

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): October 30, 2020

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 October 30, 2020, United States Steel Corporation (the "Corporation") posted to its website a presentation related to the Corporation's financial results for the third quarter 2020. The presentation will be used in connection with the conference call the Corporation will hold on October 30, 2020 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

The presentation referenced in Item 7.01 is furnished with this current report on Form 8-K as Exhibit 99.1.

(d) Exhibits

- [99.1](#) Third Quarter 2020 Earnings Call Slides.
 - 104 Cover page interactive data file (embedded within the inline XBRL document exhibit 101).
-

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/ Manpreet S. Grewal
Manpreet S. Grewal
Vice President & Controller

Dated: October 30, 2020



Third Quarter 2020

Earnings Call

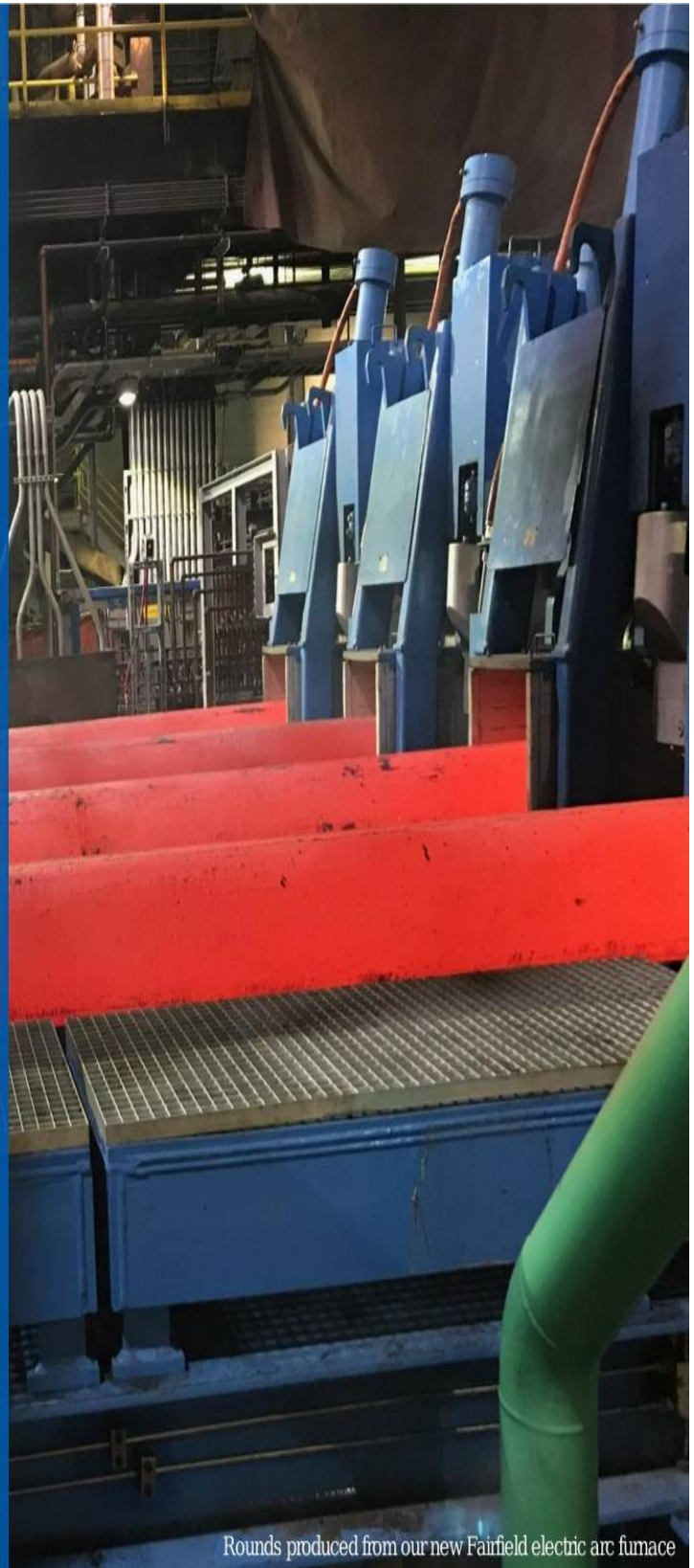
David Burritt
President and Chief Executive Officer

Christie Breves
Senior Vice President and Chief Financial Officer

Rich Fruehauf
Senior Vice President, Chief Strategy
and Development Officer

Kevin Lewis
Vice President, Investor Relations and Corporate FP&A

October 30, 2020



Rounds produced from our new Fairfield electric arc furnace

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 2020. They should be read in conjunction with the consolidated financial statements and Notes to the 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," "may" 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, anticipated cost savings, potential capital and operational cash improvements, U. S. Steel's future ability or plans to take ownership of the Big River Steel joint venture as a wholly owned subsidiary, 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, 2019, our Quarterly Reports on Form 10-Q, 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 (loss) earnings, adjusted net (loss) earnings per diluted share, (loss) earnings 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 (loss) earnings and segment (loss) earnings 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. EBITDA is also used by analysts to refine and improve the accuracy of their financial models which utilize enterprise value. Free cash flow is a non-GAAP measure that is a widely accepted measure of overall cash availability. We believe that changes in free cash flow are useful in providing investors with an understanding of our cash generation and cash management performance.

Adjusted net (loss) earnings and adjusted net (loss) earnings per diluted share are non-GAAP measures that exclude the effects of items such as the asset impairment charge, restructuring and other charges, the gain on previously held investment in UPI, the Tubular inventory impairment, the December 24, 2018 Clairton coke making facility fire, the Big River Steel options mark to market and the FIN 48 reserve that are not part of the Company's core operations (Adjustment Items). Adjusted EBITDA is also a non-GAAP measure that excludes the financial effects of the Adjustment Items. We present adjusted net (loss) earnings, adjusted net (loss) earnings 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. U. S. Steel's management considers adjusted net (loss) earnings, adjusted net (loss) earnings 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 (loss) earnings, adjusted net (loss) earnings 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 (loss) earnings, adjusted net (loss) earnings 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 (loss) earnings, adjusted net (loss) earnings per diluted share and adjusted EBITDA should not be considered a substitute for net (loss) earnings, (loss) earnings 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.



What you will hear on today's call:

1 OPTIMISM ... continued confidence in the market recovery underway

2 OPTIMISM ... actions we've taken are translating to improved results

3 OPTIMISM ... executing on our strategy

Executing on the strategy executing in an unprecedented environment



Objective:

Status: Details:

Protect lives and livelihoods



Industry leading safety performance

Strengthen cash and liquidity



Nearly \$2.9 billion liquidity and nearly \$1.7 billion in cash

Create incremental value from competitive advantage



Monetized excess iron ore pellets ... expected to deliver \$100 million in 2020

Reduce fixed costs



On track towards ~\$200 million of run-rate fixed cost reductions¹

Start-up of the electric arc furnace at Fairfield



Tapped first heat of liquid steel on Oct. 20; rounds on Oct. 27

Deliver on the Big River value proposition



Collaborating to create unmatched customer value and differentiation

Additional
Details:



United States Steel Corporation

¹ Compared to a 2018 base period.

Executing on our strategy delivering on the Big River value proposition



Delivering on the Step-1 value proposition:

The product qualities we have achieved working closely with U. S. Steel clearly validate the tremendous benefits created by the **'Best of Both' strategy.**



David Stickler
CEO, Big River Steel



United States Steel Corporation



Combining U. S. Steel R&D and Big River technology to expand product capabilities for customers



Helping customers achieve low-carbon goals



Creating an unmatched customer value proposition across strategic end markets

Executing on our strategy delivering on the Big River value proposition



Proof points of value creation:



11



Steel grades¹

Collaborating on steel grades, including substrate for our **XG3** grades of GEN3 advanced high strength steels



United States Steel Corporation

¹ Successfully run and are in qualification.

² Source: Big River Steel 2019 Corporate Social Responsibility Report.



1

Only LEED certified steel production globally²

Positioned to ultimately meet customers' demand for green steels through Big River Steel's steelmaking operations



~2

Months ahead of schedule

Superior project management and efficient production capability

Executing on our strategy

Big River phase two expansion



- Doubling steelmaking capacity from 1.65mnt to 3.3mnt¹
- Only adding ~100 more employees to create significant operating leverage
- First Phase Two coil expected in November 2020



Continued confidence in the recovery sustainable market conditions



The reasons
we are
confident



Strong customer demand and low customer inventories

Inventory restocks expected to support winter steel demand



Long lead times give us visibility into 2021



Continued confidence in the recovery strategic projects status



Strategic Projects

Status Details

EAF at Tubular



First arc in October. EAF to supply rounds for our seamless pipe production.

Endless Casting and Rolling at Mon Valley



Status Update

Purchasing equipment and expect to draw on our export credit agreement in 2021.

Gary Hot Strip Mill



Status Update

Continuing capability upgrades in conjunction with planned outages.

Dynamo Line at USSK

Project delayed for an indeterminate period of time.

Currently expect 2021 capital spending to be ~\$675 million

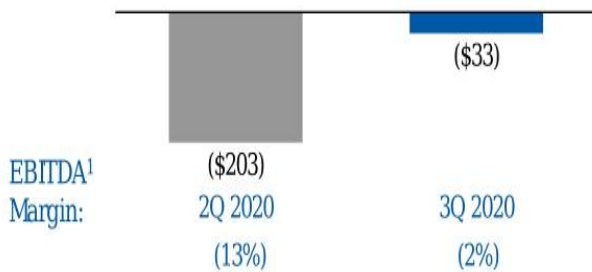


United States Steel Corporation

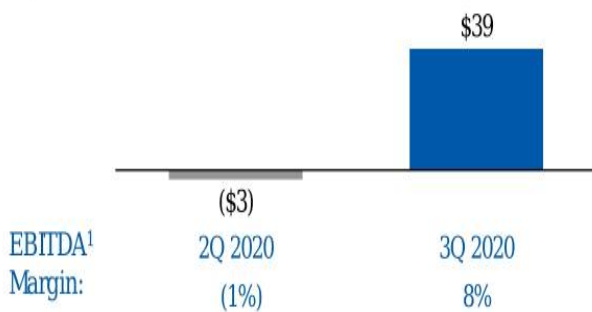
Actions translating to improved results third quarter 2020 financial highlights



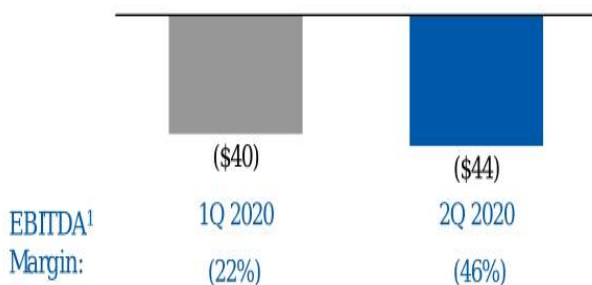
Flat-rolled Segment EBITDA¹ \$ Millions



U. S. Steel Europe Segment EBITDA¹ \$ Millions



Tubular Segment EBITDA¹ \$ Millions



- Total third quarter adjusted EBITDA¹ of (\$49) million, ahead of our guidance on September 18
- Quarter performance ~\$51 million better than our expectations
 - Flat-rolled: Stronger
 - U. S. Steel Europe: In-line
 - Tubular: In-line
- Free cash flow of \$76 million
 - ~\$250 million of working capital release



United States Steel Corporation

¹ Earnings before interest, income taxes, depreciation and amortization.

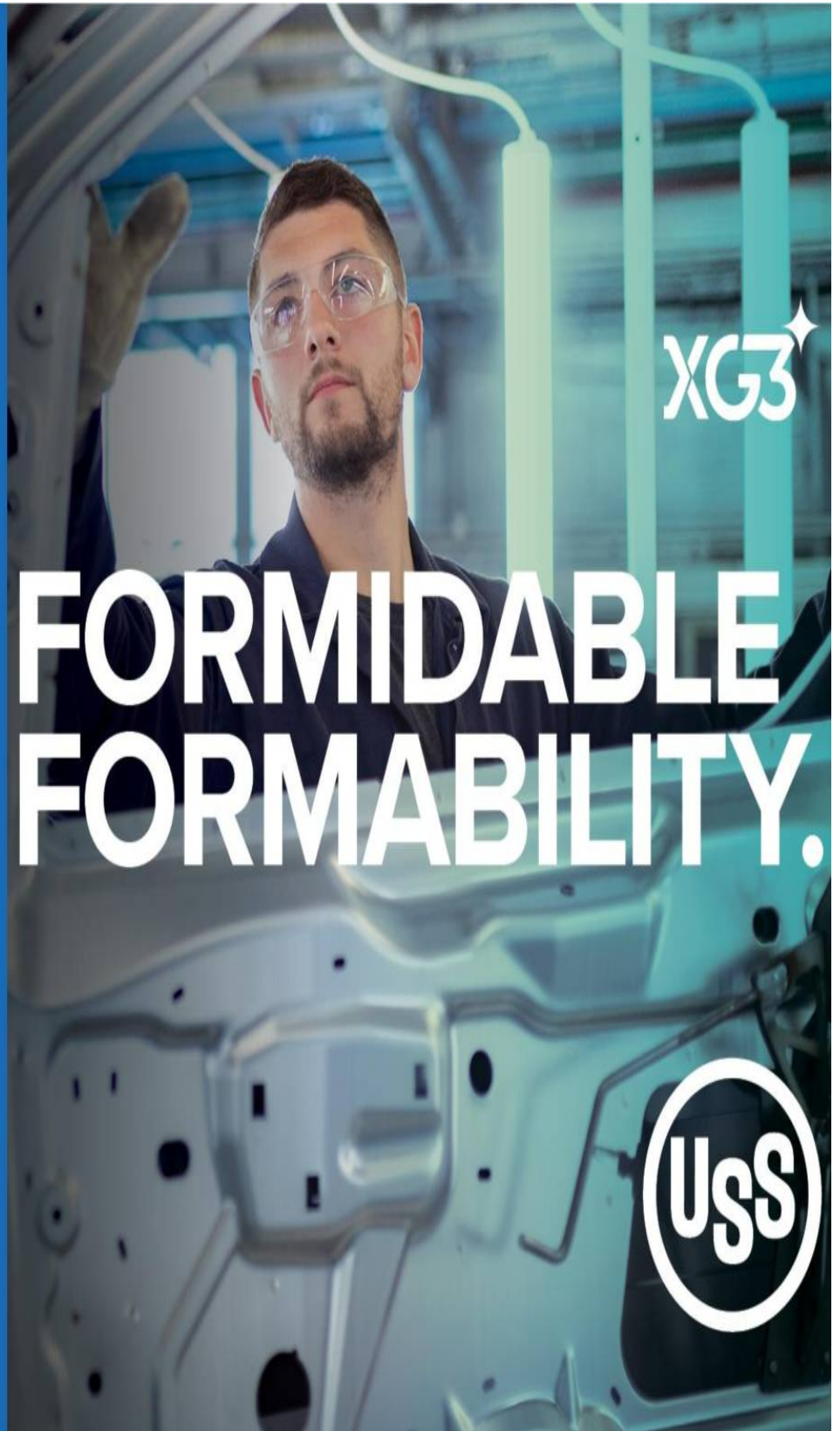
Note: For reconciliation of non-GAAP amounts see Appendix.



- Optimistic about the recovery that has continued into the fourth quarter
- **Optimistic that the actions we've taken are translating into improved results**
- Optimistic about the continued execution of our **world competitive, "Best of Both" strategy**



Q&A



XG3[★]

**FORMIDABLE
FORMABILITY.**





Closing Remarks



Team from Fairfield Tubular visits Big River Steel for training and knowledge sharing

Reconciliation of segment EBITDA



Segment EBITDA – Flat-rolled (\$ millions)	<u>2Q 2020</u>	<u>3Q 2020</u>
Segment earnings before interest and income taxes	(\$329)	(\$159)
Depreciation	126	126
<hr/>		
Flat-rolled Segment EBITDA	(\$203)	(\$33)
Segment EBITDA – U. S. Steel Europe (\$ millions)	<u>2Q 2020</u>	<u>3Q 2020</u>
Segment earnings before interest and income taxes	(\$26)	\$13
Depreciation	23	26
<hr/>		
U. S. Steel Europe Segment EBITDA	(\$3)	\$39
Segment EBITDA – Tubular (\$ millions)	<u>2Q 2020</u>	<u>3Q 2020</u>
Segment earnings before interest and income taxes	(\$47)	(\$52)
Depreciation	7	8
<hr/>		
Tubular Segment EBITDA	(\$40)	(\$44)

Reconciliation of adjusted EBITDA



<u>(\$ millions)</u>	<u>2Q 2020</u>	<u>3Q 2020</u>
Reported net (loss) earnings attributable to U. S. Steel	(\$589)	(\$234)
Income tax provision (benefit)	(5)	(24)
Net interest and other financial costs	62	47
Reported (loss) earnings before interest and income taxes	(\$532)	(\$211)
Depreciation, depletion and amortization expense	159	162
EBITDA	(\$373)	(\$49)
Asset impairment charges	—	—
Restructuring and other charges	89	—
Gain on previously held investment in UPI	—	—
Tubular inventory impairment	24	—
December 24, 2018 Clairton coke making facility fire	(4)	—
Adjusted EBITDA	(\$264)	(\$49)

Reconciliation of free cash flow



<u>(\$ millions)</u>	<u>1Q</u> <u>2020</u>	<u>2Q</u> <u>2020</u>	<u>3Q</u> <u>2020</u>	<u>9M</u> <u>2020</u>
Cash provided by operating activities	(\$142)	(\$220)	\$213	(\$149)
Cash used in investing activities	(277)	(176)	(134)	(587)
Dividends paid	(2)	(1)	(3)	(6)
Free Cash Flow	(\$421)	(\$397)	\$76	(\$742)



INVESTOR RELATIONS

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