

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	§	Jointly Administered
KAISER ALUMINUM CORPORATION, a	§	Case No. 02-10429 (JKF)
Delaware corporation, <i>et al.</i> ,	§	
	§	
Debtors.	§	Chapter 11

MONTHLY OPERATING REPORT FOR THE PERIOD
JANUARY 1, 2003 TO JANUARY 31, 2003

KAISER ALUMINUM CORPORATION - CERTAIN DEBTORS (1)
MONTHLY OPERATING REPORT
For the Period January 1, 2003 to January 31, 2003

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Summary of Risk Management Insurance Policies	N/A

(1) This Monthly Operating Report ("MOR") excludes debtors Kaiser Center Properties ("KCP"), Kaiser Export Company ("KEC"), KAE Trading, Inc. ("KAE Trading"), Kaiser Bauxite Company ("KBC"), Kaiser Jamaica Corporation ("KJC"), Alpart Jamaica Inc. ("AJI"), Kaiser Aluminum & Chemical of Canada Limited ("KACOCL"), Kaiser Aluminum & Chemical Canada Investment Limited ("KACCIL"), and Texada Mines Ltd. ("Texada"), which filed for reorganization under Chapter 11 of the United States Bankruptcy Code on January 14, 2003. Under an agreement with the Office of the United States Trustee ("UST"), such debtors will be included starting with the February 2003 MOR.

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re: § Jointly Administered
KAISER ALUMINUM CORPORATION, et al. § Case No. 02-10429 (JKF)

Debtors. Chapter 11

MONTHLY OPERATING REPORT

Required Documents	Form No	Document Attached	Explanation Attached
Schedule of Consolidated Cash Receipts and Disbursements (1)	MOR-1	X	
Bank Reconciliation (or copies of debtor's bank reconciliations) (2)			
Copies of Bank Statements (2)			
Statements of Operations	MOR-2	X	
Balance Sheets	MOR-3	X	
Status of Post-petition Taxes			X
Copies of IRS Form 6123 or payment receipt			X
Copies of tax returns filed during reporting period			X
Summary of Unpaid Post-petition Debts			X
Liability Not Subject to Compromise - Accounts Payable Aging	MOR-4	X	
Trade Accounts Receivable Aging (3)	MOR-5	X	
Debtor Questionnaire	MOR-6		X

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.


Signature of Authorized Individual *

03/03/03
Date

Daniel D. Maddox
Printed Name of Authorized Individual

Vice President and Controller
Title of Authorized Individual

* Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager if debtor is a limited liability company.

- (1) The Debtors utilize a consolidated cash management system under which the receipts and disbursements of the individual Debtors are processed. The Debtors also maintain separate books and records that reflect the separate activities of each of the Debtors on an accrual basis in accordance with generally accepted accounting principles ("GAAP"). Identifying the specific cash receipts and disbursements by Debtor from the consolidated cash management system on a monthly basis would be a time consuming and excessive undertaking for the Debtors. However, Kaiser is able to provide reasonable allocation of such receipts and disbursements using the individual Debtor's GAAP books and records, together with the cash management and other information. Accordingly, the Debtors and the Office of the United States Trustee ("UST") have agreed that for purposes of computing quarterly fees payable to the UST, starting with November 2002 monthly operating report ("MOR"), the Debtors will provide an estimated allocation of the consolidated disbursements by individual Debtor. Further, the Debtors and the UST have agreed that beginning in 2003, the Debtors will true up the estimated cash disbursements by Debtor with the actual amounts every six months. Accordingly, the first such true up will occur in the June 2003 MOR.
- (2) Per agreement with the Office of the United States Trustee, bank statements and reconciliations are not being provided.
- (3) Per agreement with the Office of the United States Trustee, an accounts receivable reconciliation has not been provided. An accounts receivable aging on a consolidated basis has been provided.

KAISER ALUMINUM CORPORATION - CERTAIN DEBTORS (1)
 SCHEDULE OF CONSOLIDATED CASH RECEIPTS AND DISBURSEMENTS (UNAUDITED) (2)
 For the Period January 1, 2003 through January 31, 2003

(\$000's)

RECEIPTS

Trade Receivables	
KACC Receivables	\$ 63,592
KAIH Receivables	53,825
<i>Total Trade Receivables</i>	<u>117,417</u>
Asbestos Insurance Recoveries	7
KCI Rent Receipts	<u>2,199</u>
<i>Total Receipts</i>	119,623

DISBURSEMENTS

Inventory/Raw Materials	20,331
Capital Expenditures	794
Maintenance, Materials, etc.	4,440
Freight	3,590
Utilities/Energy	8,552
Hourly Payroll	7,027
Salaried Payroll	5,271
Hedging Disbursements	816
Medical - Current and Former Employees	8,043
Insurance	796
Workman's Compensation	677
Corporate General and Administrative	5,581
JV Fundings - Alumina	34,781
JV Fundings - Primary, Net of Minority Interest Reimbursements	21,155 (4)
Other Disbursements	<u>8,226</u>
<i>Total Operating and G & A Disbursements</i>	130,080

Reorganization Items	<u>991</u>
<i>Total Disbursements</i>	<u>131,071</u>
Net Cash Flow	<u>\$ (11,448) (4)</u>

Beginning Bank Cash Balances	\$ 75,354
Net Cash Flow	<u>(11,448)</u>
Ending Bank Cash Balances	63,906
Reconciling Items	<u>(1,280)</u>
Ending Book Cash Balances	<u>\$ 62,626 (3)</u>

Notes

(1) This MOR excludes debtors KCP, KEC, KAE Trading, KBC, KJC, AJI, KACCCL, KACCIL, and Texada, which filed for reorganization under Chapter 11 of the United States Bankruptcy Code on January 14, 2003. Under an agreement with the UST, such debtors will be included starting with the February 2003 MOR.

(2) For an estimated allocation of cash disbursements by debtor for the purpose of calculating the United States Trustee quarterly fees, see MOR-1 (CONT).

(3) As of January 31, 2003, the Debtors' consolidated liquidity was approximately \$203.8 million, consisting of cash (per balance sheet) of \$62.6 million and availability under the Debtor in Possession credit facility of \$141.2 million.

(4) JV Fundings - Primary, Net of Minority Interest Reimbursements are higher than normal in January 2003 as (a) KACC provided approximately \$6 million to Valco in January 2003 to fund end of service benefit requirements associated with Valco's curtailment of two potlines in January; and (b) KACC did not receive approximately \$5 million of minority interest reimbursements until February 3, 2003, rather than in January 2003.

KAISER ALUMINUM CORPORATION - CERTAIN DEBTORS (1)
 ALLOCATION OF ESTIMATED CASH DISBURSEMENTS (2)
 For the Period January 1, 2003 through January 31, 2003

(\$000's)

KAC	\$	5
KACC		130,636
KAIH		47,115
KAAC		10,951
KATSI		6,158
BELLWOOD		3,937
KFC		-
KSM		-
KMH		-
KTMH		-
KTSMH		-
OFDCI		-
KACII		-
AKRON		-
KAPI		-
KCI		435
ALWIS		<u>1,375</u>
		200,612

Less:

Elimination of inter-debtor payments and funding	<u>(69,541)</u>
Total Disbursements per Schedule of Consolidated Cash Receipts and Disbursements	<u>\$ 131,071</u>

Notes

(1) This MOR excludes debtors KCP, KEC, KAE Trading, KBC, KJC, AJI, KACOCL, KACCIL, and Texada, which filed for reorganization under Chapter 11 of the United States Bankruptcy Code on January 14, 2003. Under an agreement with the UST, such debtors will be included starting with the February 2003 MOR.

(2) The Debtors utilize a consolidated cash management system under which the receipts and disbursements of the individual Debtors are processed. The Debtors also maintain separate books and records that reflect the separate activities of each of the Debtors on an accrual basis in accordance with generally accepted accounting principles ("GAAP"). Identifying the specific cash receipts and disbursements by Debtor from the consolidated cash management system on a monthly basis would be a time consuming and excessive undertaking for the Debtors. However, Kaiser is able to provide reasonable allocation of such receipts and disbursements using the individual Debtor's GAAP books and records, together with the cash management and other information. Accordingly, the Debtors and the Office of the United States Trustee ("UST") have agreed that for purposes of computing quarterly fees payable to the UST, starting with November 2002 monthly operating report ("MOR"), the Debtors will provide an estimated allocation of the consolidated disbursements by individual Debtor. Further, the Debtors and the UST have agreed that beginning in 2003, the Debtors will true up the estimated cash disbursements by Debtor with the actual amounts every six months. Accordingly, the first such true up will occur in the June 2003 MOR.

KAISER ALUMINUM CORPORATION - CERTAIN DEBTORS (1)
STATEMENTS OF OPERATIONS (UNAUDITED) (2)
 For the Period January 1, 2003 through January 31, 2003

	TOTAL DEBTORS	ELIMS	KAC	KACC	KAI	KAAC	KATSI	BELLWOOD	KFC	KSM	KMH	KTMH	KTSMH	OFDCI	KACCI	KACI	KAPI	KCI	ALWIS
Net sales	\$ 101,744	\$ (22,713)	\$ -	\$ 73,634	\$ 35,016	\$ 9,648	\$ -	\$ 6,159	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Costs and expenses:																			
Cost of products sold	102,532	(23,069)	-	75,983	36,160	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	3,963	(34)	-	3,809	-	-	-	-	-	-	-	-	-	-	-	-	-	-	47
Selling, administrative, research and development and general	6,944	(3)	3	6,080	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-recurring operating items	1,306	-	-	1,306	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total costs and expenses	114,745	(23,106)	3	87,178	36,163	7,666	-	6,794	-	-	-	-	-	-	-	-	-	-	47
Operating income (loss)	(13,001)	393	(3)	(13,544)	(1,147)	1,982	-	(635)	-	-	-	-	-	-	-	-	-	-	(47)
Other income (expense):																			
Interest expense, net	(746)	23	-	(769)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reorganization items (3)	(3,231)	-	-	(3,231)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other -- net (4)	(23)	34,490	(21,963)	(3,888)	133	(8,805)	-	1	-	-	-	-	-	-	-	-	-	-	9
Income (loss) before income taxes and minority interests	(17,001)	34,906	(21,966)	(21,432)	(1,014)	(6,823)	-	(634)	-	-	-	-	-	-	-	-	-	-	(38)
(Provision) benefit for income taxes	(640)	402	(402)	(135)	-	(505)	-	-	-	-	-	-	-	-	-	-	-	-	-
Minority interests	-	(798)	798	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity in income (loss) of subsidiaries	(3,929)	(3,899)	-	-	(30)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income (loss)	\$ (21,570)	\$ 30,611	\$ (21,570)	\$ (21,567)	\$ (1,044)	\$ (7,328)	\$ -	\$ (634)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (38)

Debtor	Case #	Date Filed	Abbreviation
Kaiser Aluminum Corporation	02-10629 (JRF)	2/12/02	KAC
Kaiser Aluminum & Chemical Corporation	02-10630 (JRF)	2/12/02	KACC
Kaiser Aluminum International, Inc.	02-10434 (JRF)	2/12/02	KAI
Kaiser Alumina Australia Corporation	02-10432 (JRF)	2/12/02	KAAC
Kaiser Aluminum Technical Services, Inc	02-10436 (JRF)	2/12/02	KATSI
Kaiser Bellwood Corporation	02-10437 (JRF)	2/12/02	Bellwood
Kaiser Finance Corporation	02-10438 (JRF)	2/12/02	KFC
Kaiser Sierra Micromills, LLC	02-10441 (JRF)	2/12/02	KSM
Kaiser Micromill Holdings, LLC	02-10439 (JRF)	2/12/02	KMH
Kaiser Texas Micromill Holdings, LLC	02-10440 (JRF)	2/12/02	KTMH
Kaiser Texas Sierra Micromills, LLC	02-10442 (JRF)	2/12/02	KTSMH
Onward Forge Die Company, Inc.	02-10443 (JRF)	2/12/02	OFDCI
Kaiser Aluminum & Chemical Investment, Inc	02-10433 (JRF)	2/12/02	KACCI
Akron Holding Corporation	02-10431 (JRF)	2/12/02	Akron
Kaiser Aluminum Properties, Inc.	02-10435 (JRF)	2/12/02	KAPI
Kaiser Center, Inc.	02-10819 (JRF)	3/15/02	KCI
Alwis Leasing, LLC	02-10818 (JRF)	3/15/02	Alwis

Notes

- (1) This MOR excludes debtors KCP, KEC, KAE Trading, KBC, KIC, AJI, KACOCL, KACCIL, and Texada, which filed for reorganization under Chapter 11 of the United States Bankruptcy Code on January 14, 2003. Under an agreement with the UST, such debtors will be included starting with the February 2003 MOR.
- (2) The amounts contained in the January 2003 Monthly Operating Report ("MOR") have been prepared from the Debtor's books and records as of the date of filing of the MOR. Because the Debtors have not yet determined the final amount of year-end adjustments and the year-end audits of the consolidated financial statements of Kaiser Aluminum Corporation and its debtor affiliates have not been completed, it is possible that the amounts contained in this MOR may be subject to change and any such changes could be significant.
- (3) Reorganization items consist primarily of accrued professional fees.
- (4) Detail Attached - See MOR-2 (CONT).

KAISER ALUMINUM CORPORATION - CERTAIN DEBTORS (1)
OTHER - NET (2)

For the Period January 1, 2003 through January 31, 2003

(\$000's)	TOTAL DEBTORS	Elims	KAC	KACC	KAH	KAAC	Bellwood	KFC	KCI
Intercompany items, primarily interest income (expense)	\$ 103	\$ 34,804	\$ (21,963)	\$ (3,934)	\$ -	\$ (8,805)	\$ -	\$ -	\$ -
Other items	(126)	(314)	-	43	133	-	1	-	9
	\$ (23)	\$ 34,490	\$ (21,963)	\$ (3,884)	\$ 133	\$ (8,805)	\$ 1	\$ -	\$ 9

Notes

- (1) This MOR excludes debtors KCP, KEC, KAE Trading, KBC, KJC, AJI, KACOCL, KACCIL, and Texada, which filed for reorganization under Chapter 11 of the United States Bankruptcy Code on January 14, 2003. Under an agreement with the UST, such debtors will be included starting with the February 2003 MOR.
- (2) The amounts contained in the January 2003 Monthly Operating Report ("MOR") have been prepared from the Debtor's books and records as of the date of filing of the MOR. Because the Debtors have not yet determined the final amount of year-end adjustments and the year-end audits of the consolidated financial statements of Kaiser Aluminum Corporation and its debtor affiliates have not been completed, it is possible that the amounts contained in this MOR may be subject to change and any such changes could be significant.

MOR-2 (CONT)

KAISER ALUMINUM CORPORATION - CERTAIN DEBTORS (1)
SCHEDULE OF DEBTORS' CONSOLIDATED INTERCOMPANY (PAYABLES TO) / RECEIVABLES FROM NON-DEBTORS,
As of January 31, 2003

Kaiser Bauxite Company	\$ (845,579) *
Kaiser Jamaica Corporation	34,386 *
Alpart Jamaica Incorporated	211 *
Kaiser Center Properties	(4,819) *
Trochus Insurance Co., Ltd.	(12,480)
Kaiser Aluminum & Chemical of Canada Limited	(9,327) *
Northwest De-ox Products	1,956
KAE Trading Incorporated	(28,497) *
Kaiser Aluminum & Chemical Canada Investment L1	489 *
Kaiser Aluminum Overseas Incorporated	1
Texada Mines Ltd.	(1,936) *
Kaiser Australia Pty Ltd.	(4)
Kaiser Aluminum Russia, Incorporated	1,302
Kaiser Aluminum Mill Products	3,133
Hendy International	(1,421)
Kaiser Aluminum Extrusions International Inc	(446)
Kaiser Metals Limitada	193
Kaiser Export Company	(21,828) *
Kaiser Chandler LLC	(1)
Kaiser Aluminum China Inc.	398
Kaiser Alumínio Limitada	239
Kaiser Alumínio Do Brasil Ltda	(4)
Kaiser Aluminum Panama S.A.	(10)
Refractories Engineering & Supplies, Ltd.	(571)
Sequoia Corporation	122
Volta Aluminum Company, Ltd.	(120,692)
Alumina Partners of Jamaica	34,860
Alpart Farms (Jamaica), Ltd.	(42)
	<u>\$ (975,367)</u>

Notes

(1) This MOR excludes debtors KCP, KEC, KAE Trading, KBC, KJC, KJL, KACOCL, KACCIL, and Texada, which filed for reorganization under Chapter 11 of the United States Bankruptcy Code on January 14, 2003. Under an agreement with the UST, such debtors will be included starting with the February 2003 MOR.

* Filed for Chapter 11 on January 14, 2003.

KAISER ALUMINUM CORPORATION - CERTAIN DEBTORS (1)
 LIABILITIES SUBJECT TO COMPROMISE (2)
 As of January 31, 2003

	ELJMS	KAC	KAC	KAC	KAAC	KATSI	BELLWOOD	KCI
TOTAL DEBTORS								
\$	48,779	3	46,471	-	-	-	1,836	469
Pre-petition accounts payable	44,010	-	44,010	-	-	-	-	-
Accrued interest	20,229	-	18,789	-	146	-	836	458
Other accrued liabilities	425,302	-	417,581	-	3,156	-	3,408	1,157
Accrued pension liabilities	670,389	-	658,285	-	1,358	-	7,650	3,096
Accrued postretirement medical obligation	21,643	-	21,643	-	-	-	-	-
Environmental accruals	610,421	-	610,421	-	-	-	-	-
Accrued asbestos liability	56,937	-	56,766	117	54	-	-	-
Other long-term liabilities	830,180	2,191,687	830,180	-	-	-	-	-
Debt								
\$	2,727,890	2,191,690	2,704,146	117	4,714	13,730	5,180	

Notes

- (1) This MOR excludes debtors KCP, KEC, KAE Trading, KBC, KJC, AJI, KACOCCL, KACCIL, and Texada, which filed for reorganization under Chapter 11 of the United States Bankruptcy Code on January 14, 2003. Under an agreement with the UST, such debtors will be included starting with the February 2003 MOR.
- (2) The classification of liabilities "subject to compromise" versus those "not subject to compromise" is based on currently available information and analysis. As the Cases proceed and additional information and analysis is completed or, as the Court rules on relevant matters, the classification of amounts between these two categories may change. The amount of any such changes could be significant.

KAISER ALUMINUM CORPORATION - CERTAIN DEBTORS (1)
 LIABILITY NOT SUBJECT TO COMPROMISE - ACCOUNTS PAYABLE AGING
 As of January 31, 2003

(S000's)

	0 - 30	31 - 60	61 - 90	91 - 120	OVER 120
TOTAL	DAYS	DAYS	DAYS	DAYS	DAYS
\$54,577 (2)	\$45,396	\$1,871	\$9	\$1,871	\$5,430

Notes

(1) This MOR excludes debtors KCP, KEC, KAE Trading, KBC, KJC, AJI, KACOCCL, KACCIL, and Texada, which filed for reorganization under Chapter 11 of the United States Bankruptcy Code on January 14, 2003. Under an agreement with the UST, such debtors will be included starting with the February 2003 MOR.

(2) Includes priority pre-petition Property and Sales & Use taxes not subject to compromise, of \$9,276 (\$610 in 0 - 30 days, \$1,771 in 31 - 60 days, \$1,802 in 91 - 120 days and \$5,093 over 120 days).

KAISER ALUMINUM CORPORATION - CERTAIN DEBTORS (I)
 TRADE ACCOUNTS RECEIVABLE AGING
 As of January 31, 2003

(\$000's)

TOTAL	CURRENT	ALLOWANCE FOR DOUBTFUL ACCOUNTS				
		1 - 30 PAST DUE	31 - 60 PAST DUE	61 - 90 PAST DUE	91 - 120 PAST DUE	OVER 120 PAST DUE
\$99,706	\$90,040	\$8,850	\$579	(\$81)	\$196	\$11,208

Note

(1) This MOR excludes debtors KCP, KEC, KAE Trading, KBC, KJC, AJI, KACOCL, KACCIL, and Texada, which filed for reorganization under Chapter 11 of the United States Bankruptcy Code on January 14, 2003. Under an agreement with the UST, such debtors will be included starting with the February 2003 MOR.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	§	Jointly Administered
KAISER ALUMINUM CORPORATION,	§	Case No. 02-10429 (JKF)
Delaware corporation, <i>et al.</i> ,	§	
	§	
Debtors.	§	Chapter 11

FIDAVIT OF DANIEL D. MADDOX IN SUPPORT
MONTHLY OPERATING REPORT FOR THE PERIOD
JANUARY 1, 2003 TO JANUARY 31, 2003

STATE OF TEXAS)
)
COUNTY OF HARRIS)

Daniel D. Maddox, being duly sworn, deposes and states:

1. I am Vice President and Controller of Kaiser Aluminum Corporation ("~~Kaiser~~"), a Delaware corporation and ~~one of the debtors and debtors in possession in~~ the above-captioned chapter 11 cases (collectively, the "Debtors"). Kaiser is the direct or indirect parent of each of the other Debtors. I am familiar with the Debtors' day-to-day operations and business affairs, including their financial reporting activities, compliance with tax reporting obligations, cash management activities and maintenance of insurance. I am authorized to submit this Affidavit on behalf of the Debtors and in support of the Debtors' monthly operating report for the period January 1, 2003 through January 31, 2003 to the Office of the United States Trustee for the Eastern District of Pennsylvania and the District of Delaware (the "Office of the U.S. Trustee").

2. Except as otherwise indicated, all statements in this Affidavit are based on my personal knowledge, my review of relevant documents or my opinion based upon my experience and knowledge of the Debtors' operations and financial condition.

3. On February 12, 2002 (the "Petition Date"), fifteen of the Debtors commenced their respective reorganization cases by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code, 11 U.S.C. §§101-1330 (the "Bankruptcy Code"), in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). On March 15, 2002, two additional debtors commenced their voluntary chapter 11 cases. On January 14, 2003, the remaining debtors commenced their respective reorganization cases by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors' chapter 11 cases have been consolidated for procedural purposes only and are being administered jointly.

The Monthly Operating Report Requirements

4. Under the Operating Guidelines and Reporting Requirements for Chapter 11 Cases issued by the Office of the U.S. Trustee (the "Operating Guidelines"), a chapter 11 debtor is required to provide monthly operating reports to the Office of the U.S. Trustee, the Bankruptcy Court and any official committee appointed in the debtor's chapter 11 case. These monthly operating reports include, among other things, certain financial reports as well as (a) a schedule detailing the status of postpetition taxes, including copies of tax returns and proof of payment, (b) a schedule summarizing all unpaid postpetition debts, and (c) a questionnaire relating to maintenance of insurance, filing of postpetition tax returns and the sale of assets outside the ordinary course of business. In accordance with an agreement with the Office of the U.S. Trustee, this Affidavit is being submitted in lieu of the postpetition tax schedule (and related documents), the unpaid postpetition debt schedule and the questionnaire that otherwise would be required.

Tax Reporting Compliance

5. Because the Debtors have employees and conduct business in many locations throughout the United States, the Debtors are required to file state payroll tax returns, state income tax returns and state sales tax returns in numerous states. Kaiser or its designee completes and files state and federal payroll tax returns on behalf of all the Debtors.

6. To the best of my knowledge and belief, each of the Debtors has timely paid all state income, sales, use and other taxes that have become due and owing for the period after the Petition Date. Moreover, to the best of my knowledge and belief, Kaiser has timely submitted all of the Debtors' state and federal payroll tax returns that have become due since the Petition Date and has timely paid or remitted all taxes identified in those returns. Kaiser also timely filed its 2001 consolidated Federal income tax return on September 13, 2002. The 2002 consolidated Federal income tax return is not yet due.

Maintenance of Insurance

7. Under the Operating Guidelines, a chapter 11 debtor is "required to maintain the following insurance coverage, as appropriate: general comprehensive liability, property loss from fire, theft, water or other extended coverage, workers' compensation, vehicle, products liability, fidelity bonds for employees, and such other coverage as is customary in the debtor's business." Operating Guidelines at ¶ 3. As part of its monthly operating reports, a debtor is required to indicate whether all necessary insurance coverages are in effect, whether all premiums are current, and provide an explanation if any coverages are no longer in effect. See Operating Guidelines Form MOR-5.

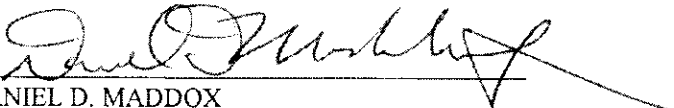
8. The Debtors have the same or similar coverage as described in the Operating Guidelines, including coverage that is customary in the Debtors' industry. A schedule of the Debtors' current insurance programs is attached to the Monthly Operating Report and incorporated herein by reference (the "Insurance Schedule"). The Insurance Schedule indicates the types of coverage and the respective deductibles, premiums and policy periods. To the best of my knowledge and belief, all of the insurance coverage maintained by the Debtors, as itemized in the Insurance Schedule, is in full force and effect and all required premium payments have been timely paid.

Financial Reporting and Payment of Postpetition Obligations


9. Other than with respect to ordinary grace periods and disputed items, the Debtors are current on all of their postpetition obligations.

10. The Debtors have not engaged in any intercompany activity outside of the ordinary course of business other than as authorized by the Bankruptcy Court. In addition, the Debtors have sold no assets outside of the ordinary course of business other than pursuant to an order of the Bankruptcy Court.





DANIEL D. MADDOX
VICE PRESIDENT AND CONTROLLER
KAISER ALUMINUM CORPORATION

SWORN TO BEFORE ME and subscribed in my presence this 3rd day of March, 2003.
21 July 03
My Commission Expires: _____


Notary Public

KAISER ALUMINUM CORPORATION - CERTAIN DEBTORS (1)
RISK MANAGEMENT INSURANCE POLICIES (2)

As of January 31, 2003

POLICY TYPE	POLICY NO.	POLICY PERIOD	INSURER	LIMITS	DEDUCTIBLE/SR	PREMIUM
Pollution Liability	PEC060760201	03/31/01 - 03/31/04	Greenwich Insurance Co.	\$MM ea. Loss/\$MM Total Loss w/Barrowood, Wv	\$100,000 ea. Loss	\$ 47,336
Pollution Liability	5579598	09/29/00 - 09/29/07	Leavington Insurance Co	\$0MM per Claim/Aggregate	\$25,000 ea. Loss	\$ 130,111
Pollution Liability	6191937	08/09/02 - 08/09/03	American Int'l Specialty Ins	\$MM each incident/\$MM section agg	\$50,000 ea. Loss	\$ 45,641
Pollution Liability - USI	ST 8088126	08/09/02 - 08/09/03	Commerce & Industry Ins.	\$0MM Policy agg limit	\$25,000 ea. Loss	\$ 6,918
Marine Package	ARS-2306	04/01/99 - 04/01/03	American International Marine Agency, Inc.	\$ Million each Occurrence \$35,000 Hull & Machinery - Section III (A) \$0 Million ea. Conveyance - Section IV \$ Million ea. Barge/Sea Tow	\$100,000 ea. Occ	\$ Annual Premium 145,350
Excess Marine Liability	ARS-3468	10/14/02 - 10/14/03	American International Marine Agency of NY	\$4 Million CSL excess \$1 Million Sections I, II of Marine Package	None	\$ 18,105 Annual Premium 48,125
Excess Marine Liability	ARS-3467	11/02/02 - 11/02/03	Mutual Marine Office, Inc.	\$20 Million excess \$30 Million	None	\$ 394,876
Aviation Products Liab.	ABAG04251	03/01/02 - 03/01/03	Certain Insurance Companies	\$50 Million Aggregate (on Limit at Grounding)	None	\$ 20,384,923
Global Property	6506702 and Various	06/01/02 - 06/01/03	Troilus Ins. Co., Ltd. and Various	\$500 MM ea. Occurrence Property Damage / Time Element and in the annual aggregate separately for flood and earthquake subject to \$150 MM ea. Occ./Annual Aggregate CA EQ Subject to sublimits in policy form	\$5M per acc except 5% of total value for CA EQ Named Windstorm and EQ in Jamaica \$10M	\$ 20,384,923
D&O Liability - Runtoff	Various	07/01/02 - 07/01/08	Various	\$25 Million Term Aggregate	\$5MM (Corp. Retrib.) \$0 Non-Indemnifiable/ \$5M Indemnifiable	\$ 1,712,513 \$ 600,850
D&O Liability	Various	07/01/02 - 07/01/03	Various	\$25 Million Aggregate (inclusive of Defense Cost)	\$1 Million (Matching Ded.)	\$ 26,687
General Liability	MWZY 55583	10/14/02 - 10/14/03	Old Republic Ins. Co.	\$MM Prod./Compl. Ops \$1MM ea. Occ	\$1 Million (Matching Ded.)	\$ 26,517
Auto Liability	MWTE 18462	10/14/02 - 10/14/03	Old Republic Ins. Co.	1 Million CSL	\$1 Million (Matching Ded.)	\$ 26,687
WC/EEL	OMWC1083480	10/14/02 - 10/14/03	Old Republic Ins. Co.	\$MM/\$MM/\$1MM Policy Limit (incl. Florida)	\$1 Million	\$ 428,050
Excess WC/EEL	MWXS 618	10/14/02 - 10/14/03	Old Republic Ins. Co.	Statutory WC/\$4 Million EL	\$1MM	\$ 177,026
Excess Liability	Various	10/14/02 - 10/14/03	Various	\$00 Million per Occurrence/Aggregate	\$100,000	\$ 1,937,565
Corporate Fidelity Liab	476-82-20	12/01/02 - 12/01/03	National Union Fire Insurance Co. of Pittsburgh, PA	\$20 Million Term Aggregate	\$100,000	\$ 175,000
Non-owned Aircraft Liab	PXLN3690723	7/9/03 - 10/14/03	XL Specialty Insurance Co.	\$10 Million ea. Occurrence single limit B/P/D	None	\$ 8,744
Commercial Crime	CRP 268-75-01	12/31/02-12/31/03	Great American Ins. Co.	\$15 Million per Occurrence	\$100,000 per Occ.	\$ 88,971
TOTAL ALL LINES						\$ 26,423,328

Notes:

- This MOA excludes debtors KCP, KEC, KAE Trading, KBC, KIC, AJC, KACCEL, KACCEL, and Texada, which filed for reorganization under Chapter 11 of the United States Bankruptcy Code on January 14, 2003. Under an agreement with the USF, such debtors will be included starting with the February 2003 MOA.
- Premiums for Alpert, KBC and Valco are not included in the total, however, all three companies are covered in several of the above policies.



This Schedule of Insurance Coverage is furnished to you as a matter of information only. The insurance afforded by the described policies is subject to all the terms, exclusions and conditions of such policies.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

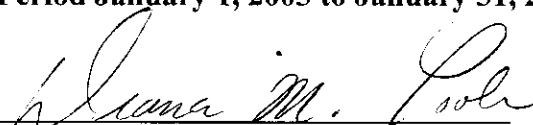
In re) Jointly Administered
)
KAISER ALUMINUM CORPORATION,) Case No. 02-10429 (JFK)
a Delaware corporation, et al.,)
) Chapter 11
Debtors.)

AFFIDAVIT OF SERVICE

STATE OF DELAWARE :
: SS.
NEW CASTLE COUNTY :

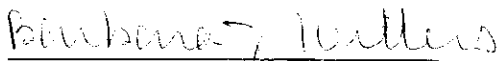
Diana M. Poole, being duly sworn according to law, deposes and says that she is a paralegal employed by the law firm of Richards, Layton & Finger, P.A., and that on the 3rd day of March, 2003 she caused copies of the following to be served upon the parties referenced as the core group, the All Notices list as applicable pursuant to the Order Establishing Case Management Procedures and Hearing Schedule [Docket No. 455], and any list so attached referencing special parties as indicated:

- **Monthly Operating Report for the Period January 1, 2003 to January 31, 2003**



Diana M. Poole, Paralegal
RICHARDS, LAYTON & FINGER, P.A.
One Rodney Square
P.O. Box 551
Wilmington, DE 19899
(302) 651-7700

SWORN TO AND SUBSCRIBED before me this 3rd day of March, 2003.


Notary Public

RLF1-2454163-7 NOTARIAL SEAL
BARBARA J. WITTERS, NOTARY PUBLIC
STATE OF DELAWARE
Date of Appointment: 3-13-01
My Commission Expires: March 13, 2003