

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 29, 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 29, 2021, United States Steel Corporation (the "Corporation") posted to its website a presentation related to the Corporation's financial results for the fourth quarter and full-year 2020. The presentation will be used in connection with the conference call the Corporation will hold on January 29, 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](#) Fourth Quarter and Full-Year 2020 Earnings Call Slides.

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 29, 2021



Fourth Quarter and Full Year 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

January 29, 2021



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 fourth quarter and full year of 2020. Financial results as of 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 to be 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.



What you will hear on today's call:

Creating Value in the Trough

Big River Steel:
The Future is Now

2021 Outlook:
Optimism, Optionality, & Opportunity

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



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 Income¹

~\$30M

EBITDA¹

\$1,738M

Net Debt

\$47M

Ending Cash²

\$267M

Ending Liquidity³



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



United States Steel Corporation

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.

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

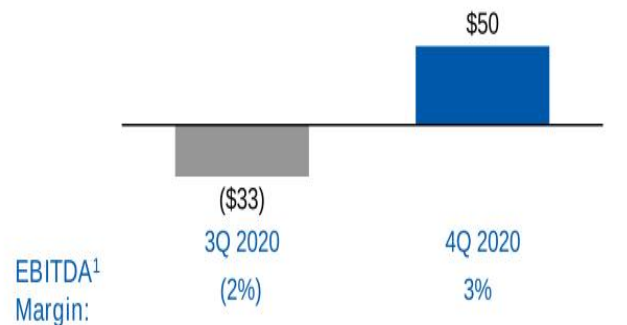
¹ Advanced High Strength Steel.

Strong finish to 2020 fourth quarter 2020 financial highlights

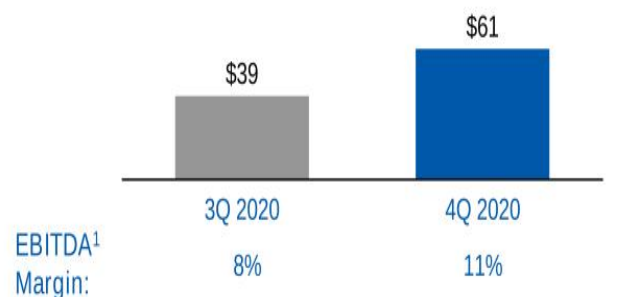


- Total fourth quarter adjusted EBITDA¹ of \$87 million, ahead of our guidance on December 17
- Full year adjusted EBITDA of (\$162) million
- Ending liquidity of ~\$3.2 billion
- Cash and cash equivalents of ~\$2.0 billion
- Pension and OPEB funded status strong at 98% and 115%, respectively
- Average realized selling prices beginning to reflect strong market environment

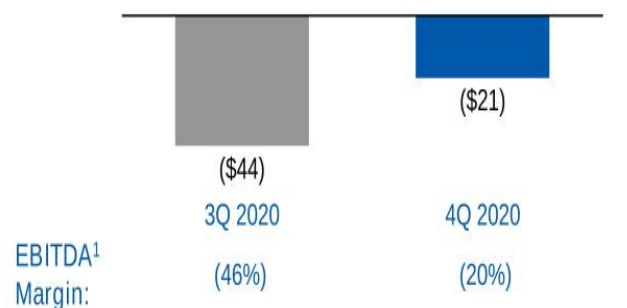
Flat-rolled Segment EBITDA¹ \$ Millions



U. S. Steel Europe Segment EBITDA¹ \$ Millions



Tubular Segment EBITDA¹ \$ Millions



United States Steel Corporation

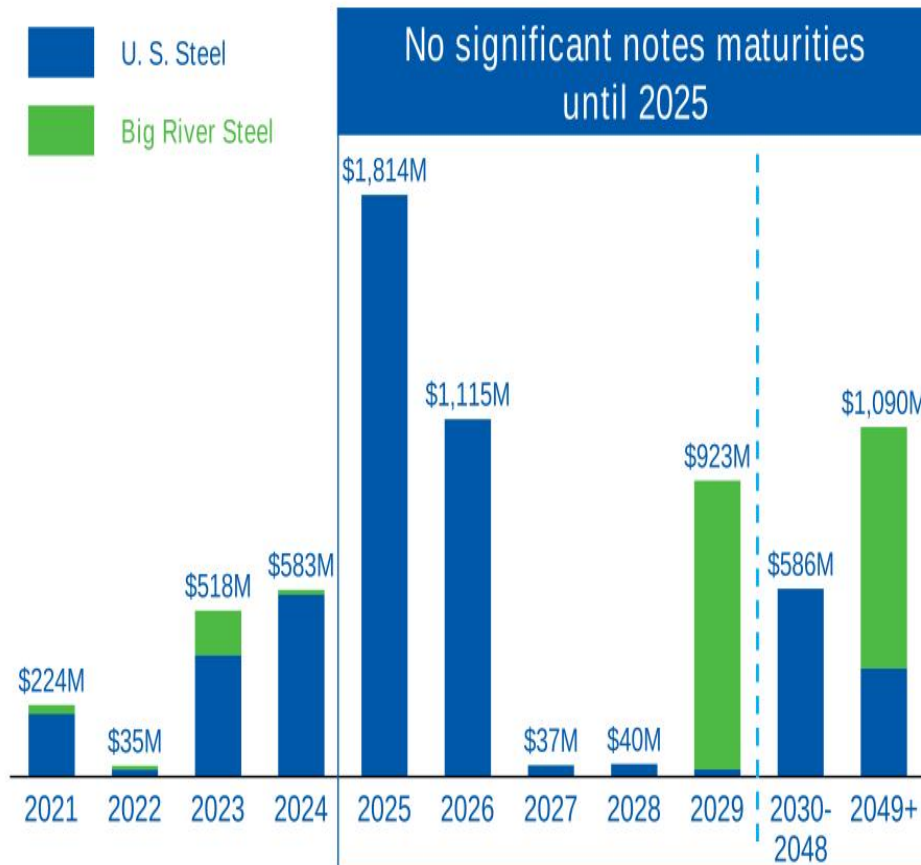
¹ Earnings before interest, income taxes, depreciation and amortization.

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

Preserved Big River capital structure maintaining its attractive characteristics



Combined Maturity Profile, as of December 31, 2020



- ✓ Manageable combined maturity profile aligned with strategy execution
- ✓ Flexibility to opportunistically access the capital markets to re-finance or deleverage
- ✓ Call provisions increase flexibility to proactively manage our debt maturity profile

Flexible and aligned with Best of Both strategy



United States Steel Corporation

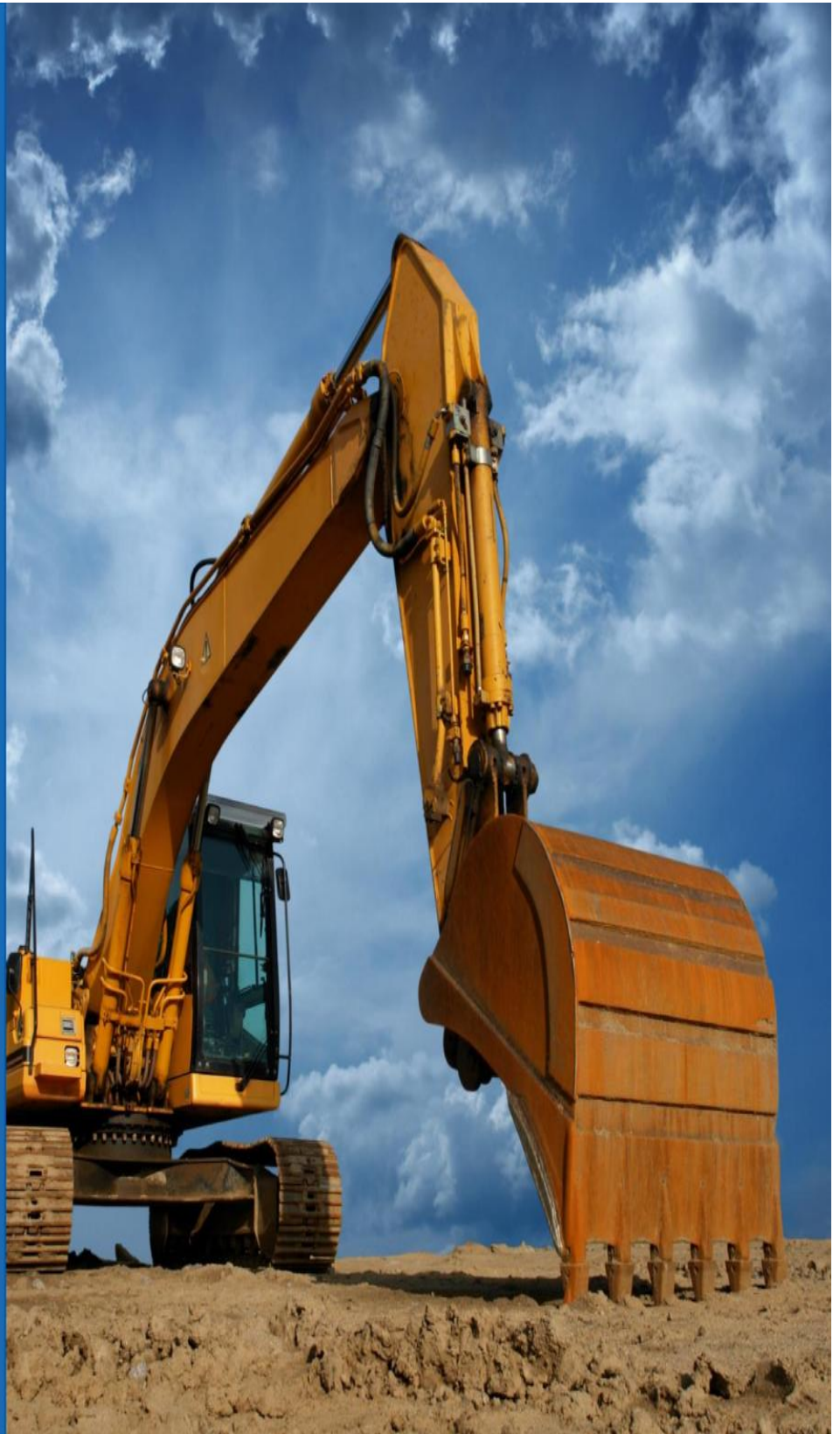
Note: Excludes \$37 million of Big River Steel obligations related to embedded financing arrangements.



- Created value in the trough
- **Executed our #1 strategic priority ... marking the beginning of our Best of Both future**
- Strong 2021 poised for earnings growth and value



Q&A





Closing Remarks



Reconciliation of segment EBITDA



Segment EBITDA – Flat-rolled (\$ millions)	<u>3Q 2020</u>	<u>4Q 2020</u>
Segment earnings before interest and income taxes	(\$159)	(\$73)
Depreciation	126	123
Flat-rolled Segment EBITDA	(\$33)	\$50
Segment EBITDA – U. S. Steel Europe (\$ millions)	<u>3Q 2020</u>	<u>4Q 2020</u>
Segment earnings before interest and income taxes	\$13	\$36
Depreciation	26	25
U. S. Steel Europe Segment EBITDA	\$39	\$61
Segment EBITDA – Tubular (\$ millions)	<u>3Q 2020</u>	<u>4Q 2020</u>
Segment earnings before interest and income taxes	(\$52)	(\$32)
Depreciation	8	11
Tubular Segment EBITDA	(\$44)	(\$21)

Reconciliation of adjusted EBITDA



<u>(\$ millions)</u>	<u>3Q 2020</u>	<u>4Q 2020</u>
Reported net (loss) earnings attributable to U. S. Steel	(\$234)	\$49
Income tax provision (benefit)	(24)	(94)
Net interest and other financial costs	47	88
Reported (loss) earnings before interest and income taxes	(\$211)	\$43
Depreciation, depletion and amortization expense	162	162
EBITDA	(\$49)	\$205
Restructuring and other charges	—	8
Big River Steel debt extinguishment charges	—	18
Big River Steel transaction and other related costs	—	3
Fairless property sale	—	(145)
December 24, 2018 Clairton coke making facility fire	—	(2)
Adjusted EBITDA	(\$49)	\$87

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
<hr/>	
Net Debt	\$1,738





INVESTOR RELATIONS

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