

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
EXIDE TECHNOLOGIES, et al.,¹)
Debtors.) Case No. 02-11125 (KJC)
) (Jointly Administered)
)
Objection Deadline: September 18, 2003 at 4:00 p.m. (EST)
Hearing Date: September 23, 2003 9:30 a.m. (EST)

**MOTION OF EXIDE TECHNOLOGIES TO CREATE
NEW SUBSIDIARIES AND TRANSFER CERTAIN ASSETS**

Exide Technologies (“Exide” or “Debtor”), as debtor and debtor in possession in the above-captioned jointly administered bankruptcy cases, hereby moves this Court (the “Motion”) for entry of an order authorizing it to take certain actions, including the creation of certain new subsidiaries and transfer certain assets; and in support of this Motion, the Debtor respectfully represents as follows:

Introduction

1. This Court has jurisdiction over this Motion under 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. §§ 157(b)(2)(A), (M) and (O).
2. Venue of these cases and this Motion is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409.

¹ The Debtors in these proceedings are: Exide Technologies f/k/a Exide Corporation; Exide Delaware, L.L.C.; Exide Illinois, Inc.; RBD Liquidation, L.L.C.; Dixie Metals Company; and Refined Metals Corporation.

Background

3. On April 15, 2002 (the "Petition Date"), Exide Technologies, f/k/a Exide Corporation, Exide Delaware, L.L.C., Exide Illinois and RBD Liquidation, L.L.C. (the "Original Debtors") filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code (the "Chapter 11 Cases"). On November 21, 2002, Dixie Metals Company and Refined Metals Corporation (the "Additional Debtors") also filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. An order consolidating the cases for the Original Debtors and the Additional Debtors (collectively, the "Chapter 11 Cases") was entered by the Court on November 29, 2002. The Debtors continue in possession of their properties and are operating and managing their businesses as debtors and debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

4. Pursuant to and in furtherance of its proposed Joint Plan of Reorganization under Chapter 11 of the Bankruptcy Code, dated August 24, 2003, as amended (the "Plan"), Exide intends to take several steps to re-configure its corporate structure in order to streamline its organization structure, make its structure more tax efficient, and to facilitate the financing and ownership of certain of its foreign subsidiaries. Certain of these steps are required to occur prior to confirmation of the Plan. Exide has requested and obtained similar relief earlier in the Chapter 11 Cases; on August 21, 2002, the Court entered an order authorizing Exide to create a new subsidiary to facilitate the financing of certain foreign subsidiaries (docket number 692).

Request for Relief

5. Exide seeks the authority to take several steps prior to the confirmation of the Plan in order to effectuate the corporate reorganization contemplated by the Plan. First, Exide

seeks to create a new wholly-owned domestic subsidiary, and to then form a new Dutch company (“Exide CV”) that will be owned partially by Exide and partially by the new wholly-owned domestic subsidiary. Exide then seeks to transfer the shares of two existing foreign subsidiaries, Exide Holding Asia PTE Limited (“Exide Holding Asia”) and Exide Holding Europe, S.A. (“Exide Holding Europe”), along with a participating note previously issued by Exide Holding Europe that is treated as stock for U.S. federal income tax purposes (the “Note”), to Exide CV. The next step will be for Exide CV to form another new Dutch company (“Exide BV”) and transfer its newly-acquired shares of Exide Holding Asia, a portion of its newly acquired shares of Exide Holding Europe, and the Note to Exide BV in exchange for equity. Finally, Exide Holding Europe will be converted from a French S.A. to a French S.A.R.L.

6. While Exide believes that the actions proposed herein may constitute actions within the ordinary course of business for a corporation of its size and scope, in an abundance of caution, Exide seeks the authority requested herein.

7. Exide submits that the actions proposed herein will in no way negatively impact its estate. First, Exide proposes the creation of a new wholly-owned subsidiary and a new majority-owned subsidiary for which Exide will be the ultimate parent company. Second, Exide proposes to transfer the shares of two of its existing foreign subsidiaries to its new majority-owned subsidiary. Since Exide will be the ultimate parent company of the entity to which the shares will be transferred, there will be no loss of assets or value from Exide’s estate. In other words, from an economic perspective, there is no impact on creditors or their potential recoveries.

8. Exide further submits that the actions proposed herein will have a positive economic impact on its estate and will further its goal of a successful chapter 11 reorganization. In its business judgment, Exide believes that the actions described herein will create a more efficient structure for financing and owning certain of its European subsidiaries.

9. Indeed, the benefits of these transactions are such that Exide would implement them even if confirmation of its Plan were delayed, or if the Plan was substantially modified. As such, the potential contested nature of the Plan is not a factor with respect to the relief sought herein.

Notice

10. Notice of this Motion has been given to (a) the Office of the United States Trustee, (b) counsel for the prepetition agent to the prepetition secured lenders, (c) counsel for the postpetition lenders, (d) counsel for the Committee, (e) counsel to the Equity Committee, and (f) those persons who have requested notice pursuant to Federal Rule of Bankruptcy Procedure 2002. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

[remainder of page intentionally left blank]

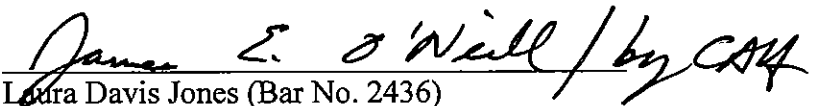
WHEREFORE, the Debtors respectfully request that the Court enter an order denying the Motion and granting the Debtors such other and further relief as is proper and just.

Dated: September 12, 2003

KIRKLAND & ELLIS LLP
Matthew N. Kleiman
Erik W. Chalut
200 East Randolph Drive
Chicago, IL 60601
Telephone: (312) 861-2000
Facsimile: (312) 861-2200

And

PACHULSKI, STANG, ZIEHL, YOUNG, JONES
& WEINTRAUB P.C.



Laura Davis Jones (Bar No. 2436)
James E. O'Neill (Bar No. 4042)
Christopher J. Lhulier (Bar No. 3850)
Kathleen Marshall DePhillips (Bar No. 4173)
919 North Market Street, 16th Floor
P.O. Box 8705
Wilmington, DE 19899-8705 (Courier 19801)
Telephone: (302) 652-4100
Facsimile: (302) 652-4400

Co-Counsel for the Debtors and Debtors in
Possession