#### UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK

In re Lexington Precision Corporation and Lexington Rubber Group, Inc

Debtor

Case No. 08-11153 & 08-11156 Reporting Period: January 2010

#### Federal Tax I.D. # 22-1830121 & 13-3525759

#### PRELIMINARY CORPORATE MONTHLY OPERATING REPORT - January 2010

# File with the Court and submit a copy to the United States Trustee within 20 days after the end of the month and submit a copy of the report to any official committee appointed in the case.

(Reports for Rochester and Buffalo Divisions of Western District of New York are due 15 days after the end of the month, as are the reports for Southern District of New York.)

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	<u>MOR-1</u>	Yes	Waived**
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (CON'T)	No	Waived**
Copies of bank statements		No	Waived**
Cash disbursements journals		No	Waived**
Statement of Operations	MOR 2	Yes	Consolidated Statement of Operations
Reorganization items paid	MOR-2 (Cont.)	Yes	No explanation necessary.
Balance Sheet	MOR-3	Yes	Consolidated Statement of Operations
Status of Post-petition Taxes	MOR-4	Yes	No explanation necessary.
Copies of IRS Form 6123 or payment receipt		No	Waived**
Copies of tax returns filed during reporting period		No	Waived**
Summary of Unpaid Post-petition Debts	MOR-4	Yes	No explanation necessary.
Listing of Aged Accounts Payable		No	All post-petition accounts payable are current.
Accounts Receivable Reconciliation and Aging	MOR-5	Yes	No explanation necessary.
Taxes Reconciliation and Aging	MOR-5	Yes	No explanation necessary.
Payments to Insiders and Professional	<u>MOR-6</u>	Yes	No explanation necessary.
Post Petition Status of Secured Notes	<u>MOR-6</u>	Yes	No explanation necessary.
Debtor Questionnaire	MOR-7	Yes	No explanation necessary.

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

\_. \_. . . . . . .

Signature of Authorized Individual\*

Date March 9, 2010
Date March 9, 2010

Printed Name of Authorized Individual Dennis J. Welhouse Senior vice President and CFO

\*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.

\*\* Inclusion of this and certain other information has been waived per discussions with Official Creditors' Committee and the Office of the United States Trustee.

In re Lexington Precision Corporation Debtor Case No. 08-11153

Reporting Period: January 2010

### SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Amounts reported should be from the debtor's books and not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH -ACTUAL" column must equal the sum of the four bank account columns. Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CON'T)]

	BANK ACCOUNTS							
	OPER	PAYROLL	TAX	OTHER	CURRENT MONTH ACTUAL (TOTAL OF ALL ACCOUNTS)			
ACCOUNT NUMBER (LAST 4)					ALL ACCOUNTS)			
CASH BEGINNING OF MONTH								
RECEIPTS								
ACCOUNTS RECEIVABLE					841,725.66			
DIP LOANS					-			
OTHER: Premier Tool and Die					13,295.00			
OTHER: Miscellaneous Receipts					17,443.26			
TOTAL RECEIPTS					872,463.92			
DISBURSEMENTS								
NET PAYROLL								
PAYROLL TAXES								
SALES, USE, & OTHER TAXES								
INVENTORY PURCHASES								
SECURED/ RENTAL/ LEASES								
INSURANCE								
ADMINISTRATIVE								
SELLING								
OTHER (ATTACH LIST)								
OWNER DRAW *								
TRANSFERS (TO DIP ACCTS)								
PROFESSIONAL FEES								
U.S. TRUSTEE QUARTERLY FEES								
COURT COSTS								
TOTAL DISBURSEMENTS					2,482,971.91			
NET CASH FLOW								
(RECEIPTS LESS DISBURSEMENTS)								
CASH – END OF MONTH								

\* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE

### THE FOLLOWING SECTION MUST BE COMPLETED

DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN					
TOTAL DISBURSEMENTS	\$2,482,971.91				
LESS: TRANSFERS TO OTHER DEBTOR IN	\$0.00				
POSSESSION ACCOUNTS	\$0.00				
PLUS: ESTATE DISBURSEMENTS MADE BY	\$0.00				
OUTSIDE SOURCES (i.e. from escrow accounts)	\$0.00				
TOTAL DISBURSEMENTS FOR CALCULATING U.S.	¢2,492,071,01				
TRUSTEE QUARTERLY FEES	\$2,482,971.91				

Case No. <u>08-11156</u>

Reporting Period: January 2010

### SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Amounts reported should be from the debtor's books and not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH -ACTUAL" column must equal the sum of the four bank account columns. Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CON'T)]

	BANK ACCOUNTS						
	OPER	PAYROLL	TAX	OTHER	CURRENT MONTH ACTUAL (TOTAL OF ALL ACCOUNTS)		
ACCOUNT NUMBER (LAST 4)					MEE Recoonits)		
CASH BEGINNING OF MONTH							
RECEIPTS							
ACCOUNTS RECEIVABLE					3,752,981.74		
DIP LOANS					-		
OTHER: Cobra					-		
OTHER: Miscellaneous Receipts					14,083.92		
TOTAL RECEIPTS					3,767,065.66		
DISBURSEMENTS							
NET PAYROLL							
PAYROLL TAXES							
SALES, USE, & OTHER TAXES							
INVENTORY PURCHASES							
SECURED/ RENTAL/ LEASES							
INSURANCE							
ADMINISTRATIVE							
SELLING							
OTHER (ATTACH LIST)							
OWNER DRAW *							
TRANSFERS (TO DIP ACCTS)							
PROFESSIONAL FEES							
U.S. TRUSTEE QUARTERLY FEES							
COURT COSTS							
TOTAL DISBURSEMENTS					3,911,434.18		
NET CASH FLOW							
(RECEIPTS LESS DISBURSEMENTS)							
CASH – END OF MONTH							
CASH – END OF MONTH							

\* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE

### THE FOLLOWING SECTION MUST BE COMPLETED

DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN					
TOTAL DISBURSEMENTS	\$3,911,434.18				
LESS: TRANSFERS TO OTHER DEBTOR IN	\$0.00				
POSSESSION ACCOUNTS	\$0.00				
PLUS: ESTATE DISBURSEMENTS MADE BY	\$0.00				
OUTSIDE SOURCES (i.e. from escrow accounts)	\$0.00				
TOTAL DISBURSEMENTS FOR CALCULATING U.S.	¢2.011.424.10				
TRUSTEE QUARTERLY FEES	\$3,911,434.18				

### PRELIMINARY

#### LEXINGTON PRECISION CORPORATION - CONSOLIDATED

January 2010

### CONSOLIDATED STATEMENTS OF EARNINGS MONTH

in thousands of dollars

<u>Case no's 08-11153 &amp; 08-11156</u>	MOI	NTH
	Actua	1
Gross sales	5,536	100.7 %
Returns	30	0.5
Discounts & allowances		0.1
Net sales	5,498	100.0
Cost of sales:		
Material cost	1,745	31.7
Direct labor	639	11.6
Factory overhead (1)	2,442	44.4
Total	4,826	87.8
Gross profit	672	12.2
Selling, general & admin. expense:		
Marketing & sales	73	1.3
General & administrative (2)	678	12.3
Total	751	13.7
Operating profit	(79)	(1.4)
Nonoperating expense (income):		
Interest expense (3) (4)	643	11.7
Interest (income)	(4)	(0.1)
Total	639	11.6
Earnings (loss) before taxes	(718)	(13.1)
Income taxes	2	0.0
Earnings (loss) from continuing operations	(720)	(13.1)
Income (loss) from discontinued operations	(9)	(0.2)
Net income (loss)	(729)	(13.3) %
EBITDA:	(70)	(1 1) 0/
Operating Profit	(79)	(1.4) %
Depreciation	310	5.6
Amortization (operating only) EBITDA	<u> </u>	0.3 4.5 %
Other Data & Statistics:		
Average number of employees (#)	500	NA

(1) Factory overhead includes \$40,000 of expenses incurred in connection with the Company's plan to close its facility in Vienna, Ohio, and move the production to its other rubber molding facilities. (2) Includes \$350,000 of expenses incurred in connection with the company's efforts to refinance and or restructure the Company during January 2010.

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NA

Sales per employee (\$)

(3) Excludes interest expense of \$14,000 allocated to discontinued operations for the month of January 2010.

(4) Includes \$148,000 of interest on missed interest payments for the holders of the Company's unsecured debt and

\$34,000 of interest for the holders of the Company's DIP loan during January 2010.

#### In re Lexington Precision Corporation - Consolidated

Debtor

Case No. 08-11153 & 08-11156 Reporting Period: January 2010

REORGANIZATION ITEMS		
Professional Fees		
Stout Risius Ross, Inc.	43,178.41	
Andrews Kurth		
Weil, Gotshal & Manges LLP		
W.Y. Campbell & Company		
Nixon Peabody		
Goldin Associates		
U. S. Trustee Quarterly Fees - LRG	13,000.00	
U. S. Trustee Quarterly Fees - LPC	13,000.00	
Interest Paid to Lexington on Accumulated Cash from Chapter 11 - DIP Cash(see	5,046.06	
continuation sheet)		
Interest Paid to Lexington on Accumulated Cash from Chapter 11 - Operating Cash(see	227.13	
continuation sheet)		
Gain (Loss) from Sale of Equipment		
Other Reorganization Expenses (attach schedule)		
DIP Interest	34,444.45	
CapitalSource Reimbursement	172,642.47	
Epiq Bankruptcy Solutions, LLC	4,337.02	
O'Melveny & Myers LLP - Attorney for DIP Lenders	48,684.31	
Intralinks, Inc.	4,040.63	
AccuVal Associates, Inc.		
Total Reorganization Expenses		
Income Taxes		
Net Profit (Loss)		

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

#### BREAKDOWN OF "OTHER" CATEGORY

OTHER COSTS

OTHER OPERATIONAL EXPENSES	
OTHER INCOME	
OTHER EXPENSES	
O THER EAT EAGED	
OTHER REORGANIZATION EXPENSES	

#### Reorganization Items - Interest Earned on Accumulated Cash from Chapter 11:

Interest earned on cash accumulated during the chapter 11 case, which would not have been earned but for the bankruptcy proceeding, should be reported as a reorganization item.

#### PRELIMINARY

LEXINGTON PRECISION CORPORATION – CONSOLIDATED

#### January 2010

#### CONSOLIDATED BALANCE SHEETS in thousands of dollars

SETS	Actual
Cash Marketable securities Accounts receivable Inventories Prepaid expenses and other current assets Deferred income taxes Current assets of discontinued operations Total current assets ant & equipment Land Buildings Machinery & equipment Accumulated depreciation Plant & equipment, net ant & equipment of discontinued operations, net codwill aferred financing expenses ther assets <b>ABLITIES &amp; SHAREHOLDERS' DEFICIT</b> Accounts payable Accrued income taxes Accrued income taxes Accrued operating expenses Short-term debt Current portion of LTD Current portion of discontinued operations Total current liabilities mg-term debt, net of current portion mg-term portion of post-retirement obligation ther long term liabilities ferred income taxes mareholders' deficit: Common stock	
Marketable securities Accounts receivable Inventories Prepaid expenses and other current assets Deferred income taxes Current assets of discontinued operations Total current assets ant & equipment Land Buildings Machinery & equipment Accumulated depreciation Plant & equipment, net ant & equipment of discontinued operations, net codwill afterred financing expenses ther assets <b>AELITIES &amp; SHAREHOLDERS' DEFICIT</b> urrent liabilities: Accounts payable Accrued interest expense Accrued interest expenses Accrued interest expenses Accrued interest expenses Short-term debt Current portion of LTD Current portion of DTD Current portion of DS-retirement obligation ing-term portion of post-retirement obligation ther long term liabilities ferred income taxes Accrued income taxes	
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Inventories Prepaid expenses and other current assets Deferred income taxes Current assets of discontinued operations Total current assets ant & equipment Land Buildings Machinery & equipment Accumulated depreciation Plant & equipment, net ant & equipment of discontinued operations, net codwill afterred financing expenses ther assets  ABLITIES & SHAREHOLDERS' DEFICIT Urrent liabilities: Accrued income taxes Accrued income taxes Accrued income taxes Short-term debt Current portion of LTD Current portion of DETD Current liabilities ing-term debt, net of current portion ing-term debt ing the ing	155
Prepaid expenses and other current assets Deferred income taxes Current assets of discontinued operations Total current assets and & equipment Land Buildings Machinery & equipment Accumulated depreciation Plant & equipment, net ant & equipment of discontinued operations, net codwill afterred financing expenses ther assets <b>AELITIES &amp; SHAREHOLDERS' DEFICIT</b> urrent liabilities: Accounts payable Accrued income taxes Accrued interest expense Accrued operating expenses Short-term debt Current portion of LTD Current portion of discontinued operations Total current liabilities mog-term debt, net of current portion ing-term debt, net of current portion ing-term inabilities sterred income taxes mareholders' deficit: Common stock	8,025
Deferred income taxes Current assets of discontinued operations Total current assets ant & equipment Land Buildings Machinery & equipment Accumulated depreciation Plant & equipment, net ant & equipment of discontinued operations, net and & equipment of discontinued operations, net codwill derred financing expenses ther assets Accured financing expenses ther assets Accured income taxes Accrued income taxes Accrued interest expense Accrued interest expense Accrued operating expenses Short-term debt Current portion of discontinued operations Total current liabilities mog-term debt, net of current portion mg-term portion of post-retirement obligation ther long term liabilities ferred income taxes areholders' deficit: Common stock	7,968
Current assets of discontinued operations Total current assets ant & equipment Land Buildings Machinery & equipment Accumulated depreciation Plant & equipment, net ant & equipment of discontinued operations, net codwill aferred financing expenses ther assets ABILITIES & SHAREHOLDERS' DEFICIT urrent liabilities: Accounts payable Accrued income taxes Accrued interest expense Accrued operating expenses Short-term debt Current portion of LTD Current portion of discontinued operations Total current liabilities ung-term debt, net of current portion ung-term portion of post-retirement obligation ther long term liabilities pareholders' deficit: Common stock	2,375
Total current assets ant & equipment Land Buildings Machinery & equipment Accumulated depreciation Plant & equipment, net ant & equipment of discontinued operations, net codwill afterred financing expenses ther assets  ABLITIES & SHAREHOLDERS' DEFICIT  Trent liabilities: Accounts payable Accrued incernet taxes Accrued operating expenses Accrued operating expenses Short-term debt Current portion of LTD Current portion of discontinued operations Total current liabilities ang-term debt, net of current portion ang-term portion of post-retirement obligation ther long term liabilities arenolders' deficit: Common stock	-
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Land Buildings Machinery & equipment Accumulated depreciation Plant & equipment, net ant & equipment of discontinued operations, net codwill aferred financing expenses ther assets ABILITIES & SHAREHOLDERS' DEFICIT urrent liabilities: Accounts payable Accrued income taxes Accrued interest expense Accrued interest expense Accrued operating expenses Short-term debt Current portion of LTD Current portion of discontinued operations Total current liabilities ung-term debt, net of current portion ong-term portion of post-retirement obligation ther long term liabilities mareholders' deficit: Common stock	21,429
Buildings Machinery & equipment Accumulated depreciation Plant & equipment, net ant & equipment of discontinued operations, net codwill efferred financing expenses ther assets ABILITIES & SHAREHOLDERS' DEFICIT urrent liabilities: Accounts payable Accrued income taxes Accrued income taxes Accrued interest expense Accrued interest expense Accrued operating expenses Short-term debt Current portion of LTD Current portion of discontinued operations Total current liabilities ung-term debt, net of current portion ung-term portion of post-retirement obligation ther long term liabilities prace to the function ther long term liabilities there are a set to the function ther long term liabilities there a set to the function ther long term liabilities	
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Accumulated depreciation Plant & equipment, net ant & equipment of discontinued operations, net bodwill derred financing expenses ther assets ABILITIES & SHAREHOLDERS' DEFICIT urrent liabilities: Accounts payable Accrued income taxes Accrued interest expense Accrued interest expenses Short-term debt Current portion of LTD Current portion of discontinued operations Total current liabilities eng-term debt, net of current portion ong-term portion of post-retirement obligation ther long term liabilities pareholders' deficit: Common stock	11,130
Plant & equipment, net ant & equipment of discontinued operations, net bodwill beferred financing expenses ther assets  ABILITIES & SHAREHOLDERS' DEFICIT urrent liabilities: Accounts payable Accrued income taxes Accrued interest expense Accrued interest expenses Short-term debt Current portion of LTD Current portion of LTD Current portion of discontinued operations Total current liabilities ung-term debt, net of current portion ung-term portion of post-retirement obligation ther long term liabilities prered income taxes areholders' deficit: Common stock	103,562
Plant & equipment, net ant & equipment of discontinued operations, net bodwill beferred financing expenses ther assets  ABILITIES & SHAREHOLDERS' DEFICIT urrent liabilities: Accounts payable Accrued income taxes Accrued interest expense Accrued interest expenses Short-term debt Current portion of LTD Current portion of LTD Current portion of discontinued operations Total current liabilities ung-term debt, net of current portion ung-term portion of post-retirement obligation ther long term liabilities prered income taxes areholders' deficit: Common stock	116,860
ant & equipment of discontinued operations, net  bodwill  aferred financing expenses ther assets  ABILITIES & SHAREHOLDERS' DEFICIT  urrent liabilities: Accounts payable Accrued income taxes Accrued interest expense Accrued interest expense Accrued operating expenses Short-term debt Current portion of LTD Current portion of LTD Current portion of discontinued operations Total current liabilities  ong-term debt, net of current portion ong-term portion of post-retirement obligation ther long term liabilities aferred income taxes areholders' deficit: Common stock	102,880
ABILITIES & SHAREHOLDERS' DEFICIT ABILITIES & SHAREHOLDERS' DEFICIT urrent liabilities: Accounts payable Accrued income taxes Accrued income taxes Accrued interest expense Accrued operating expenses Short-term debt Current portion of LTD Current portion of discontinued operations Total current liabilities ong-term debt, net of current portion ong-term portion of post-retirement obligation ther long term liabilities efferred income taxes mareholders' deficit: Common stock	13,980
ABILITIES & SHAREHOLDERS' DEFICIT ARCOUNT PAYMENT ACCOUNTS PAYMENT ACCOUNT	1,134
ABILITIES & SHAREHOLDERS' DEFICIT ARCOUNT PAYMENT ACCOUNTS PAYMENT ACCOUNT	7,623
ABILITIES & SHAREHOLDERS' DEFICIT Arrent liabilities: Accounts payable Accrued income taxes Accrued interest expense Accrued operating expenses Short-term debt Current portion of LTD Current portion of discontinued operations Total current liabilities ang-term debt, net of current portion ng-term portion of post-retirement obligation ther long term liabilities arreholders' deficit: Common stock	-
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urrent liabilities: Accounts payable Accrued income taxes Accrued interest expense Accrued operating expenses Short-term debt Current portion of LTD Current portion of discontinued operations Total current liabilities ong-term debt, net of current portion nng-term portion of post-retirement obligation ther long term liabilities efferred income taxes mareholders' deficit: Common stock	45,586
Accounts payable Accrued income taxes Accrued interest expense Accrued operating expenses Short-term debt Current portion of LTD Current portion of discontinued operations Total current liabilities ang-term debt, net of current portion ng-term portion of post-retirement obligation ther long term liabilities eferred income taxes mareholders' deficit: Common stock	
Accrued income taxes Accrued interest expense Accrued operating expenses Short-term debt Current portion of LTD Current portion of discontinued operations Total current liabilities ong-term debt, net of current portion ong-term portion of post-retirement obligation ther long term liabilities eferred income taxes mareholders' deficit: Common stock	
Accrued interest expense Accrued operating expenses Short-term debt Current portion of LTD Current portion of discontinued operations Total current liabilities ong-term debt, net of current portion ong-term portion of post-retirement obligation ther long term liabilities eferred income taxes mareholders' deficit: Common stock	9,867
Accrued operating expenses Short-term debt Current portion of LTD Current portion of discontinued operations Total current liabilities ong-term debt, net of current portion ong-term portion of post-retirement obligation ther long term liabilities eferred income taxes mareholders' deficit: Common stock	6
Short-term debt Current portion of LTD Current portion of discontinued operations Total current liabilities ong-term debt, net of current portion ong-term portion of post-retirement obligation ther long term liabilities eferred income taxes mareholders' deficit: Common stock	19,602
Current portion of LTD Current portion of discontinued operations Total current liabilities ong-term debt, net of current portion ng-term portion of post-retirement obligation ther long term liabilities eferred income taxes nareholders' deficit: Common stock	3,299
Current portion of discontinued operations Total current liabilities ong-term debt, net of current portion ng-term portion of post-retirement obligation ther long term liabilities eferred income taxes nareholders' deficit: Common stock	18,360
Total current liabilities ong-term debt, net of current portion ong-term portion of post-retirement obligation ther long term liabilities eferred income taxes nareholders' deficit: Common stock	51,652
ong-term debt, net of current portion ng-term portion of post-retirement obligation ther long term liabilities eferred income taxes nareholders' deficit: Common stock	275_(
ng-term portion of post-retirement obligation ther long term liabilities eferred income taxes nareholders' deficit: Common stock	103,061
ther long term liabilities eferred income taxes nareholders' deficit: Common stock	-
eferred income taxes nareholders' deficit: Common stock	216
Common stock	77
Common stock	
	1,247
Add'l naid-in-capital	13,207
Add'l paid-in-capital Accumulated deficit	(72,163)
Accumulated other comprehensive loss	
Total shareholders' deficit	(50)
	(59) (57,768)

(1) As of January 31, 2010, accounts payable includes prepetition accounts payable in the amount of \$5,432,000 and \$1,563,000 of billings from attorneys, investment advisors and other fees and expenses incurred in connection with the Company's filing under chapter 11 of the Bankruptcy Code. At January 31, 2010, current liabilities of discontinued operations included prepetition accounts payable in the amount of \$174,000.

(2) As of January 31, 2010, accrued expenses includes \$364,000 of fees and expenses accrued in

(a) Includes revolving line of credit in the amount of \$14,219,000, the DIP loan in the amount of \$4,000,000, and insurance premium financing in the amount of \$141,000.

## Lexington Precision Corporation - Consolidated Case No. 08-11153 & 08-11156

Status of Post-Petition Taxes January 2010

	1/6	1/7	1/13	1/14	1/20	1/21	1/27	1/28				Totals
Federal						~	00 170 05	00 170 51				
FICA - Employee FICA - Employer	242.48 242.48	14,283.71 14,283.62	430.89 430.90	35,947.46 35,947.53	331.19 331.17	20,199.67 20,199.70	20,179.85 20,179.87	20,470.54 20,470.57	-	-	-	112,085.79 112,085.84
Jnemployment	25.36	1,493.48	45.06	3,754.94	34.63	2,112.16	1,706.50	2,140.49	-	-	-	11,312.62
Income Other: Cobra credit	211.72	10,631.27	564.90	42,414.67	378.23	19,490.94	31,307.12	18,444.31	-		-	123,443.16
Total Federal Taxes	722.04	40,692.08	1,471.75	118,064.60	1,075.22	62,002.47	73,373.34	61,525.91	-	-	-	358,927.41
State and Local												
GA - Georgia												
Witholding	-	2,814.80	-	6,744.12	-	4,575.41	3,393.46	4,576.33	-	-	-	22,104.12
Unemployment Real Property	-	4,552.83	-	9,550.69	-	6,384.10	4,111.39	6,579.48			-	31,178.49
Other:	-	-	-	-		-		-			-	
NY - New York												
Witholding Unemployment	-	1,429.62 4,485.37	-	4,552.01 10,233.63	-	2,643.75 6,484.77	1,733.00 3,385.51	2,605.12 6,380.33	-		-	12,963.50 30,969.61
Real Property	-	-	-	-	-	-	-	-			-	-
Other: DI	-	-	-	-	-	-	-	-	-	-	-	-
<b>DH - Ohio</b> Nitholding	79.37	290.74	183.29	2,734.91	125.97	376.79	2,577.38	354.58	-		-	6,723.03
Unemployment	272.59	987.32	554.83	6,267.34	406.93	1,295.44	4,970.75	1,245.21	-	-	-	16,000.41
Real Property Other:	-	-	-	-	-	-	-	-	-		-	
PA - Pennsylvania												
Witholding	-	-	-	-	-	-	-	-	-	-	-	-
Unemployment Real Property	-	-	-	-	-		-	-	-		-	-
Other:	-	-	-	-	-	-	-	-	-	-	-	-
SC - South Carolina Witholding		2,225.88	_	6,109.57	_	3,530.50	4,434.34	3,539.23	_	_	_	19,839.52
Unemployment	-	2,225.88 2,028.25	-	4,524.73	-	2,877.42	4,434.34 1,933.09	3,539.23 2,941.25	-		-	19,839.52
Real Property	-	-	-	-	-	-	-	-	-	-	-	-
Other: MA - Massachusettes	-	-	-	-	-	-	-	-	-	-	-	-
Witholding	-	-	-	-	-	-	-	-	-	-	-	-
Unemployment Real Property	-	-	-	-	-	-		-			-	
Other:	-	-	-	-	-	-	-	-	-		-	
TN - Tennessee												
Witholding Unemployment	-	-	-	-	-	-	-	-			-	
Real Property	-	-	-	-	-	-	-	-			-	
SC - South Carolina Witholding												
Unemployment	-	-	-	-	-	-	-	-	-		-	
Real Property	-	-	-	-	-	-	-	-	-	-	-	
AK - Akron City, OH BR - Brewster VLG, OH	-	16.17 11.23	-	16.17 11.69	-	16.17 15.47	-	16.17 13.29	-		-	64.68 51.68
CA - Canton City, OH	-	-	-	-	-	-	-	-	-	-	-	-
CO - Columbiana, OH CS - Col SD, OH	-	-	-	-	-	-		-			-	
GI - Girard City, OH	-	-	-	-	-	-	-	-	-	-	-	-
GR - Green City, OH	-	-	-	31.30	-	-	44.25	-	-	-	-	75.55
HU - Hubbard City, OH MD - McDonald Vil, OH	-	-	-	-	-	-	-	-	-		-	
NC - No Canton Ci, OH	-	-	-	-	-	·	-		-	-	-	-
NF - New Franklin, OH NI - Niles City, OH	- 10.19	7.26	- 21.53	7.26	- 12.68	8.90	20.91	7.33	-		-	30.75 65.31
NP - New Philadel, OH	-	-	-	22.23	-	-	22.23	-	-		-	44.46
PP - Pepper Pike PY - Pymatuming T, PA	-	-	-	86.36	-	-	86.36	-			-	172.72
SH - Sharon City, PA	-	-	-	-	-	-	-	-	-		-	
SL - Springfield LS, OH	-	-	-	-	-	-	-	-	-	-	-	-
SP - Sharpsville, PA ST - Struthers Ci, OH	-	-	-	-	-	-	-	-	-		-	
SW - Stow City, OH	-	-	-	-	-	-		-			-	
WA - Warren City, OH YT - Youngstown C, OH	-	-	-	-	-	-	-	-	-		-	
Total State and Local	362.15	18,849.47	759.65	50,892.01	545.58	28,208.72	26,712.67	28,258.32	-	-	-	154,588.57
Total Payroll Taxes	1,084.19	59,541.55	2,231.40	168,956.61	1,620.80	90,211.19	100,086.01	89,784.23	-	-	-	513,515.98
Non-Payroll Taxes												
GA Dept. of Revenue - Sales and Use Tax - Nov. '09				1,671.65								1,671.65
Pickens County GA - Property Tax Gilmer County GA - Property Tax	115,129.05						10,704.42					115,129.05 10,704.42
New York State Sales and Use Tax							1,353.53					1,353.53
2010 Ohio Estimated Corporation Franchise Tax							3,000.00					3,000.00
York County SC - Property tax				126,315.52								126,315.52
South Carolina Sales and Use tax Dhio Dept. of Taxation - Sales and Use tax				4,205.10		661.22						4,205.10 661.22
	445 400 05			100 100 07			15 057 05					-
Fotal Non Payroll Taxes	115,129.05	-	-	132,192.27	-	661.22	15,057.95	-	-	-	-	263,040.49
Total Taxes	116,213.24	59,541.55 -	2,231.40	301,148.88	1,620.80	90,872.41 -	115,143.96	89,784.23	-	-	-	776,556.47
				SUM	MARY OF UN	PAID POST-	PETITION DE	BTS				MOR - 4 (1)
			Attach aged liet	of accounts payable								
			mach ageu nsting	, or accounts payable		Number of D	ays Past Due					

#### er of Days Past Du Curren counts Payable Wages Payable Taxes Payable Rent/Leases-Building Rent/Leases-Equipment Secured Debt/Adequate There are no unpaid post petition debts. All debts are eithe paid or within credit terms. Professional Fees nounts Due to Insider Other Other:\_\_\_\_\_ Total Post-petition Debt

MOR - 4 (2)

### In re Lexington Precision Corporation - Consolidated

Debtor

Case No. <u>08-11153 & 08-11156</u> Reporting Period: January 2010

## PRELIMINARY

### ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation	Amount
Total Accounts Receivable at the beginning of the reporting period	7,201,508.89
Plus: Amounts billed during the period	5,602,544.56
Less: Amounts collected during the period	4,594,707.40
Less: Miscellaneous adjustments	6,567.57
Total Accounts Receivable at the end of the reporting period	8,202,778.48

Accounts Receivable Aging	0-30 Days	31-60 Days	61-90 Days	91+ Days	Total
0 - 30 days old	5,303,596.71	-	-	-	5,303,596.71
31 - 60 days old	-	1,901,888.61	-	-	1,901,888.61
61 - 90 days old	-	-	683,949.61	-	683,949.61
91+ days old	-	-	-	313,343.55	313,343.55
Total Accounts Receivable	5,303,596.71	1,901,888.61	683,949.61	313,343.55	8,202,778.48
Less: Bad Debts (Amount considered uncollectible)	-	-	-	-	220,000.00
Plus: Accrual adjustment	-	-	-	-	42,000.00
Net Accounts Receivable	-	-	-	-	8,024,778.48

### TAXES RECONCILIATION AND AGING

Taxes Payable	0-30 Days	31-60 Days	61-90 Days	91+ Days	Total
0 - 30 days old					
31 - 60 days old					
61 - 90 days old		All taxes are current.			
91+ days old					
Total Taxes Payable					
Total Accounts Payable					

## In re LEXINGTON PRECISION CORPORATION Debtor

Case No. 08-11153 & 08-11156 Reporting Period: January 2010

#### PAYMENTS TO INSIDERS AND PROFESSIONALS

Of the total disbursements shown on the Cash Receipts and Dobursements Report (MOR-1) list the amount piad to insiders (as defined in Section 10(11) (A)/F) of the U.S. Baakneyles (Code) and to professionali. For payments to insiders, identify the type of compensation piad, (ag, Sabary, Hosen, Commission, Bournary, Housing allowang, Terrel, Cas Allowang, E.J. Anith adding albeets if necessary.

INSIDERS					
NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE		
Lubin, Delano & Company	Quarterly Consulting Fee	175,000.00			
Lubin, Delano & Company	Quarterly Expense Reimbursement 1st Quarter Board of Directors Fee	27,500.00			
Lubin, Delano & Company					
Lubin, Delano & Company	Phone Board of Directors Meeting Fee	700.00			
Michael Lubin	Debtor-in-Possession Interest	17,222.22			
William B. Conner	Debtor-in-Possession Interest	12,916.67			
William B. Conner	1st Quarter Board of Directors Fee	3,000.00			
William B. Conner	Phone Board of Directors Meeting Fee	350.00			
Kenneth I. Greenstein	1st Quarter Board of Directors Fee	3,000.00			
Kenneth I. Greenstein	1st Quarter Audit Fee	500.00			
Kenneth I. Greenstein	Phone Board of Directors Meeting Fee	350.00			
Phoenix Advisors, LLC (Joseph A. Pardo)	1st Quarter Board of Directors Fee	3,000.00			
Phoenix Advisors, LLC (Joseph A. Pardo)	1st Quarter Audit Fee	500.00			
Phoenix Advisors, LLC (Joseph A. Pardo)	Phone Board of Directors Meeting Fee	350.00			
Elizabeth H. Ruml	1st Quarter Board of Directors Fee	3,000.00			
Elizabeth H. Ruml	1st Quarter Audit Fee	500.00			
Elizabeth H. Ruml	Phone Board of Directors Meeting Fee	350.00			
Dennis J. Welhouse	1/15/10 Salary	6,716,67			
Dennis J. Welhouse	1/29/10 Salary	6,716.67			
Bonnib C. Wonloadd	in 20110 Oddary	0,110.01			
Lubia Delana 8 Company			4 000 000 00		
Lubin, Delano & Company			1,682,600.00		
Michael Lubin			391,249.14		
William B. Conner			326,112.57		
Kenneth I. Greenstein			41,300.00		
Phoenix Advisors, LLC (Joseph A. Pardo)			40,950.00		
Elizabeth H. Ruml			42,693.31		
Dennis J. Welhouse			295,533.48		
	TOTAL PAYMENTS TO INSIDE	s 267.672.23			

PROFESSIONALS					
NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID*
Andrews Kurth LLP			0.00	1,325,389.42	560,767.00
Thompson Hine LLP (1)			4,465.50	120,299.69	
Malin, Bergquist & Company, LLP			15,570.35	400,064.94	
Stout Risius Ross, Inc.			43,178.41	816,044.81	239,045.00
Weil, Gotshal & Manges LLP			0.00	1,902,478.58	290,415.19
W.Y. Campbell & Company			0.00	832,213.45	294,479.72
Snell & Wilmer (2)			6,813.34	25,662.26	
Nixon Peabody LLP			0.00	225,916.39	
Goldin Associates			0.00	65,025.24	
Fisher & Phillips LLP, Attorneys at Law			1,877.42	1,971.92	
O'Melveny & Myers LLP (3)			48,684.31	120,299.61	11,183.60
Buck Consultants			0.00	13,234.00	
Bureau Veritas			0.00	7,950.83	
	TOTAL PAYMENTS TO PROFESSIONALS		120,589.33		

\* INCLUDE ALL FEES INCURRED, BOTH APPROVED AND UNAPPROVED

Total paid to date includes \$3,669.25 paid from retainer.
 Total paid to date includes \$1,212.00 paid from retainer.
 Total paid to date includes \$50,000.00 paid from retainer.

## POST-PETITION STATUS OF SECURED NOTES AND ADEQUATE PROTECTION PAYMENTS

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENT DUE	AMOUNT PAID DURING MONTH	TOTAL UNPAID POST- PETITION
CapitalSource finance LLC (as agent) 4445 Willard Avenue 12th Floor Chevy Chase, MD 20815 and Webster Business Credit Corporation 3600 Loxington Avenue, 5th Floor New York, NY 10017	206,333.33	208,333.33	3,958,333.47
CSE Mortgage LLC and DMD Special Situations units of CapitalSource finance LLC (as agent) 4445 Willard Avenue 12th Floor Chevy Chase, MD 20815	61,111.11	61,111.11	12,494,444.49
Commercial Alloys 1831 Highland Road Twinsburg, OH 44087	0.00	0.00	0.00
Great American Leasing Corporation PO Box 609 Cedar Rapids, Iowa 52406-0609	1,161.21	0.00	15,883.58
	TOTAL PAYMENTS	269,444.44	16,468,661.54

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### In re Lexington Precision Corporation - Consolidated

Debtor

### **DEBTOR QUESTIONNAIRE**

Must be completed each month. If the answer to any of the questions is "Yes", provide a	Yes	No
detailed explanation of each item. Attach additional sheets if necessary.		
Have any assets been sold or transferred outside the normal course of business this reporting		X
period?		
Have any funds been disbursed from any account other than a debtor in possession account this		Х
reporting period?		
Is the Debtor delinquent in the timely filing of any post-petition tax returns?		X
Are workers compensation, general liability or other necessary insurance coverages expired or		х
cancelled, or has the debtor received notice of expiration or cancellation of such policies?		
Is the Debtor delinquent in paying any insurance premium payment?		X
Have any payments been made on pre-petition liabilities this reporting period?		X
Are any post petition receivables (accounts, notes or loans) due from related parties?		Х
Are any post petition payroll taxes past due?		X
Are any post petition State or Federal income taxes past due?		X
Are any post petition real estate taxes past due?		X
Are any other post petition taxes past due?		X
Have any pre-petition taxes been paid during this reporting period?		X
Are any amounts owed to post petition creditors delinquent?		X
Are any wage payments past due?		X
Have any post petition loans been received by the Debtor from any party?		X
Is the Debtor delinquent in paying any U.S. Trustee fees?		X
Is the Debtor delinquent with any court ordered payments to attorneys or other professionals?		Х
Have the owners or shareholders received any compensation outside of the normal course of	Yes	See footnote (1)
business?		

(1) Michael A, Lubin, Chairman of the Board, and William B. Conner, a Director of the Company, received DIP interest during January 2010 in the amounts of \$17,222.22 and \$12,916.67, respectively.