

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):
October 22, 2004

United States Steel Corporation

(Exact name of registrant as specified in its charter)

Delaware	1-16811	25-1897152
----- (State or other jurisdiction of incorporation)	----- (Commission File Number)	----- (IRS Employer Identification No.)
600 Grant Street, Pittsburgh, PA		15219-2800
----- (Address of principal executive offices)		----- (Zip Code)
	(412) 433-1121	
	----- (Registrant's telephone number, including area code)	

Check the appropriate box below if the Form 8-K filing is intended to
simultaneously satisfy the filing obligation of the registrant under any of the
following provisions:

- Written communications pursuant to Rule 425 under the Securities Act
(17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act
(17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange
Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange
Act (17 CFR 240.13a-4(c))

Item 1.01. Entry into a Material Definitive Agreement

On October 22, 2004, United States Steel Corporation completed the amendment and restatement of its \$600 million revolving credit facility, secured by all domestic inventory and related assets, including receivables other than those sold under its receivables sales program. The principal changes in the amended and restated agreement are: 1) the maturity was extended until October 2009; 2) the advance rates on semi-finished and raw materials were increased; 3) pricing for both borrowings and undrawn commitments was reduced; 4) certain of the required reserves were reduced; and 5) many of the restrictive covenants apply now only when average availability under the facility is less than \$100 million. Borrowings on the facility will be used for working capital and general corporate purposes.

Item 2.02. Results of Operations and Financial Condition

On October 26, 2004, United States Steel Corporation issued a press release titled "United States Steel Corporation Reports 2004 Third Quarter Results." The full text of the press release, together with related unaudited financial information and statistics, is furnished herewith as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits

99.1 Press Release dated October 26, 2004, titled "United States Steel Corporation Reports 2004 Third Quarter Results," together with related unaudited financial information and

statistics.

SIGNATURE

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

UNITED STATES STEEL CORPORATION

By /s/ Larry G. Schultz

Larry G. Schultz

Vice President & Controller

Dated: October 26, 2004

United States Steel Corporation Reports 2004 Third Quarter Results

PITTSBURGH, Oct. 26 /PRNewswire-FirstCall/ --

Earnings Highlights
(dollars in millions except per share data)

	3Q 2004	2Q 2004	3Q 2003
Revenues and other income	\$3,729	\$3,466	\$2,508
Segment income (loss) from operations			
Flat-rolled Products	\$362	\$335	\$(21)
U. S. Steel Europe	146	76	35
Tubular Products	55	25	(10)
Real Estate	5	3	11
Straightline			(16)
Other Businesses	2	15	(8)
Total segment income (loss) from operations	\$570	\$454	\$(9)
Retiree benefit expenses	(72)	(65)	(19)
Other items not allocated to segments	(4)	(1)	(666)
Income (loss) from operations	\$494	\$388	\$(694)
Net income (loss)	\$354	\$211	\$(354)
- Per basic share	\$3.08	\$1.82	\$(3.47)
- Per diluted share	\$2.72	\$1.62	\$(3.47)

United States Steel Corporation (NYSE: X) reported record net income for third quarter 2004 of \$354 million, or \$2.72 per diluted share, compared to net income of \$211 million, or \$1.62 per diluted share in 2004's second quarter, and a net loss of \$354 million, or \$3.47 per diluted share (after preferred stock dividends), in the third quarter of 2003. Diluted earnings per share for both 2004 quarters reflect the assumed conversion of the company's convertible preferred shares into approximately 16 million common shares.

Income from operations in the third quarter of 2004 was \$494 million, \$106 million higher than in the second quarter of 2004, and dramatically improved from the large loss in the third quarter of 2003, which included workforce reduction charges of \$618 million.

Commenting on the quarter's results, U. S. Steel President and CEO John P. Surma said, "These excellent results reflect robust steel markets and continuing benefits from ongoing cost reduction efforts."

Net income in third quarter 2004 included a \$24 million net favorable effect related to the settlements of prior years' income tax audits. This amount consisted of a favorable interest adjustment of \$31 million, net of additional tax expense of \$7 million. These settlements and other items not allocated to segments increased net income by \$21 million, or 16 cents per diluted share. Net interest and other financial costs in second quarter 2004 included a \$33 million charge resulting from the early redemption of senior debt. This charge and a small other item not allocated to segments reduced second quarter 2004 net income by \$22 million, or 17 cents per diluted share. Other items not allocated to segments decreased net income by \$433 million, or \$4.19 per diluted share in third quarter 2003.

Reportable Segments and Other Businesses

Management uses segment income from operations to evaluate company performance because it believes this to be a key measure of ongoing operating results. U. S. Steel's reportable segments and Other Businesses generated segment income from operations of \$570 million, or \$108 per ton, in the third quarter of 2004, compared with \$454 million, or \$82 per ton, in the second quarter of 2004 and a loss of \$9 million, or \$2 per ton, in the third quarter of 2003.

Results for Flat-rolled, Tubular and European operations in the third quarter of 2004 continued to benefit from improving prices and expanding margins. Compared to 2004's second quarter, domestic results reflected higher raw materials costs, principally for scrap; higher costs for profit-based payments under the labor agreement with the United Steelworkers of America; and higher costs for repair outages, as blast furnace repairs at Gary Works and Granite City Works were both completed during the third quarter.

Cash and Liquidity

U. S. Steel contributed \$70 million to its main defined benefit pension plan during the third quarter, and ended the quarter with over \$1 billion in cash and cash equivalents and about \$2 billion of total liquidity.

Outlook

Looking ahead to the fourth quarter, Surma stated, "We expect continued strong results for each of our major business units."

In the Flat-rolled segment, total shipments should increase slightly compared to the third quarter, and margins should remain at high levels. Some markets are being affected by seasonal softness and efforts to control

inventory. Seasonal patterns suggest that these markets will rebound in the first quarter of 2005. Average realized prices are expected to be comparable to or slightly below the third quarter, reflecting some differences in product mix as well as flattening in spot prices. Scrap and energy costs remain volatile and planned outage costs will remain comparable to third quarter levels. U. S. Steel currently expects coke costs to decline. For full-year 2004, Flat-rolled segment shipments are expected to be 15.8 million tons.

For U. S. Steel Europe (USSE), fourth quarter 2004 average realized prices are expected to increase from the third quarter reflecting the announced October 1 price increase for flat-rolled products, more than offsetting higher raw materials costs. Shipments for the quarter are expected to increase by about 150,000 tons compared to the third quarter and estimated full-year 2004 shipments remain at 5.1 million net tons.

For the Tubular segment, margins are expected to continue to increase, reflecting full-quarter realization of a series of third quarter price increases and additional fourth quarter price increases. Margins will reflect stable costs for the significant portion of tube rounds supplied by the Flat-rolled segment, which are transferred at a cost-based annual price. Tubular segment shipments for the total year are expected to be about 1.1 million tons.

U. S. Steel Kosice has given irrevocable notice to repay its \$272 million of long-term debt at face amount on November 24, 2004. Only \$20 million of this debt was due in 2004. Annualized interest expense on this debt is approximately \$23 million.

Capital expenditures for 2004 are currently expected to be about \$570 million, reflecting domestic spending of approximately \$360 million and European spending of approximately \$210 million, which will fluctuate based upon exchange rates. These amounts include advanced spending for a major reline to the No. 13 Blast Furnace at Gary Works, scheduled for 2005, and spending in Serbia to return a second blast furnace to production, also in 2005.

This release contains forward-looking statements with respect to market conditions, operating costs, shipments and prices. Some factors, among others, that could affect market conditions, costs, shipments and prices for both domestic operations and USSE include global product demand, prices and mix; global and company steel production levels; availability and prices of raw materials; plant operating performance; the timing and completion of outages and other projects; natural gas prices and usage; changes in environmental, tax and other laws; employee strikes; power outages; and U.S. and global economic performance and political developments. Domestic steel shipments and prices could be affected by import levels and actions taken by the U.S. Government and its agencies. Political factors in Europe that may affect USSE's results include, but are not limited to, taxation, nationalization, inflation, currency fluctuations, increased regulation, export quotas, tariffs, and other protectionist measures. In accordance with "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, cautionary statements identifying important factors, but not necessarily all factors, that could cause actual results to differ materially from those set forth in the forward-looking statements have been included in the Form 10-K of U. S. Steel for the year ended December 31, 2003, and in subsequent filings by U. S. Steel.

A Statement of Operations (Unaudited), Other Financial Data (Unaudited) and Preliminary Supplemental Statistics (Unaudited) for U. S. Steel are attached.

The company will conduct a conference call on third quarter earnings on Tuesday, October 26, at 2 p.m. EDT. To listen to the webcast of the conference call, visit the U. S. Steel web site, <http://www.ussteel.com>, and click on the "Investors" button.

For more information about U. S. Steel, visit its web site at <http://www.ussteel.com>.

UNITED STATES STEEL CORPORATION
STATEMENT OF OPERATIONS (Unaudited)

(Dollars in millions)	Third Quarter Ended September 30,		Nine Months Ended September 30,	
	2004	2003	2004	2003
REVENUES AND OTHER INCOME:				
Revenues	\$3,707	\$2,506	\$10,079	\$6,715
Income (loss) from investees	18	(2)	37	(10)
Net gains on disposal of assets	2	4	46	27
Other income	2	--	14	45
Total revenues and other income	3,729	2,508	10,176	6,777
COSTS AND EXPENSES:				
Cost of revenues (excludes items shown below)	2,967	2,294	8,335	6,117
Selling, general and administrative expenses	172	150	521	421
Depreciation, depletion and				

amortization	96	94	287	271
Restructuring charges	--	664	--	664
	-----	-----	-----	-----
Total costs and expenses	3,235	3,202	9,143	7,473
	-----	-----	-----	-----
INCOME (LOSS) FROM OPERATIONS	494	(694)	1,033	(696)
Net interest and other financial costs	4	26	142	106
	-----	-----	-----	-----
INCOME (LOSS) BEFORE INCOME TAXES, MINORITY INTERESTS, EXTRAORDINARY LOSS AND CUMULATIVE EFFECTS OF CHANGES IN ACCOUNTING PRINCIPLES	490	(720)	891	(802)
Income tax provision (benefit)	126	(366)	263	(418)
Minority interests	10	--	19	--
	-----	-----	-----	-----
INCOME (LOSS) BEFORE EXTRAORDINARY LOSS AND CUMULATIVE EFFECTS OF CHANGES IN ACCOUNTING PRINCIPLES	354	(354)	609	(384)
Extraordinary loss, net of tax	--	--	--	(52)
Cumulative effects of changes in accounting principles, net of tax	--	--	14	(5)
	-----	-----	-----	-----
NET INCOME (LOSS)	354	(354)	623	(441)
Dividends on preferred stock	(4)	(4)	(13)	(11)
	-----	-----	-----	-----
NET INCOME (LOSS) APPLICABLE TO COMMON STOCK	\$350	\$(358)	\$610	\$(452)
	=====	=====	=====	=====

UNITED STATES STEEL CORPORATION
STATEMENT OF OPERATIONS (Unaudited)
(Continued)

	Third Quarter Ended September 30,		Nine Months Ended September 30,	
COMMON STOCK DATA:	2004	2003	2004	2003

Per share:				
Income (loss) before extraordinary loss and cumulative effects of changes in accounting principles:				
-Basic	\$3.08	\$(3.47)	\$5.36	\$(3.84)
-Diluted	\$2.72	\$(3.47)	\$4.76	\$(3.84)
Extraordinary loss, net of tax:				
-Basic	\$--	\$--	\$--	\$(.50)
-Diluted	\$--	\$--	\$--	\$(.50)
Cumulative effects of changes in accounting principles, net of tax:				
-Basic	\$--	\$--	\$.13	\$(.05)
-Diluted	\$--	\$--	\$.11	\$(.05)
Net income (loss):				
-Basic	\$3.08	\$(3.47)	\$5.49	\$(4.39)
-Diluted	\$2.72	\$(3.47)	\$4.87	\$(4.39)
Weighted average shares, in thousands				
-Basic	113,523	103,321	111,170	103,096
-Diluted	130,021	103,321	127,940	103,096
Dividends paid per common share	\$.05	\$.05	\$.15	\$.15

UNITED STATES STEEL CORPORATION
OTHER FINANCIAL DATA (Unaudited)

	Nine Months Ended September 30,	
Cash Flow Data (In millions)	2004	2003

Cash provided from (used in) operating activities:		
Net income (loss)	\$623	\$(441)
Depreciation, depletion and amortization	287	271
Restructuring charges	--	633
Working capital changes	(88)	195
Other operating activities	193	(326)
	-----	-----
Total	1,015	332

Cash used in investing activities:		
Capital expenditures	(367)	(205)
Acquisitions	--	(916)
Other investing activities	92	56
Total	(275)	(1,065)
Cash provided from financing activities:		
Issuance of long-term debt	--	427
Repayment of long-term debt	(297)	(3)
Preferred stock issued	--	242
Common stock issued	348	11
Dividends paid	(29)	(26)
Other financing activities	(16)	(1)
Total	6	650
Total net cash flow	746	(83)
Cash at beginning of the year	316	243
Cash at end of the period	\$1,062	\$160

Balance Sheet Data	(In millions)	Sept. 30, 2004	Dec. 31, 2003
Cash and cash equivalents		\$1,062	\$316
Other current assets		3,113	2,790
Property, plant and equipment - net		3,514	3,414
Other assets		1,093	1,317
Total assets		\$8,782	\$7,837
Current liabilities		\$2,442	\$2,127
Long-term debt		1,569	1,890
Employee benefits		2,384	2,382
Other long-term liabilities		328	343
Minority interests		25	2
Stockholders' equity		2,034	1,093
Total liabilities and stockholders' equity		\$8,782	\$7,837

UNITED STATES STEEL CORPORATION
PRELIMINARY SUPPLEMENTAL STATISTICS (Unaudited)

(Dollars in millions)	Quarter Ended		
	September 30, 2004	June 30, 2004	September 30, 2003
INCOME (LOSS) FROM OPERATIONS			
Flat-rolled Products(a)	\$362	\$335	\$(21)
U. S. Steel Europe(b)	146	76	35
Tubular Products	55	25	(10)
Real Estate	5	3	11
Straightline(a)			(16)
Other Businesses	2	15	(8)
Segment Income (Loss) from Operations	570	454	(9)
Retiree benefit expenses(c)	(72)	(65)	(19)
Other items not allocated to segments:			
Workforce reduction charges	--	--	(618)
Stock appreciation rights	(4)	(1)	(2)
Asset impairments	--	--	(46)
Total Income (Loss) from Operations	\$494	\$388	\$(694)
CAPITAL EXPENDITURES			
Flat-rolled Products(a)	\$109	\$37	\$23
U. S. Steel Europe(b)	57	40	30
Tubular Products	3	2	6
Real Estate	--	--	1
Straightline			1
Other Businesses	33	16	12
Total	\$202	\$95	\$73
OPERATING STATISTICS			
Average realized steel price: (\$/net ton) (d)			
Flat-rolled Products(a)	\$627	\$583	\$424
Tubular Products	907	779	625
U. S. Steel Europe(b)	573	491	351
Steel Shipments: (d) (e)			

Flat-rolled Products(a)	3,745	3,982	3,909
Tubular Products	266	269	231
U. S. Steel Europe(b)	1,257	1,263	1,170
Raw Steel-Production:(e)			
Domestic Facilities	4,293	4,230	4,396
U. S. Steel Europe(b)	1,400	1,467	1,158
Raw Steel-Capability Utilization:(f)			
Domestic Facilities	87.8%	87.5%	89.9%
U. S. Steel Europe(b)	75.0%	79.5%	83.5%
Domestic iron ore production(e)	5,546	6,011	4,567
Domestic iron ore shipments(e)(g)	6,930	6,722	5,786
Domestic coke production(e)(i)	1,659	1,666	1,780
Domestic coke shipments(e)(h)(i)	686	642	762

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- (a) The Flat-rolled segment includes the residual effects of Straightline from January 1, 2004 and the consolidated results of the Clairton 1314B Partnership that was accounted for under the equity method prior to January 1, 2004.
- (b) Includes U. S. Steel's Serbian operations from September 12, 2003. Prior to September 12, 2003, included effects of activities under certain agreements with the former owner of the Serbian operations.
- (c) Includes certain profit-based expenses for U. S. Steel retirees and National retirees pursuant to provisions of the 2003 labor agreement with the USWA.
- (d) Excludes intersegment transfers.
- (e) Thousands of net tons.
- (f) Based on annual raw steel production capability for domestic facilities of 19.4 million net tons and annual raw steel production capability for U. S. Steel Europe of 5.0 million net tons prior to September 12, 2003, and 7.4 million net tons thereafter.
- (g) Includes trade shipments and intersegment transfers.
- (h) Includes trade shipments only.
- (i) Includes Clairton 1314B Partnership.

SOURCE United States Steel Corporation

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CO: United States Steel Corporation; U. S. Steel Europe
 ST: Pennsylvania
 IN: MNG
 SU: ERN ERP CCA MAV