



First Quarter 2022

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 Sustainability Officer

Kevin Lewis

Vice President, Investor Relations and
Corporate FP&A

April 29, 2022



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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 first quarter 2022. Financial results as of and for the periods ended March 31, 2022 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.

These slides 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,” “plan,” “goal,” “future,” “will,” “may,” and similar expressions or by using future dates in connection with any discussion of, among other things, financial performance, the construction or operation of new and existing facilities, the timing, size and form of stock repurchase transactions, 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, statements regarding our future strategies, products and innovations, statements regarding our greenhouse gas emissions reduction goals 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, 2021 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, references to “Big River Steel” refer to Big River Steel Holdings LLC and its direct and indirect subsidiaries unless otherwise indicated by the context, and “Transtar” refers to Transtar LLC and its direct and indirect subsidiaries unless otherwise indicated by the context.



Explanation of use of non-GAAP measures



We present adjusted net earnings, adjusted net earnings 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, considered along with net earnings, is a relevant indicator of trends relating to our operating performance and provides management and investors with additional information for comparison of our operating results to the operating results of other companies.

Adjusted net earnings and adjusted net earnings per diluted share are non-GAAP measures that exclude the effects of items that include: asset impairment charges, restructuring and other charges, (gains) losses on assets sold and previously held investments, gain on sale of Transtar and other (Adjustment Items). Adjusted EBITDA is also a non-GAAP measure that excludes the effects of certain Adjustment Items. We present adjusted net earnings, adjusted net 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 effects of events that can obscure underlying trends. U. S. Steel's management considers adjusted net earnings, adjusted net 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 earnings, adjusted net 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 earnings, 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, adjusted net earnings per diluted share and adjusted EBITDA should not be considered a substitute for net earnings, 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. A condensed consolidated statement of operations (unaudited), condensed consolidated cash flow statement (unaudited), condensed consolidated balance sheet (unaudited) and preliminary supplemental statistics (unaudited) for U. S. Steel are attached.



Advancing towards our Best for All[®] future



CURRENT LANDSCAPE

Bullish for 2022 and advancing towards our Best for All future



CHALLENGES

Transitioning to a less capital and carbon intensive business model while becoming the best steel competitor



SOLUTION

Maintaining strong trade enforcement

Expanding competitive advantages

Balanced capital allocation strategy



PATH FORWARD

Delivering on Best for All



**RECORD
FIRST QUARTER
PERFORMANCE**

... on pace for record second quarter performance

**STRONG
EXECUTION ACROSS
THE ENTERPRISE**

... portfolio of differentiated assets to deliver profitable steel solutions for people and planet

**RETURNING
CAPITAL TO
STOCKHOLDERS**

... in-line with our capital allocation framework



RECORD 1Q net earnings

RECORD 1Q adjusted EBITDA

RECORD liquidity



Advancing towards our Best for All future

Strong execution across the enterprise



**N. AMERICAN
FLAT-ROLLED**



MINI MILL



**U. S. STEEL
EUROPE**



TUBULAR



Advancing towards our Best for All future

Strong execution across the enterprise



N. AMERICAN FLAT-ROLLED



The U. S. Steel advantage:



**Low-cost
iron ore**



**Commercial excellence
supported by best-in-
class finishing lines**

Meeting customers' needs:

▷ *Mined, melted, &
made in the U.S.A.*

▷ *Expanding iron ore
advantage to Mini Mill
segment*

▷ *Balanced portfolio of
contract, indexed, and
spot volumes*

▷ *Leader in Advanced
High Strength Steels*



United States Steel Corporation

Advancing towards our Best for All future

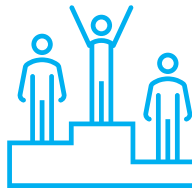
Strong execution across the enterprise



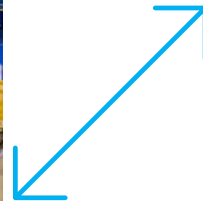
MINI MILL



The U. S. Steel advantage:



Industry-leading performance



Expanding mini mill presence

Meeting customers' needs:

▶ *Advanced grades, made sustainably*



▶ *Unmatched process / product innovation*

▶ *Building Mini Mill #2 ... producing the 'green' steels customers crave*

▶ *Adding first-of-its-kind technology in the U.S. to best serve customers*



United States Steel Corporation

Advancing towards our Best for All future

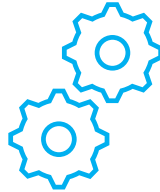
Strong execution across the enterprise



U.S. STEEL EUROPE



The U. S. Steel advantage:



Operational excellence



Demonstrated through-cycle performance

Meeting customers' needs:



Highly efficient operations



Reliable source of high-quality steel in the region



Serving the growing V4 region



Locally produced steel



United States Steel Corporation

Advancing towards our Best for All future

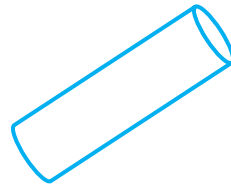
Strong execution across the enterprise



TUBULAR



The U. S. Steel advantage:



Insourced rounds production



Proprietary connections

Meeting customers' needs:



More efficient production



Faster response time for customers



API / semi-premium / premium connections



Comprehensive suite of solutions for drillers



United States Steel Corporation

Advancing towards our Best for All future

Returning capital to stockholders



	PRIORITIES	CONSIDERATIONS	OBJECTIVES	STATUS
1	Balance sheet strength	Through-cycle adjusted debt to EBITDA range	3.0x – 3.5x range	<input checked="" type="checkbox"/> <i>On-track</i>
2	Announced Best for All investments	Cash to NTM ¹ capex and cash of no less than \$1.5B	1:1 ≥ \$1.5B cash	<input checked="" type="checkbox"/> <i>On-track</i>
3	Capability capex	Expands iron ore, mini mill or finishing competitive advantages	15%+ IRR & advances Best for All	<input checked="" type="checkbox"/> <i>On-track</i>
4	Direct returns	Maintain quarterly dividend Return excess cash w/ buybacks	\$0.05/share measured & opportunistic SBB	<i>Increasing our stock buyback</i>



Advancing towards our Best for All future *Record first quarter performance*



~\$1.3B

**1Q 2022
Adj. EBITDA**



**N. American
Flat-rolled**

\$636M

**1Q 2022
Adj. EBITDA**



**Mini
Mill**

\$318M

**1Q 2022
Adj. EBITDA**



**U. S. Steel
Europe**

\$287M

**1Q 2022
Adj. EBITDA**



Tubular

\$89M

**1Q 2022
Adj. EBITDA**



United States Steel Corporation

Advancing towards our Best for All future *Generational opportunity at U. S. Steel*



Repositioning our business

*by executing our
Best for All strategy*

Progressing on strategic projects

*on-time and
on-budget*

Seizing the moment

*and building
momentum*



United States Steel Corporation

Groundbreaking for Mini Mill #2



Q&A



Mini Mill #2
Construction



Closing Remarks



Reconciliation of segment EBITDA



Flat-rolled (\$ millions)	<u>1Q 2022</u>
Segment (loss) earnings before interest and income taxes	\$513
Depreciation	123
Flat-rolled Segment EBITDA	\$636
Mini Mill (\$ millions)	<u>1Q 2022</u>
Segment (loss) earnings before interest and income taxes	\$278
Depreciation	40
Mini Mill Segment EBITDA	\$318
U. S. Steel Europe (\$ millions)	<u>1Q 2022</u>
Segment (loss) earnings before interest and income taxes	\$264
Depreciation	23
U. S. Steel Europe Segment EBITDA	\$287
Tubular (\$ millions)	<u>1Q 2022</u>
Segment (loss) earnings before interest and income taxes	\$77
Depreciation	12
Tubular Segment EBITDA	\$89
Other (\$ millions)	<u>1Q 2022</u>
Segment (loss) earnings before interest and income taxes	\$7
Depreciation	0
Other Segment EBITDA	\$7



Reconciliation of adjusted EBITDA



<u>(\$ millions)</u>	<u>1Q 2022</u>
Reported net earnings attributable to U. S. Steel	\$882
Income tax provision (benefit)	246
Net interest and other financial costs	(10)
Reported earnings before interest and income taxes	\$1,118
Depreciation, depletion and amortization expense	198
EBITDA	\$1,316
Asset impairment charges	—
Restructuring and other charges	17
(Gains)/losses on assets sold & previously held investments	—
Gain on sale of Transtar	—
Other	4
Adjusted EBITDA	\$1,337



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LISTED

NYSE



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