

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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): November 1, 2019

United States Steel Corporation
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

1-16811
(Commission
File Number)

25-1897152
(I.R.S. Employer
Identification No.)

600 Grant Street,
Pittsburgh, PA 15219-2800
(Address of Principal Executive Offices, and Zip Code)

(412) 433-1121
Registrant's Telephone Number, Including Area Code

(Former Name or Former Address, if Changed Since Last Report)

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 (*see* General Instruction A.2. below):

- Written communication 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 communication pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communication pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	X	New York Stock Exchange
Common Stock	X	Chicago Stock Exchange

Item 7.01. Regulation FD Disclosure.

On November 1, 2019, United States Steel Corporation (the "Corporation") posted to its website a presentation related to the Corporation's financial results for the third quarter 2019. The presentation will be used in connection with the conference call the Corporation will hold on November 1, 2019 at 8:30 am Eastern time.

In accordance with General Instruction B.2 of Form 8-K, the information contained in this Item 7.01 and the presentation are being furnished under Item 7.01 of Form 8-K and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall such information and exhibits be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing. The presentation is furnished with this current report on Form 8-K as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

[99.1](#) Third Quarter 2019 Earnings Call.

101 Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document.

104 the cover page from this Current Report on Form 8-K, formatted in Inline XBRL.

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/ Kimberly D. Fast
Kimberly D. Fast
Acting Controller

Dated: November 1, 2019



Construction of our EAF in Fairfield, AL



Third Quarter 2019

Earnings Call

David Burritt
President and Chief Executive Officer

Kevin Bradley
Executive Vice President and
Chief Financial Officer

Christine Breves
SVP, Manufacturing Support &
Chief Supply Chain Officer
(named SVP and CFO effective November 4, 2019)

Rich Fruehauf
Senior Vice President, Strategic Planning and
Corporate Development

Kevin Lewis
General Manager, Investor Relations

November 1, 2019

www.ussteel.com

Forward-looking Statements



These slides are being provided to assist readers in understanding the results of operations, financial condition and cash flows of United States Steel Corporation for the third quarter of 2019. They should be read in conjunction with the consolidated financial statements and Notes to Consolidated Financial Statements contained in our Annual Report on Form 10-K and Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission.

This presentation contains information that may constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. We intend the forward-looking statements to be covered by the safe harbor provisions for forward-looking statements in those sections. Generally, we have identified such forward-looking statements by using the words "believe," "expect," "intend," "estimate," "anticipate," "project," "target," "forecast," "aim," "should," "will" and similar expressions or by using future dates in connection with any discussion of, among other things, operating performance, trends, events or developments that we expect or anticipate will occur in the future, statements relating to volume changes, share of sales and earnings per share changes, and statements expressing general views about future operating results. However, the absence of these words or similar expressions does not mean that a statement is not forward-looking. Forward-looking statements are not historical facts, but instead represent only the Company's beliefs regarding future events, many of which, by their nature, are inherently uncertain and outside of the Company's control. It is possible that the Company's actual results and financial condition may differ, possibly materially, from the anticipated results and financial condition indicated in these forward-looking statements. Management believes that these forward-looking statements are reasonable as of the time made. However, caution should be taken not to place undue reliance on any such forward-looking statements because such statements speak only as of the date when made. Our Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. In addition, forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from our Company's historical experience and our present expectations or projections. These risks and uncertainties include, but are not limited to the risks and uncertainties described in "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2018, the Quarterly Report on Form 10-Q for the quarter ended September 30, 2019 and those described from time to time in our future reports filed with the Securities and Exchange Commission.

References to "we," "us," "our," the "Company," and "U. S. Steel," refer to United States Steel Corporation and its consolidated subsidiaries.

Explanation of Use of Non-GAAP Measures



We present adjusted net earnings (loss), adjusted net earnings (loss) per diluted share, earnings (loss) before interest, income taxes, depreciation and amortization (EBITDA) and adjusted EBITDA, which are non-GAAP measures, as additional measurements to enhance the understanding of our operating performance.

We believe that EBITDA and segment EBITDA, considered along with net earnings (loss) and segment earnings (loss) before interest and income taxes, are relevant indicators of trends relating to our operating performance and provide management and investors with additional information for comparison of our operating results to the operating results of other companies. Net debt is a non-GAAP measure calculated as total debt less cash and cash equivalents. We believe net debt is a useful measure in calculating enterprise value. Both EBITDA and net debt are used by analysts to refine and improve the accuracy of their financial models which utilize enterprise value.

We believe the cash conversion cycle is a useful measure in providing investors with information regarding our cash management performance and is a widely accepted measure of working capital management efficiency. The cash conversion cycle should not be considered in isolation or as an alternative to other GAAP metrics as an indicator of performance.

Adjusted net earnings (loss) and adjusted net earnings (loss) per diluted share are non-GAAP measures that exclude the effects of items such as the December 24, 2018 Clairton coke making facility fire, the United Steelworkers (USW) labor agreement signing bonus and related costs, gains (losses) on the sale of ownership interests in equity investees, restructuring charges, restart and related costs associated with Granite City Works, debt extinguishment and other related costs and the reversal of our tax valuation allowance that are not part of the Company's core operations (Adjustment Items). Adjusted EBITDA is also a non-GAAP measure that excludes certain Adjustment Items. We present adjusted net earnings (loss), adjusted net earnings (loss) per diluted share and adjusted EBITDA to enhance the understanding of our ongoing operating performance and established trends affecting our core operations, by excluding the adjustment items that can obscure underlying trends. U. S. Steel's management considers adjusted net earnings (loss), adjusted net earnings (loss) per diluted share and adjusted EBITDA as alternative measures of operating performance and not alternative measures of the Company's liquidity. U. S. Steel's management considers adjusted net earnings (loss), adjusted net earnings (loss) per diluted share and adjusted EBITDA useful to investors by facilitating a comparison of our operating performance to the operating performance of our competitors. Additionally, the presentation of adjusted net earnings (loss), adjusted net earnings (loss) per diluted share and adjusted EBITDA provides insight into management's view and assessment of the Company's ongoing operating performance, because management does not consider the adjustment items when evaluating the Company's financial performance. Adjusted net earnings (loss), adjusted net earnings (loss) per diluted share and adjusted EBITDA should not be considered a substitute for net earnings (loss), earnings (loss) per diluted share or other financial measures as computed in accordance with U.S. GAAP and is not necessarily comparable to similarly titled measures used by other companies.

Today's Highlights



Third Quarter 2019 Results

- 3Q adjusted EBITDA: \$144 million, at the top end of our preliminary range
- Flat-rolled: strong operating performance despite difficult market conditions
- U. S. Steel Europe: market pressures continue
- Tubular: Rig counts declining and energy prices remain low

We Are Executing

- Closed on our 49.9% equity stake in Big River Steel
- Enhanced operating model to support the execution of our world competitive “Best of Both” strategy
- Raised ~\$1.1 billion incremental capital to enable execution of our strategy
 - Convertible Notes: \$350 million
 - ERBs¹: \$275 million
 - ABL Upsize²: \$500 million



United States Steel Corporation

¹ Environmental Revenue Bonds

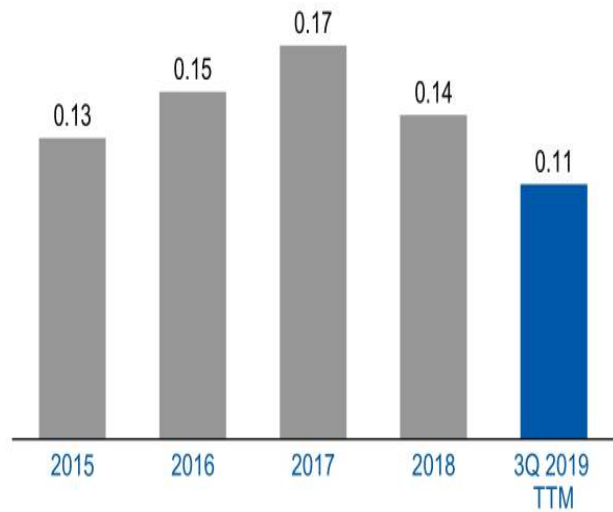
² Asset-backed Loan

Delivering on our S.T.E.E.L. Principles



Safety First →
Trust & Respect
Environmentally Friendly Activities
Ethical Behavior
Lawful Business Conduct

Days Away from Work¹



¹ Days Away from Work is defined as number of days away cases x 200,000 / hours worked

Organizational Changes to Occur Through January 1, 2020



CURRENT ROLE

Kevin Bradley

Executive Vice President & Chief Financial Officer

Christine Breves

SVP, Manufacturing Support & Chief Supply Chain Officer

Scott Buckiso

SVP, Automotive Solutions

Doug Matthews

SVP, Industrial, Service Center, Mining Solutions and Tubular

FUTURE ROLE & CHANGES

Resigning as CFO effective November 4, 2019

To stay on as an Executive Vice President and Adviser through December 31, 2019

SVP, Chief Financial Officer

Effective November 4, 2019

SVP, Chief Manufacturing Officer – NAFR

To lead all NAFR production facility activities with a focus on safety, quality, delivery, and cost for customers and stockholders

Effective January 1, 2020

SVP, Chief Commercial & Technology Officer

To lead all N. American commercial activities and integrate all innovation, R&D, and IT in N. America

Maintains leadership of Mining and Tubular businesses

Effective January 1, 2020

Enhanced Operating Model to Support the Next Phase of Strategy Execution



Aligning around our world competitive
“**Best of Both**” strategy



Creating a more nimble and efficient
executive function



Enhancing focus on
operational and
commercial excellence
and promoting
technological
innovation

Executing on Our Strategic Framework



6 To Be

- World competitive “best of both” integrated and mini mill business models
- Improved competitiveness and through cycle cash flow

5 Financial Strategy

- Financing Scenario
 - ERBs
 - Vendor Supported Financing
 - USSK Revolver
 - Upsize ABL
 - Senior Notes
- Step 2 – Big River Steel Call Option

4 Portfolio Moves

- Big River Steel 

1 As-Is

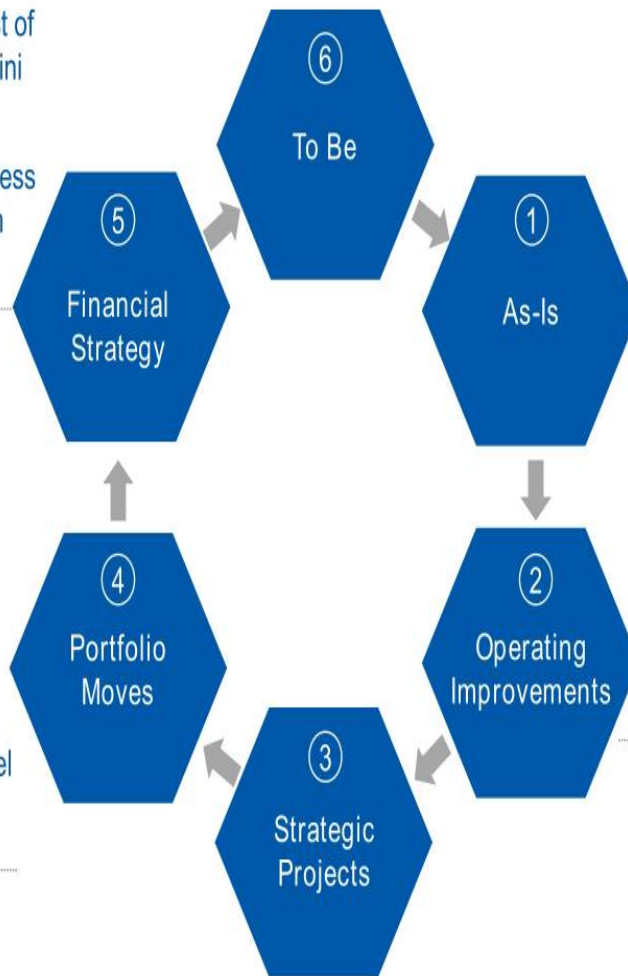
- Reshaped footprint
- Transformed balance sheet
- Executing technology and capability driven strategy

2 Operating Improvements

- Move Down the Cost Curve
- Win in Strategic Markets
- Move Up the Talent Curve

3 Strategic Projects

- XG3™ AHSS
- Dynamo Line at USSK
- Endless Casting and Rolling at Mon Valley
- EAF at Tubular
- Gary Hot Strip Mill



Strategy Brings Together the “Best of Both”



- ✓ World competitive positioning in strategic, high-margin end markets
- ✓ Unparalleled product platform to serve customers
- ✓ Big River will unlock value across our entire footprint

Transforms business to drive long term cash flow through industry cycles

* Following U. S. Steel's acquisition of the remaining 50.1% interest in Big River Steel within the next four years

Playing Offense and Will be Flexible to Ensure the Strategy is Executed



Our Strategic Priorities ...

- 1 Big River Steel
- 2 EAF at Tubular*
- 3 Endless Casting and Rolling at Mon Valley*
- 4 Gary Hot Strip Mill*
- 5 Dynamo Line at USSK*

Our Strategy Delivers ...



Cost
Differentiation



Capability
Differentiation



World Competitive
Footprint

Currently expect 2020 capital spending to be ~\$950 million

Raised ~\$1.1 Billion Incremental Capital to Enable Execution of Our Strategy



\$350M

Convertible Notes



\$300M offering +
\$50M greenshoe



7-years, non-
callable for 4 years



Attractive 5.00%
coupon



Unsecured,
Covenant light

\$275M

ERBs¹



\$275M offering
(to fund Fairfield EAF)



30-years, payable
at maturity



Attractive 5.75%
coupon



Unsecured,
Covenant light

\$500M

ABL² Upsize



\$500M upsize
(\$700M draw funded Big
River purchase)



5-years



Enhanced liquidity



Flexible



United States Steel Corporation

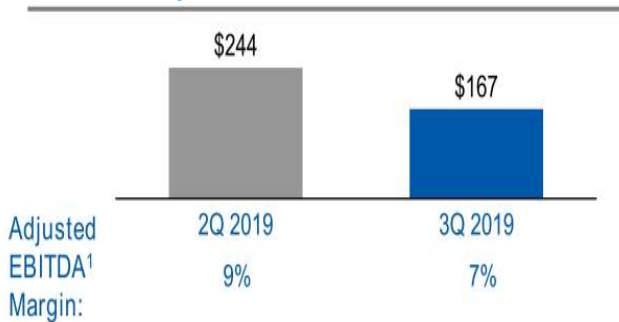
¹ Environmental Revenue Bonds

² Asset-backed Loan

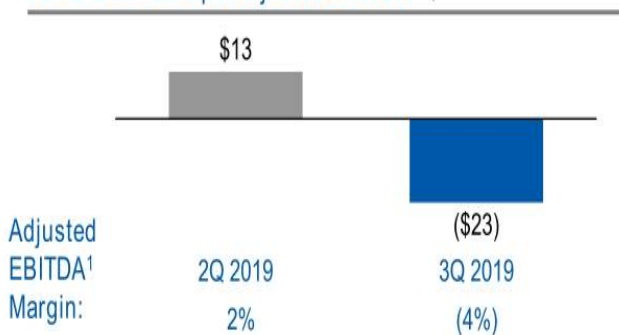
Third Quarter 2019 Financial Highlights



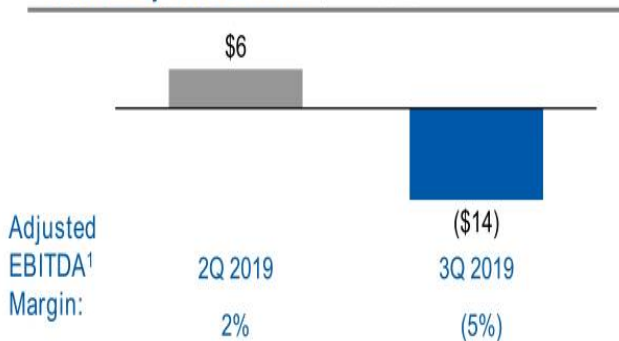
Flat-rolled Adjusted EBITDA¹ \$ Millions



U. S. Steel Europe Adjusted EBITDA¹ \$ Millions



Tubular Adjusted EBITDA¹ \$ Millions



- Total third quarter adjusted EBITDA¹ of \$144 million, at the top end of our preliminary range

- Results negatively impacted by decline in steel prices in the second quarter

- Quarter performance ~\$30M better than our expectations

- Flat-rolled: Stronger
- U. S. Steel Europe: Weaker
- Tubular: In-line

- Adjusted EPS² of (\$0.21)



United States Steel Corporation

¹ Earnings before interest, income taxes, depreciation and amortization; ² Earnings per diluted share
 Note: For reconciliation of non-GAAP amounts see Appendix.



- Addressing current market conditions proactively
- Focusing on what we can control
- Prioritizing cash towards our long-term strategy



Q & A



Closing Remarks



Reconciliation of Reported and Adjusted Diluted EPS



<u>(\$ / share)</u>	<u>2Q 2019</u>	<u>3Q 2019</u>
Reported diluted EPS	\$0.39	(\$0.49)
December 24, 2018 Clairton coke making facility fire	0.06	0.04
Restructuring Charges	—	0.24
Adjusted earnings per diluted share	\$0.45	(\$0.21)

Reconciliation of Segment EBITDA



Segment EBITDA – Flat-rolled (\$ millions)	<u>2Q 2019</u>	<u>3Q 2019</u>
Segment earnings before interest and income taxes	\$134	\$46
Depreciation	110	121
Flat-rolled Segment EBITDA	\$244	\$167
Segment EBITDA – U. S. Steel Europe (\$ millions)	<u>2Q 2019</u>	<u>3Q 2019</u>
Segment earnings before interest and income taxes	(\$10)	(\$46)
Depreciation	23	23
U. S. Steel Europe Segment EBITDA	\$13	(\$23)
Segment EBITDA – Tubular (\$ millions)	<u>2Q 2019</u>	<u>3Q 2019</u>
Segment earnings before interest and income taxes	(\$6)	(\$25)
Depreciation	12	11
Tubular Segment EBITDA	\$6	(\$14)

Reconciliation of Adjusted EBITDA



<u>(\$ millions)</u>	<u>2Q 2019</u>	<u>3Q 2019</u>
Reported net earnings attributable to U. S. Steel	\$68	(\$84)
Income tax provision	(7)	(44)
Net interest and other financial costs	54	48
<hr/>		
Reported earnings before interest and income taxes	\$115	(\$80)
Depreciation, depletion and amortization expense	150	161
<hr/>		
EBITDA	\$265	\$81
December 24, 2018 Clairton coke making facility fire	13	9
Restructuring Charges	—	54
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Adjusted EBITDA	\$278	\$144



INVESTOR RELATIONS

Kevin Lewis
General Manager



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Eric Linn
Manager



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