



The Bankruptcy Calendar

July 2011

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Companies Recently Emerged from Chapter 11

Company Name	Filing Date	Emerge Date	* Post-Emergence Assets (mn)	* Post-Emergence Liab. (mn)	Debt / Equity (NASD Ticker)	Last Price (as of 6/30/11)	Status
AbitibiBowater Inc.	4/16/2009	12/9/2010	\$7,198	\$3,310	ABH	\$20.37	Please refer to page 7
Fairpoint Communications, Inc.	10/26/2009	1/24/2011	\$2,464	\$1,989	FRP FRPZW	\$9.46 \$0.35	The company emerged from bankruptcy on January 24, 2011, reducing its debt by \$1.7B; the company exchanged \$1.1B of debt in its credit facility for 98% of the reorganized company's equity; on May 11, 2010, the bankruptcy court judge had approved the company's reorganization plan, and an approval from the Public Service Board of the state of Vermont, the approval of which was required, was granted on December 23, 2010; warrants expiring in 2018 trade under the ticker FRPZW
Tronox Inc.	1/12/2009	2/14/2011	\$1,434	\$1,246	TROX TROXW TROXG	\$140.00 \$77.80 \$69.00	The company emerged from bankruptcy on February 14, 2011; under the terms of the company's reorganization plan, an environmental trust was established by the company with \$320M in cash, as well as other assets; holders of general unsecured claims received a pro-rata share of 16.9% of the common equity of the reorganized company, as well as the right to participate in a rights offering for an aggregate of up to 78.4% of the reorganized common stock; exit financing included a loan of \$468M, a rights offering of \$170M, and a \$15M backstop investment; shares and warrants for the company are now trading
Mesa Air Group Inc.	1/5/2010	3/1/2011	\$976	\$869			The company emerged from bankruptcy on March 1, 2011; the company had filed for bankruptcy to facilitate the reduction of its excess fleet (from 178 to 76 planes) and deleveraging of its balance sheet in the amount of \$750M in capitalized leases and debt; under the terms of the company's reorganization plan, unsecured creditors received a pro-rata share of \$50M cash and 90% of the reorganized stock in the company; the remaining 10% of the reorganized stock was given to US Airways Group as consideration for a new code-sharing agreement that expires in September 2015; the company will issue notes, shares of common stock, and warrants in exchange for creditor claims
California Coastal Communities Inc.	10/27/2009	3/1/2011	\$291	\$231			The company emerged from bankruptcy on March 1, 2011; the company had filed for bankruptcy in order to extend the maturity dates to 2013 for its \$182M credit facilities; the company currently has sufficient working capital to begin construction on new homes, following the successful completion of the sale of ten new homes within the first weeks of 2011 in its core housing community
Angiotech Pharmaceuticals	1/30/2011	5/12/2011	\$327	\$682	ANPLGE	\$88.50	On May 12, 2011, the company implemented its reorganization plan and emerged from creditor protection in Canada and the US; the company had filed for bankruptcy in Canada in order to eliminate \$250M related to senior notes through a pre-negotiated reorganization plan; noteholders received their pro rata share of up to 96% of the common stock of the reorganized company
Constar International	1/11/2011	5/31/2011	\$325	\$320			The company emerged on May 31, 2011; the company had entered bankruptcy protection in order to implement a pre-negotiated reorganization plan to reduce the company's debt level of \$220M by \$140M; per the terms of the plan, equity was cancelled, as noteholders and other unsecured creditors shared in the equity of the reorganized company
Station Casinos Inc.	7/28/2009	6/17/2011	\$5,763	\$6,468			The company emerged on June 17, 2011, leaving the founders with an ownership stake of 45% of the reorganized company; the bankruptcy court judge approved the company's reorganization plan on August 27, 2010, but the Nevada regulator only approved the reorganization plan in late May 2011

* Post-emergence assets and liabilities presented whenever available. Alternatively, assets and liabilities within bankruptcy proceedings are shown.

Source: Company reports, Thomson One, and Institutional Research Group



Companies Possibly Emerging During Third Quarter 2011

Company Name	Filing Date	Total Assets (mm)	Total Liabilities (mm)	Equity	Price (6/29/11)	Debt (NASD Ticker)	Last Price (as of 6/30/11)	Court	Status	Case Number
W.R. Grace & Co.	4/2/2001	\$4,272	\$4,341	GRA	\$44.44			Delaware, Wilmington	Please refer to page 10	01-01139
Washington Mutual Inc. (holding company)	9/26/2008	\$7,821	\$8,677	WAMUQ	\$0.12	WAMUJB WAMUIS WAMUIT WAMUJC WAMUJG WAMUIO WAMUIE WAMUIL WAMUIH WAMUIP WAMUIM WAMUHE	\$100.19 \$100.56 \$105.26 \$114.13 \$114.00 \$100.25 \$109.50 \$105.75 \$109.50 \$110.00 \$100.25 \$101.00	Delaware, Wilmington	On March 26, 2010, the company filed a reorganization plan; under the terms of the plan, the company will distribute \$7B; the plan also includes an equity rights offering for the company's ongoing businesses; the company is expected to receive approximately \$1.9B in tax refunds as part of a settlement with JPMorgan arising from the sale of the company's banking subsidiary; the reorganized company should also have net operating losses that could lead to over \$2B in tax breaks; the disclosure statement was approved on March 21, 2011; shareholders had sought to present evidence that certain hedge funds, which are also company creditors, engaged in insider trading activities throughout the bankruptcy process; in response to these allegations, creditors had agreed to provide these shareholders with a recovery, but after not being able to settle on an amount, the shareholders decided to move forward with a probe of the insider activity allegations; a hearing to confirm the reorganization plan is scheduled for July 13, 2011, although it is unclear how the insider trading allegations will develop	08-12229
Tribune Company	12/8/2008	\$8,085	\$15,725	TRBCQ	\$30.000	TRB.HJ TRB.HK TRB.GO	\$50.75 \$52.00 \$50.00	Delaware, Wilmington	On October 23, 2010, the company announced an amended reorganization plan where the holders of term loans, with Oaktree Capital and Angelo Gordon being among the most significant, would receive the equity of the reorganized company, as well as new debt and cash; unsecured creditors, who had raised objections to the company's prior reorganization plan due to potential fraudulent issues in connection with the company's LBO in 2007, would receive a pro-rata share of \$420M cash and an interest in a litigation trust that would pursue legal action relating to any remaining issues; however, there is a competing reorganization plan submitted by bondholders and led by hedge fund Aurelius Capital, although the possibility exists that neither plan will be confirmed, and that the bankruptcy court judge would appoint a Chapter 11 trustee instead; the competing reorganization plan includes the possibility of launching several lawsuits against the parties involved with the 2007 LBO, including lenders; on April 27, 2011, the bankruptcy court judge approved an order allowing bondholders to pursue potential lawsuits against shareholders in state courts (outside of bankruptcy court proceedings); on June 28, 2011, the bankruptcy court judge announced that he would seek to resolve the dispute between the competing reorganization plans soon	08-13141
TerreStar Networks	10/19/2010	\$1,401	\$1,643	TSTRQ	\$0.01			New York, Manhattan	\$75M DIP; the company originally filed for bankruptcy to strengthen its balance sheet via a debt-for-equity conversion of notes with the support of the company's largest secured creditor, EchoStar Corp.; however, on February 16, 2011, the company announced that such an understanding had been terminated following a lack of agreement with other company creditors; on June 21, 2011, the bankruptcy court judge approved Dish Network as a stalking-horse bidder for \$1.4B; the auction to sell the company's assets was subsequently cancelled, as no other bidders came forward; the company will file a reorganization plan soon	10-15446/ 11-10612
Harry & David Holdings, Inc.	3/28/2011	\$353	\$364			HDOP.GA HDOP.GB	\$21.10 \$17.00	Delaware, Wilmington	\$155M DIP; the specialty retailer in premium gift-quality fruits and gourmet foods filed for bankruptcy in order to implement a pre-negotiated reorganization plan that will result in the conversion into equity of \$198M of senior notes that are related to the company's leveraged buyout in 2004; the company entered into an agreement with holders of 81% of its senior notes, a portion of whom have agreed to backstop a \$55M rights offering; further, the company has secured a commitment for up to \$100M in exit financing; the company is already in the process of seeking creditor votes and expects to emerge from bankruptcy sometime during 3Q 2011	11-10884
Jackson Hewitt Tax Services	4/29/2011	\$389	\$445	JHTXQ	\$0.03			Delaware, Wilmington	The company, which helps prepare income tax filings, filed for bankruptcy in order to implement a pre-negotiated reorganization plan; new equity will be issued to its bank debt lenders, in addition to a pro rata share of a new \$100M term loan; existing equity will be cancelled; the company expects to receive confirmation for its plan at a hearing scheduled for July 8, 2011, although lower-ranking creditors are expected to raise objections to the plan	11-11587

Source: Company reports, Thomson One, and Institutional Research Group



Companies Possibly Emerging Subsequent to Third Quarter 2011

Company Name	Filing Date	Total Assets (mm)	Total Liabilities (mm)	Equity	Price (6/29/11)	Debt (NASD Ticker)	Last Price (as of 6/30/11)	Court	Status	Case Number
Lehman Brothers Holdings, Inc.	9/15/2008	\$384,929	\$360,107	LEHMQ	\$0.052	Various		New York, Manhattan	On March 16, 2010, the company filed a liquidation plan that would raise \$60B for creditors by selling assets in the next few years and reducing allowable claims to \$322B; however, that plan has been revised to a \$65B liquidation plan incorporating aspects of a competing plan filed by a creditor group led by Paulson & Co. that allocates a higher recovery for major creditors; the company will seek approval of the disclosure statement on August 30, 2011; a significant ruling was handed down by the bankruptcy court judge in February 2011 related to the company's attempt to recover \$11B from Barclays Plc, as it was declared that the sale of the company's brokerage business was fair; that said, some money will be returned to the company relating to a separate dispute related to \$4B in margin accounts that changed hands when Barclays acquired the company's brokerage business	08-13555
Nortel Networks Corp.	1/14/2009	\$7,856	\$11,878	NRTLQ	\$0.042	NT.GR NT.GQ NT.GN NT.GM NT.GL	\$91.25 \$91.00 \$91.75 \$95.88 \$96.13	Delaware, Wilmington	As of June 30, 2010, the company had sold a substantial portion of its assets, generating \$3.2B in net proceeds for the benefit of creditors; despite having filed a reorganization plan, the company has yet to disclose the allocation of payments to creditors, indicating on April 13, 2011, that mediations to solve the issue had been unsuccessful; the company currently has an outstanding \$900M stalking horse bid from Google Inc. for its patent portfolio, which represents the company's most significant unsold asset; the auction for the patent portfolio commenced on June 27, 2011, with the highest bid to be reviewed by the bankruptcy court judge on July 11, 2011; financial publications have stated that, due to interest in the auction, the winning bid will likely surpass Google's stalking horse bid; the company has already stated that common and preferred shareholders are not expected to receive any value from any asset liquidation	09-10138
Capmark Financial Group	10/25/2009	\$20,085	\$21,018			CPMK.GD CPMK.GF CPMK.GB	\$57.06 \$55.50 \$58.25	Delaware, Wilmington	The company will continue to operate its lending and investment businesses; the company sold its North American servicing and mortgage banking business for \$1.1B; on November 1, 2010, the bankruptcy court judge approved a settlement with secured lenders that would pay them over \$1.1B as part of a 91% recovery; the settlement allows the company to exit bankruptcy on an accelerated track; the company filed a reorganization plan in which it will issue \$1.3B in notes to general unsecured creditors owed approximately \$7B; certain of these creditors, those holding unsecured loans and notes not guaranteed by collateral, will receive an additional \$3.9B; a hearing to approve the disclosure statement is scheduled for June 7, 2011; the company expects to emerge from bankruptcy in 2011; on May 18, 2011, the company received approval to sell the right to manage a \$1B real estate debt fund for \$13M	09-13684
Blockbuster, Inc.	9/23/2010	\$1,156	\$1,607	BLOAQ	\$0.047	BBLGB BBLGD	\$0.66 \$54.00	New York, Manhattan	\$125M DIP; the company filed for a pre-negotiated bankruptcy due to its inability to refinance its debt, which is expected to be reduced from \$1B to \$100M; the company is currently planning to close over 1,100 stores, or approximately one-third of its stores; Dish Network Corp. has acquired substantially all of the company's assets for \$320M; the company has been given until July 2011 to evaluate certain leases and business contracts; a group of debt holders has agreed to acquire substantially all of the company's assets for \$290M	10-14997
Ambac Financial Group	11/8/2010	\$31,328	\$32,546	ABKFQ	\$0.102	ABK.GK ABK.GJ ABK.GH ABK.GL ABK.GI ABK.GB ABK.GA	\$1.20 \$1.00 \$12.00 \$13.03 \$1.25 \$11.50 \$15.14	New York, Manhattan	The company filed for bankruptcy as it was unable to raise sufficient capital or agree to terms with senior debtholders to restructure its outstanding debt through a pre-organized bankruptcy; a Wisconsin state court judge recently approved a plan to repay Ambac Assurance policy holders through a ten-year period, although payments, which were expected to commence in May 2011, have been delayed; the company is currently in contention with the IRS related to the potential seizure of \$700M in tax refunds; the company has been granted an extension until July 6, 2011 to file a reorganization plan	10-15973
Local Insight Media Holdings	11/8/2010	\$796	\$669			LIRH.AA	\$2.25	Delaware, Wilmington	\$25M DIP; the company filed for bankruptcy as a result of falling revenue and increased competition from online advertising; the company will continue to operate its local search business throughout the reorganization process; the company's president and CEO resigned in January 2011, and the company's restructuring officer has been named CEO; the company has been granted an extension until August 14, 2011 to file a reorganization plan	10-13677

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Companies Possibly Emerging Subsequent to Third Quarter 2011 (Cont.)

Company Name	Filing Date	Total Assets (mm)	Total Liabilities (mm)	Equity	Price (6/29/11)	Debt (NASD Ticker)	Last Price (as of 6/30/11)	Court	Status	Case Number
Palm Harbor Homes, Inc.	11/29/2010	\$324	\$281	PHHMQ	\$0.02	PHHM.GB	\$47.75	Delaware, Wilmington	\$50M DIP; the company filed for bankruptcy in order to sell substantially all of its assets for \$84M to Cavco Industries, a subsidiary of Fleetwood Homes; the assets include manufactured housing factories, retail locations, equipment, accounts receivable, inventory, intellectual property, certain warranty liabilities, and shares of the company's insurance and finance subsidiaries; the company has been granted an extension to July 28, 2011 to file its reorganization plan	10-13850
The Great Atlantic & Pacific Tea Company, Inc.	12/12/2010	\$2,531	\$3,211	GAPTQ	\$0.071	GAP.GF GAP.GG GAP.GE GAJTQ	\$27.00 \$27.00 \$25.00 \$5.00	New York, Manhattan	\$800M DIP; the supermarket chain company filed for bankruptcy in order to reduce its debt; the company expects to restructure its operations, although certain analysts have indicated that as many as one-fourth of its stores could close in order to restore profitability; as of April 2011, the company had closed thirty-two stores and was looking to sell twenty-eight more stores; due to the eighteen-month maturity of the company's DIP facilities, it is likely that the company will craft a reorganization plan slowly	10-24549
Seahawk Drilling	2/11/2011	\$505	\$124	HAWKQ	\$5.70			Corpus Christi, Texas	\$35M DIP; the company filed for bankruptcy in order to implement the sale of substantially all of its offshore jack-up drilling assets, located in the Gulf of Mexico; the total consideration paid by Hercules Offshore includes 22.3 million shares and sufficient cash to retire debt of approximately \$25M, valuing the transaction at \$170M; revenue had been affected by a slowdown in Gulf of Mexico drilling, low natural gas prices, and the general economic downturn; shareholders are seeking to sue Pride International, which spun off the company in 2009, and its directors, arguing that the transaction placed the company in the path of bankruptcy	11-20089
Borders Group	2/16/2011	\$1,357	\$1,697	BGPIQ	\$0.23			New York, Manhattan	\$505M DIP; the company filed for bankruptcy as a result of a lack of liquidity in the face of upcoming liability payments; the company intends to close almost one-third of its bookstores (200 stores); the company intends to file a reorganization plan in early July 2011, although it is seeking an extension on its deadline, which creditors are protesting, asserting that the company has achieved little progress in developing a viable business model to emerge from bankruptcy; although liquidation plans were being put in place, it now appears that potential acquirers could come forward to purchase the company as a going concern	11-10614
Sbarro, Inc.	4/4/2011	\$456	\$470			SRRN.GC	\$68.71	New York, Manhattan	\$35M DIP; the fast-food, shopping mall restaurant filed for bankruptcy in order to restructure its debt via a pre-negotiated plan, which would have reduced debt by \$200M to \$175M; however, the company has ended its agreement with the private equity companies that developed the plan and is currently in negotiations with other potential acquirers	11-11527
Nebraska Book Company	6/27/2011	\$657	\$564			NBKA.GE NBKA.GC	\$99.75 \$76.00	Delaware, Wilmington	\$200M DIP; the college bookstore company filed for bankruptcy in order to implement a pre-negotiated reorganization plan to restructure approximately \$450M in debt, including the elimination of up to \$77M of debt; the company will continue its operations; book publishers had been reluctant to provide new books ahead of the back-to-school rush due to the company's liquidity concerns	11-12005

Source: Company reports, Thomson One, and Institutional Research Group



Companies Seeking to Liquidate Substantially All of Their Assets

Company Name	Filing Date	Total Assets (mm)	Total Liabilities (mm)	Equity	Price (6/29/11)	Debt (NASD Ticker)	Last Price (as of 6/30/11)	Court	Case Number
Tousa, Inc.	1/29/2008	\$927	\$2,221	TOUSQ	\$0.002	TOA.GA TOA.GC TOA.GD TOA.GE TOA.GG	\$15.00 \$0.00 \$0.00 \$0.00 \$24.00	Florida, Fort Lauderdale	08-10928
Circuit City Stores, Inc.	11/10/2008	\$1,767	\$1,780	CCTYQ	\$0.004			Virginia, Richmond	08-35653
Qimonda Richmond, LLC	2/20/2009	\$1,530	\$977			QIM.GA	\$2.38	Delaware, Wilmington	09-10590
TMST, Inc. (fka Thornburg Mortgage Inc.)	5/1/2009	\$24,400	\$24,700	THMRQ	\$0.010	TMA.GB	\$11.25	Maryland, Baltimore	09-17787
Anthracite Capital	3/15/2010	\$2,601	\$2,111	ACPIQ	\$0.003	AHR.GH	\$20.00	New York, Manhattan	10-11319
Beach First National Bancshares	5/14/2010	\$656	\$630	BFNBQ	\$0.000			S. Carolina, Columbia	10-03499
Trico Marine Services	8/25/2010	\$905	\$1,027	TRMAQ	\$0.104	TMAR.GC TMAR.GH	\$1.25 \$8.50	Illinois, Chicago	10-37144

Source: Company reports, Thomson One, and Institutional Research Group

**AbitibiBowater Inc. (Emerged)****Symbol:** ABH**Price (6/29/11):** \$20.04**52-Wk. Range:** \$19.41 – \$30.54**30-Day Average Daily Volume:** 908,968**Market Capitalization:** \$1,950 M**Core Business:** Pulp and paper; wood products manufacturing**Filing Date:** April 16, 2009**Emergence Date:** December 9, 2010**Current Liquidity and Debt:** \$994 M debt; \$326 M cash; \$261 M available under credit facilities

AbitibiBowater Inc. emerged from bankruptcy on December 9, 2010, following a successful reduction of its debt from \$6.8 billion to its current level. The company had filed for bankruptcy because of a decline in newsprint demand and an increase in competition in the paper and pulp manufacturing industry, negative dynamics that were exacerbated by the financial crisis. The reorganization plan included the issuance of new shares to unsecured debtors, with shareholders receiving no recovery. The company's post-emergence shares have traded on the NYSE and the TSX since December 10, 2010.

AbitibiBowater supplies publishers with newsprint and is one of the largest producers of newsprint in the world by capacity, with approximately 9% of total worldwide capacity. According to the company, newsprint demand in North America has stabilized since 2Q 2009 after years of severe declines (outside of North America, global newsprint demand is growing). The company also produces and sells coated mechanical paper for magazines and higher-gloss publications, specialty paper for books, market pulp (the common material used to make paper), and wood products, which consist of construction-grade lumber and other construction material. Approximately 60% of its sales occur in the US, 15% in Canada, and 4% in Mexico.

Following its financial restructuring, AbitibiBowater has dramatically reduced its breakeven point by cutting over \$880 million in annual fixed costs (with an additional \$95 million in labor savings expected through further cost reductions in the future), while sales of non-core assets throughout the bankruptcy process aided in the balance sheet restructuring. The company's strategy going forward includes improving its business mix, increasing operational flexibility, targeting end markets with higher demand, and further exploring strategic opportunities to sell non-core assets.

Shares currently trade at a price-to-earnings ratio of 6.0x and an EV/EBITDA ratio of 4.0x, relative to 2012 consensus estimates. While these are low valuation multiples compared to the market as a whole, the pulp and paper industry in general appears to trade at low valuation levels. For example, competitors Boise Inc. (NYSE: BZ) and Neenah Paper (NYSE: NP) trade at an average P/E of 8.5x and an EV/EBITDA of 4.6x.

The Bankruptcy Calendar does not attempt to make recommendations on any security.

**Chemtura Corporation (Emerging)****Symbol:** CHMT**Price (6/29/11):** \$17.91**52-Wk. Range:** \$13.20 – \$19.37**30-Day Average Daily Volume:** 1,493,114**Market Capitalization:** \$1,730 M**Core Business:** Specialty chemicals**Filing Date:** March 18, 2009**Emergence Date:** November 10, 2010**Current Liquidity and Debt:** \$825 M debt; \$113 M cash; \$186 M available under credit facilities

Chemtura Corporation emerged from bankruptcy on November 10, 2010, following a successful restructuring of its debt obligations. As of March 31, 2011, Chemtura had debt of \$825 million and cash of \$113 million, which represents a leaner balance sheet than that exhibited prior to its bankruptcy filing, when approximately \$1.2 billion of long-term debt became due in 2009. The company filed for bankruptcy due to the lack of available credit for refinancing and the onset of the global recession in 4Q 2008, which led to the rapid deterioration of its specialty chemical operations. The common shares of the reorganized company were re-listed on the NYSE on November 11, 2010.

Chemtura is a diversified specialty chemicals manufacturer that sells the majority of its products to industrial manufacturing customers for use as additives for other end products. Chemtura's products include petroleum additives, urethanes (durable polymers for industrial applications), antioxidants (UV stabilization additives), seed treatments and fungicides for agricultural companies, bromine-based products (flame-retardants), organometallic compounds (for use in glass coating and the production of semiconductors and photovoltaic panels), and pool sanitation solutions. These product lines serve the industrial needs of many different sectors and clients. During 2010, Chemtura generated 47% of its revenue from the US and Canada, 29% from Europe and Africa, 19% from Asia-Pacific, and 5% from Latin America.

Going forward, the company will seek to utilize its competitive advantages, such as vertical integration in certain product lines, strong brand recognition, and technical expertise, attributes which are difficult to replicate, to increase its emerging market exposure. The company will also invest in manufacturing facilities in an effort to capitalize on the development of these emerging markets' growth in the production of polymers, electronics, and autos, as Chemtura believes that there exist only a limited number of suppliers that can serve customers in emerging markets. Further, recent joint ventures in the Middle East could prove to be successful in polyolefin products and organometallics. The company's balance sheet and improved cost structure, as well as the reduction of environmental and other liabilities, should help drive earnings growth.

Chemtura shares currently trade at a price-to-earnings multiple of 11.9x relative to consensus 2012 earnings, as well as a 5.6x EV/EBITDA multiple on 2012 forecasts. Competitors in the specialty chemicals space, such as Huntsman Corporation (NYSE: HUN), Rockwood Holdings (NYSE: ROC), and OM Group (NYSE: OMG) trade at somewhat similar average comparable P/E and EV/EBITDA multiples of 10.9x and 5.8x, respectively.

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**Visteon Corporation (EmergEd)****Symbol:** VC**Price (6/29/11):** \$66.08**52-Wk. Range:** \$49.75 – \$76.72**30-Day Average Daily Volume:** 714,328**Market Capitalization:** \$3,380 M**Core Business:** Auto parts manufacturer**Filing Date:** May 28, 2009**Emergence Date:** October 1, 2010**Current Liquidity and Debt:** \$566 M debt; \$831 M cash; \$350 M available under credit facilities

Visteon Corporation emerged from bankruptcy on October 1, 2010, after filing on May 28, 2009, because of a severe decline in automobile production in late 2008 upon the onset of the economic recession. Under the terms of the company's reorganization plan, lenders received 86% of the reorganized equity, while shareholders received a pro rata share of 2% of the new equity. The company divested or closed twelve manufacturing facilities, reduced post-retirement obligations by \$260 million, and reduced overall debt levels by over \$2 billion, emerging from bankruptcy with outstanding debt of \$618 million and cash outstanding of \$956 million.

Visteon is a global supplier of electronics for automobile manufacturers. Its products include climate, powertrain cooling, audio/information, and lighting systems, as well as cockpit/console modules and door panels. Visteon was created via a spin-off from Ford Motor Company (NYSE: F) in 2000. Interestingly, Ford is not Visteon's largest customer in terms of revenue. Although it is the second largest, comprising one-fourth of sales, South Korea-based Hyundai Kia Automotive is first, accounting for close to 30% of revenues. Over 40% of revenue is generated in Asia, almost 40% in Europe, and about 19% in the US.

Even prior to its bankruptcy filing, the company had undertaken actions to reorganize its operations. Since 2006, fifty facilities have been closed or sold, overhead costs have been reduced by close to 50%, headcount has declined from 44,000 to 26,500 (of which 60% are in low-cost manufacturing countries), and through the bankruptcy process, its balance sheet has improved significantly. Going forward, it appears that the company will focus on targeting emerging markets to propel its growth. In particular, the company is well positioned in China through its Yanfeng Visteon joint venture, established in 1994, which is currently the fourth largest components company in China. Similarly, the company holds a 70% stake in subsidiary Halla Climate Control (018880 KS), a leading components company in South Korea with worldwide operations, including in China. As of December 31, 2010, orders from the Asia-Pacific region accounted for 80% of its 2011-2013 backlog.

On a comparable valuation basis, Visteon shares trade at a premium on both P/E and EV/EBITDA forward multiples versus a set of comparable companies, likely because of its significantly healthier balance sheet. Visteon trades at 12.6x 2012E P/E and 5.6x 2012E EV/EBITDA, while competitors, comprising Federal Mogul (NASDAQ: FDML), Tenneco Inc. (NYSE: TEN), Dana Holding (NYSE: DAN), and Meritor Inc. (NYSE: MTOR), trade at average P/E and EV/EBITDA multiples of 9.0x and 4.8x, respectively.

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**W.R. Grace & Co. (Bankrupt)****Reorganization Web Page:**

grace.com/about/reorganization.aspx

NYSE: GRA

Price (6/29/11): \$44.44**52-Wk. Range:** \$19.63 – \$47.02**Filing Date:** April 2, 2001**Court:** District of Delaware**Case Docket Number:** 01-01139**12/31/10 Assets:** \$4.3 B, including \$1.0 B in cash equivalents**12/31/10 Liabilities:** \$4.3 B; \$3.2 B subject to compromise**DIP Financing:** N/A**Debt:** \$879 M pre-petition bank debt plus accrued interest;

\$33 M drawn letters of credit plus accrued interest

W.R. Grace is a specialty chemicals and materials company. Its chemicals unit produces refining catalysts and silicon-based products that used to make products from refined crude oil. The company also makes sealants, coatings, and closures for the food and beverage industries. W.R. Grace is also a global leader in construction products. On April 2, 2001, W. R. Grace & Co. voluntarily filed for Chapter 11 reorganization in response to a sharply increasing number of asbestos claims. At the time, W.R. Grace had 129,000 personal injury claims filed against it. In April 2008, the bankruptcy court approved a \$250 million settlement between the company, the U.S. Department of Justice, and the U.S. Environmental Protection Agency – the largest environmental cleanup settlement in US history.

On June 23, 2008, W.R. Grace lost a U.S. Supreme Court appeal to avoid criminal charges alleging that the company and officials had exposed inhabitants living near a former Montana vermiculite mine to asbestos through emissions released at the facility. This cleared the way for an asbestos environmental trial against W.R. Grace and certain of the company's executives. On May 8, 2009, a federal jury in Montana acquitted W.R. Grace and its executives on all counts in the asbestos environmental case, eliminating the possibility that the company would have to pay a \$280 million fine. An asbestos personal injury settlement was reached in April 2008, wherein it was agreed that W.R. Grace would pay between \$1.8 billion and \$3 billion to resolve present and future asbestos-related personal injury lawsuits filed against it.

On September 19, 2008, W.R. Grace and the committees for asbestos claimants and equity holders filed a joint plan of reorganization and disclosure statement. The now-amended plan calls for the establishment of two asbestos trusts: one trust for asbestos-related personal injury claims, and one for asbestos-related property damage claims. General unsecured creditors would recover all of their claims, worth \$826 million, and shareholders would retain their stock. Hearings to approve the reorganization plan were held in late 2009 and throughout 2010, with approval of the plan coming on January 31, 2011.

Although the bankruptcy court judge approved the company's reorganization plan in January 2011, an approval by a Delaware District Court is also required. It is expected that W.R. Grace will seek to emerge from bankruptcy immediately after receiving approval from the District Court.

The Bankruptcy Calendar does not attempt to make recommendations on any security.



<u>Company</u>	<u>Inclusion Date</u>	<u>Discontinue Date</u>	<u>Inclusion Date Assets (mn)</u>	<u>Mode of Emergence</u>
Delphi Corporation	Jul-08	Nov-09	\$14,200	Reorg.
WCI Communities	Sep-08	Nov-09	\$2,178	Reorg.
Bally Total Fitness Holding Corp.	Jul-09	Nov-09	\$1,160	Reorg.
Energy Partners Ltd.	Jun-09	Nov-09	\$770	Reorg.
Indalex Holdings Finance Inc.	Mar-09	Dec-09	\$356	Liquidation
U.S. Shipping Partners Corp.	Apr-09	Dec-09	\$717	Reorg.
Lear Corporation	Aug-09	Dec-09	\$6,434	Reorg.
Charter Communications, Inc.	Apr-09	Dec-09	\$13,882	Reorg.
BearingPoint Inc.	Mar-09	Jan-10	\$1,176	Liquidation
VeraSun Energy Corp.	Dec-08	Jan-10	\$168	Liquidation
Pilgrim's Pride Corporation	Jan-09	Jan-10	\$3,750	Reorg.
Pliant Corporation	Mar-09	Jan-10	\$689	Reorg.
SuperMedia Inc.	May-09	Jan-10	\$1,815	Reorg.
Ion Media Networks Inc.	Sep-09	Jan-10	\$1,860	Reorg.
NTK Holdings, Inc.	Nov-09	Jan-10	\$1,655	Reorg.
CIT Group Inc.	Nov-09	Jan-10	\$71,000	Reorg.
Merisant Worldwide, Inc.	Feb-09	Feb-10	\$463	Reorg.
Dex One Corporation	Jun-09	Feb-10	\$12,075	Reorg.
Simmons Co.	Dec-09	Feb-10	\$896	Reorg.
Reader's Digest Association	Sep-09	Mar-10	\$2,816	Reorg.
TXCO Resources	Jun-09	Mar-10	\$432	Liquidation
Aventine Renewable Energy	Apr-09	Apr-10	\$799	Reorg.
Champion Enterprises	Nov-09	Apr-10	\$577	Reorg.
Lyondell Chemical Company	Feb-09	May-10	\$33,800	Reorg.
Six Flags Inc.	Jul-09	May-10	\$3,075	Reorg.
Xerium Technologies	Apr-10	Jun-10	\$694	Reorg.
Smurfit-Stone Container Corp.	Feb-09	Jun-10	\$5,224	Reorg.
Trump Entertainment Resorts	Mar-09	Jul-10	\$2,008	Reorg.
Neenah Foundry	Mar-10	Jul-10	\$287	Reorg.
Fleetwood Enterprises	Apr-10	Aug-10	\$388	Liquidation
US Concrete, Inc.	Jun-10	Sep-10	\$389	Reorg.
Visteon Corporation	Jun-09	Sep-10	\$4,561	Reorg.
General Growth Properties	May-09	Nov-10	\$27,837	Reorg.
Chemtura Corporation	Apr-09	Nov-10	\$3,124	Reorg.
AbitibiBowater Inc.	May-09	Dec-10	\$8,072	Reorg.
Fairpoint Communications	Nov-09	Jan-11	\$3,236	Reorg.
Tronox Inc.	Feb-09	Feb-11	\$1,615	Reorg.
Mesa Air Group	Feb-10	Feb-11	\$894	Reorg.
California Coastal Communities	Nov-09	Feb-11	\$260	Reorg.
Angiotech Pharmaceuticals	Feb-11	Jun-11	\$327	Reorg.
Amcore Financial	Sep-10	Jul-11	\$3,777	Liquidation
Constar International Inc.	Feb-11	Jul-11	\$325	Reorg.
Station Casinos	Aug-09	Jul-11	\$5,763	Reorg.



Chapter 7 - A bankruptcy proceeding in which a company ceases all operations. A trustee is appointed to liquidate the company's assets, and the funds are used to retire debt.

Chapter 11 - A form of bankruptcy that involves a reorganization of debtors' business affairs and assets. It is generally filed by corporations that require time to restructure their debts.

Chapter 15 - A bankruptcy proceeding in which the case is ancillary to a primary proceeding brought about in another country.

Debtor In Possession (DIP) Financing - Financing arranged by a company while in the Chapter 11 bankruptcy process. DIP financing is different from other methods of financing, in that it usually has priority over existing debt, equity, and other claims.

Liabilities Subject to Compromise - Debtors' liabilities incurred prior to the commencement of Chapter 11 cases. This amount represents the debtors' estimate of known or potential pre-petition claims to be resolved in connection with Chapter 11 cases. Virtually all of a given corporation's pre-petition debt is in default due to the filing, and is included in liabilities subject to compromise on the balance sheet.

Source: United States Bankruptcy Courts