



United States Steel Corporation

THIRD QUARTER 2023

EARNINGS CALL

David Burritt

President and Chief Executive Officer

Jessica Graziano

SVP and Chief Financial Officer

Rich Fruehauf

SVP, Chief Strategy
and Sustainability Officer

Kevin Lewis

VP, Finance

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 third quarter 2023. Financial results as of and for the periods ended September 30, 2023 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,” “plan,” “goal,” “future,” “will,” “may” and similar expressions or by using future dates in connection with any discussion of, among other things, the construction or operation of new or existing facilities or operating capabilities, the timing, size and form of share repurchase transactions, operating or financial 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, changes in the global economic environment, including supply and demand conditions, inflation, interest rates, supply chain disruptions and changes in 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, statements regarding existing or new regulations 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 include all statements that are not historical facts, but instead represent only the Company’s beliefs regarding goals, plans and expectations about our prospects for the future and other future events, many of which, by their nature, are inherently uncertain, qualified by important factors 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, whether the objectives of the Company’s previously announced strategic alternatives review process will be achieved; the terms, structure, timing, benefits and costs of any strategic transaction; and whether any such transaction will be consummated at all; the risk that the strategic alternatives review process and its announcement could have an adverse effect on the ability of the Company to retain customers and retain and hire key personnel and maintain relationships with customers, suppliers, employees, shareholders and other business relationships and on its operating results and business generally; the risk that the strategic alternatives review process could divert the attention and time of the Company’s management, the risk of any unexpected costs or expenses resulting from the strategic alternatives review process; the risk of any litigation relating to the strategic alternatives review process; and the risks and uncertainties described in “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 and those described from time to time in our future reports filed with the Securities and Exchange Commission.

References to (i) “U. S. Steel,” “the Company,” “we,” “us,” and “our” refer to United States Steel Corporation and its consolidated subsidiaries unless otherwise indicated by the context and (ii) “Big River Steel” refer to Big River Steel Holdings 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, earnings before interest, income taxes, depreciation and amortization (EBITDA), adjusted EBITDA and adjusted EBITDA margin, 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 is a non-GAAP measure that exclude the effects of items that include: debt extinguishment, asset impairment charges, restructuring and other charges, stock-based compensation expense, VEBA asset surplus adjustment, gains on assets sold and previously held investments, pension de-risking, United Steelworkers labor agreement signing bonus and related costs, environmental remediation charges, the Company's previously announced strategic alternatives review process, Granite City idling costs, other charges, net and tax impact of adjusted items (Adjustment Items). Adjusted EBITDA and adjusted EBITDA margin are also non-GAAP measures that exclude the effects of certain Adjustment Items. We present adjusted net earnings, adjusted EBITDA and adjusted EBITDA margin 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 EBITDA and adjusted EBITDA margin 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 EBITDA and adjusted EBITDA margin 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 EBITDA and adjusted EBITDA margin 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, adjusted EBITDA and adjusted EBITDA margin should not be considered a substitute for net earnings 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.

We also present free cash flow, a non-GAAP measure of cash generated from operations after any investing activity and investable free cash flow, a non-GAAP measure of cash generated from operations after any investing activity adjusted for strategic capital expenditures. We believe that free cash flow and investable free cash flow provides further insight into the Company's overall utilization of cash. We also present net debt, 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. 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.



Current Landscape

Enthusiasm for maximizing stockholder value



Challenges

Harnessing mega trends



Solution

Leverage our unique competitive advantages to capture mega trends in:

- Deglobalization
- Decarbonization
- Digitization



Path Forward

Unlock stockholder value



Q3 2023 FINANCIAL PERFORMANCE

Strong third
quarter
performance

\$299M

Reported Net Earnings

\$1.20 per diluted share

\$350M

Adjusted Net Earnings

\$1.40 per diluted share

\$578M

Adjusted EBITDA Performance

~13% EBITDA margin

\$232M

Free Cash Flow

\$655M excluding strategic capex of \$423M
(provided for illustrative purposes)

\$5.5B

Liquidity

Including \$3.2B cash

Flat-Rolled



Mini Mill



USSE



Tubular



STRATEGY EXECUTION LARGELY DE-RISKED

CGL2¹

STATUS ①

89% of spend committed

50% of execution completed

31% capex remaining

BR2

STATUS ②

92% of spend committed

62% of execution completed

33% capex remaining

DR PELLET

STATUS ③

92% of spend committed

70% of execution completed

48% capex remaining

NGO

COMPLETE ④

100% of spend committed

100% of execution completed

8% capex remaining²

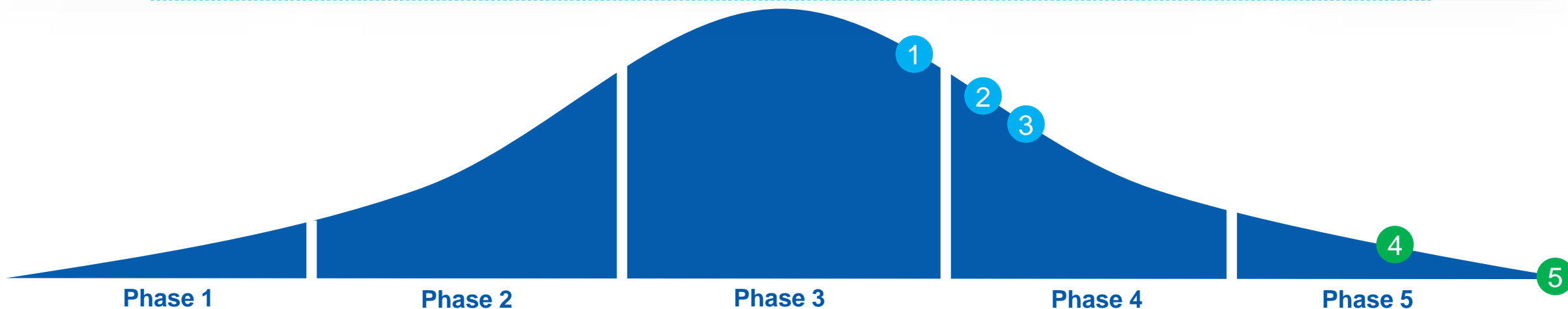
GARY PIG

COMPLETE ⑤

100% of spend committed

100% of execution completed

0% capex remaining



Note: "Capex remaining" is based on cash flows instead of liabilities.

¹ CGL2 = Continuous galvanizing line. Also referred to as the dual coating line.

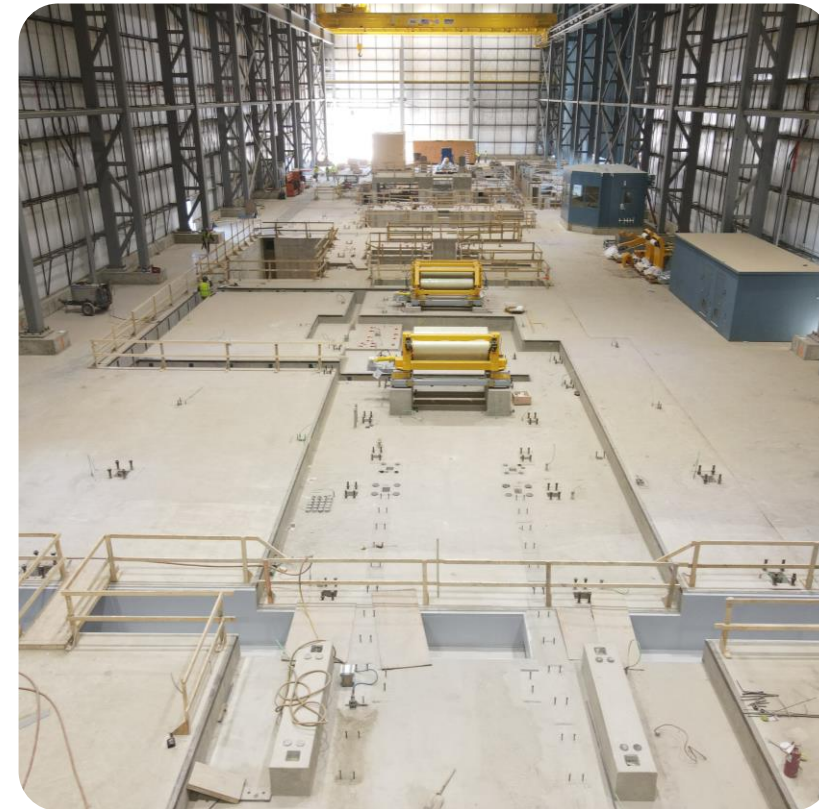
² Timing of cash outlay.



Aerial View
Big River 2



Endless Strip Production
roughing & finishing mill



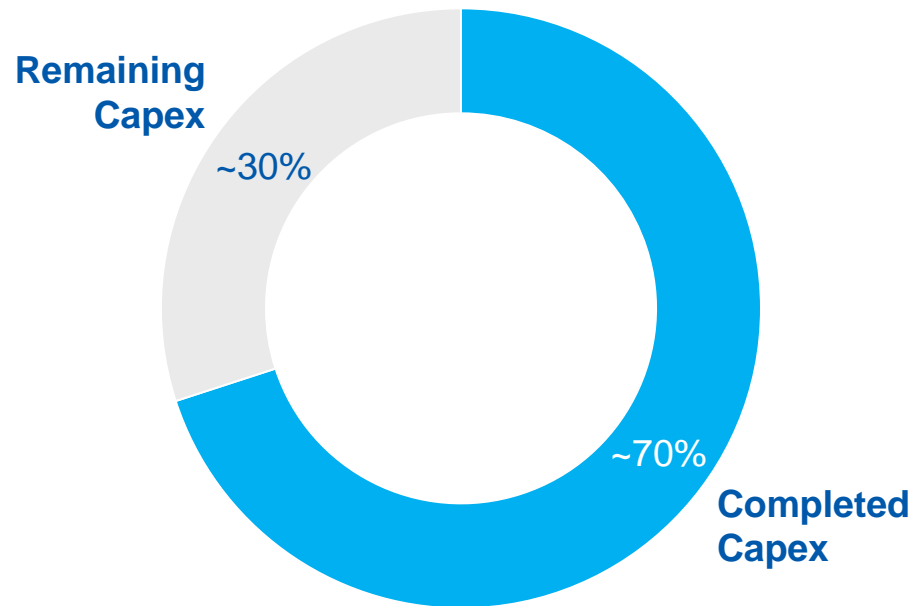
PLTCM¹
entry section

¹ PLTCM = Pickle Line Tandem Cold Mill

APPROACHING CONSIDERABLE VALUE UNLOCK

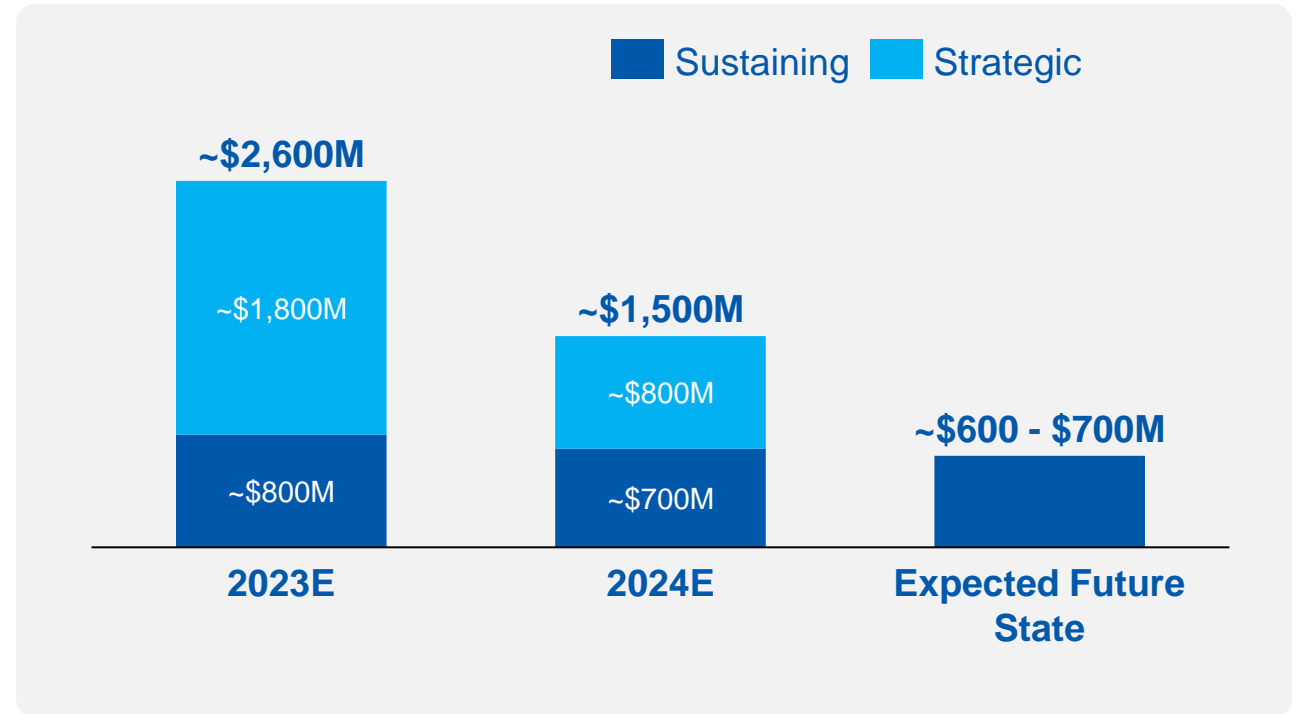
Strategic Capital Expenditures (Capex) Progressing As-Expected

% of strategic capex complete for in-flight projects



Capital Expenditures by Year

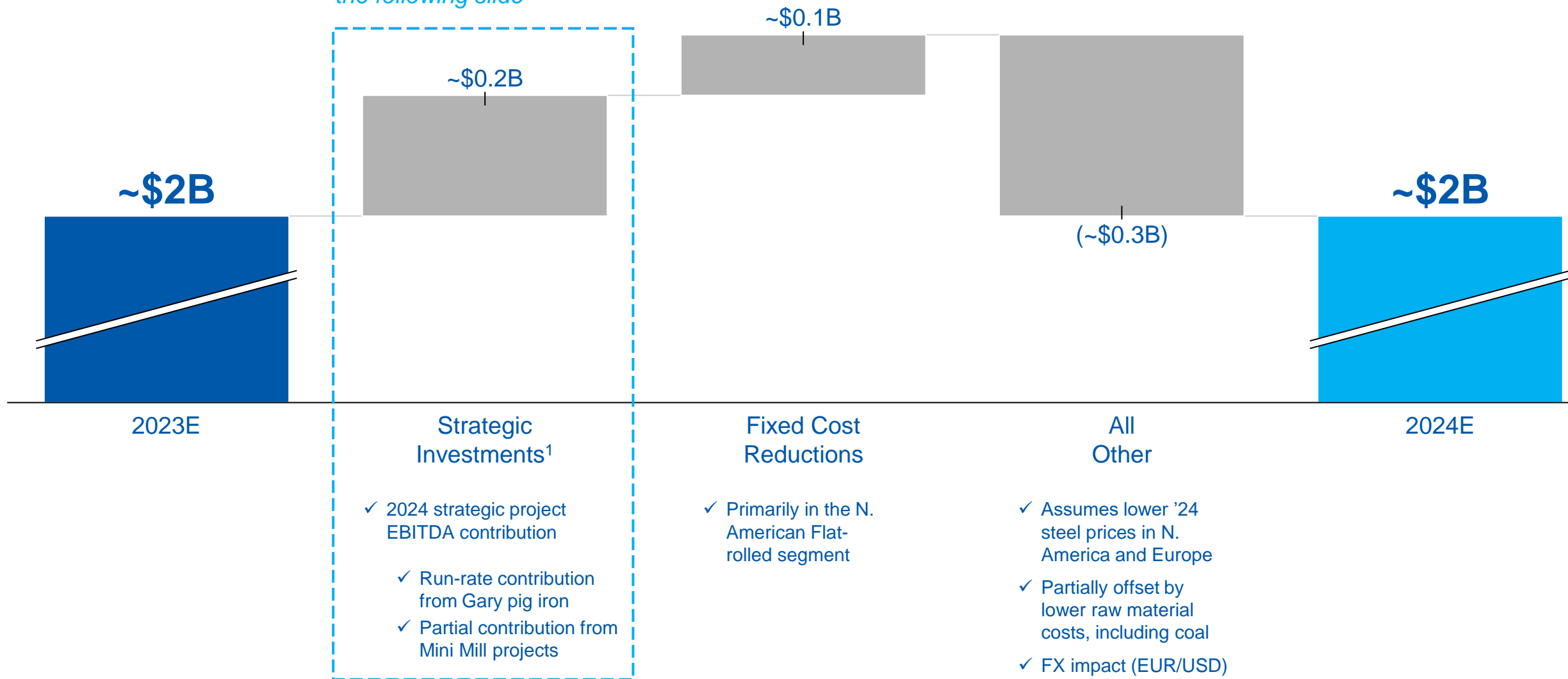
Manageable capex expected in future years



**Significant free cash flow expected
as strategic capex rolls off**

EXPECTED 2024 EBITDA AT-A-GLANCE

Additional details on the following slide

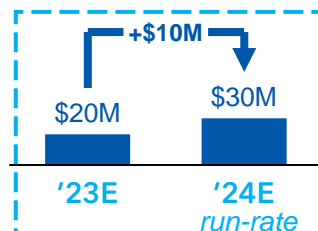


¹ Strategic project EBITDA contribution assumes a historical, through-cycle \$616/nt HRC price environment.

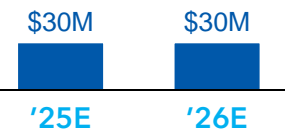
PROJECTING ~\$155-\$210M INCREMENTAL EBITDA IN '24 FROM STRATEGIC PROJECTS



Gary Works Pig Iron Machine



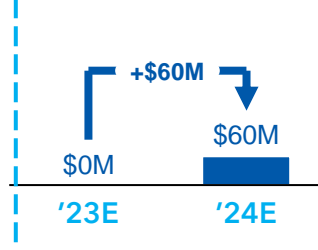
EBITDA Contribution



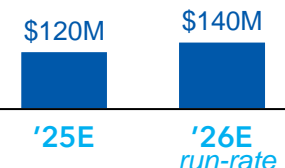
- ✓ Monthly run-rate production already achieved
- ✓ Annual run-rate production = 500k tons



NGO Electrical Steel



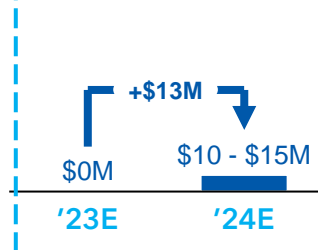
EBITDA Contribution



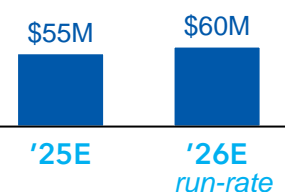
- ✓ ~100k tons; 50% of production expected in '24
- ✓ ~\$1,000/nt premium over HRC¹



Dual Coating Line



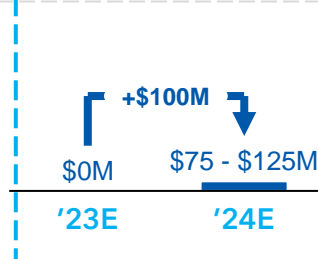
EBITDA Contribution



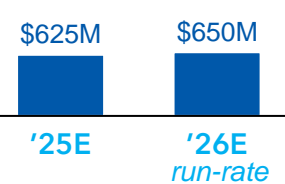
- ✓ ~50 - 75k tons; ~15 - 23% of run-rate production, expected in '24
- ✓ ~\$400/nt premium over HRC¹



Big River 2

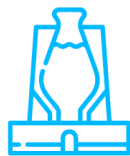


EBITDA Contribution



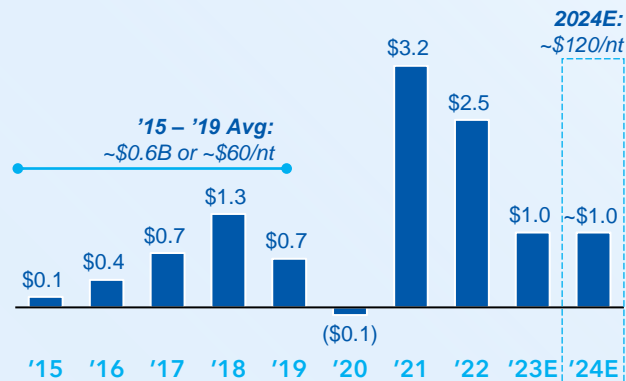
- ✓ ~750 - 900k tons; ~25 - 30% of run-rate production, expected in '24
- ✓ ~\$170/nt premium over HRC¹

STRUCTURALLY IMPROVED SEGMENT PERFORMANCE ...



NORTH AMERICAN FLAT-ROLLED

Segment EBITDA
in billions



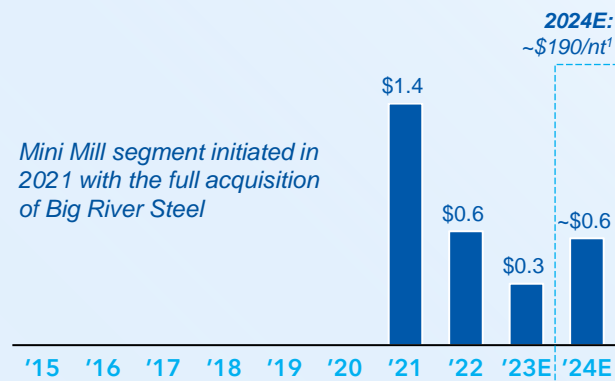
Well-capitalized assets; beneficiary of asset revitalization program in '17-'20

Delivering world-class safety and reliability



MINI MILL

Segment EBITDA
in billions



On-track for \$1.3B EBITDA by '26 after strategic investments

'22 / '23 impacted by raw material disruption from the Ukraine conflict



U. S. STEEL EUROPE

Segment EBITDA
in billions



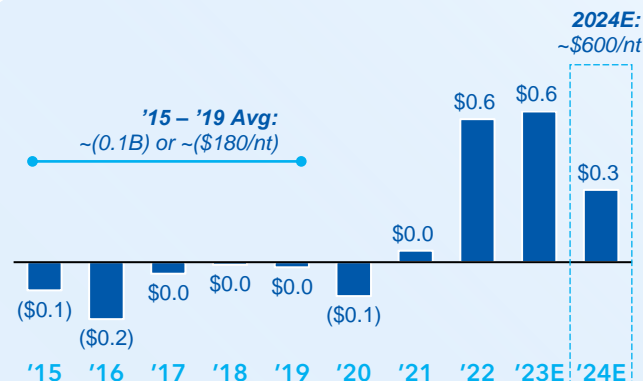
Resilient performance through the cycle

Strategically located near customers in central EU



TUBULAR

Segment EBITDA
in billions



Insourced rounds production; EAF steelmaking

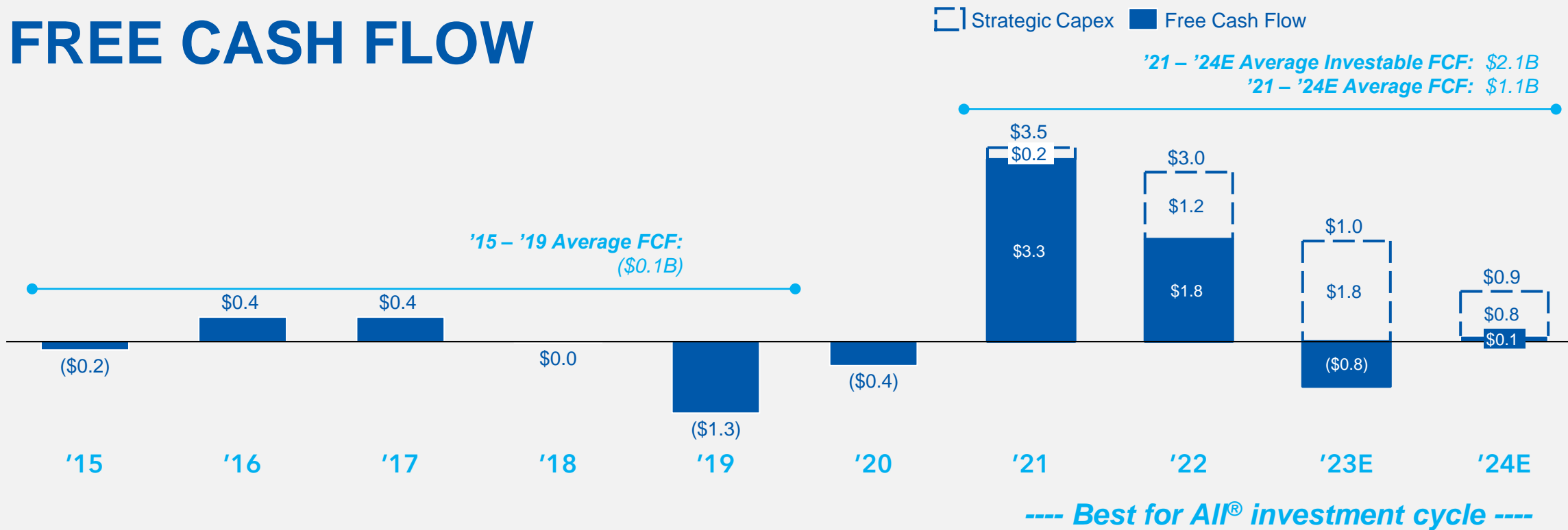
Expanded proprietary connections for drillers

Note: For reconciliation of non-GAAP amounts, see Appendix. 2015 – 2019 average hot rolled coil (HRC) = \$606/nt. 2024E HRC assumption = \$750/nt.

¹ "Per ton" statistics excludes intersegment shipments.

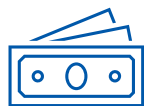
¹ Mini Mill segment EBITDA per ton based on third-party shipments only.

FREE CASH FLOW



Completed strategic capex

... Providing opportunity to increase direct returns



Strategic projects ramping up

... Creating incremental EBITDA



Better capital intensity

... \$15/ton mini mill sustaining capex (vs. ~\$30/nt for legacy assets)



Safe, efficient and well-capitalized asset base



Completed strategic projects¹

Cash from Operations



Strong balance sheet



Advance strategic projects



Maintain \$0.05/sh dividend

Excess Cash



Increase the dividend



Buy back stock



Transformed balance sheet

Elevated cash balances to fund strategic investments; extended debt maturity profile (80% of debt due beyond '29); generating significant cash from operations



De-risked project execution

Beyond peak investment cycle; delivering EBITDA benefits today; positive free cash flow expected in 2024



Increased optionality

Approaching significant strategic value unlock; assessing options for excess cash, when appropriate

Continuing to assess

¹ Gary pig iron project completed in Q4 2022. Big River Steel non-grain oriented (NGO) electrical steel line completed in Q3 2023.



Q&A



THIRD QUARTER

2023

UPDATE

U. S. Steel and DuPont™ Launched COASTALUME™ Product, North America's First GALVALUME® Solution Engineered and Warranted for Coastal Environments

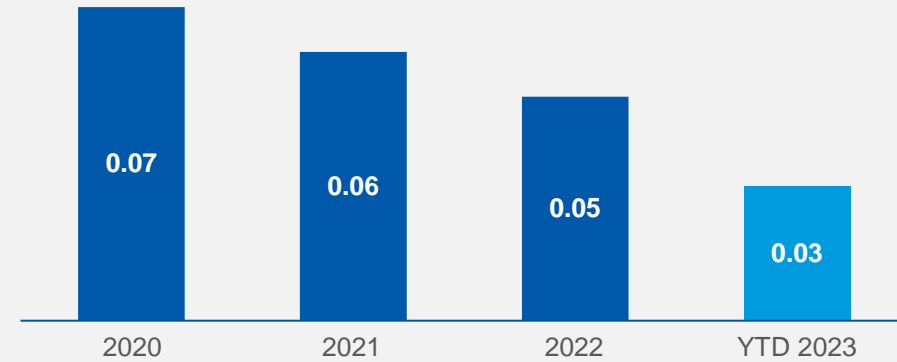


Benchmark¹:

BLS - Iron & Steel: 0.90



Multiple years
of record-setting
performance



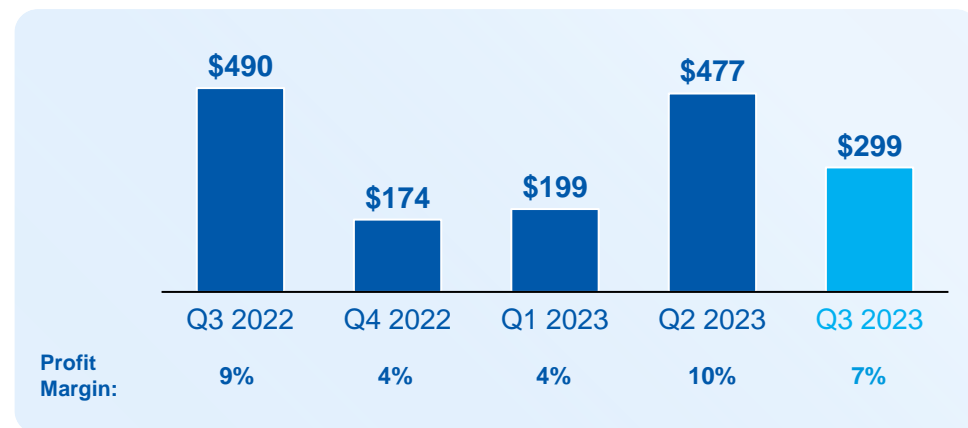
OSHA Days Away from Work²

¹ Bureau of Labor Statistics – Iron & Steel 2021 data.

² Occupational Safety and Health Administration (OSHA) Days Away from Work is defined as number of days away cases x 200,000 / hours worked. **YTD as of October 26, 2023.**

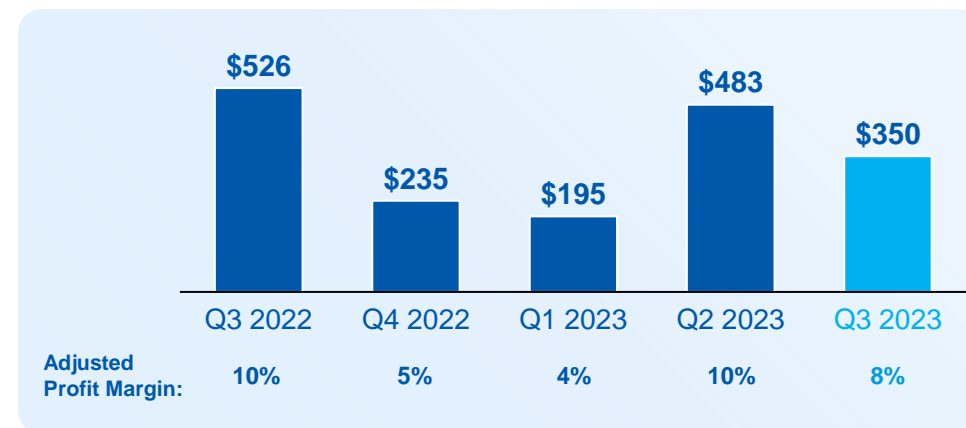
Reported Net Earnings

\$ Millions



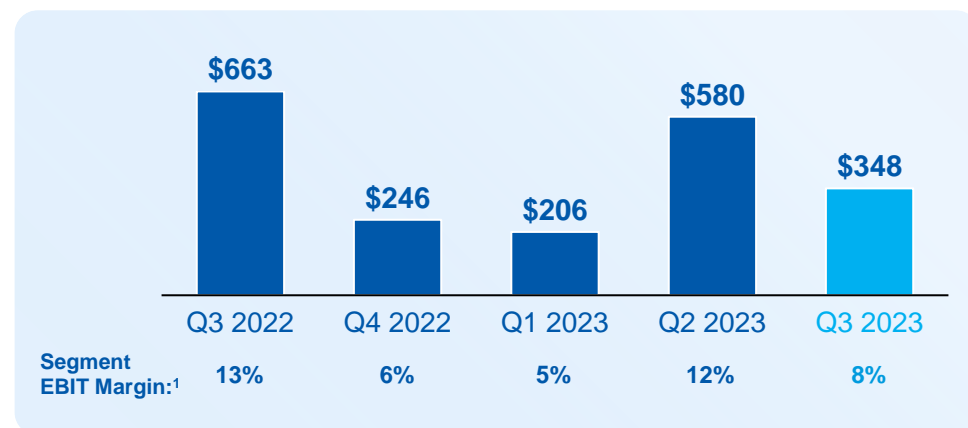
Adjusted Net Earnings

\$ Millions



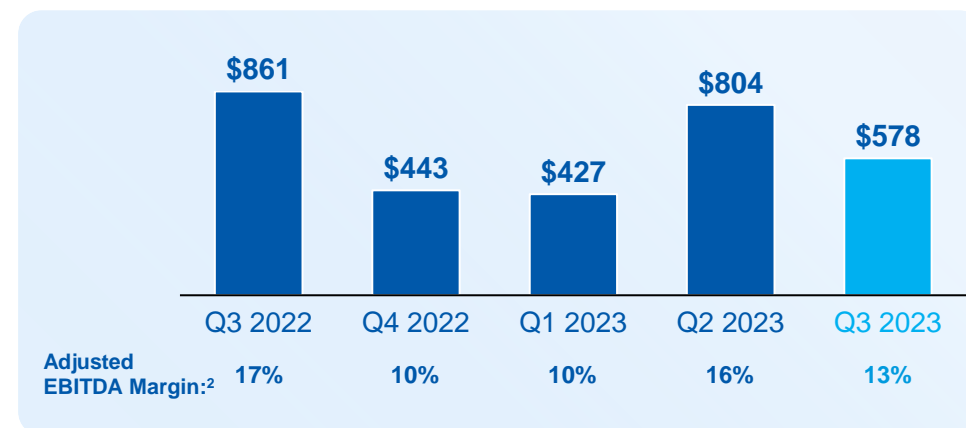
Segment EBIT¹

\$ Millions



Adjusted EBITDA²

\$ Millions



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

¹ Earnings (loss) before interest and income taxes. ² Earnings (loss) before interest, income taxes, depreciation and amortization, and excluding adjustment items.

KEY OPERATING STATISTICS TRENDS BY SEGMENT

Flat-Rolled Operating Statistics

	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Shipments: in 000s, net tons	2,176	1,885	2,278	2,235	2,159
Production: in 000s, net tons	2,265	1,952	2,393	2,529	2,390
Average Selling Price \$/ net ton	\$1,232	\$1,086	\$1,012	\$1,088	\$1,036

Mini Mill Operating Statistics

	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Shipments: in 000s, net tons	529	636	659	587	561
Production: in 000s, net tons	616	683	759	749	693
Average Selling Price \$/ net ton	\$1,096	\$786	\$794	\$1,011	\$901

U. S. Steel Europe (USSE) Operating Statistics

	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Shipments: in 000s, net tons	867	715	883	1,034	958
Production: in 000s, net tons	946	589	1,092	1,213	990
Average Selling Price \$/ net ton	\$1,021	\$957	\$909	\$965	\$852

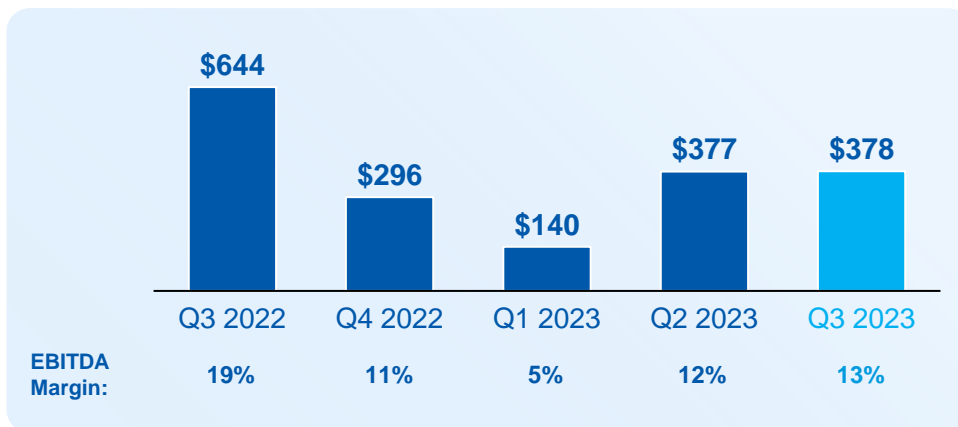
Tubular Operating Statistics

	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Shipments: in 000s, net tons	126	133	131	111	104
Production: in 000s, net tons	173	137	171	129	111
Average Selling Price \$/ net ton	\$3,217	\$3,616	\$3,757	\$3,493	\$2,927

EBITDA TRENDS BY SEGMENT

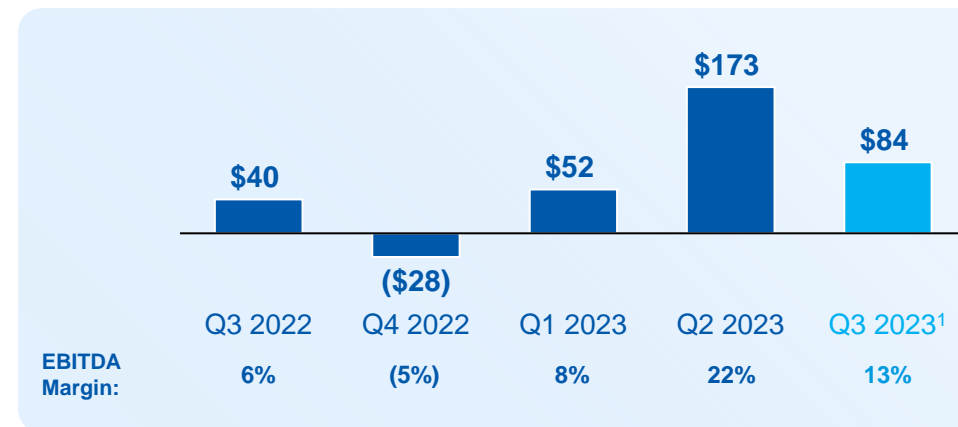
Flat-Rolled Segment EBITDA

\$ Millions



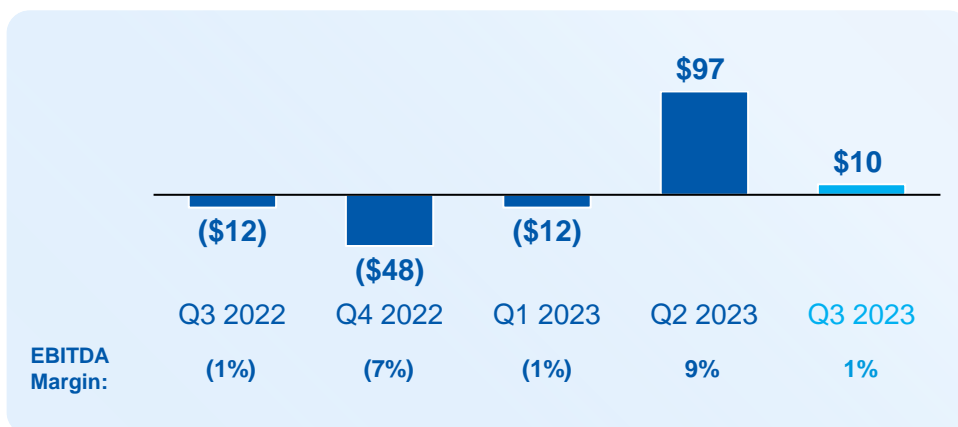
Mini Mill Segment EBITDA

\$ Millions



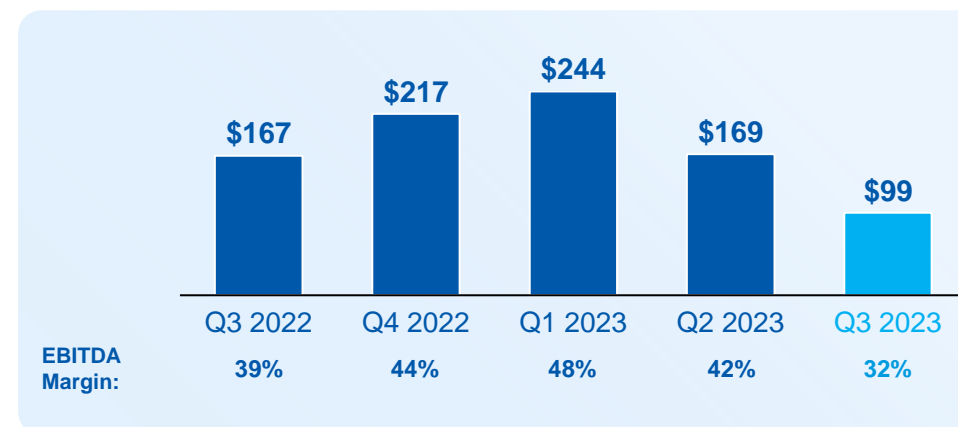
USSE Segment EBITDA

\$ Millions



Tubular Segment EBITDA

\$ Millions



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

¹ Q3 2023 Mini Mill segment EBITDA includes the impact of \$17 million in construction and related start-up costs.

FLAT-ROLLED SEGMENT EBITDA CHANGE ANALYSIS

\$ Millions, Q3 2022 vs. Q3 2023



Commercial

The unfavorable impact is primarily the result of lower average realized prices.

Raw Materials

The favorable impact is primarily the result of LIFO impacts and lower alloy costs partially offset by higher coal costs.

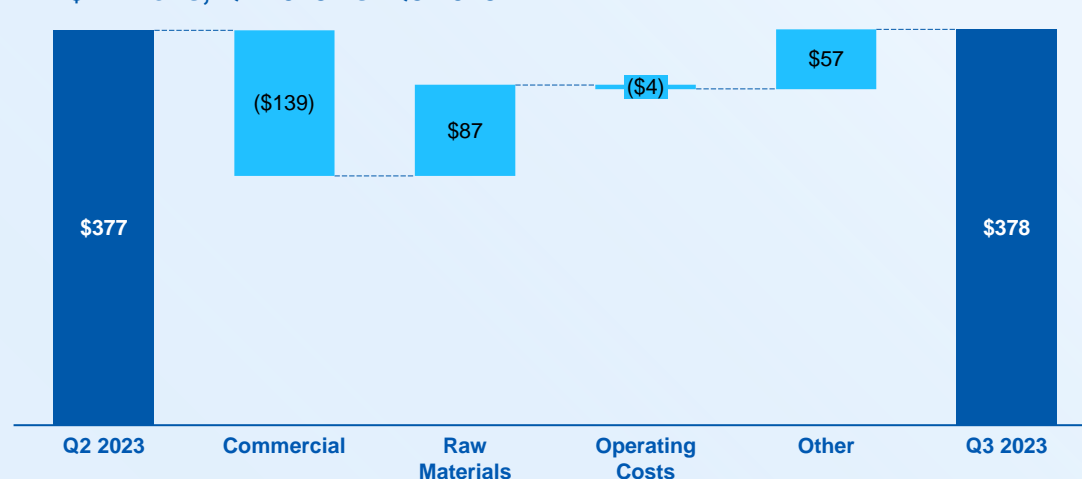
Operating Costs

The favorable impact is primarily the result of lower mining related costs, partially offset by increased costs for purchased products and services and higher labor costs.

Other

The favorable impact is primarily the result of lower variable compensation and lower energy costs partially offset by reduced joint venture income.

\$ Millions, Q2 2023 vs. Q3 2023



Commercial

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

Raw Materials

The favorable impact is primarily the result of LIFO impacts, lower outside purchased scrap costs and lower alloy costs.

Operating Costs

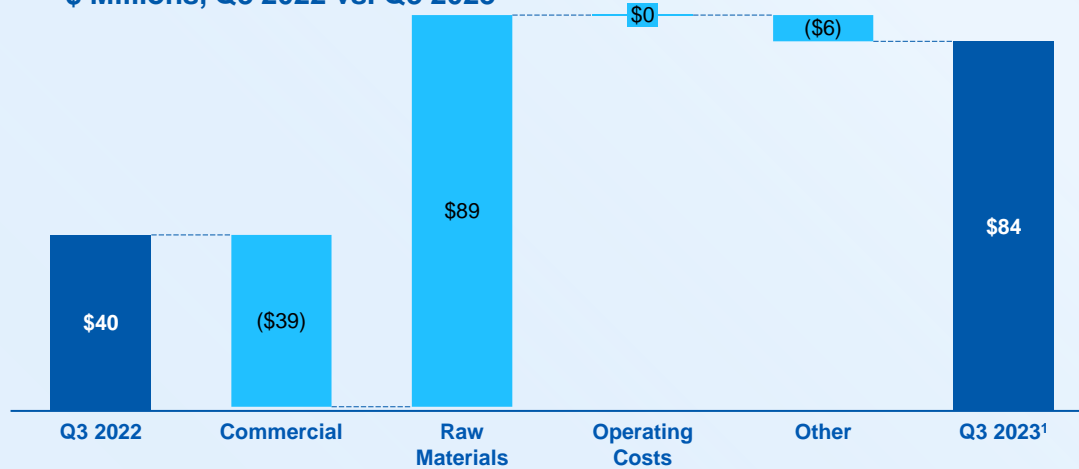
The change is not material.

Other

The favorable impact is primarily the result of derivative impacts.

MINI MILL SEGMENT EBITDA CHANGE ANALYSIS

\$ Millions, Q3 2022 vs. Q3 2023



Commercial

The unfavorable impact is primarily the result of lower average realized prices partially offset by higher volumes.

Raw Materials

The favorable impact is primarily the result of lower metallics costs.

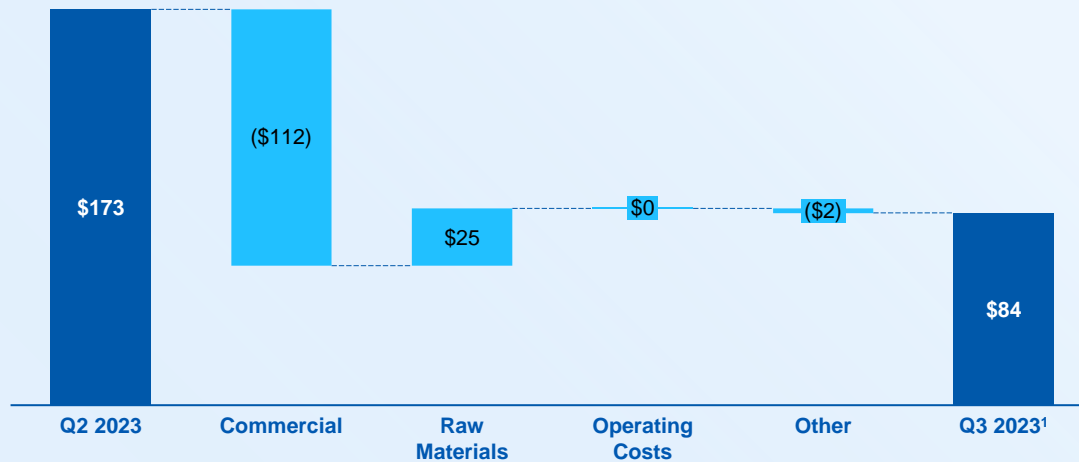
Operating Costs

The change is not material.

Other

The unfavorable impact is primarily the result of startup costs related to strategic projects.

\$ Millions, Q2 2023 vs. Q3 2023



Commercial

The unfavorable impact is primarily the result of lower average realized prices.

Raw Materials

The favorable impact is primarily the result of lower metallics costs.

Operating Costs

The change is not material.

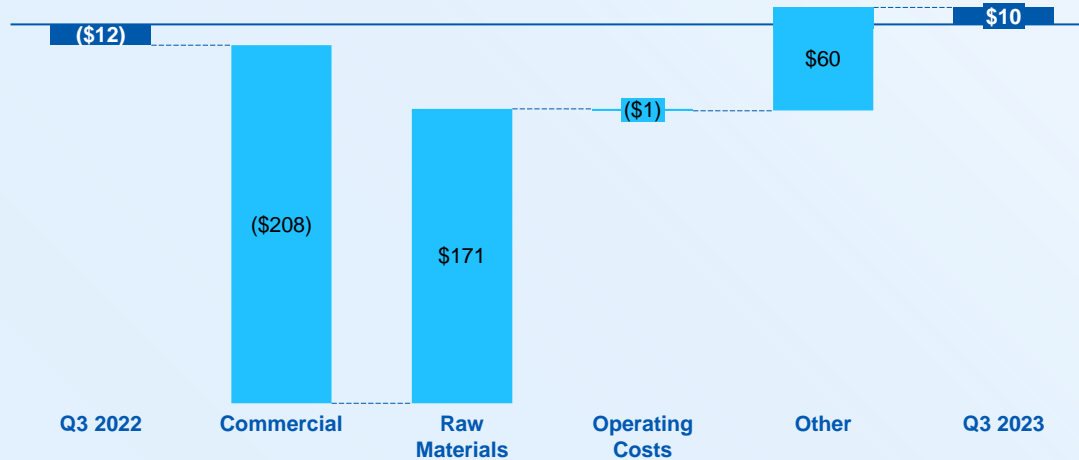
Other

The change is not material.

¹ Q3 2023 Mini Mill segment EBITDA includes the impact of \$17 million in construction and related start-up costs.

U. S. STEEL EUROPE SEGMENT EBITDA CHANGE ANALYSIS

\$ Millions, Q3 2022 vs. Q3 2023



Commercial

The unfavorable impact is primarily the result of lower average realized prices.

Raw Materials

The favorable impact is primarily the result of lower iron ore and coal costs.

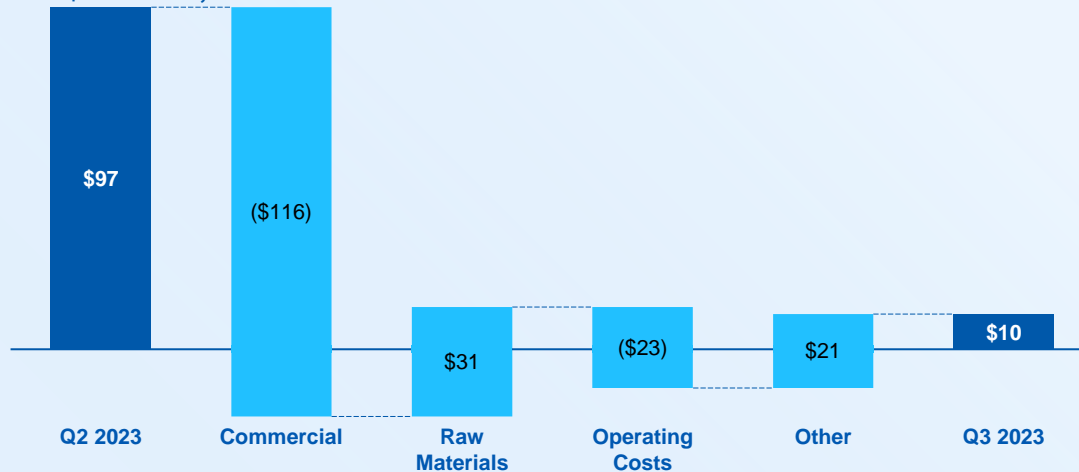
Operating Costs

The change is not material.

Other

The favorable impact is primarily the result of the strengthening of the Euro vs. the U.S. dollar and lower energy costs.

\$ Millions, Q2 2023 vs. Q3 2023



Commercial

The unfavorable impact is primarily the result of lower average realized prices.

Raw Materials

The favorable impact is primarily the result of lower coal cost, CO2 accruals and iron ore costs.

Operating Costs

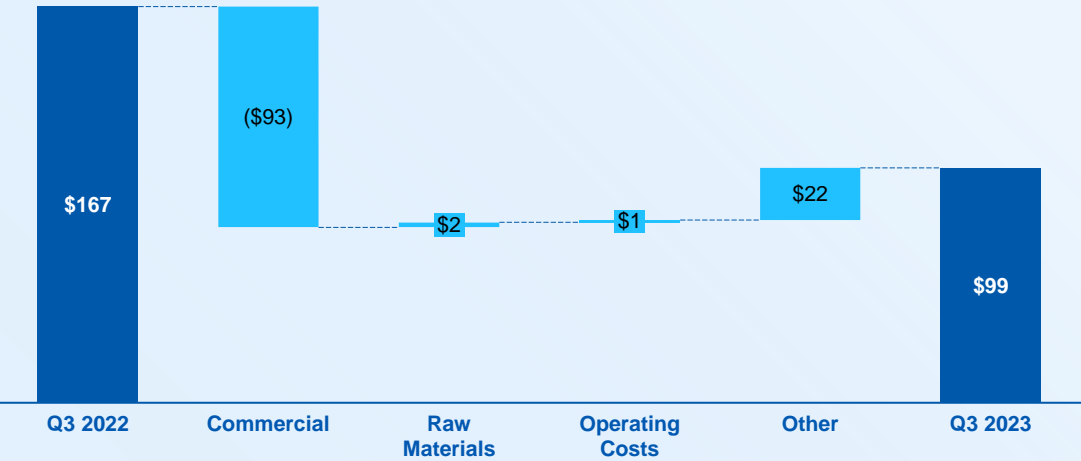
The unfavorable impact is primarily the result of increased spending for planned maintenance outages.

Other

The favorable impact is primarily the result of lower energy costs and labor cost accruals.

TUBULAR SEGMENT EBITDA CHANGE ANALYSIS

\$ Millions, Q3 2022 vs. Q3 2023



Commercial

The unfavorable impact is primarily the result of lower shipment volumes and lower average realized prices.

Raw Materials

The change is not material.

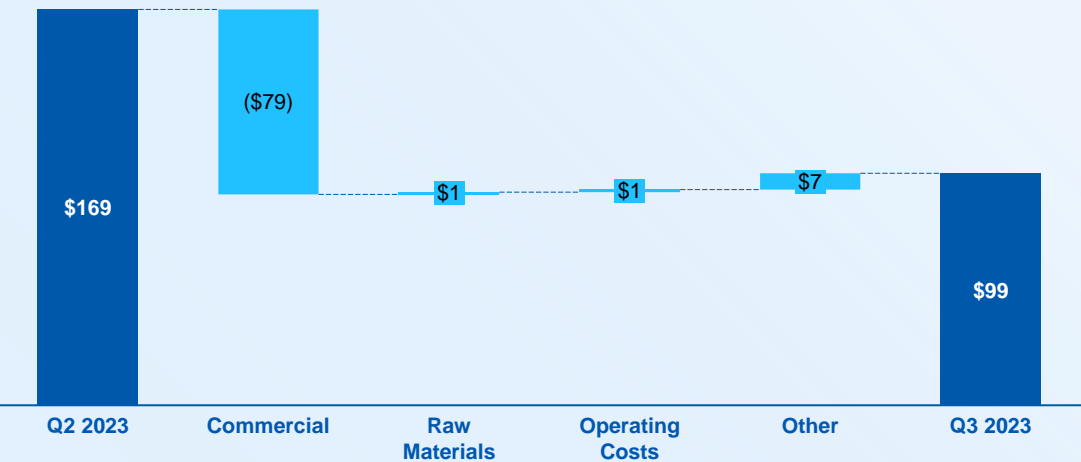
Operating Costs

The change is not material.

Other

The favorable impact is primarily the result of lower variable compensation.

\$ Millions, Q2 2023 vs. Q3 2023



Commercial

The unfavorable impact is primarily the result of lower average realized prices and shipment volumes.

Raw Materials

The change is not material.

Operating Costs

The change is not material.

Other

The favorable impact is primarily the result of lower variable compensation.

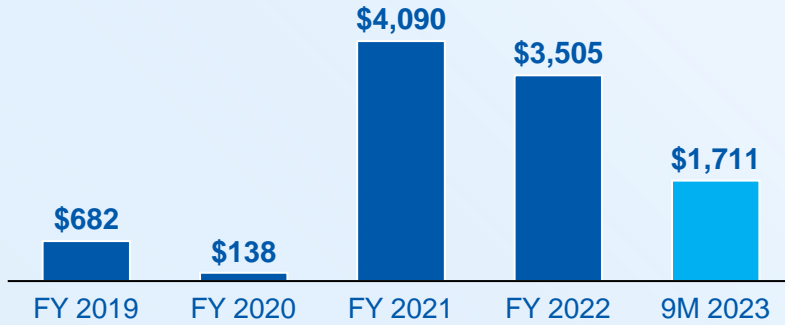
Operating	Indefinitely Idled	Temporarily Idled		Idled	Total Capability ¹		
NORTH AMERICAN FLAT-ROLLED	Iron Ore Pellets	Minntac	Keetac	-	22.4		
	Cokemaking	Clairton		-	3.6		
	Pig Iron	Gary		-	0.5		
	Gary	BF #4	BF #6	BF #8	BF #14	-	7.5
	Granite City	BF 'A'	BF 'B'	2.8	2.8		
	Mon Valley	BF #1	BF #3	-	2.9		
MINI MILL	Big River Steel	EAF #1	EAF #2	-	3.3		
EUROPE	Košice	BF #1	BF #2	BF #3	-	5.0	
TUBULAR	Fairfield	EAF Steelmaking / Seamless Pipe		-	0.90		
	Lorain	Seamless Pipe		0.38	0.38		
	Lone Star	#1 ERW	#2 ERW	0.79	0.79		

¹ Raw steel capability, except at Minntac and Keetac (iron ore pellet capability), Clairton (coke capability), Gary pig (pig iron) Lorain, and Lone Star (pipe capability). All amounts shown are in millions.

CASH AND LIQUIDITY

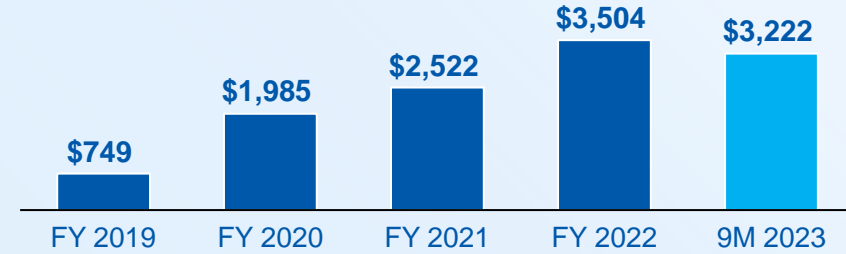
Cash from Operations

\$ Millions



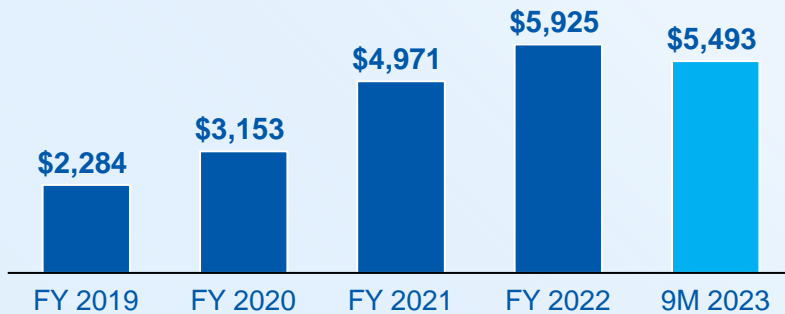
Cash and Cash Equivalents

\$ Millions



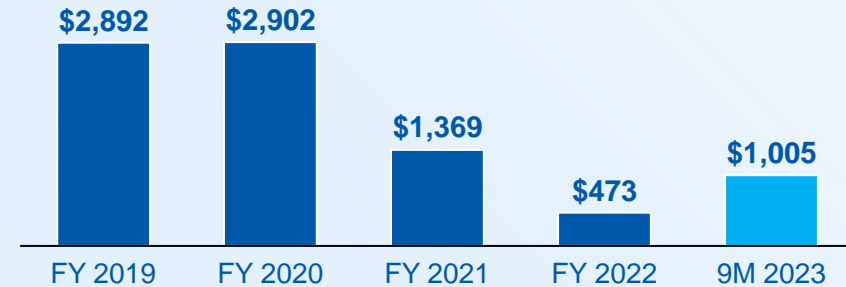
Total Estimated Liquidity

\$ Millions



Net Debt

\$ Millions



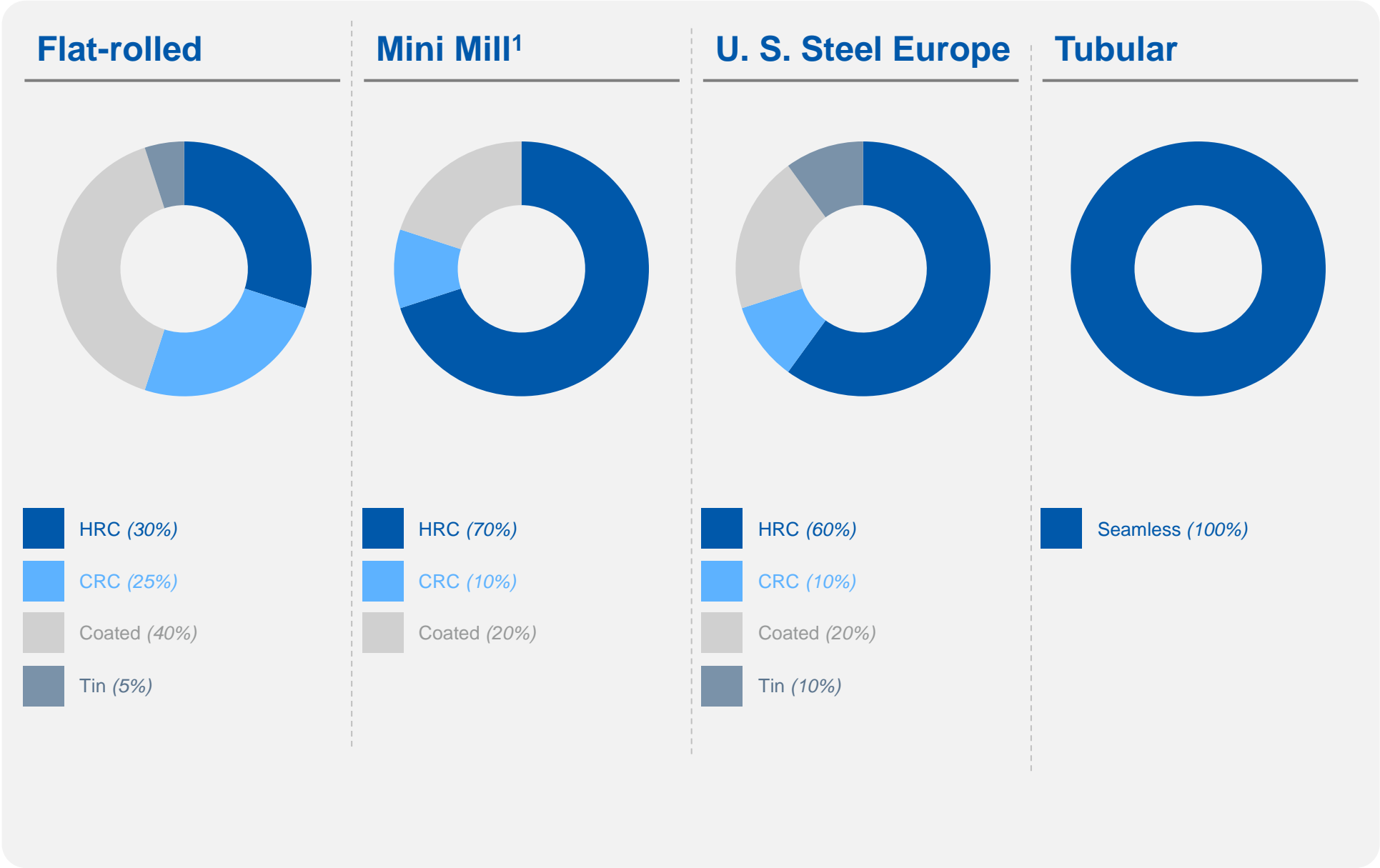
Note: For reconciliation of non-GAAP amounts, see Appendix.





SUPPLEMENTAL INFORMATION

2022 Shipments by product mix

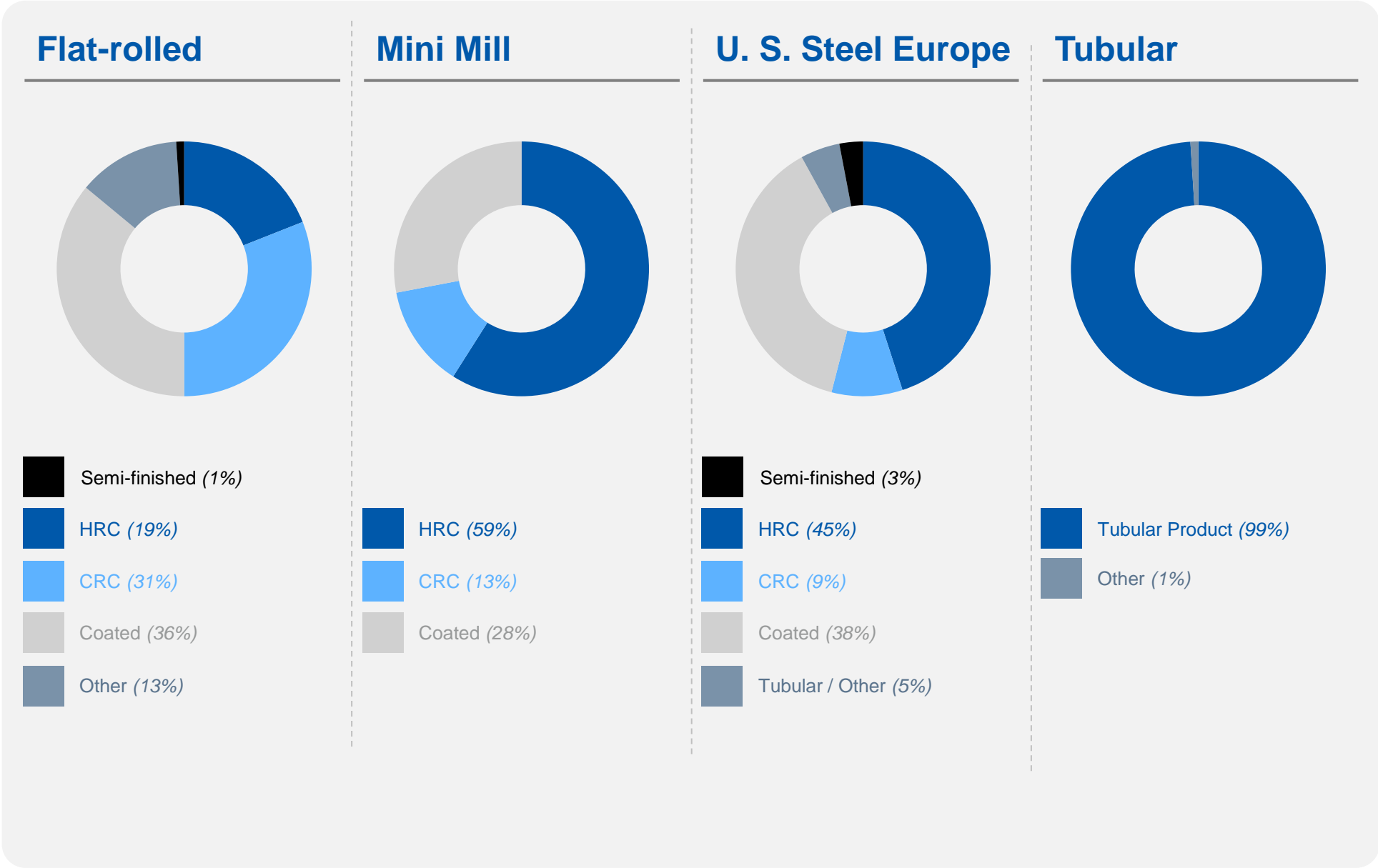


Note: Product mix is rounded. Hot rolled coil (HRC) included semi-finished materials. Pro-Tec joint venture mix included in Flat-rolled detail.
¹ Mini Mill segment product mix, once Big River 2 (BR2) is fully ramped by 2026, is expected to be 40% hot rolled coil (HRC) / 15% cold rolled coil (CRC) / 40% Coated / 5% Non-grain oriented electrical steel.



SUPPLEMENTAL INFORMATION

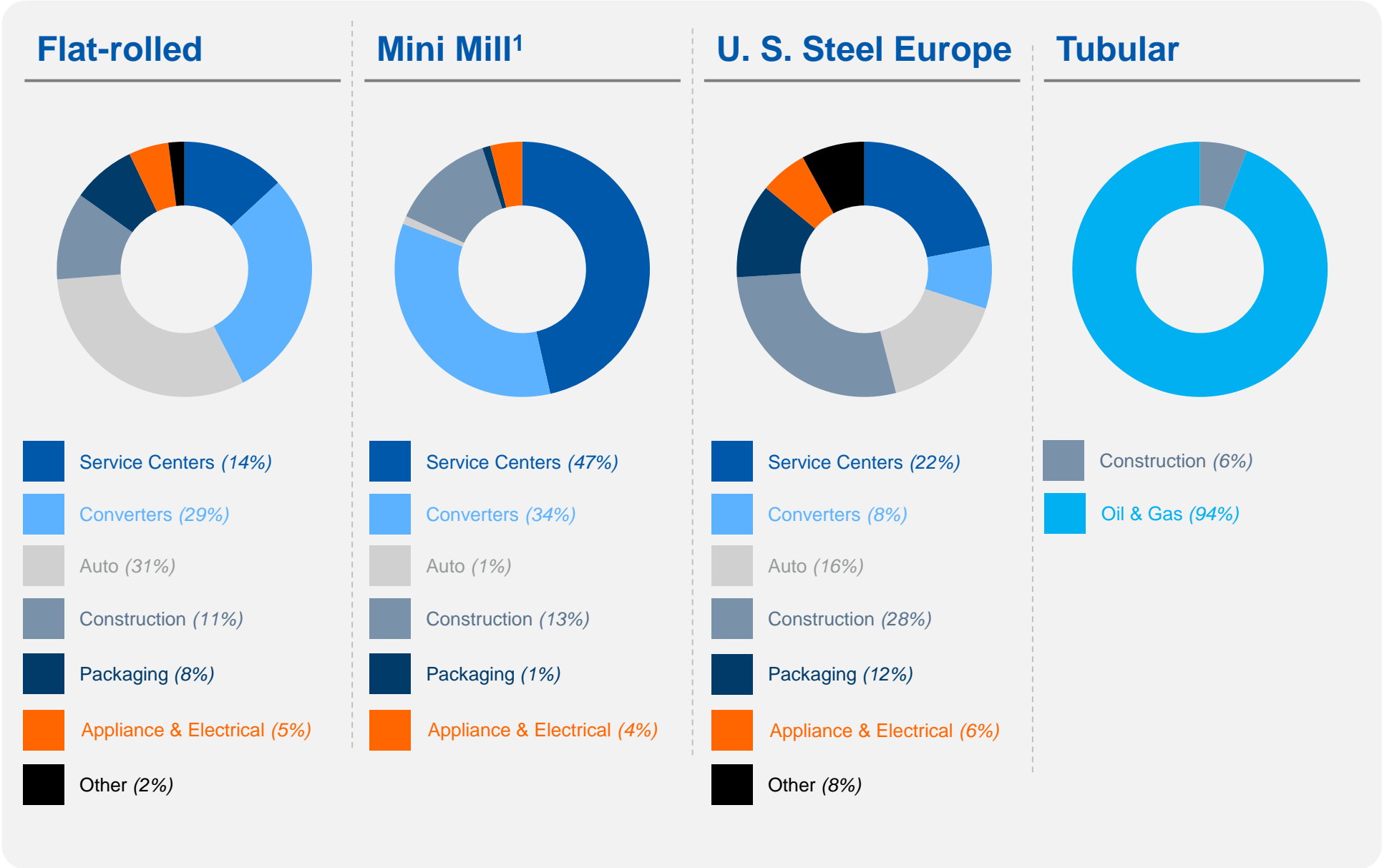
2022 Revenue by product mix





SUPPLEMENTAL INFORMATION

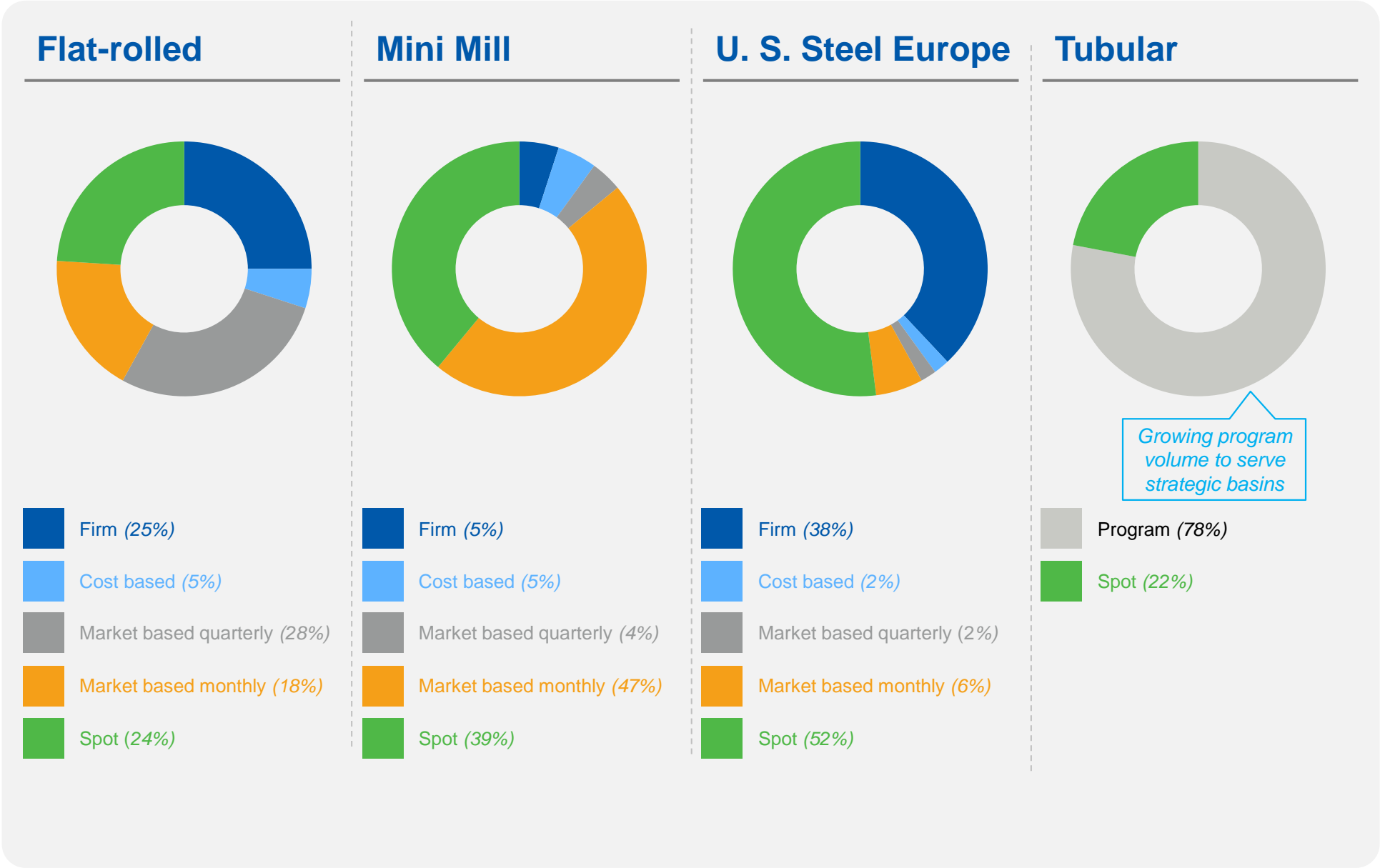
2022 Shipments by major market





SUPPLEMENTAL INFORMATION

2022 Contract / spot mix by segment

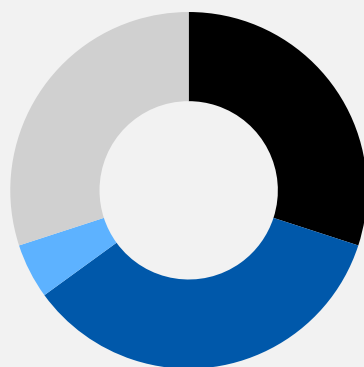


Growing program volume to serve strategic basins

Note: Excludes intersegment shipments.

Cost structure: Blast furnace steelmaking *illustrative*

Raw Material Costs¹



Iron ore (~30%)

Coke (~35%)

Natural Gas (~5%)

Scrap (~30%)

Key Inputs

Iron
ore

Coke

Scrap

Natural
Gas²

Labor

Other
Variable Costs

Ratio¹

1.3 tons of pellets / ton of raw steel
x raw steel volume (million tons)
x iron ore price assumption (\$/nt)

1.4 tons of met coal / ton of coke
x met coal price assumption (\$/nt)
+ \$75 - \$100 / ton conversion cost
x 0.3 ton of coke / ton of raw steel

0.3 tons of scrap / ton of raw steel
x raw steel volume (million tons)
x scrap price assumption (\$/nt)

6 mmbtus of nat gas / ton of raw steel
x raw steel volume (million tons)
x nat gas price assumption (\$/nt)

2 hours labor / ton of raw steel
x raw steel volume (million tons)
x hourly labor rate (\$/hr)

*Miscellaneous; includes maintenance
and services, tool, other fuel and
energy, and alloy costs*

Pricing Convention

NAFR: Vertically integrated
USSE: Prices negotiated monthly or quarterly

NAFR: Annual met coal contracts
USSE: Mix of quarterly and annual contracts
and index-based pricing for met coal

NAFR & USSE: 60% generated
internally; 40% purchased at market prices

NAFR: Hedged and spot purchases
USSE: 48% purchased through fixed-price
forward physical purchase contracts; remainder on
quarterly / monthly basis

Union-represented workforce

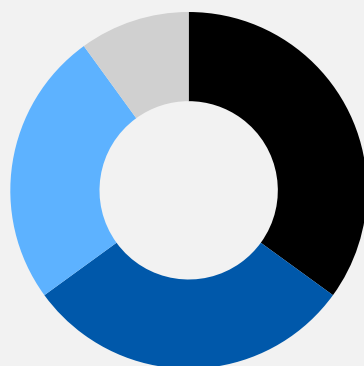
~\$150 - \$300 / ton dependent on level
of raw steel pricing, product mix, and
maintenance activity
USSE: Includes CO₂ costs

¹ Raw material costs and ratios assume a blast furnace within the North American flat-rolled segment.

² 6 mmbtus per ton of raw steel production; 4 mmbtus per ton consumed for further process (primarily at the hot strip mill).

Cost structure: Electric arc furnace steelmaking *illustrative*

Raw Material Costs



■ Obsolete Scrap (~35%)

■ Prime Scrap (~30%)

■ Pig Iron (~25%)

■ HBI / DRI (~10%)

Key Inputs

Scrap

0.8 tons of scrap / ton of raw steel

x raw steel volume (million tons)

x scrap price assumption (\$/nt)

Pig Iron

0.3 tons of pig iron / ton of raw steel

x raw steel volume (million tons)

x pig iron price assumption (\$/nt)

HBI

0.1 tons of HBI / ton of raw steel

x raw steel volume (million tons)

x HBI price assumption (\$/nt)

Electricity

0.6 MKWH of electricity / ton of raw steel

x raw steel volume (million tons)

x electricity price assumption (\$/nt)

Labor

0.14 hours labor / ton of raw steel

x raw steel volume (million tons)

x hourly labor rate (\$/hr)

Pricing Convention

Volumes secured annually; priced on a monthly or quarterly basis

Internal pig iron transferred from the N. American Flat-rolled segment at a discounted market rate; 3rd party pig volumes secured annually; priced on a monthly or quarterly basis

Volumes secured annually; priced on a monthly or quarterly basis based on a blended basket of external HBI production inputs and HBI/DRI substitutes

Volume-discounted negotiated base price; adjusted quarterly based on regional electricity price fluctuations

Non-union workforce

RECONCILIATION TABLE

Segment EBITDA

Flat-Rolled (\$ millions)	<u>Q3 2022</u>	<u>Q4 2022</u>	<u>Q1 2023</u>	<u>Q2 2023</u>	<u>Q3 2023</u>
Segment earnings (loss) before interest and income taxes	\$518	\$171	(\$7)	\$231	\$225
Depreciation	126	125	147	146	153
Flat-Rolled Segment EBITDA	\$644	\$296	\$140	\$377	\$378
<i>Segment EBIT Margin¹</i>	15%	6%	(0%)	8%	8%
<i>Segment EBITDA Margin¹</i>	19%	11%	5%	12%	13%
Mini Mill (\$ millions)	<u>Q3 2022</u>	<u>Q4 2022</u>	<u>Q1 2023</u>	<u>Q2 2023</u>	<u>Q3 2023</u>
Segment earnings (loss) before interest and income taxes	\$1	(\$68)	\$12	\$132	\$42
Depreciation	39	40	40	41	42
Mini Mill Segment EBITDA	\$40	(\$28)	\$52	\$173	\$84
<i>Segment EBIT Margin¹</i>	0%	(12%)	2%	17%	6%
<i>Segment EBITDA Margin¹</i>	6%	(5%)	8%	22%	13%
U. S. Steel Europe (\$ millions)	<u>Q3 2022</u>	<u>Q4 2022</u>	<u>Q1 2023</u>	<u>Q2 2023</u>	<u>Q3 2023</u>
Segment earnings (loss) before interest and income taxes	(\$32)	(\$68)	(\$34)	\$72	(\$13)
Depreciation	20	20	22	25	23
U. S. Steel Europe Segment EBITDA	(\$12)	(\$48)	(\$12)	\$97	\$10
<i>Segment EBIT Margin¹</i>	(3%)	(9%)	(4%)	7%	(2%)
<i>Segment EBITDA Margin¹</i>	(1%)	(7%)	(1%)	9%	1%
Tubular (\$ millions)	<u>Q3 2022</u>	<u>Q4 2022</u>	<u>Q1 2023</u>	<u>Q2 2023</u>	<u>Q3 2023</u>
Segment earnings (loss) before interest and income taxes	\$155	\$205	\$232	\$157	\$87
Depreciation	12	12	12	12	12
Tubular Segment EBITDA	\$167	\$217	\$244	\$169	\$99
<i>Segment EBIT Margin¹</i>	36%	41%	46%	39%	28%
<i>Segment EBITDA Margin¹</i>	39%	44%	48%	42%	32%
Other (\$ millions)	<u>Q3 2022</u>	<u>Q4 2022</u>	<u>Q1 2023</u>	<u>Q2 2023</u>	<u>Q3 2023</u>
Segment earnings (loss) before interest and income taxes	\$21	\$6	\$3	(\$12)	\$7
Depreciation	1	0	0	0	0
Other Segment EBITDA	\$22	\$6	\$3	(\$12)	\$7

¹ The segment EBIT and segment EBITDA margins represent EBIT or EBITDA divided by net sales

RECONCILIATION TABLE

Annual Segment EBITDA

Flat-Rolled (\$ millions)	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Segment earnings (loss) before interest and income taxes	(\$249)	\$22	\$375	\$883	\$196	(\$596)	\$2,740	\$2,008
Depreciation	392	349	352	367	456	496	491	499
Flat-Rolled Segment EBITDA	\$143	\$371	\$727	\$1,250	\$652	(\$100)	\$3,231	\$2,507
Mini Mill (\$ millions)	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Segment earnings (loss) before interest and income taxes	-	-	-	-	-	-	\$1,206	\$481
Depreciation	-	-	-	-	-	-	151	158
Mini Mill Segment EBITDA	-	-	-	-	-	-	\$1,357	\$639
U. S. Steel Europe (\$ millions)	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Segment earnings (loss) before interest and income taxes	\$81	\$185	\$327	\$359	(\$57)	\$9	\$975	\$444
Depreciation	81	80	76	87	92	97	98	85
U. S. Steel Europe Segment EBITDA	\$162	\$265	\$403	\$446	\$35	\$106	\$1,073	\$529
Tubular (\$ millions)	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Segment earnings (loss) before interest and income taxes	(\$181)	(\$303)	(\$99)	(\$58)	(\$67)	(\$179)	\$1	\$544
Depreciation	64	68	51	47	46	39	47	48
Tubular Segment EBITDA	(\$117)	(\$235)	(\$48)	(\$11)	(\$21)	(\$140)	\$48	\$592
Other (\$ millions)	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Segment earnings (loss) before interest and income taxes	\$33	\$63	\$44	\$55	\$23	(\$39)	(\$11)	\$22
Depreciation	10	10	22	\$20	22	11	4	1
Other Segment EBITDA	\$43	\$73	\$66	\$75	\$45	(\$28)	(\$7)	\$23

Big River Steel LLC¹ Summary Table

Income Statement \$ Millions		Q3 2023
Customer Sales		\$530M
Intersegment Sales		\$140M
Net Sales		\$670M
EBIT ²		\$50M
<hr/>		
Balance Sheet		
Cash and cash equivalents		\$290M
Total Assets		\$3,686M
2029 Senior secured notes		\$720M
Environmental revenue bonds		\$752M
Financial leases and all other obligations		\$23M
Fair value step up ³		\$113M
Total Debt ³		\$1,608M
<hr/>		
Cash Flow		
Depreciation and Amortization		\$37M
Capital Expenditures ⁴		\$85M
<hr/>		

¹ Unless otherwise noted, amounts shown are reflected in Big River Steel LLC, the operating unit of the Big River Steel companies that reside within the Mini Mill segment.

² Earnings before interest and income taxes. ³ The debt amounts reflect aggregate principal amounts. The fair value step up represents the excess of fair value over book value when Big River Steel was purchased. The fair value step-up is recorded in Big River Steel Holdings LLC. The fair value step up is shown as it is related to the debt amounts in Big River Steel LLC. ⁴ Excludes capital expenditures for BR2 and air separation unit.

RECONCILIATION TABLE

Net Debt

Net Debt \$ millions	YE 2019	YE 2020	YE 2021	YE 2022	9M 2023
Short-term debt and current maturities of long-term debt	\$14	\$192	\$28	\$63	\$98
Long-term debt, less unamortized discount and debt issuance costs	\$3,627	\$4,695	\$3,863	\$3,914	\$4,129
Total Debt	\$3,641	\$4,887	\$3,891	\$3,977	\$4,227
Less: Cash and cash equivalents	749	1,985	2,522	3,504	3,222
Net Debt	\$2,892	\$2,902	\$1,369	\$473	\$1,005

RECONCILIATION TABLE

Free Cash Flow / Investable Free Cash Flow

Free Cash Flow / Investable Free Cash Flow \$ millions	Q1 2023	Q2 2023	Q3 2023	9M 2023
Net cash provided by operating activities	\$181	\$713	\$817	\$1,711
Net cash used in investing activities	(738)	(612)	(585)	(1,935)
Free Cash Flow	(\$557)	\$101	\$232	(\$224)
Best for All Strategic capital expenditures	565	476	423	1,464
Investable Free Cash Flow	\$8	\$577	\$655	\$1,240

RECONCILIATION TABLE

Free Cash Flow / Investable Free Cash Flow

Free Cash Flow / Investable Free Cash Flow \$ millions	2015	2016	2017	2018	2019	2020	2021	2022	9M 2023
Net cash provided by operating activities	\$360	\$754	\$826	\$938	\$682	\$138	\$4,090	\$3,505	\$1,711
Net cash used in investing activities	(510)	(318)	(389)	(963)	(1,958)	(563)	(840)	(1,679)	(1,935)
Free Cash Flow	(\$150)	\$436	\$437	(\$25)	(\$1,276)	(\$425)	\$3,250	\$1,826	(\$224)
Best for All Strategic capital expenditures	-	-	-	-	-	-	215	1,175	1,464
Investable Free Cash Flow	(\$150)	\$436	\$437	(\$25)	(\$1,276)	(\$425)	\$3,465	\$3,001	\$1,240

Note: Best for All® strategic capex is expected to peak in 2023 at approximately \$1,800M and is expected to reduce by 56% in 2024.

RECONCILIATION TABLE

Net Earnings

\$ Millions	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Reported net earnings attributable to U. S. Steel	\$490	\$174	\$199	\$477	\$299
Debt extinguishment	(2)	-	-	-	-
Asset impairment charges	-	6	4	-	-
Restructuring and other charges	23	(9)	1	2	18
Stock-based compensation expense ¹	13	12	11	12	14
VEBA asset surplus adjustment	-	-	(22)	(8)	(6)
Gains on assets sold and previously held investments	-	(6)	-	-	-
Pension de-risking	-	(3)	-	-	-
United Steelworkers labor agreement signing bonus and related costs ²	-	67	-	-	-
Environmental remediation charges	-	-	-	2	9
Strategic alternatives review process	-	-	-	-	16
Granite City idling costs	-	-	-	-	14
Other charges, net	13	13	1	-	1
Tax impact of adjusted items ³	(11)	(19)	1	(2)	(15)
Adjusted Net Earnings	\$526	\$235	\$195	\$483	\$350
<i>Net earnings margin⁴</i>	<i>9%</i>	<i>4%</i>	<i>4%</i>	<i>10%</i>	<i>7%</i>
<i>Adjusted net earnings margin⁴</i>	<i>10%</i>	<i>5%</i>	<i>4%</i>	<i>10%</i>	<i>8%</i>

¹ The prior year was retroactively adjusted to reflect the reclassification of stock-based compensation expense. The adjustment was \$10 million and \$9 million, net of taxes, for the three months ended September 30, 2022 and three months ended December 31, 2022, respectively.

² The 2022 Labor Agreements include retroactive wage increases. A charge of \$3 million pertaining to wages for the month of September 2022 was recognized during the three months ended December 31, 2022. This charge is included as an adjustment to net earnings for the three months ended December 31, 2022, however this amount is not included as an adjustment to net earnings for the year ended December 31, 2022.

³ The tax impact of adjusted items for the three months ended September 30, 2022 is calculated using a blended tax rate of 25% for domestic items and 21% for USSE items. The tax impact of adjusted items for the three months ended December 31, 2022, three months ended March 31, 2023, three months ended June 30, 2023 and three months ended September 30, 2023 was calculated using a blended tax rate of 24% for domestic items and 21% for USSE items.

⁴ The net earnings and adjusted net earnings margins represent net earnings or adjusted net earnings divided by net sales

RECONCILIATION TABLE

Adjusted EBITDA

\$ Millions	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Reported net earnings attributable to U. S. Steel	\$490	\$174	\$199	\$477	\$299
Income tax expense	154	51	51	144	42
Net interest and other financial costs	(30)	(51)	(61)	(57)	(64)
Reported earning before interest and income taxes	\$614	\$174	\$189	\$564	\$277
Depreciation, depletion and amortization expense	198	197	221	224	230
EBITDA	\$812	\$371	\$410	\$788	\$507
Asset impairment charges	-	6	4	-	-
Restructuring and other charges	23	(9)	1	2	18
Losses (gains) on assets sold & previously held investments	-	(6)	-	-	-
Stock-based compensation expense ¹	13	12	11	12	14
United Steelworkers labor agreement signing bonus and related costs ²	-	67	-	-	-
Environmental remediation charges	-	-	-	2	9
Strategic alternatives review process	-	-	-	-	16
Granite City idling costs	-	-	-	-	14
Other charges, net	13	2	1	-	-
Adjusted EBITDA	\$861	\$443	\$427	\$804	\$578
<i>Net earnings margin³</i>	<i>9%</i>	<i>4%</i>	<i>4%</i>	<i>10%</i>	<i>7%</i>
<i>Reported EBIT margin³</i>	<i>12%</i>	<i>4%</i>	<i>4%</i>	<i>11%</i>	<i>6%</i>
<i>Adjusted EBITDA margin³</i>	<i>17%</i>	<i>10%</i>	<i>10%</i>	<i>16%</i>	<i>13%</i>

¹ The prior year was retroactively adjusted to reflect the reclassification of stock-based compensation expense.

² The 2022 Labor Agreements include retroactive wage increases. A charge of \$3 million pertaining to wages for the month of September 2022 was recognized during the three months ended December 31, 2022. This charge is included as an adjustment to net earnings for the three months ended December 31, 2022, however this amount is not included as an adjustment to net earnings for the year ended December 31, 2022.

³ The net earnings, adjusted EBIT and adjusted EBITDA margins represent net earnings or EBITDA divided by net sales

Emily Chieng

Investor Relations Officer

ecchieng@uss.com

412-618-9554

Eric Linn

Director – Investor Relations

eplinn@uss.com

412-433-2385





United States Steel Corporation