

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): January 28, 2021

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 January 28, 2021, United States Steel Corporation (the "Corporation") posted to its website an earnings presentation related to the Corporation's financial results for the fourth quarter and full-year 2020.

In accordance with General Instruction B.2 of Form 8-K, the information contained in this Item 7.01 and the earnings 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 earnings presentation is furnished with this current report on Form 8-K as Exhibit 99.1.

Item 8.01 Other Events

On January 29, 2021, the Corporation will conduct a conference call to discuss its results for the fourth quarter and full-year 2020.

Item 9.01 Financial Statements and Exhibits

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

(d) Exhibits

[99.1](#) Fourth Quarter and Full-Year 2020 Earnings Presentation.

104 Cover Page Interactive Data File (embedded within the Inline XBRL document).

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: January 28, 2021



Fourth Quarter and Full Year 2020

Earnings Presentation

January 28, 2021

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 as of and for the fourth quarter and full year of 2020. Financial results as of and for the periods ended December 31, 2020 provided herein are preliminary unaudited results based on current information available to management. 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 Reports 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, anticipated disruptions to our operations and industry due to the COVID-19 pandemic, changes in global supply and demand conditions and prices for our products, international trade duties and other aspects of international trade policy, the integration of Big River Steel in our existing business, business strategies related to the combined business 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 our ability to realize the level of cost savings, productivity improvement, growth or other anticipated benefits and additional future synergies, including in the time period anticipated, of the acquisition of Big River Steel; our ability to successfully integrate the businesses of Big River Steel into our existing businesses, including uncertainties associated with maintaining relationships with customers, vendors and employees, as well as differences in operating technologies, cultures, and management philosophies that may delay successful integration; additional debt, which we assumed in connection with the acquisition of Big River Steel and incurred to enhance our liquidity during the COVID-19 pandemic, may negatively impact our credit profile and limit our financial flexibility; business strategies for the combined company's operations; the diversion of management's attention from ongoing business operations; our ability to retain and hire key personnel, including within the Big River Steel business, and to access our distribution channels, including the availability of workforce and subcontractors; potential adverse reactions or changes to business relationships resulting from the completion of the acquisition of Big River Steel; unknown or underestimated liabilities and unforeseen increased expenses or delays associated with the acquisition and integration beyond current estimates; and the risks and uncertainties described in "Item 1A. Risk Factors" of our Annual report on Form 10-K, 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. 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.

Adjusted net earnings (loss) and adjusted net earnings (loss) per diluted share are non-GAAP measures that exclude the effects of items that include: the asset impairment charge, restructuring and other charges, the Fairless property sale, the Big River Steel options mark to market, the December 24, 2018 Clairton coke making facility fire, the tax valuation allowance, loss on extinguishment of debt and other related costs, the USW labor agreement signing bonus and related costs, Granite City Works restart and related costs and gain on equity investee transactions that are not part of the Company's core operations (Adjustment Items). Adjusted EBITDA is also a non-GAAP measure that excludes the effects of 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 effects of events 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 adjusting 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.



CREATING VALUE IN THE TROUGH

PRO-TEC's new continuous galvanizing line (CGL3) makes sustainable
Advanced High Strength Steel grades, now also using substrate sourced from Big River Steel.

Creating value in the trough 2020 accomplishments



Reduced fixed costs



Monetized excess iron ore



Commissioned Fairfield EAF



Acquired Big River Steel



Divested non-core assets

✓ Progressed towards ~\$200 million of run-rate fixed cost reduction

✓ Created incremental value from our iron ore competitive advantage

✓ Insourced substrate for seamless pipe production allowing us to be more responsive to customers' needs

✓ Executed on our #1 strategic priority; creating a Best of BothSM footprint through completion of the Big River Steel acquisition

✓ Delivered on our commitment to extract value from our attractive portfolio of real estate assets



**BIG RIVER STEEL:
“THE FUTURE IS NOW”**

Steelmaking at one of Big River Steel's electric arc furnaces (EAFs).

Big River Steel
the future is now



Full ownership unlocks
additional opportunities



Full collaboration
to maximize
customer value
and develop new
products

Increased flexibility
to serve the
growing Southern
U.S. and Mexico
markets

Low-GHG¹ emission
steelmaking to
provide the
sustainable steel
customers want



United States Steel Corporation

¹ GHG = greenhouse gas.

Big River Steel phase 2-A expansion



“

The start up and ramp up of *Big River's Phase 2-A* expansion is the fastest ever achieved worldwide with SMS group CSP-Mill Technology. The Big River and SMS teams should be proud of this tremendous achievement.



”

SMS  **group**

 United States Steel Corporation

Big River Steel strong end to 2020



Month of December 2020 Statistics

\$33M	Net Income ¹
~\$30M	EBITDA ¹
\$1,738M	Net Debt
\$47M	Ending Cash ²
\$267M	Ending Liquidity ³



Phase 2-A expansion already running near 90% raw steel capability



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Note: For reconciliation of non-GAAP amounts see Appendix. Results for 12/31/2020 are preliminary, based on current information available to management.

¹ Net income and EBITDA is 100% of Big River Steel results. Not included in U. S. Steel's 2020 results.

² Excludes \$62 million of restricted cash for the completion of Phase 2-A expansion.

³ Includes unrestricted cash and ABL availability. Excludes \$62 million of restricted cash.

Big River Steel balanced product mix



Big River Steel Product Mix 4Q 2020

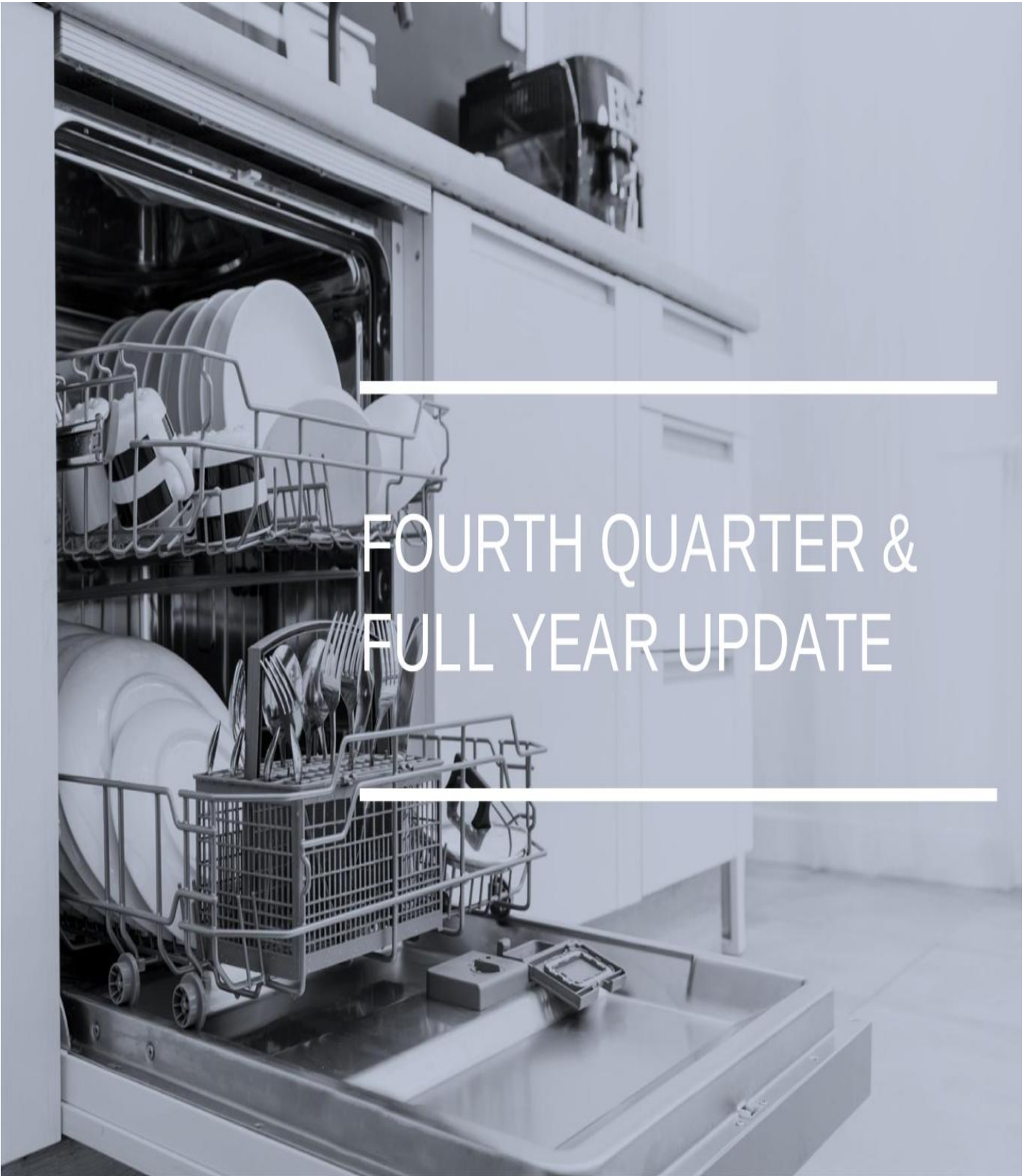


Hot Rolled Coil (50%)

Cold Rolled Coil (22%)

Coated (28%)

Phase 2-A expansion provides greater exposure to the hot-rolled market

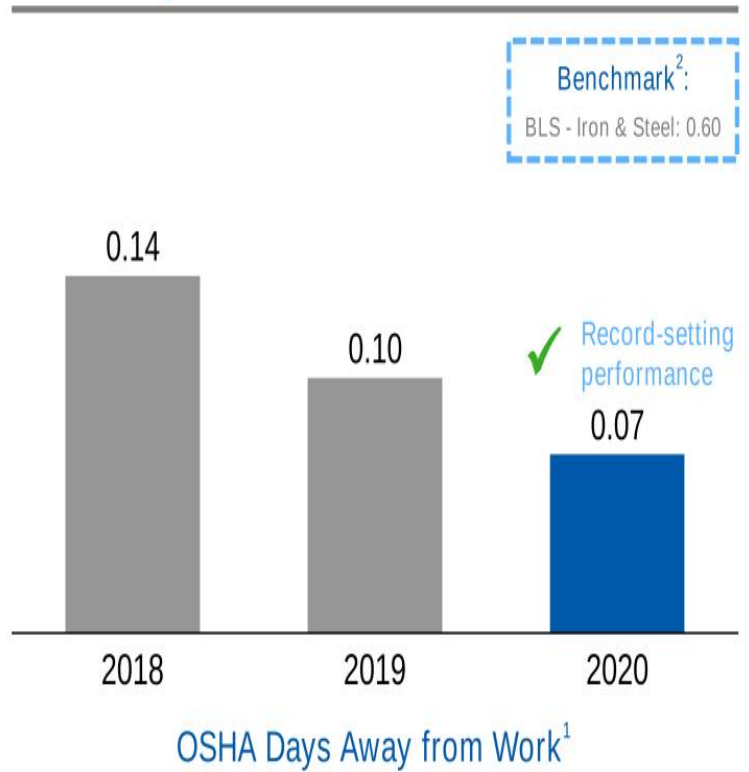


FOURTH QUARTER &
FULL YEAR UPDATE

Record safety performance



Safety First



United States Steel Corporation

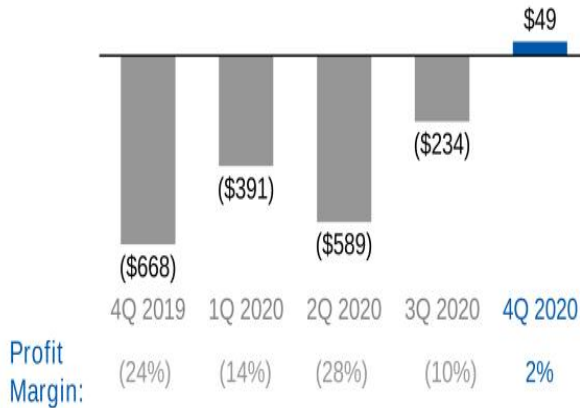
¹ Occupational Safety and Health Administration (OSHA) Days Away from Work is defined as number of days away cases x 200,000 / hours worked. 2020 data is preliminary.

² BLS - Iron & Steel 2019 data.

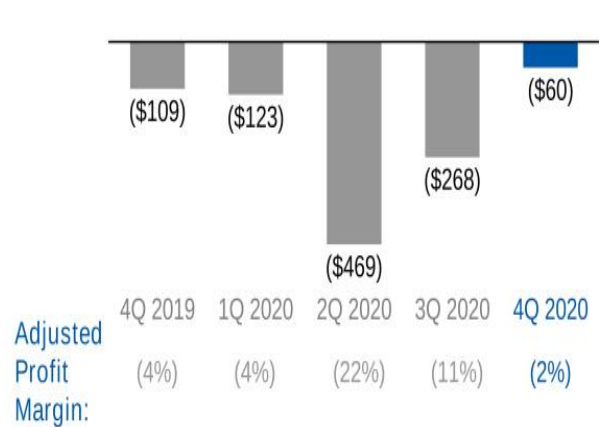
Fourth quarter 2020 financial highlights



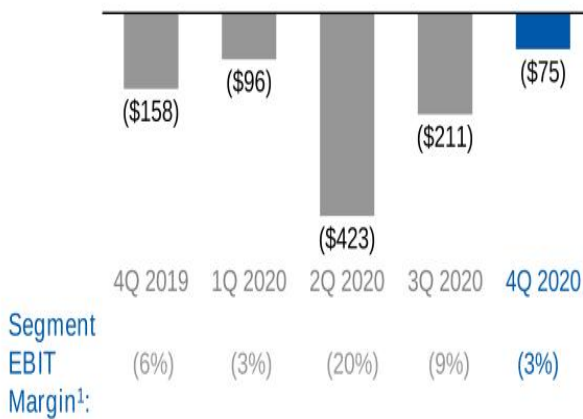
Reported Net (Loss) Earnings \$ Millions



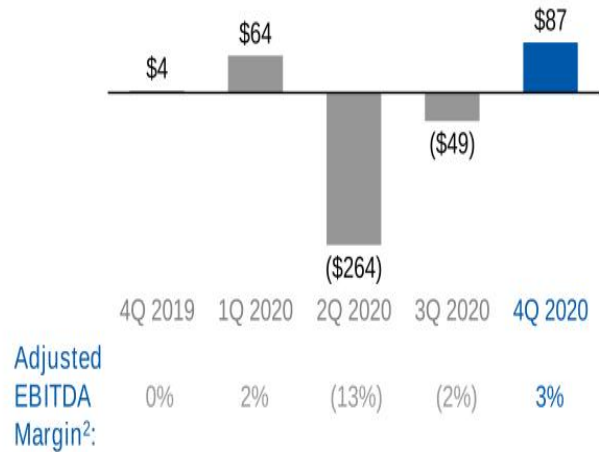
Adjusted Net (Loss) Earnings \$ Millions



Segment EBIT¹ \$ Millions



Adjusted EBITDA² \$ Millions



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

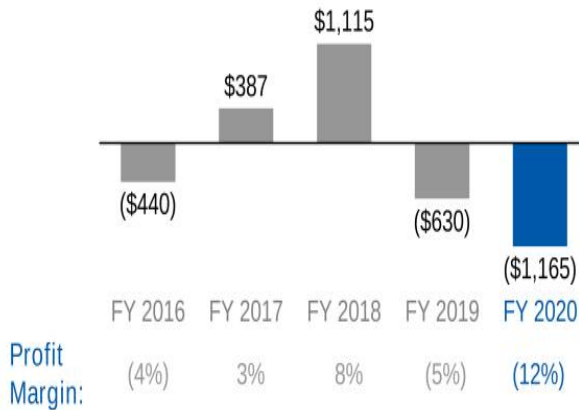
¹Earnings before interest and income taxes.

²Earnings before interest, income taxes, depreciation and amortization, and excluding adjustment items.

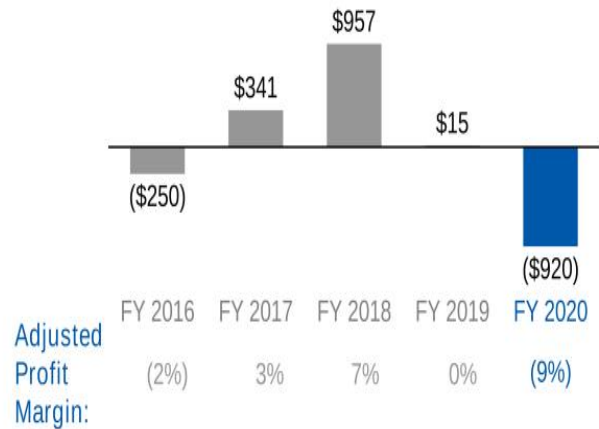
Full year 2020 financial highlights



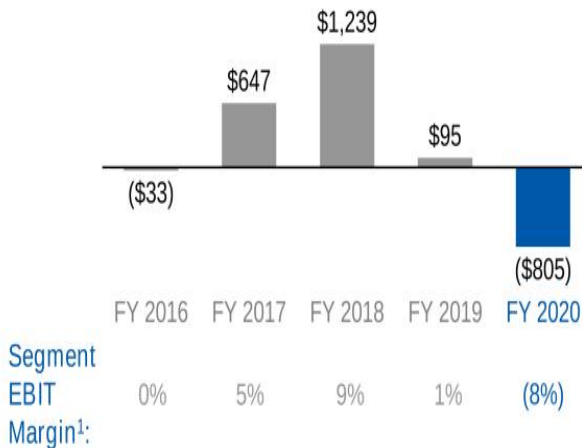
Reported Net Earnings (Loss) \$ Millions



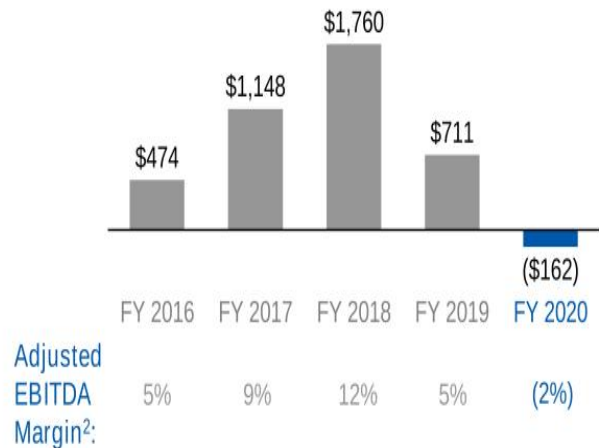
Adjusted Net Earnings (Loss) \$ Millions



Segment EBIT¹ \$ Millions



Adjusted EBITDA² \$ Millions



United States Steel Corporation

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

¹Earnings before interest and income taxes.

²Earnings before interest, income taxes, depreciation and amortization, and excluding adjustment items.

Flat-rolled segment



Key Segment Statistics

	4Q 2019	1Q 2020	2Q 2020	3Q 2020	4Q 2020	FY 2019	FY 2020
Shipments: in 000s, net tons	2,517	2,509	1,790	2,155	2,257	10,700	8,711
Production: in 000s, net tons	2,567	3,148	1,468	2,207	2,490	11,409	9,313

EBITDA¹ \$ Millions

	4Q 2019	1Q 2020	2Q 2020	3Q 2020	4Q 2020	FY 2019	FY 2020
EBITDA	\$42	\$86	(\$203)	(\$33)	\$50	\$652	(\$100)
EBITDA Margin:	2%	4%	(13%)	(2%)	3%	7%	(1%)

Average Selling Price \$ / net ton

	4Q 2019	1Q 2020	2Q 2020	3Q 2020	4Q 2020	FY 2019	FY 2020
Average Selling Price	\$699	\$711	\$721	\$712	\$731	\$753	\$718



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

² Source: Wards, AHAM, MSCI.

Select Market Indicators²

Automotive

Better than expected auto sales in December resulted in low vehicle inventories to start 2021 (48 day of supply; 13 days lower than the 5-year average and 700,000 units less than last year).

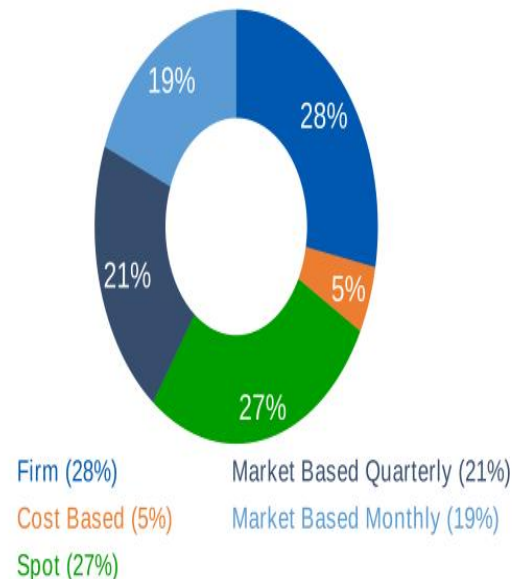
Appliance

2020 appliance shipments of 49.7 million units, up 6% year-over-year (y-o-y), exceeded 2017 record levels.

Service Centers

December gross shipments increased 10% y-o-y. Inventories remain low at 1.9 months of supply.

2020 Contract vs. Spot Mix 73% Contract; 27% Spot



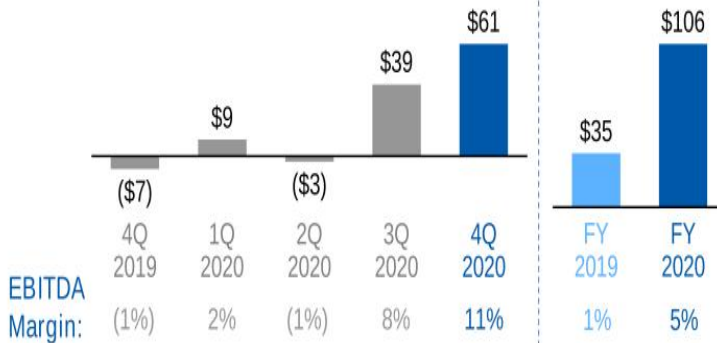
U. S. Steel Europe segment



Key Segment Statistics

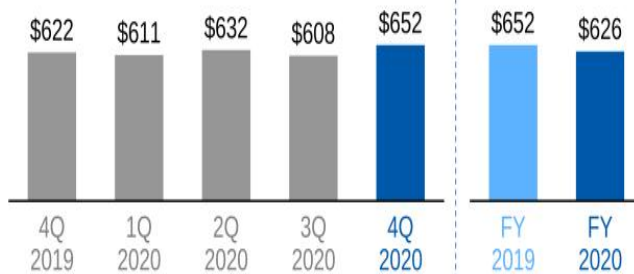
	4Q 2019	1Q 2020	2Q 2020	3Q 2020	4Q 2020	FY 2019	FY 2020
Shipments: in 000s, net tons	757	801	610	790	840	3,590	3,041
Production: in 000s, net tons	773	882	645	873	966	3,903	3,366

EBITDA¹ \$ Millions



	4Q 2019	1Q 2020	2Q 2020	3Q 2020	4Q 2020	FY 2019	FY 2020
EBITDA Margin:	(1%)	2%	(1%)	8%	11%	1%	5%

Average Selling Price \$ / net ton



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

² Source: Eurofer, USSK Marketing, IHS, Eurometal.

³ Visegrad Group – Czech Republic, Hungary, Poland, and Slovakia.

Select Market Indicators²

Automotive

EU car production reached 4.3 million units in 4Q 2020, an increase of 0.2% y-o-y; in 2020, EU car production declined 23.5% to 13.6 million units. In the V4³ region, 4Q 2020 car production reached 0.84 million units, a decrease of 4.4% y-o-y; in 2020, V4 car production declined 19.7% to 2.9 million units.

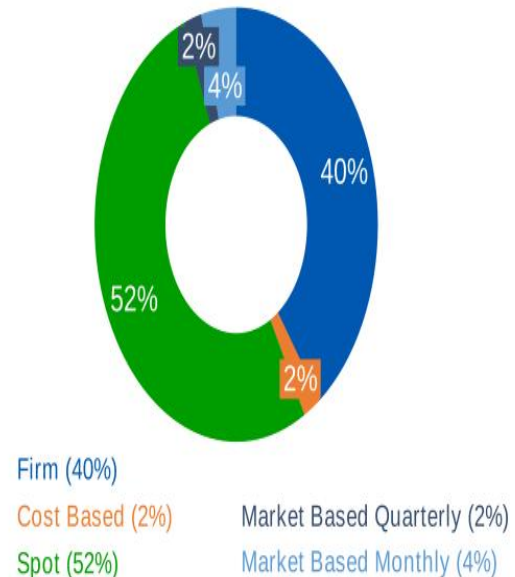
Appliance

EU appliance sector performance is projected to decline 2.9% y-o-y in 4Q 2020; in 2020, the EU appliance sector is projected to decline 5.8% y-o-y.

Service Center

Flat-rolled steel distributor shipments is projected to grow by 5.1% in 4Q 2020; full year 2020 is projected to decline 10.5%.

2020 Contract vs. Spot Mix 48% Contract; 52% Spot

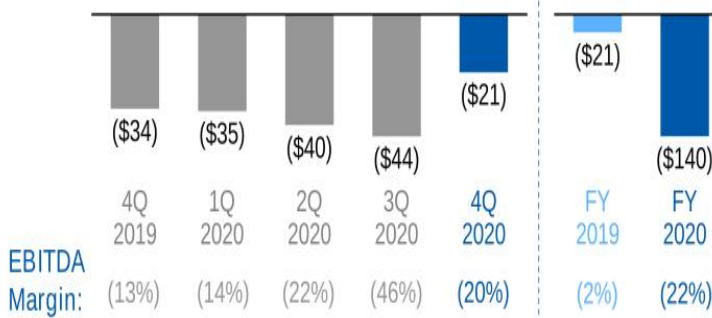


Tubular segment

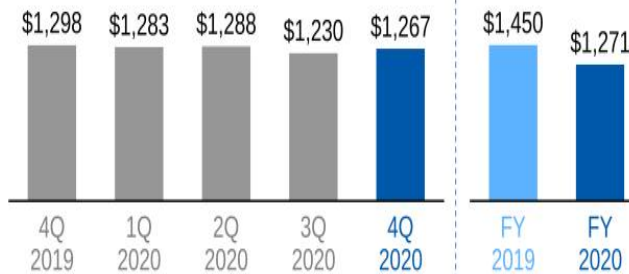


Key Segment Statistics

	4Q 2019	1Q 2020	2Q 2020	3Q 2020	4Q 2020	FY 2019	FY 2020
Shipments: in 000s, net tons	193	187	132	71	74	769	464
Production ¹ : in 000s, net tons	-	-	-	-	16	-	16
EBITDA ² \$ Millions							



Average Selling Price \$ / net ton



United States Steel Corporation

¹ The Fairfield electric arc furnace commenced operation in October 2020.

² Earnings before interest, income taxes, depreciation and amortization.

³ Source: Bloomberg, US Department of Commerce, Preston Publishing.

Select Market Indicators³

Oil Prices

West Texas Intermediate Oil Price at ~\$52/barrel, up ~8% since the beginning of 2021.

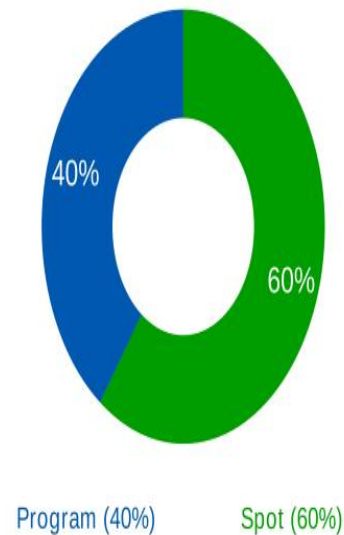
Imports

Imports of OCTG remain high. During 4Q, import share of OCTG apparent market demand is projected to be approximately 40%.

OCTG Inventory

Overall, OCTG supply chain inventory is approximately 12 months.

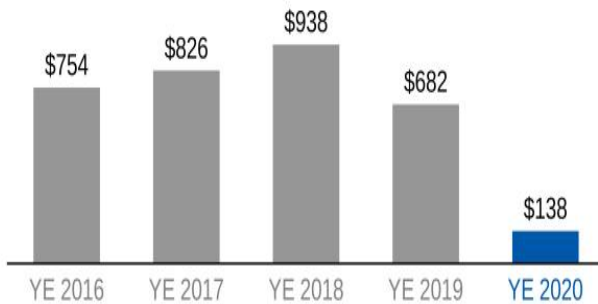
2020 Contract vs. Spot Mix 40% Program; 60% Spot



Cash and liquidity



Cash from Operations \$ Millions



Cash and Cash Equivalents \$ Millions



Total Estimated Liquidity \$ Millions



Net Debt \$ Millions





2021 OUTLOOK

Rounds substrate now made through the new sustainable EAF at our Fairfield Tubular operations.

2021 outlook reasons we are confident



Optimism

Improving demand in
key end-markets

Low inventories across
the supply chain



Optionality

Differentiated
capabilities

Lower capital
intensity



Opportunity

Sustainable
steel offerings

Proprietary AHSS¹
finishing technology



United States Steel Corporation

¹ Advanced High Strength Steel.

2021 outlook current footprint supporting customer demand



		Operating	Recent Changes	Idled	Indefinitely Idled	Idled	Total Capability ¹
North American Flat-rolled	Iron ore pellets	Minntac	Keetac ³			–	22.4
	Cokemaking	Clairton				–	4.3
	Gary	BF #4 ³	BF #6	BF #8	BF #14	–	7.5
	Granite City	BF 'A'		BF 'B'		1.4	2.8
	Great Lakes ²	BF 'A1'	BF 'B2'	BF 'D4'		3.8	3.8
	Mon Valley	BF #1		BF #3		–	2.9
Big River	Big River Steel	EAF #1		EAF #2		–	3.3
Europe	Kosice	BF #1	BF #2	BF #3 ³		–	5.0
Tubular	Fairfield	EAF steelmaking ³ / seamless pipe				–	0.90
	Lorain	#3 seamless pipe				0.38	0.38
	Lone Star	#1 ERW		#2 ERW		0.79	0.79



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¹Raw steel capability, except at Minntac and Keetac (iron ore pellet capability), Clairton (coke capability), Lorain, and Lone Star (pipe capability).








²Great Lakes D4 blast furnace idled as of April 2020; blast furnace A1/B2 previously idled.

³Fairfield EAF was commissioned in October 2020. Keetac and Gary #4 blast furnace were restarted in December 2020. Kosice #3 blast furnace was restarted in January 2021.

2021 outlook

customer demand remains robust



U.S. flat-rolled market	customer	Automotive 	Our automotive order book remains strong. Vehicle inventories are still low at 48 days, suggesting strong steel demand to continue. IHS Markit continues to increase its 2021 build projections now at 16.3 million units.
		Construction 	Construction activity remains resilient. Our construction order and, in particular, our construction-oriented southern coating lines are operating at healthy utilization levels.
		Appliance 	2020 appliance demand exceeded 2017 industry record levels and conversations with customers suggest continued strong demand.
Europe flat-rolled market	customer	Automotive 	European automotive demand is accelerating into the new year. Our order book suggests robust demand to continue through 1Q 2021.
		Construction 	Construction demand is projected to improve in 2021 but remain below 2019 levels.
		Appliance 	Appliance demand is projected to improve in 2021 as well. OEM production remains resilient as consumers have altered buying habits to facilitate more on-line appliance purchases.
Tubular Market	customer	Oil & gas 	Slow but steady improvement in oil and natural gas prices is leading to increasing rig counts. As a result, customer demand is slowly improving in the first quarter for both seamless pipe and our proprietary suite of connections.



United States Steel Corporation

Sources: Wards / Census Bureau / AHAM / IHS / Eurofer / Bloomberg.

2021 outlook current full year projections



Operating Metrics

Flat-rolled Segment Estimated 3 rd Party Shipment Volumes	8.9 – 9.1 million tons
Big River Steel Estimated 3 rd Party Shipment Volumes	2.6 – 2.8 million tons
U. S. Steel Europe Segment Estimated 3 rd Party Shipment Volumes	3.9 – 4.1 million tons
Tubular Segment Estimated Shipment Volumes	0.4 – 0.5 million tons

Income Statement

Depreciation, Depletion, and Amortization ¹	\$800 million
Pension and Other Benefits Costs \$141M in EBITDA; (\$126M) in net interest & other financial costs	\$15 million
Favorable change in Flat-rolled segment annual fixed price metallurgical coal contracts	8% reduction per ton of coal vs. 2020
Unfavorable change in U. S. Steel Europe purchased CO2 credit costs	\$115 million vs. 2020

Cash Flow Statement

Capital Spending (Flat-rolled / U. S. Steel Europe / Tubular)	\$675 million
Capital Spending ² (Big River Steel)	\$70 million
Pension and Other Benefits Cash Payments ³	\$131 million
Cash Interest Expense ⁴	\$433 million

Sustaining Capex for BRS:
~\$10-20M/year



United States Steel Corporation

¹ Includes Big River Steel.

² Includes \$60 million of carryover spending related to the completion of Phase 2-A expansion and equipment retention payments.

³ Excludes voluntary pension contributions.

⁴ Includes Big River Steel and our current expectation to repay the outstanding ABL borrowings in the first quarter of 2021.

2021 outlook

current strategic projects status



Strategic Projects

Endless Casting and Rolling at Mon Valley

Gary Hot Strip Mill

Dynamo Line at USSK

Status Details

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

Continuing capability upgrades in conjunction with planned outages.

Project delayed for an indeterminate period of time.

Continue to expect 2021 capital spending to be ~\$675 million¹



United States Steel Corporation

¹ Excludes capital spending attributable to Big River Steel.



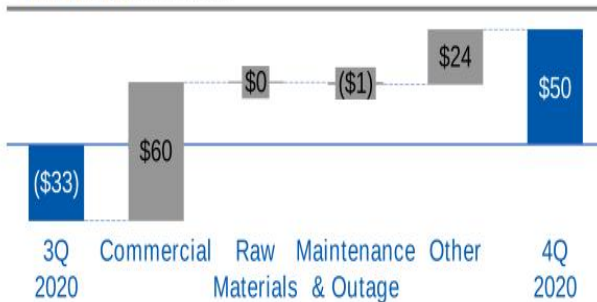
APPENDIX

Fourth quarter segment EBITDA bridges



3Q 2020 vs 4Q 2020

Flat-rolled \$ Millions



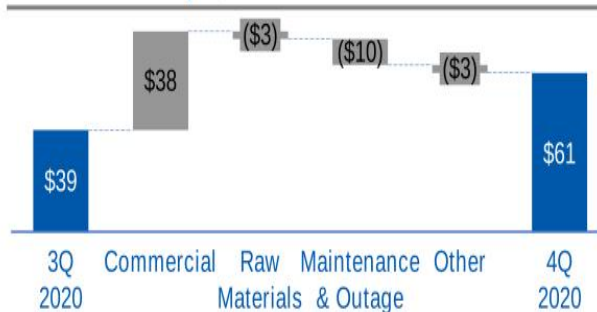
Commercial: The favorable impact is primarily the result of higher average realized prices.

Raw Materials: No change.

Maintenance & Outage: The change is not material.

Other: The favorable impact is primarily the result of reduced SG&A costs and improved joint venture results.

U. S. Steel Europe \$ Millions



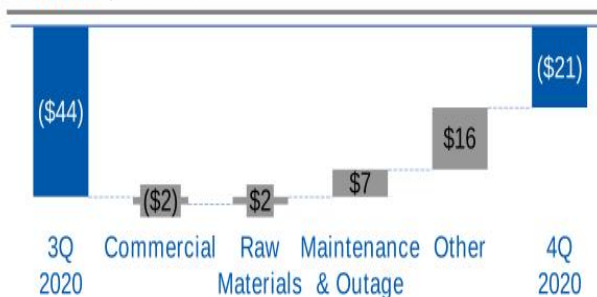
Commercial: The favorable impact is primarily the result of higher average realized prices.

Raw Materials: The unfavorable impact is primarily the result of a higher market price of iron ore.

Maintenance & Outage: The unfavorable impact is primarily the result of increased planned outages.

Other: The unfavorable impact is primarily the result of the absence of both COVID-19 relief and a significant annual electricity cost compensation rebate, partially offset by a favorable USD/Euro exchange rate.

Tubular \$ Millions



Commercial: The change is not material.

Raw Materials: The change is not material.

Maintenance & Outage: The favorable impact is primarily related to cost control measures.

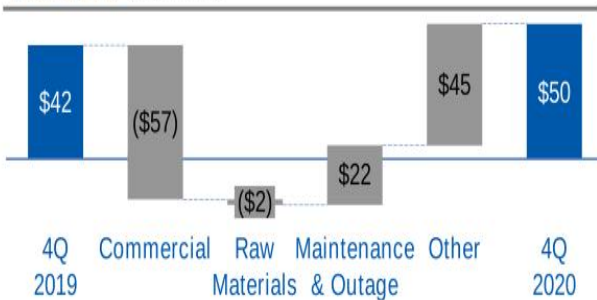
Other: The favorable change is primarily the result of lower costs due to management's decision to indefinitely idle Lone Star and Lorain Tubular.

Fourth quarter segment EBITDA bridges



4Q 2019 vs 4Q 2020

Flat-rolled \$ Millions



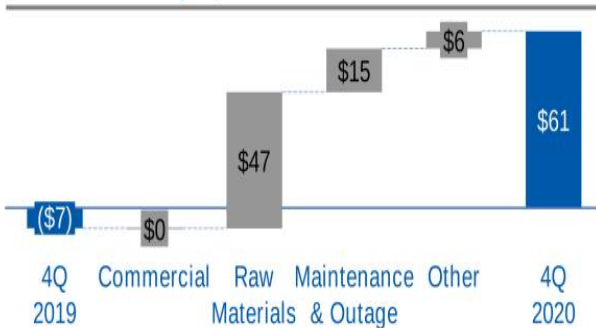
Commercial: The unfavorable impact is primarily the result of fewer shipments to third-party pellet customers and decreased steel volumes.

Raw Materials: The change is not material.

Maintenance & Outage: The favorable impact is primarily the result of fewer planned outages.

Other: The favorable impact is primarily the result of reduced SG&A costs and lower energy costs.

U. S. Steel Europe \$ Millions



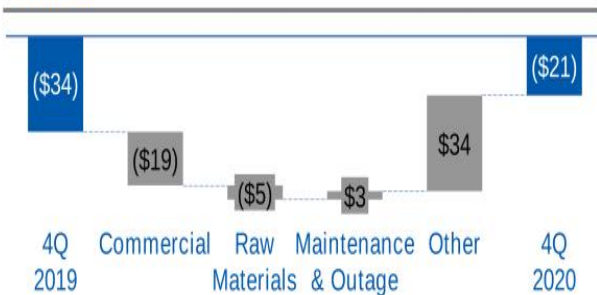
Commercial: No change.

Raw Materials: The favorable impact is primarily the result of lower costs for internally sourced iron ore and lower costs for coking coal.

Maintenance & Outage: The favorable impact is primarily the result of cost control measures and lower maintenance costs.

Other: The change is not material.

Tubular \$ Millions



Commercial: The unfavorable impact is primarily the result of decreased volumes.

Raw Materials: The unfavorable impact is primarily the result of higher costs for rounds purchased from third-party suppliers.

Maintenance & Outage: The favorable impact is primarily the result of lower investment related costs associated with the Fairfield EAF.

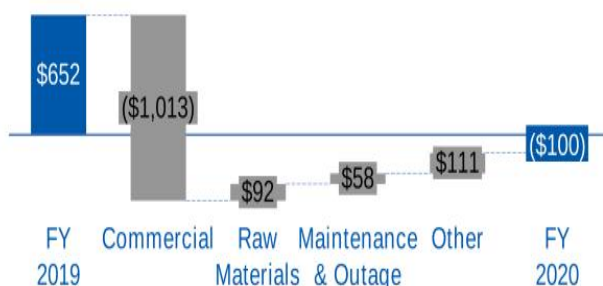
Other: The favorable change is primarily the result of lower costs due to management's decision to indefinitely idle Lone Star and Lorain Tubular.

Full year segment EBITDA bridges



Full Year 2019 vs Full Year 2020

Flat-rolled \$ Millions



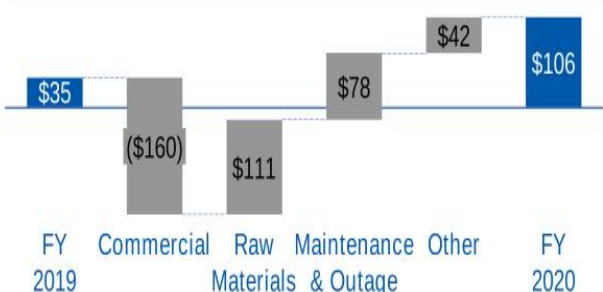
Commercial: The unfavorable impact is primarily the result of decreased volumes and lower average realized prices.

Raw Materials: The favorable impact is primarily the result of lower costs for coking coal and purchased scrap.

Maintenance & Outage: The favorable impact is primarily the result of fewer planned outages.

Other: The favorable impact is primarily the result of lower energy costs as well as reduced SG&A costs.

U. S. Steel Europe \$ Millions



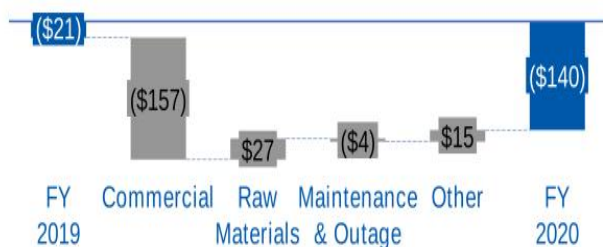
Commercial: The unfavorable impact is primarily the result of lower average realized prices and decreased volumes.

Raw Materials: The favorable impact is primarily the result of lower costs for internally sourced iron ore and lower costs for coking coal.

Maintenance & Outage: The favorable impact is primarily the result of cost control measures and fewer planned outages.

Other: The favorable impact is primarily the result of COVID-19 relief, lower energy costs, and a favorable USD/Euro exchange rate.

Tubular \$ Millions



Commercial: The unfavorable impact is primarily the result of lower average realized prices and decreased volumes.

Raw Materials: The favorable impact is primarily the result of lower costs for rounds purchased from third-party suppliers and lower costs for steel substrate for hot rolled bands from our Flat-rolled segment in 1Q 2020.

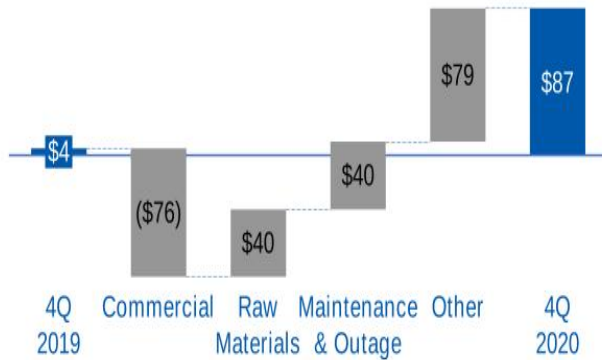
Maintenance & Outage: The unfavorable impact is primarily the result of investment related costs associated with the Fairfield EAF.

Other: The favorable change is primarily the result of lower costs due to management's decision to indefinitely idle Lone Star and Lorain Tubular.

Total corporation adjusted EBITDA bridges



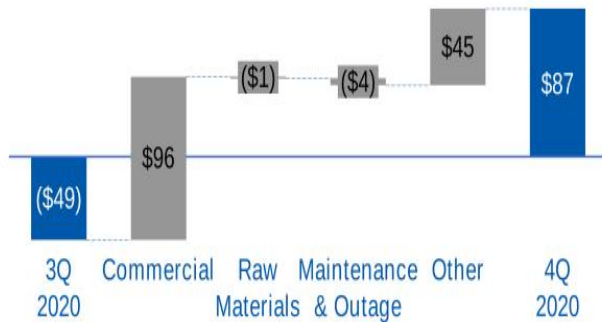
4Q 2019 vs 4Q 2020 \$ Millions



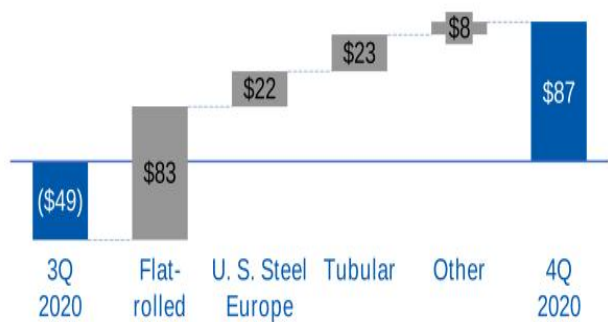
4Q 2019 vs 4Q 2020 \$ Millions



3Q 2020 vs. 4Q 2020 \$ Millions



3Q 2020 vs. 4Q 2020 \$ Millions



Reconciliation of segment EBITDA



Flat-rolled (\$ millions)	<u>4Q</u> 2019	<u>1Q</u> 2020	<u>2Q</u> 2020	<u>3Q</u> 2020	<u>4Q</u> 2020	<u>FY</u> 2019	<u>FY</u> 2020
Segment (loss) earnings before interest and income taxes	(\$79)	(\$35)	(\$329)	(\$159)	(\$73)	\$196	(\$596)
Depreciation	121	121	126	126	123	456	496
Flat-rolled Segment EBITDA	\$42	\$86	(\$203)	(\$33)	\$50	\$652	(\$100)
U. S. Steel Europe (\$ millions)	<u>4Q</u> 2019	<u>1Q</u> 2020	<u>2Q</u> 2020	<u>3Q</u> 2020	<u>4Q</u> 2020	<u>FY</u> 2019	<u>FY</u> 2020
Segment (loss) earnings before interest and income taxes	(\$30)	(\$14)	(\$26)	\$13	\$36	(\$57)	\$9
Depreciation	23	23	23	26	25	92	97
U. S. Steel Europe Segment EBITDA	(\$7)	\$9	(\$3)	\$39	\$61	\$35	\$106
Tubular (\$ millions)	<u>4Q</u> 2019	<u>1Q</u> 2020	<u>2Q</u> 2020	<u>3Q</u> 2020	<u>4Q</u> 2020	<u>FY</u> 2019	<u>FY</u> 2020
Segment loss before interest and income taxes	(\$46)	(\$48)	(\$47)	(\$52)	(\$32)	(\$67)	(\$179)
Depreciation	12	13	7	8	11	46	39
Tubular Segment EBITDA	(\$34)	(\$35)	(\$40)	(\$44)	(\$21)	(\$21)	(\$140)
Other Businesses (\$ millions)	<u>4Q</u> 2019	<u>1Q</u> 2020	<u>2Q</u> 2020	<u>3Q</u> 2020	<u>4Q</u> 2020	<u>FY</u> 2019	<u>FY</u> 2020
Segment (loss) earnings before interest and income taxes	(\$3)	\$1	(\$21)	(\$13)	(\$6)	\$23	(\$39)
Depreciation	6	3	3	2	3	22	11
Other Businesses Segment EBITDA	\$3	\$4	(\$18)	(\$11)	(\$3)	\$45	(\$28)

Reconciliation of net debt



Net Debt (\$ millions)	<u>YE 2016</u>	<u>YE 2017</u>	<u>YE 2018</u>	<u>YE 2019</u>	<u>YE 2020</u>
Short-term debt and current maturities of long-term debt	\$50	\$3	\$65	\$14	\$192
Long-term debt, less unamortized discount and debt issuance costs	2,981	2,700	2,316	3,627	4,695
Total Debt	\$3,031	\$2,703	\$2,381	\$3,641	\$4,887
Less: Cash and cash equivalents	1,515	1,553	1,000	749	1,985
Net Debt	\$1,516	\$1,150	\$1,381	\$2,892	\$2,902

Reconciliation of reported and adjusted net earnings



(\$ millions)	<u>4Q</u> <u>2019</u>	<u>1Q</u> <u>2020</u>	<u>2Q</u> <u>2020</u>	<u>3Q</u> <u>2020</u>	<u>4Q</u> <u>2020</u>	<u>FY</u> <u>2019</u>	<u>FY</u> <u>2020</u>
Reported net (loss) earnings attributable to U. S. Steel	(\$668)	(\$391)	(\$589)	(\$234)	\$49	(\$630)	(\$1,165)
Asset impairment charges	—	263	—	—	—	—	263
Restructuring and other charges	221	41	82	—	8	263	131
Gain on previously held investment in UPI	—	(25)	—	—	—	—	(25)
Tubular inventory impairment	—	—	24	—	—	—	24
Big River Steel debt extinguishment charges	—	—	—	—	18	—	18
Big River Steel financing costs	—	—	—	—	8	—	8
Big River Steel transaction and other related costs	—	—	—	—	3	—	3
Fairless property sale	—	—	—	—	(145)	—	(145)
December 24, 2018 Clairton coke making facility fire	(3)	—	(4)	—	(2)	41	(6)
Big River Steel options and forward adjustments	7	(11)	5	(34)	1	7	(39)
Tax valuation allowance	334	—	—	—	—	334	—
Uncertain tax positions	—	—	13	—	—	—	13
Adjusted net (loss) earnings attributable to U. S. Steel	(\$109)	(\$123)	(\$469)	(\$268)	(\$60)	\$15	(\$920)

Reconciliation of adjusted EBITDA



(\$ millions)	<u>4Q</u> <u>2019</u>	<u>1Q</u> <u>2020</u>	<u>2Q</u> <u>2020</u>	<u>3Q</u> <u>2020</u>	<u>4Q</u> <u>2020</u>	<u>FY</u> <u>2019</u>	<u>FY</u> <u>2020</u>
Reported net (loss) earnings attributable to U. S. Steel	(\$668)	(\$391)	(\$589)	(\$234)	\$49	(\$630)	(\$1,165)
Income tax provision (benefit)	221	(19)	(5)	(24)	(94)	178	(142)
Net interest and other financial costs	71	35	62	47	88	222	232
Reported (loss) earnings before interest and income taxes	(\$376)	(\$375)	(\$532)	(\$211)	\$43	(\$230)	(\$1,075)
Depreciation, depletion and amortization expense	162	160	159	162	162	616	643
EBITDA	(\$214)	(\$215)	(\$373)	(\$49)	\$205	\$386	(\$432)
Asset impairment charges	—	263	—	—	—	—	263
Restructuring and other charges	221	41	89	—	8	275	138
Big River Steel debt extinguishment charges	—	—	—	—	18	—	18
Big River Steel transaction and other related costs	—	—	—	—	3	—	3
Fairless property sale	—	—	—	—	(145)	—	(145)
Gain on previously held investment in UPI	—	(25)	—	—	—	—	(25)
Tubular inventory impairment	—	—	24	—	—	—	24
December 24, 2018 Clairton coke making facility fire	(3)	—	(4)	—	(2)	50	(6)
Adjusted EBITDA	\$4	\$64	(\$264)	(\$49)	\$87	\$711	(\$162)

Reconciliation of Big River Steel December EBITDA



<u>(\$ millions)</u>	<u>December</u> <u>2020</u>
Reported net earnings	\$33
Income tax provision	1
Net interest and other financial costs	(18)
<hr/>	
Reported (loss) earnings before interest and income taxes	\$16
Depreciation and amortization expense	13
<hr/>	
EBITDA	\$29

Reconciliation of Big River Steel net debt



<u>Net Debt</u> <u>(\$ millions)</u>	<u>YE 2020</u>
Short-term debt and current maturities of long-term debt	\$0
Long-term debt, less deferred revenue	1,848
<hr/>	
Total Debt	\$1,848
Less: Cash and cash equivalents ¹	110
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Net Debt	\$1,738





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