Hourly Employee Stock Payment Alternative Plan (incorporated herein by reference to Exhibit 4.3 to LTV's Registration Statement on Form S-8 [Registration No. 33-56861])

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- (11) - Statement re computation of Per Share Earnings (filed herewith)
- (27) - Financial Data Schedule (filed herewith)

(b) Reports on Form 8-K.

No report on Form 8-K was filed by the registrant for the relevant period.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

THE LTV CORPORATION

(Registrant)

By Arthur W. Huge

Arthur W. Huge
Senior Vice President
Chief Financial Officer
(Principal Financial and
Accounting Officer)

Date: July 28, 1995

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THE LTV CORPORATION
Calculation of Primary Earnings Per Share (EPS)
(Dollar amounts in millions except for EPS)
(Share data in thousands)

<CAPTION>

	Three Months Ended June 30,					
	1995			1994		
	Shares	Amount	EPS	Shares	Amount	EPS
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Income from continuing operations		\$ 64.6		\$ 38.7		
Preferred stock dividend requirements		(0.5)		(0.5)		
		-----		-----		
		64.1		38.2		
Share base:						
Average Common Stock outstanding	105,308			91,614		
Common Stock equivalent shares resulting from outstanding Series A Warrants, Stock Options, Restricted Stock and other	11			4		
Common Stock issuable upon conversion of Series B Preferred Stock	2,926	0.5		2,926	0.5	
	-----	-----		-----	-----	
	108,245	\$ 64.6		94,544	\$ 38.7	
	=====	=====		=====	=====	
PRIMARY EARNINGS (LOSS) PER SHARE:						
Continuing operations			\$ 0.59			\$ 0.41
Discontinued operations			(0.08)			(0.01)
			-----			-----
Net income			\$ 0.51			\$ 0.40
			=====			=====

<CAPTION>

	Six Months Ended June 30,					
	1995			1994		
	Shares	Amount	EPS	Shares	Amount	EPS
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Income from continuing operations		\$ 115.5		\$ 54.8		
Preferred stock dividend requirements		(1.1)		(1.1)		
		-----		-----		
		114.4		53.7		
Share base:						
Average Common Stock outstanding	105,307			91,605		
Common Stock equivalent shares resulting from outstanding Series A Warrants, Stock Options, Restricted Stock and other	9			51		
Common Stock issuable upon conversion of Series B Preferred Stock	2,926	1.1		2,926	1.1	
	-----	-----		-----	-----	
	108,242	\$ 115.5		94,582	\$ 54.8	
	=====	=====		=====	=====	
PRIMARY EARNINGS (LOSS) PER SHARE:						
Continuing operations			\$ 1.07			\$ 0.58
Discontinued operations			(0.08)			(0.02)
			-----			-----
Net income			\$ 0.99			\$ 0.56
			=====			=====

</TABLE>

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<TABLE>

THE LTV CORPORATION
Calculation of Fully Diluted Earnings Per Share (EPS)
(Dollar amounts in millions except for EPS)
(Share data in thousands)

<CAPTION>

	Three Months Ended June 30,					
	1995			1994		
	Shares	Amount	EPS	Shares	Amount	EPS
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Income from continuing operations		\$ 64.6		\$ 38.7		
Preferred stock dividend requirements		(0.5)		(0.5)		
		64.1		38.2		
Share base:						
Average Common Stock outstanding	105,308			91,614		
Common Stock equivalent shares resulting from outstanding Series A Warrants, Stock Options, Restricted Stock and other	13			5		
Common Stock issuable upon conversion of Series B Preferred Stock	2,926	0.5		2,926	0.5	
Common Stock issuable upon conversion of Senior Secured Convertible Notes	5,128	1.3		5,128	1.3	
	113,375	\$ 65.9		99,673	\$ 40.0	
FULLY DILUTED EARNINGS (LOSS) PER SHARE:						
Continuing operations			\$ 0.58			\$ 0.40
Discontinued operations			(0.08)			(0.01)
Net income			\$ 0.50			\$ 0.39

<CAPTION>

	Six Months Ended June 30,					
	1995			1994		
	Shares	Amount	EPS	Shares	Amount	EPS
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Income from continuing operations		\$ 115.5		\$ 54.8		
Preferred stock dividend requirements		(1.1)		(1.1)		
		114.4		53.7		
Share base:						
Average Common Stock outstanding	105,307			91,605		
Common Stock equivalent shares resulting from outstanding Series A Warrants, Stock Options, Restricted Stock and other	12			52		
Common Stock issuable upon conversion of Series B Preferred Stock	2,926	1.1		2,926	1.1	
Common Stock issuable upon conversion of Senior Secured Convertible Notes	5,128	2.6		5,128	2.6	

	----- 113,373 =====	----- \$ 118.1 =====	----- 99,711 =====	----- \$ 57.4 =====	
FULLY DILUTED EARNINGS (LOSS) PER SHARE:					
Continuing operations			\$ 1.04		\$ 0.58
Discontinued operations			(0.08)		(0.02)
Net income			----- \$ 0.96 =====		----- \$ 0.56 =====

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