



FIRST 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 first quarter 2023. Financial results as of and for the periods ended March 31, 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 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, 2022 and those described from time to time in our future reports filed with the Securities and Exchange Commission.

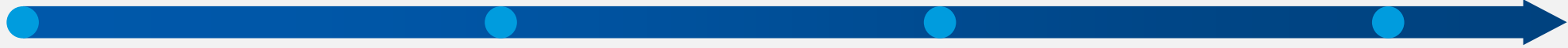
References to “we,” “us,” “our,” the “Company,” and “U. S. Steel,” refer to United States Steel Corporation and its consolidated subsidiaries, references to “Big River Steel” refer to Big River Steel Holdings LLC and its direct and indirect subsidiaries unless otherwise indicated by the context.

EXPLANATION OF USE OF NON-GAAP MEASURES

We present adjusted net earnings, 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, 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 excludes 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, tax impact of adjusted items and other charges, net (Adjustment Items). We present adjusted net earnings 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 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 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 and adjusted EBITDA provides insight into management's view and assessment of the Company's ongoing operating performance because management does not consider the Adjustment Items when evaluating the Company's financial performance. Adjusted net earnings and adjusted EBITDA 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 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 and investable 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

Confident in our ability to execute our Best for All strategy, SAFELY

Bullish on U. S. Steel's future



Challenges

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



Solution

Expanding existing competitive advantages

Balanced capital allocation framework

Maintaining strong trade enforcement



Path Forward

Delivering on Best for All

Progressing on our Best for All® strategy

Providing a strategic update

Healthy market backdrop

Supporting strategy execution

Balanced and diverse order book

Serving end-market demand across industries





a U. S. Steel company

BIG RIVER 2

ON-TRACK

On-budget and on-time
for a 2024 start-up

~85%

Budget committed; equipment ordered /
delivered and scheduled for installation

MILESTONES

Water systems, electrical substation,
and critical foundations



BIG RIVER 2

ECR¹ Foundations



¹Endless casting and rolling



a U. S. Steel company

INDUX™

NGO ELECTRICAL STEEL

ON-TRACK

On-budget and on-time
for a Q3 '23 start-up

IN DEMAND

Significant customer interest in
reserving time on the new line

MILESTONES

Cold commissioning critical
components ahead of start-up





United States Steel
Gary Works
Pig Iron Caster

PIG IRON CASTER

COMPLETED

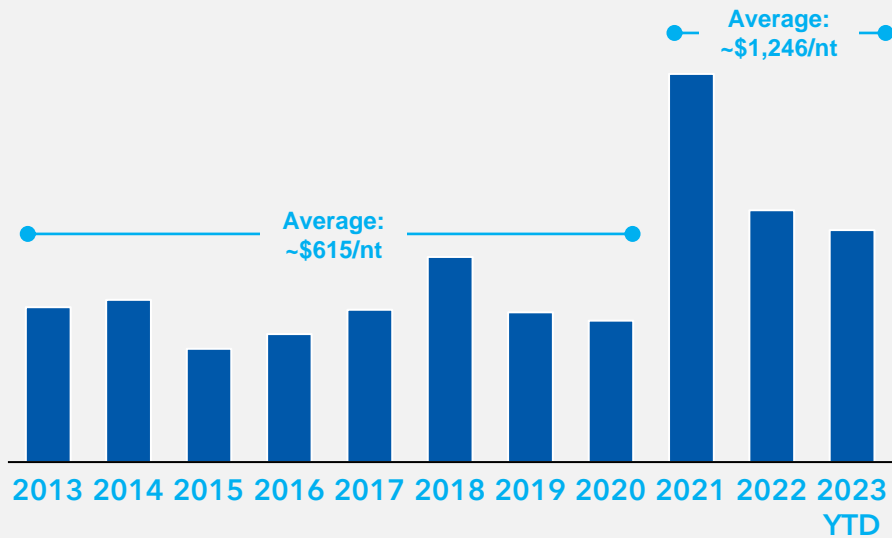
Delivering EBITDA benefits in
2023; run-rate by 2024

INSOURCING

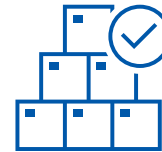
Displacing 3rd party ore-based metallics
with internally sourced metallics

DE-RISKING

De-risking the Mini Mill segment's supply
chain by displacing imported raw materials

~\$1,168/ntCurrent spot HRC price¹**+76%**Increase in HRC
prices vs. year-
end '22

HOT ROLLED COIL PRICES

¹ CRU

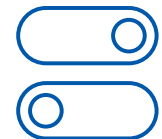
Improved market dynamics

Increased prices supported by raw material input costs & healthy customer demand



Stronger domestic steel market

Diverse capabilities; strong bi-partisan support for manufacturing



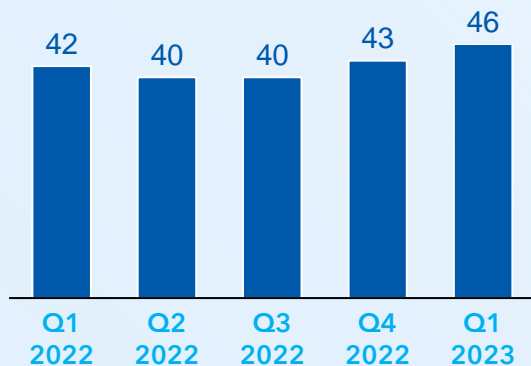
Diverse U. S. Steel order book

Diverse end-market exposure provides flexibility in a dynamic demand environment



Automotive

Light vehicle sales SAAR
in millions of units



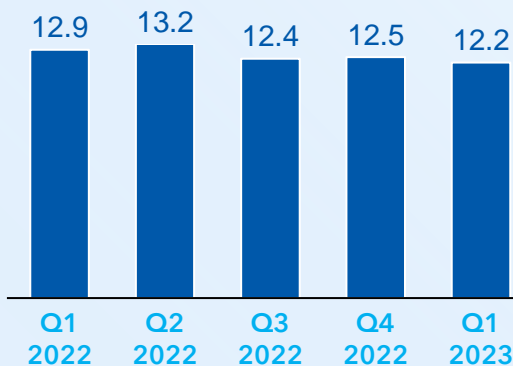
Stable pull rates

USS gaining market share



Appliance

AHAM6 shipments
in millions of units



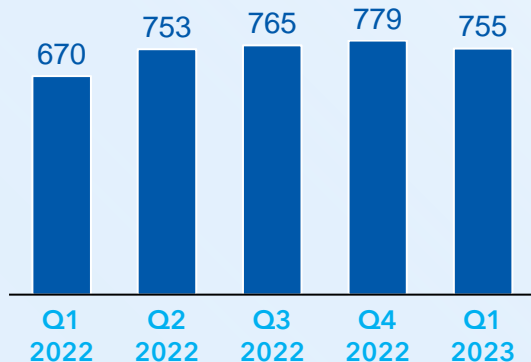
Record 2021 / 2022 industry shipments

Stable shipments expected in '23



Energy

Rig count
Quarter-end United States rigs



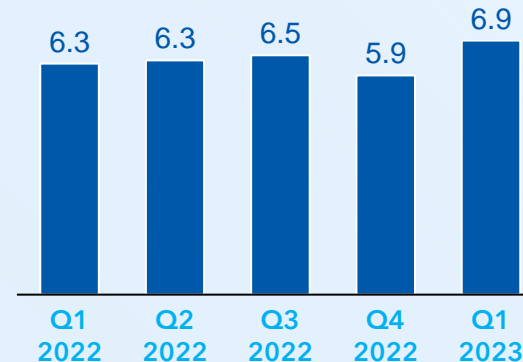
Resilient rig count

Continued strong oil and gas demand



Service Centers

MSCI shipments
in millions of tons



Highest per day shipments since Jan. '20;

Indicative of healthy end-user demand

\$427M

Adjusted EBITDA
Performance

Delivering 10%
EBITDA margin

\$25M

Investable
Free Cash Flow

Supporting \$582 million of
strategic capex in the quarter

~\$5.3B

Strong
Liquidity

Including ~\$2.8B
of cash

Rewarding shareholders with continued direct returns

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

Value creation framework



Creating a platform for growth & returns



FLAT-ROLLED



MINI MILL



USSE



TUBULAR

Progressing on our Best for All strategy

*Best for All footprint is
taking shape*

Healthy market backdrop

*Further financial upside
expected in Q2 2023*

Balanced order book

*Supported by strategic
end-market*



CLOSING REMARKS



U. S. STEEL DELIVERS STRONG FIRST QUARTER 2023; BEST FOR ALL STRATEGY ON-TRACK



FIRST QUARTER

2023

UPDATE

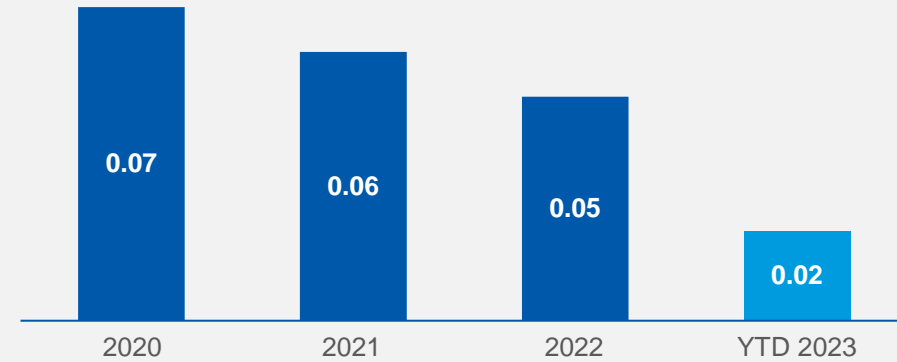


Benchmark¹:

BLS - Iron & Steel: 0.90



Multiple years
of record-setting
performance



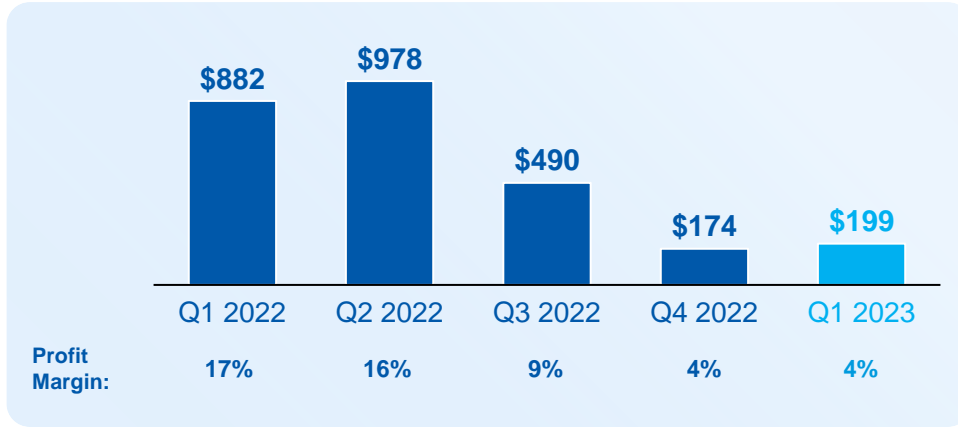
OSHA Days Away from Work²

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 April 27, 2023.**

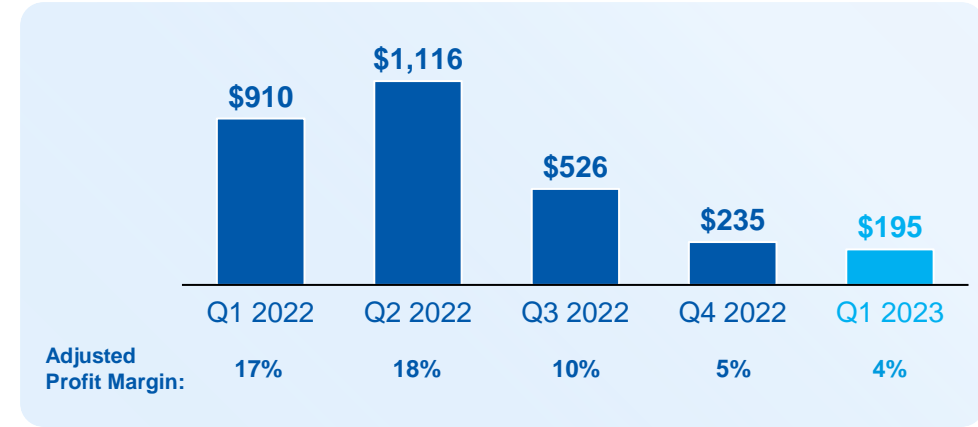
Reported Net Earnings

\$ Millions



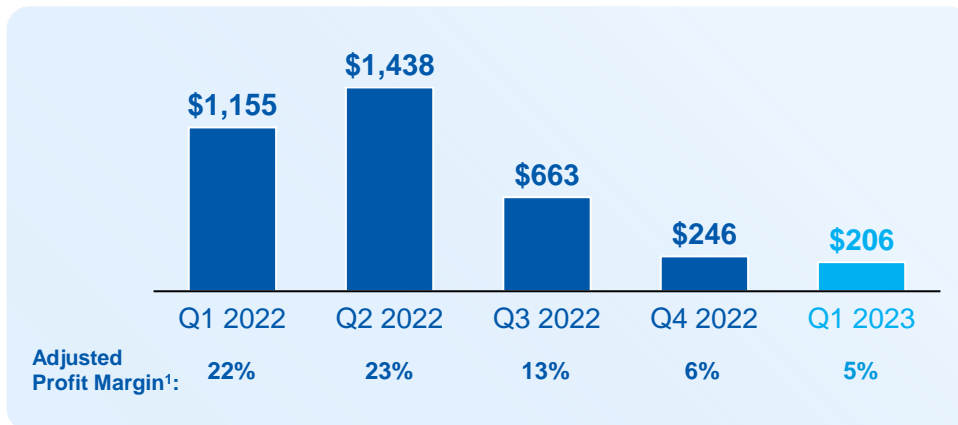
Adjusted Net Earnings

\$ Millions



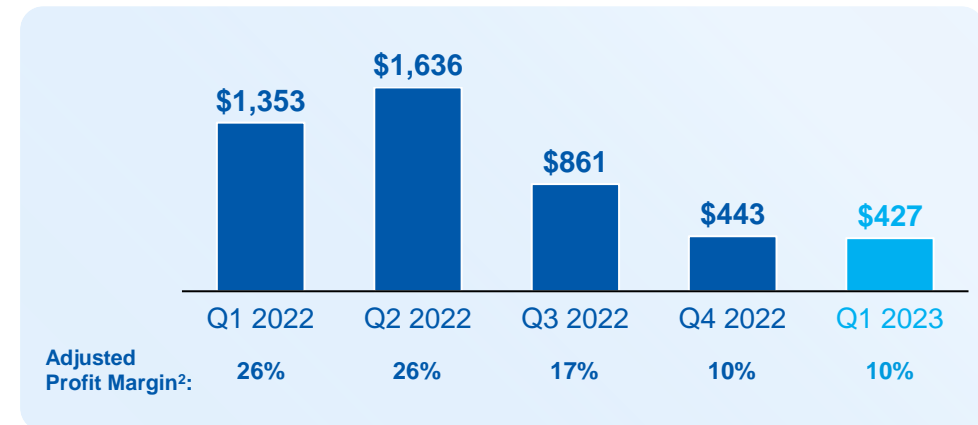
Segment EBIT¹

\$ 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

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Shipments: in 000s, net tons	1,947	2,365	2,176	1,885	2,278
Production: in 000s, net tons	2,205	2,424	2,265	1,952	2,393
Average Selling Price \$ / net ton	\$1,368	\$1,339	\$1,232	\$1,086	\$1,012

Mini Mill Operating Statistics

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Shipments: in 000s, net tons	507	615	529	636	659
Production: in 000s, net tons	601	750	616	683	759
Average Selling Price \$ / net ton	\$1,372	\$1,331	\$1,096	\$786	\$794

USSE Operating Statistics

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Shipments: in 000s, net tons	1,110	1,067	867	715	883
Production: in 000s, net tons	1,088	1,216	946	589	1,092
Average Selling Price \$ / net ton	\$1,109	\$1,217	\$1,021	\$957	\$909

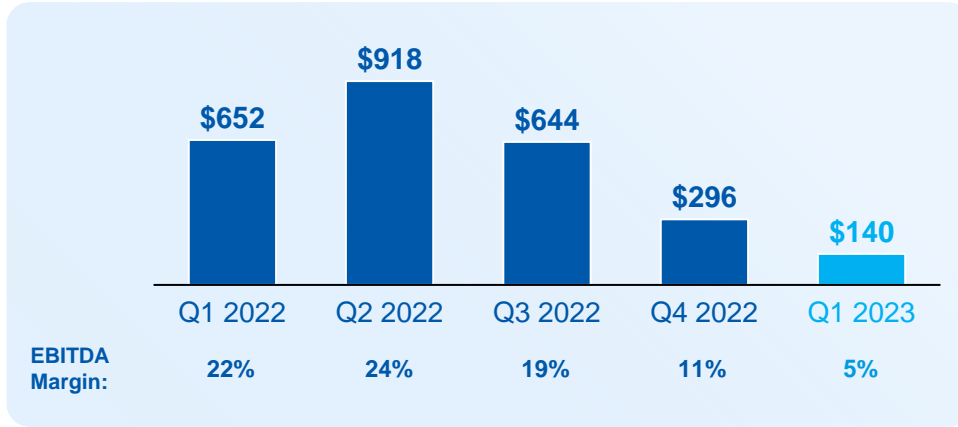
Tubular Operating Statistics

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Shipments: in 000s, net tons	128	136	126	133	131
Production: in 000s, net tons	156	168	173	137	171
Average Selling Price \$ / net ton	\$2,349	\$2,727	\$3,217	\$3,616	\$3,757

EBITDA TRENDS BY SEGMENT

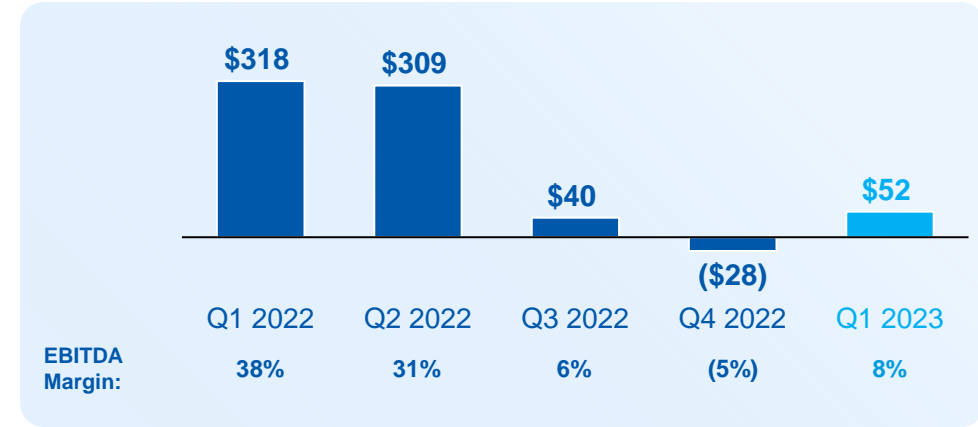
Flat-Rolled Segment EBITDA

\$ Millions



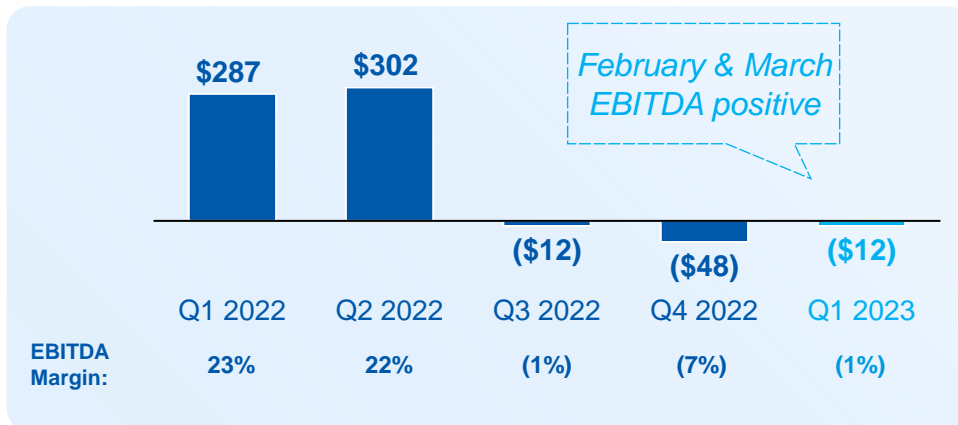
Mini Mill Segment EBITDA

\$ Millions



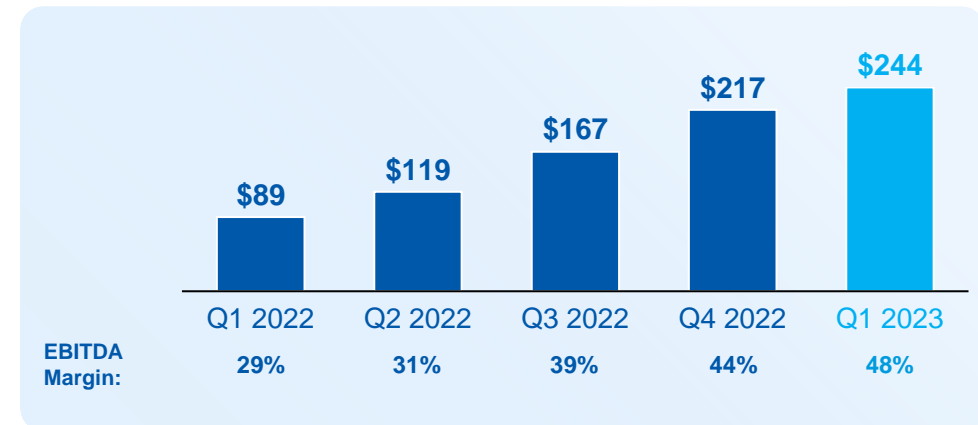
USSE Segment EBITDA

\$ Millions



Tubular Segment EBITDA

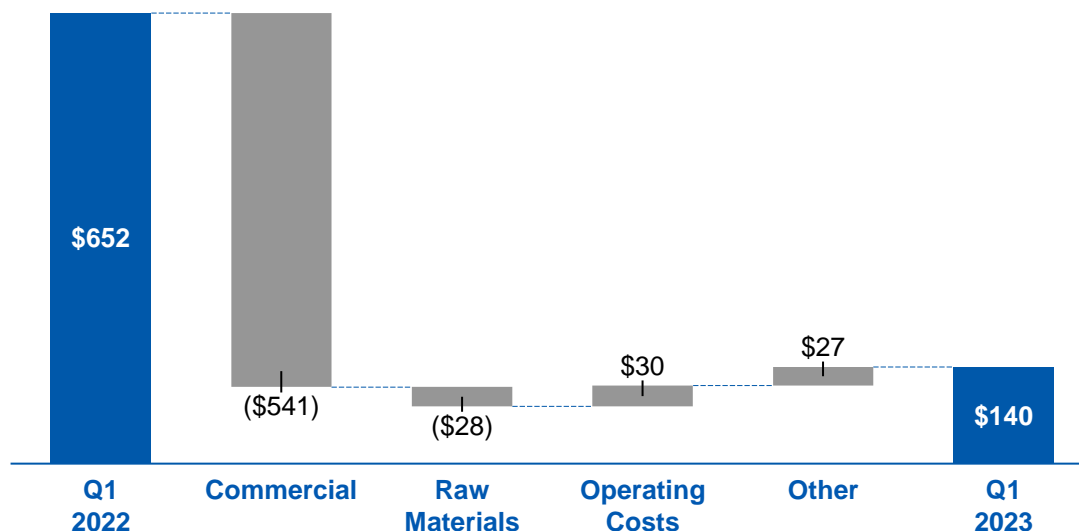
\$ Millions



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

EBITDA CHANGE ANALYSIS – FLAT-ROLLED SEGMENT

\$ Millions, Q1 2022 vs. Q1 2023



Commercial:

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

Raw Materials:

The unfavorable impact is primarily the result of higher coal costs.

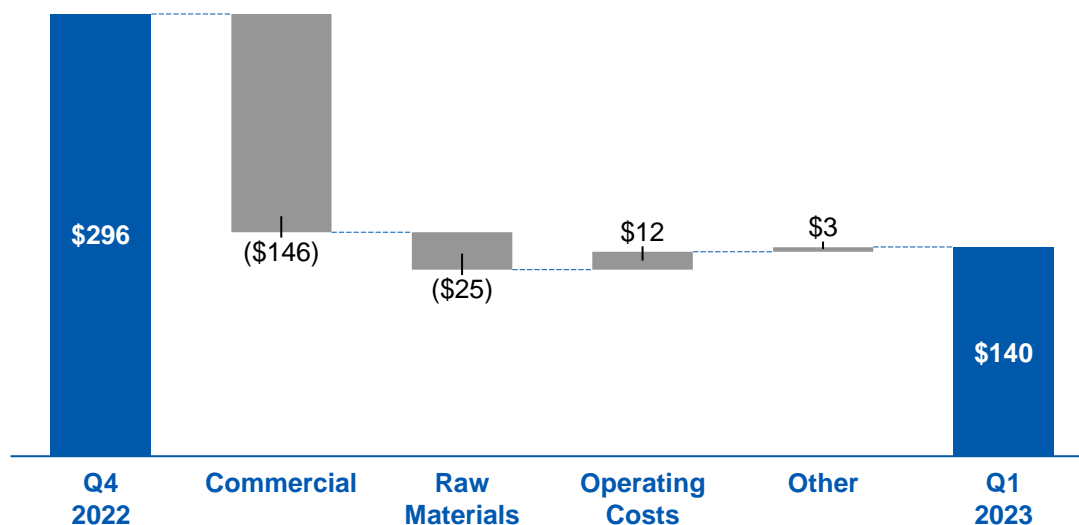
Operating Costs:

The favorable impact is primarily the result of lower outage spending.

Other:

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

\$ Millions, Q4 2022 vs. Q1 2023



Commercial:

The unfavorable impact is primarily the result of lower average realized prices and seasonal impacts of iron ore shipments partially offset by higher shipment volumes.

Raw Materials:

The unfavorable impact is primarily the result of higher coal costs.

Operating Costs:

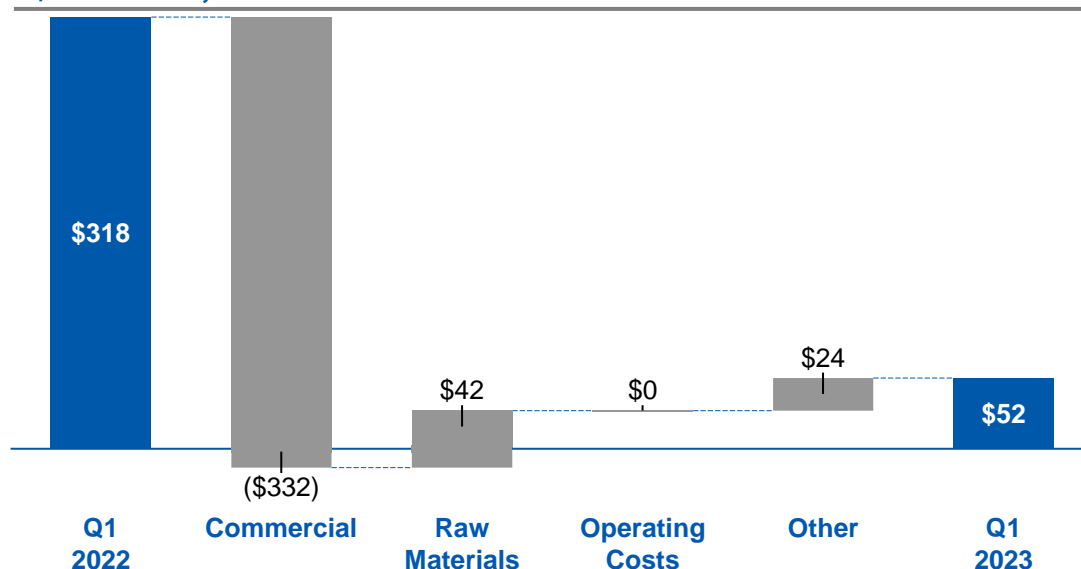
The favorable impact is primarily the result of lower outage spending.

Other:

The change is not material.

EBITDA CHANGE ANALYSIS – MINI MILL SEGMENT

\$ Millions, Q1 2022 vs. Q1 2023



Commercial:

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

Raw Materials:

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

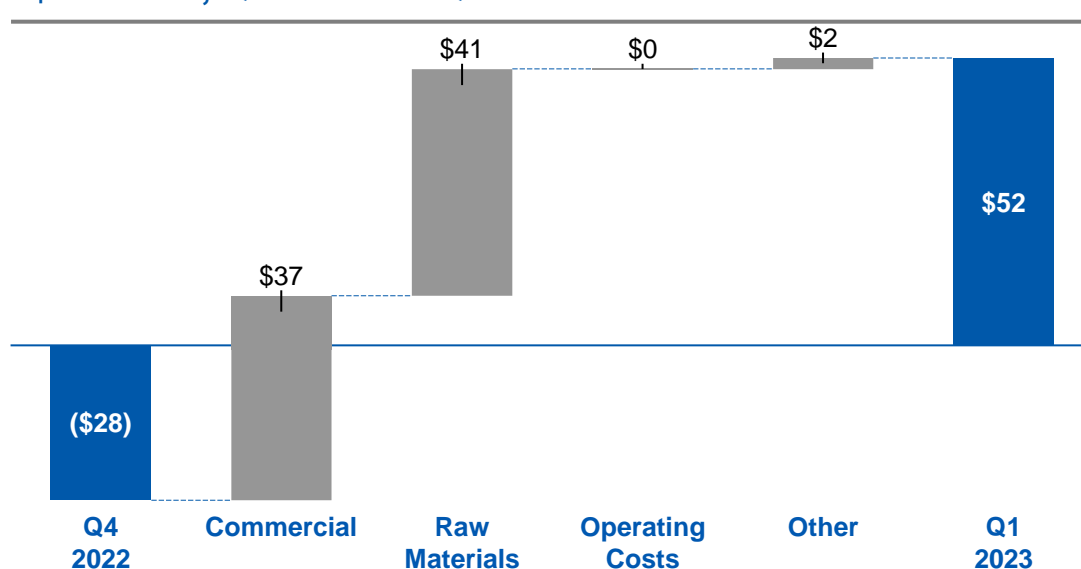
Operating Costs:

No change.

Other:

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

\$ Millions, Q4 2022 vs. Q1 2023



Commercial:

The favorable impact is primarily the result of higher shipment volumes and higher average realized prices.

Raw Materials:

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

Operating Costs:

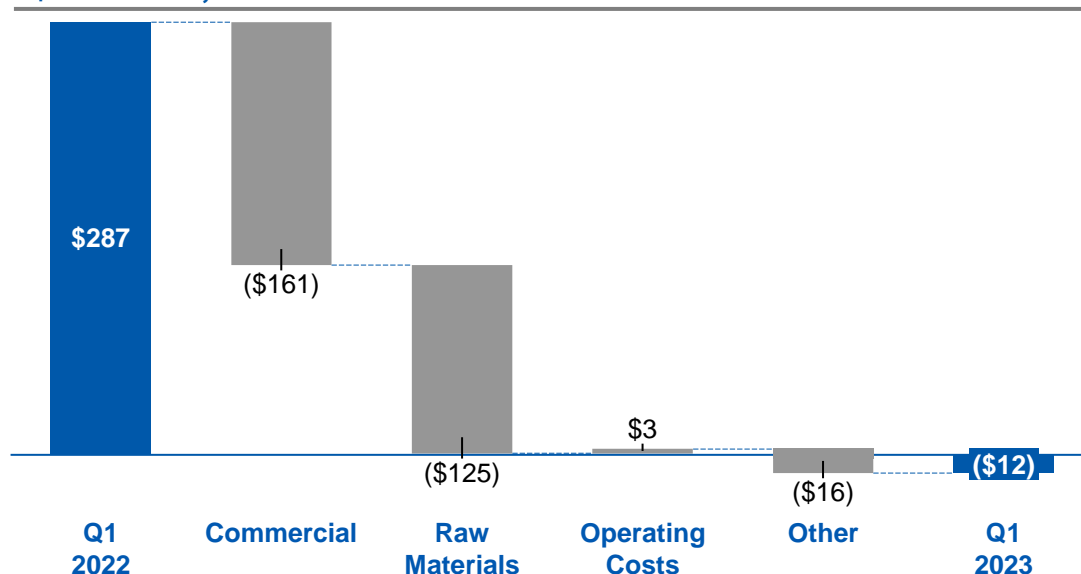
No change.

Other:

The change is not material.

EBITDA CHANGE ANALYSIS – U. S. STEEL EUROPE SEGMENT

\$ Millions, Q1 2022 vs. Q1 2023



Commercial:

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

Raw Materials:

The unfavorable impact is primarily the result of inventory revaluation.

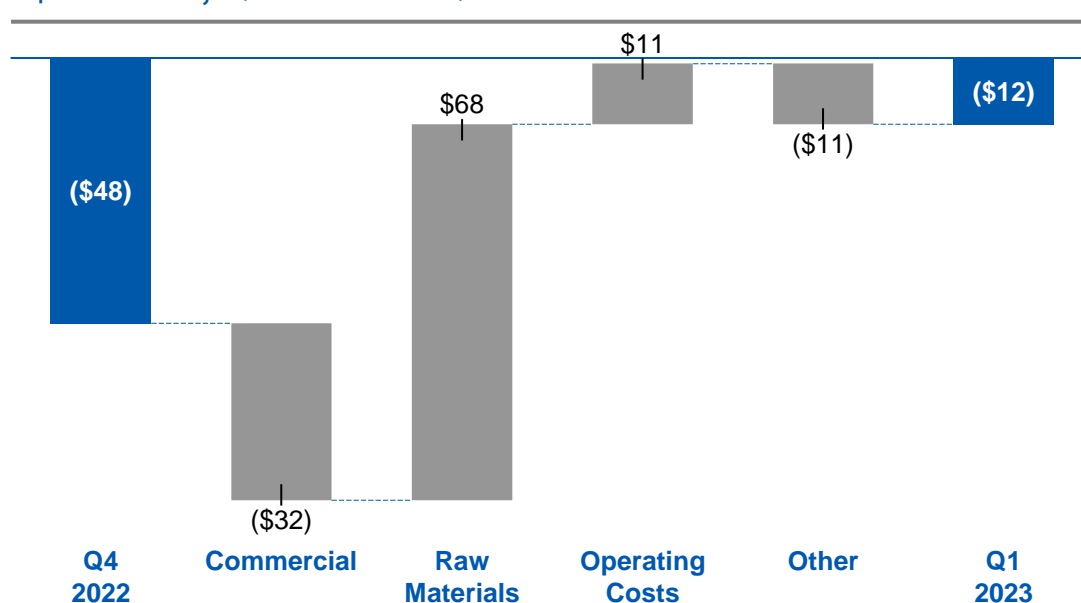
Operating Costs:

The change is not material.

Other:

The unfavorable impact is primarily the result of increased energy costs and the weakening of the Euro vs. the U.S. dollar.

\$ Millions, Q4 2022 vs. Q1 2023



Commercial:

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

Raw Materials:

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

Operating Costs:

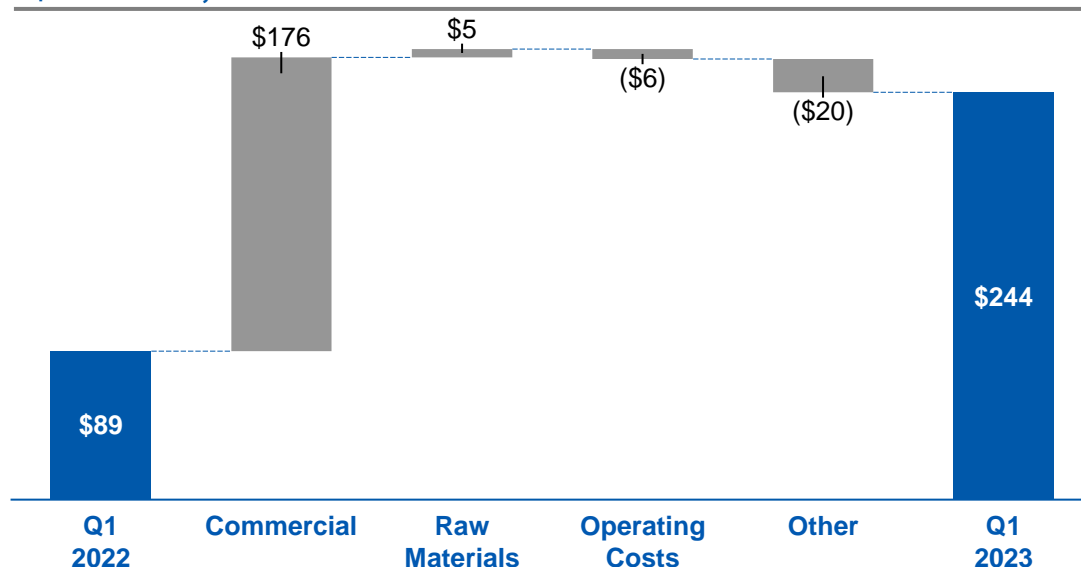
The favorable impact is primarily the result of lower spending and labor costs.

Other:

The unfavorable impact is primarily the result of the absence of an annual electricity compensation rebate received in fourth quarter 2022.

EBITDA CHANGE ANALYSIS – TUBULAR SEGMENT

\$ Millions, Q1 2022 vs. Q1 2023



Commercial:

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

Raw Materials:

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

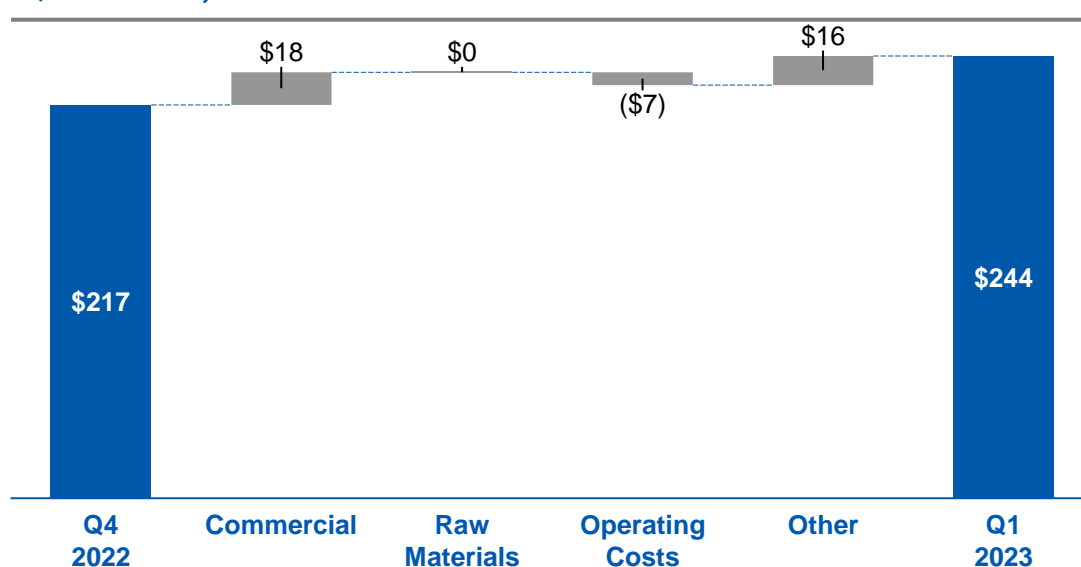
Operating Costs:

The unfavorable impact is primarily the result of increased costs for purchased products and services.

Other:

The unfavorable impact is primarily the result of higher variable compensation.

\$ Millions, Q4 2022 vs. Q1 2023



Commercial:

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

Raw Materials:

No change.

Operating Costs:

The unfavorable impact is primarily the result of increased costs for purchased products and services.

Other:

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

GLOBAL OPERATING FOOTPRINT

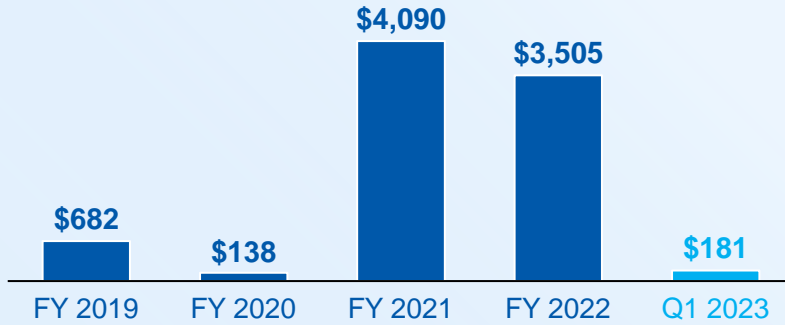
Operating				Idled	Total Capability ¹		
Indefinitely Idled							
NORTH AMERICAN FLAT-ROLLED	Iron Ore Pellets	Minntac		Keetac		-	22.4
	Cokemaking	Clairton				-	3.6
	Gary	BF #4	BF #6	BF #8	BF #14	-	7.5
	Granite City	BF ‘A’		BF ‘B’		1.4	2.8
	Mon Valley	BF #1		BF #3		-	2.9
MINI MILL	Big River Steel	EAF #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), Lorain, and Lone Star (pipe capability). All amounts shown are in millions.

CASH AND LIQUIDITY

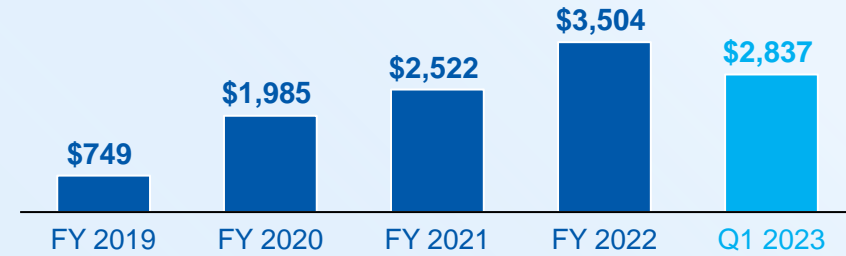
Cash from Operations

\$ Millions



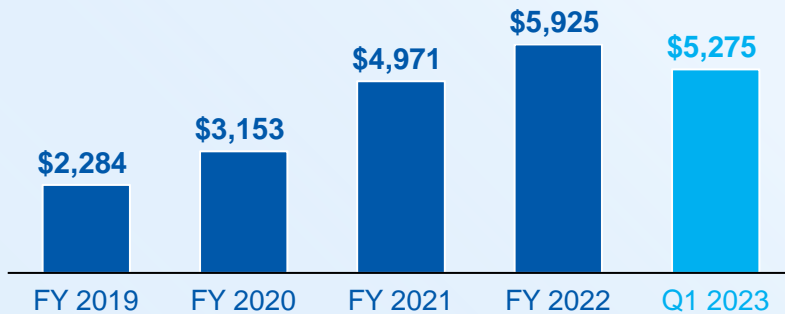
Cash and Cash Equivalents

\$ Millions



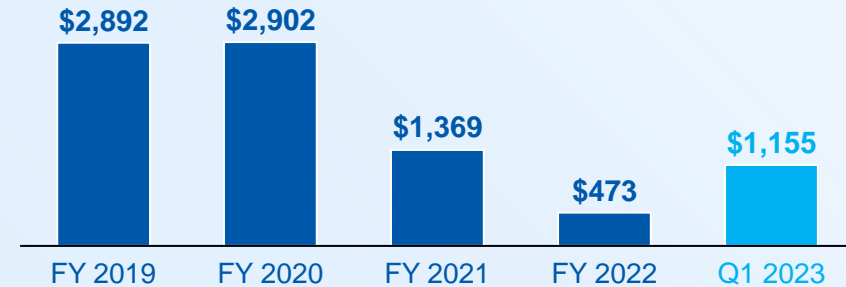
Total Estimated Liquidity

\$ Millions



Net Debt

\$ Millions



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

Segment EBITDA

Flat-Rolled (\$ millions)	<u>Q1 2022</u>	<u>Q2 2022</u>	<u>Q3 2022</u>	<u>Q4 2022</u>	<u>Q1 2023</u>
Segment earnings (loss) before interest and income taxes	\$529	\$793	\$518	\$171	(\$7)
Depreciation	123	125	126	125	147
Flat-Rolled Segment EBITDA	\$652	\$918	\$644	\$296	\$140
Mini Mill (\$ millions)	<u>Q1 2022</u>	<u>Q2 2022</u>	<u>Q3 2022</u>	<u>Q4 2022</u>	<u>Q1 2023</u>
Segment earnings (loss) before interest and income taxes	\$278	\$270	\$1	(\$68)	\$12
Depreciation	40	39	39	40	40
Mini Mill Segment EBITDA	\$318	\$309	\$40	(28)	\$52
U. S. Steel Europe (\$ millions)	<u>Q1 2022</u>	<u>Q2 2022</u>	<u>Q3 2022</u>	<u>Q4 2022</u>	<u>Q1 2023</u>
Segment earnings (loss) before interest and income taxes	\$264	\$280	(\$32)	(\$68)	(\$34)
Depreciation	23	22	20	20	22
U. S. Steel Europe Segment EBITDA	\$287	\$302	(\$12)	(\$48)	(\$12)
Tubular (\$ millions)	<u>Q1 2022</u>	<u>Q2 2022</u>	<u>Q3 2022</u>	<u>Q4 2022</u>	<u>Q1 2023</u>
Segment earnings (loss) before interest and income taxes	\$77	\$107	\$155	\$205	\$232
Depreciation	12	12	12	12	12
Tubular Segment EBITDA	\$89	\$119	\$167	\$217	\$244
Other (\$ millions)	<u>Q1 2022</u>	<u>Q2 2022</u>	<u>Q3 2022</u>	<u>Q4 2022</u>	<u>Q1 2023</u>
Segment earnings (loss) before interest and income taxes	7	(\$12)	\$21	\$6	\$3
Depreciation	0	0	1	0	0
Other Segment EBITDA	\$7	(\$12)	\$22	\$6	\$3

Big River Steel LLC¹ Summary Table

Income Statement \$ Millions	Q1 2023
Customer Sales	\$554M
Intersegment Sales	\$69M
Net Sales	\$623M
EBIT ²	\$14M
Balance Sheet	
Cash and cash equivalents	\$245M
Total Assets	\$3,531M
2029 Senior secured notes	\$720M
Environmental revenue bonds	\$752M
Financial leases and all other obligations	\$23M
Fair value step up ³	\$117M
Total Debt ³	\$1,612M
Cash Flow	
Depreciation and Amortization	\$35M
Capital Expenditures ⁴	\$128M

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.

Net Debt

Net Debt \$ millions	YE 2019	YE 2020	YE 2021	YE 2022	Q1 2023
Short-term debt and current maturities of long-term debt	\$14	\$192	\$28	\$63	\$91
Long-term debt, less unamortized discount and debt issuance costs	\$3,627	\$4,695	\$3,863	\$3,914	\$3,901
Total Debt	\$3,641	\$4,887	\$3,891	\$3,977	\$3,992
Less: Cash and cash equivalents	749	1,985	2,522	3,504	2,837
Net Debt	\$2,892	\$2,902	\$1,369	\$473	\$1,155



RECONCILIATION TABLE

Free Cash Flow / Investable Free Cash Flow

Investable free cash flow \$ millions

Q1 2023

Net cash provided by
operating activities

\$181

Net cash used in
investing activities

(738)

Free cash flow

(\$557)

Strategic capital expenditures

582

Investable free cash flow

\$25

Net Earnings

\$ Millions	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Reported net earnings attributable to U. S. Steel	\$882	\$978	\$490	\$174	\$199
Debt extinguishment	-	-	(2)	-	-
Asset impairment charges	6	151	-	6	-
Restructuring and other charges	17	17	23	(9)	1
Stock-based compensation expense ¹	16	16	13	12	11
VEBA asset surplus adjustment	-	-	-	-	(22)
Gains on assets sold and previously held investments	-	-	-	(6)	-
Pension de-risking	-	-	-	(3)	-
United Steelworkers labor agreement signing bonus and related costs ²	-	-	-	67	-
Other charges, net	(2)	-	13	13	5
Tax impact of adjusted items ³	(9)	(46)	(11)	(19)	1
Adjusted net earnings	\$910	\$1,116	\$526	\$235	\$195

¹ The prior year was retroactively adjusted to reflect the reclassification of stock-based compensation expense. The adjustment net of taxes was \$12 million, \$12 million, \$10 million, \$9 million and \$8 million for the three months ended March 31, June 30, September 30 and December 31 of 2022 and March 31, 2023, 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 in 2022 is calculated for U.S. domestic items using a blended tax rate of 25% for Q1, Q2 and Q3 and 24% for Q4 and for USSE items 21%. The tax impact of adjusted items in 2023 is calculated using a blended tax rate of 24%.

Note: The reported net earnings attributable to U. S. Steel for the three months ended March 31, 2022 includes an income tax benefit of \$7 million from the reversal of net valuation allowances. The item was presented as an adjustment to arrive at adjusted net earnings attributable to U. S. Steel in the prior period presentation. The reconciliation for the three months ended March 31, 2022 presented above has been recast to reflect the removal of the adjustment in accordance with Securities and Exchange Commission guidance.

Adjusted EBITDA

\$ Millions	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Reported net earnings attributable to U. S. Steel	\$882	\$978	\$490	\$174	\$199
Income tax expense	246	284	154	51	51
Net interest and other financial costs	(10)	(8)	(30)	(51)	(61)
Reported earning before interest and income taxes	\$1,118	\$1,254	\$614	\$174	\$189
Depreciation, depletion and amortization expense	198	198	198	197	221
EBITDA	\$1,316	\$1,452	\$812	\$371	\$410
Asset impairment charges	6	151	-	6	-
Restructuring and other charges	17	17	23	(9)	1
Losses (gains) on assets sold & previously held investments	-	-	-	(6)	-
Stock-based compensation expense ¹	16	16	13	12	11
United Steelworkers labor agreement signing bonus and related costs ²	-	-	-	67	-
Environmental remediation charges	-	-	-	-	-
Other charges, net	(2)	-	13	2	5
Adjusted EBITDA	\$1,353	\$1,636	\$861	\$443	\$427

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.



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