



Fourth Quarter & Full Year 2021

Earnings Presentation

January 27, 2022

www.ussteel.com

Forward-looking statements



These slides are being provided to assist readers in understanding the results of operations, financial condition and cash flows of United States Steel Corporation as of and for the fourth quarter and full year of 2021. Financial results as of and for the periods ended December 31, 2021 provided herein are preliminary unaudited results based on current information available to management. They should be read in conjunction with the consolidated financial statements and Notes to the Consolidated Financial Statements contained in our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q filed with the Securities and Exchange Commission.

This presentation contains information that may constitute “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. We intend the forward-looking statements to be covered by the safe harbor provisions for forward-looking statements in those sections. Generally, we have identified such forward-looking statements by using the words “believe,” “expect,” “intend,” “estimate,” “anticipate,” “project,” “target,” “forecast,” “aim,” “should,” “will,” “may,” and similar expressions or by using future dates in connection with any discussion of, among other things, 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, 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, the risks and uncertainties described in “Item 1A. Risk Factors” in our Annual report on Form 10-K for the year ended December 31, 2020 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 (loss), adjusted net earnings (loss) 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 (loss), 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 (loss) and adjusted net earnings (loss) per diluted share are non-GAAP measures that exclude the effects of items that include: debt extinguishment, restructuring and other charges, asset impairment charges, Big River Steel - acquisition-related items, (gains) losses on assets sold & previously held investments, gain on sale of Transtar, net reversal of tax valuation allowance, pension de-risking, environmental remediation charge and other items (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. 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 AllSM future



CURRENT LANDSCAPE

Record performance in 2021 and bullish for 2022



CHALLENGES

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



SOLUTION

- ✓ Balanced capital allocation strategy
- ✓ Mini Mill #2
- ✓ NGO electrical steel line at Big River Steel
- ✓ Coating line at Big River Steel



PATH FORWARD

Delivering on Best for All



United States Steel Corporation



**ADVANCING
TOWARDS OUR BEST
FOR ALL FUTURE**

Advancing towards our Best for All future 2021 successes ...



RECORD 2021 PERFORMANCE



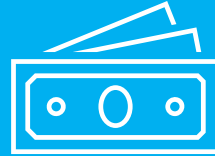
*Record earnings,
free cash flow, and
cash/liquidity*



*Industry-leading mini
mill performance*



*Exceptional operational
performance delivering
safety, environmental,
quality, and reliability
records*



TRANSFORMED BALANCE SHEET



*De-levered balance
sheet by \$3.1B¹*



*No significant debt
maturities until 2029*



*Pension and OPEB
plans are overfunded*



BUILDING ESG LEADERSHIP



*Named a “Most Loved
Workplace” by Newsweek*



*Big River Steel recipient of
Daimler’s 2021 Sustainability
Recognition Award*



*Committed to 2030 &
2050 greenhouse gas
emission targets²*



*Launched verdeX™ and
joined ResponsibleSteel³*



*Recognized as a Best
Compliance and Ethics
Program⁴*



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¹ Pro forma including Big River Steel debt. Excludes the impact of unamortized issuance costs and discounts. ² 20% reduction in global greenhouse gas (GHG) emission intensity by 2030. Targeting net zero carbon emissions by 2050. ³ verdeX™ sustainable steel solutions; ResponsibleSteel is the industry's first global multi-stakeholder standard and certification initiative. ⁴ Recognized as a Best Compliance and Ethics Program winner by Corporate Secretary.

Advancing towards our Best for All future ... creating 2022 opportunities



**WELL POSITIONED
FOR STRATEGY
EXECUTION**

Fully-funded strategic investments with record cash & liquidity; de-risking strategy execution



**INCREASING
FUTURE EARNINGS
POWER**

Executing on strategic projects today with \$850M of EBITDA benefits expected by 2026¹



**BALANCED
CAPITAL
ALLOCATION**

Returning cash to stockholders while maintaining balance sheet strength and advancing our strategic investments in capabilities



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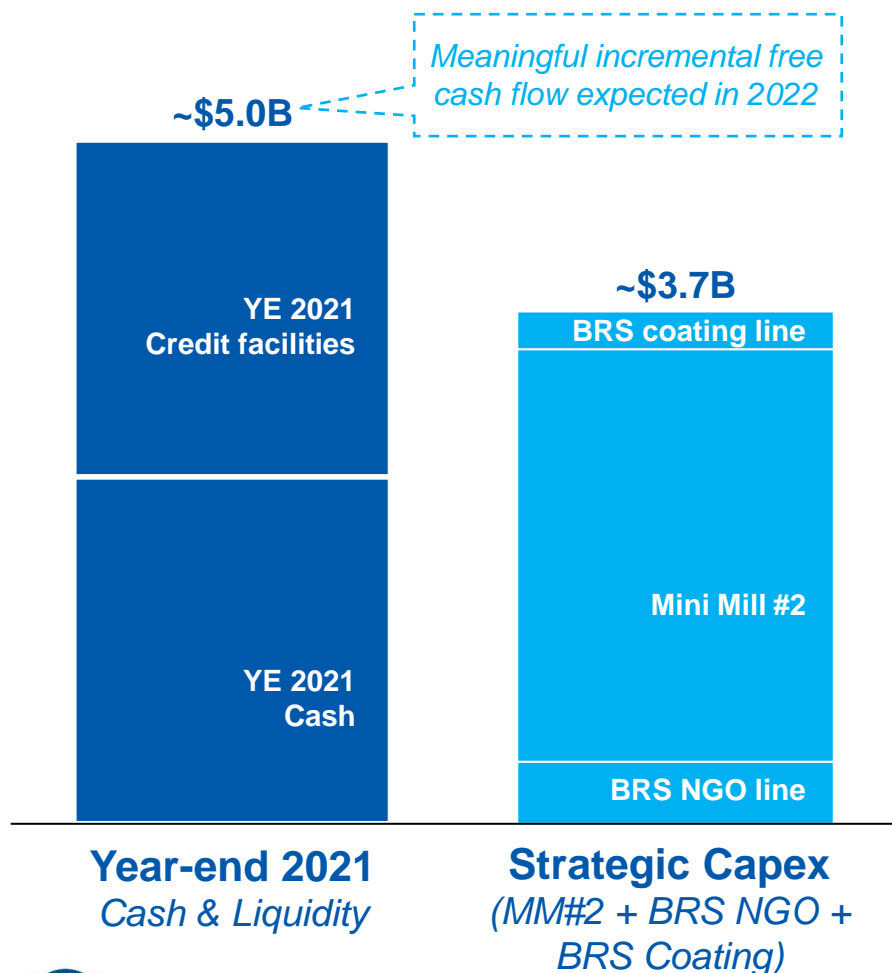
¹ Incremental through-cycle EBITDA of \$850M expected from Mini Mill #2 (MM#2), BRS non-grain oriented (NGO) electrical steel line, and BRS coating line.

Advancing towards our Best for All future

Well positioned for strategy execution



Cash & liquidity support strategic capex:



Confident in future EBITDA contribution:



Fully-funded
strategic projects

*Clear path to
strategy execution*



De-risked
strategy execution

*Retaining top mini-mill
engineering talent for
MM#2 investment*



EBITDA benefits in
2024; run-rate by 2026

*\$850M of EBITDA benefits by
2026 from strategic projects¹*



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¹ Incremental through-cycle EBITDA of \$850M expected from Mini Mill #2 (MM#2), BRS non-grain oriented (NGO) electrical steel line, and BRS coating line.

Advancing towards our Best for All future

Balanced approach to capital allocation



INVESTING:

Unlocking future earnings power with strategic projects



REWARDING:

Returning excess capital to stockholders

Disciplined and efficient approach to value creation



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Advancing towards our Best for All future \$850M of EBITDA benefits expected by 2026



MINI MILL #2

MINI MILL STEELMAKING



NGO STEEL



BEST-IN-CLASS FINISHING



COATING LINE



BEST-IN-CLASS FINISHING

\$650M

Run-rate EBITDA by '26

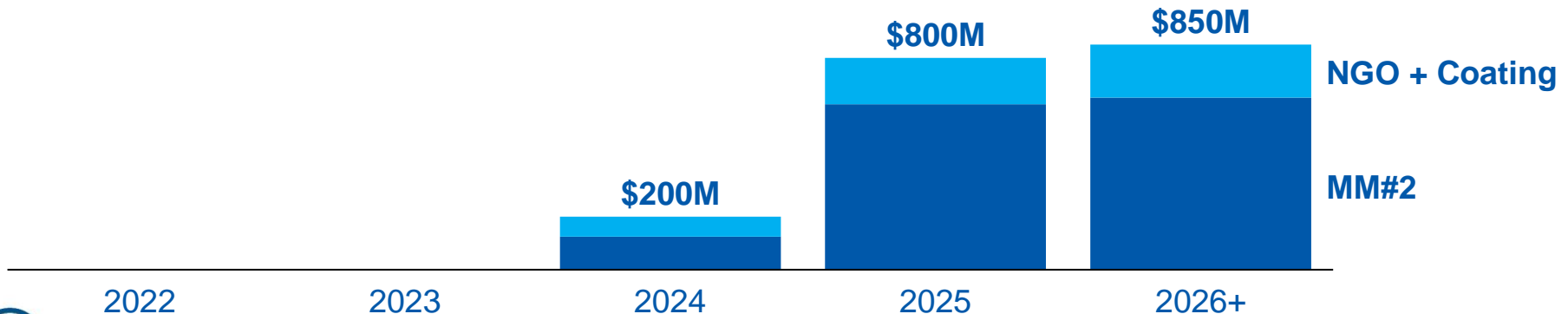
\$140M

Run-rate EBITDA by '26

\$60M

Run-rate EBITDA by '26

Expected EBITDA contribution:



2022 2023
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Balanced approach to capital allocation



INVESTING:

Unlocking future earnings power with strategic projects



REWARDING:

Returning excess capital to stockholders

Disciplined and efficient approach to value creation



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Advancing towards our Best for All future

Returning excess capital back to stockholders

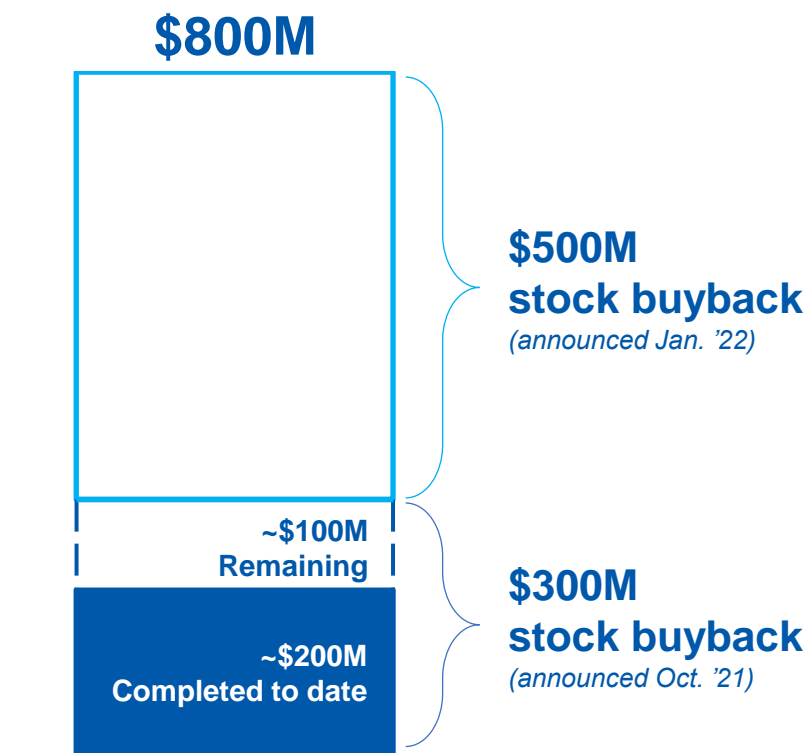


Quarterly dividend is part of an enduring stockholder return program:

\$0.05 *per share*
Quarterly dividend

Reinstated \$0.05 per share quarterly dividend in October 2021 as part of our enhanced capital allocation strategy

Stock buybacks supported by the free cash flow generation of the business:



Advancing towards our Best for All future

Disciplined approach to capital allocation



**MAINTAIN
BALANCE SHEET
STRENGTH**




**SUPPORT
BEST FOR ALL
STRATEGY**



**RETURN
CAPITAL TO
STOCKHOLDERS**



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A construction worker in a yellow safety vest and hard hat is working on a corrugated metal roof. The worker is using a power drill to secure a metal beam. The scene is set against a clear sky, and the worker's reflection is visible on the shiny surface of the roof.

FOURTH QUARTER & FULL YEAR UPDATE

Fourth quarter & full year update

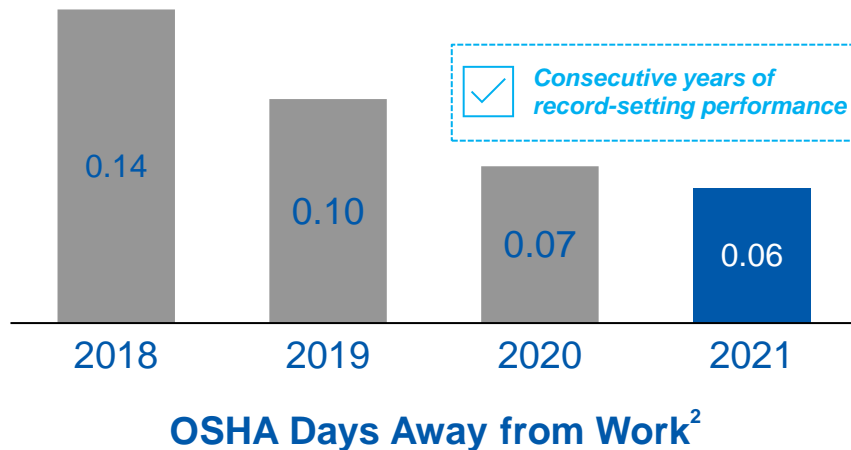
Consecutive years of record safety



Safety first:

Benchmark¹:

BLS - Iron & Steel: 0.70



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¹ BLS – Iron & Steel 2020 data.

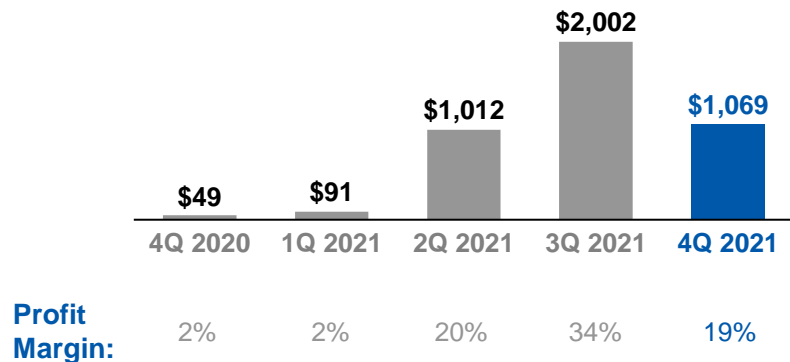
² Occupational Safety and Health Administration (OSHA) Days Away from Work is defined as number of days away cases x 200,000 / hours worked. 2021 data is preliminary.

Fourth quarter 2021 update

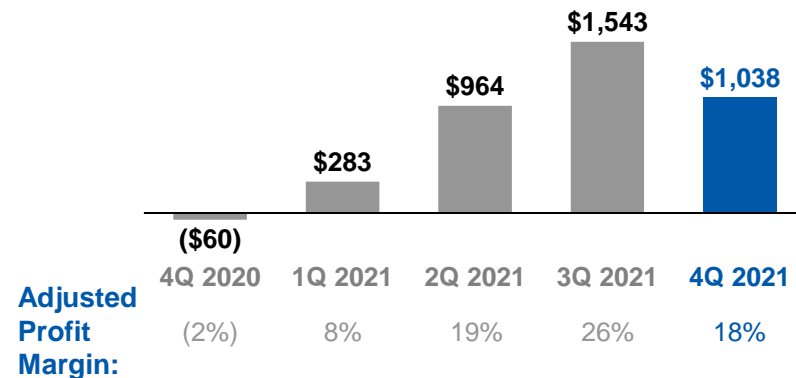
Financial updates



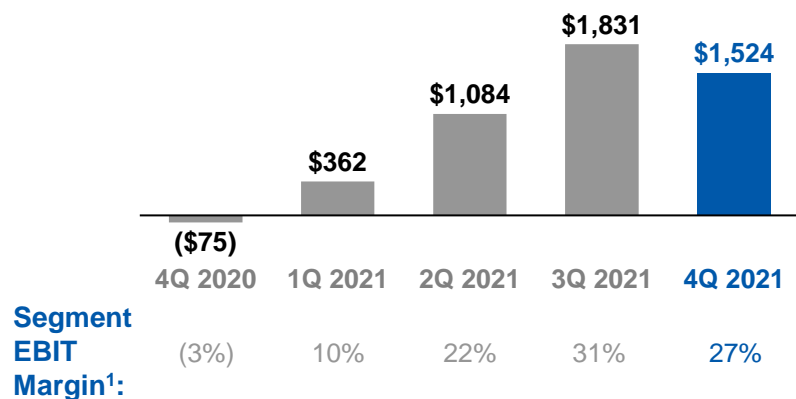
Reported Net Earnings (Loss) \$ Millions



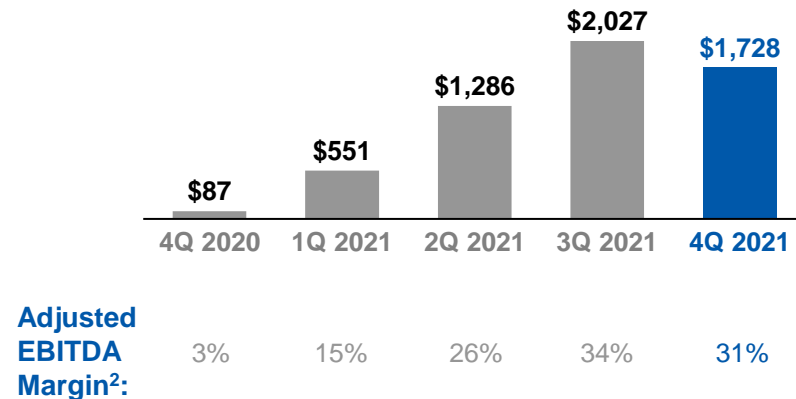
Adjusted Net Earnings (Loss) \$ Millions



Segment EBIT¹ \$ Millions



Adjusted EBITDA² \$ Millions



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

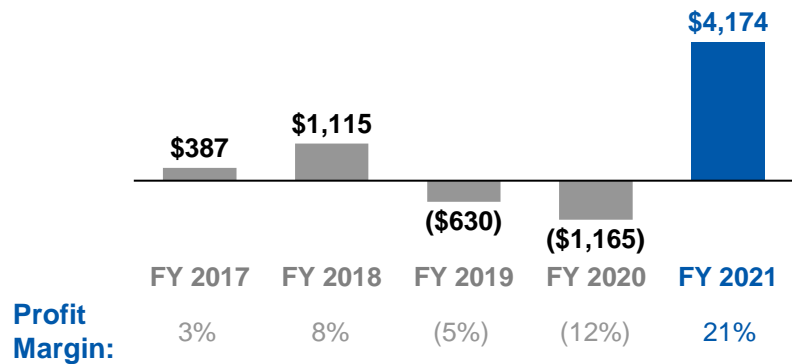
¹ Earnings (loss) before interest and income taxes. ² Earnings (loss) before interest, income taxes, depreciation and amortization, and excluding adjustment items.

Full year 2021 update

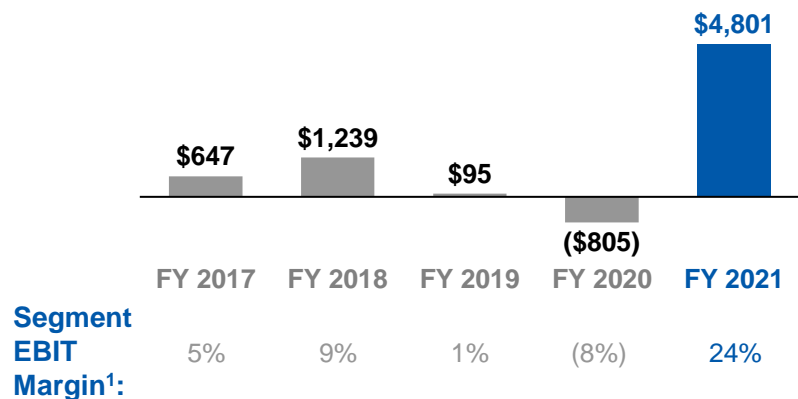
Financial updates



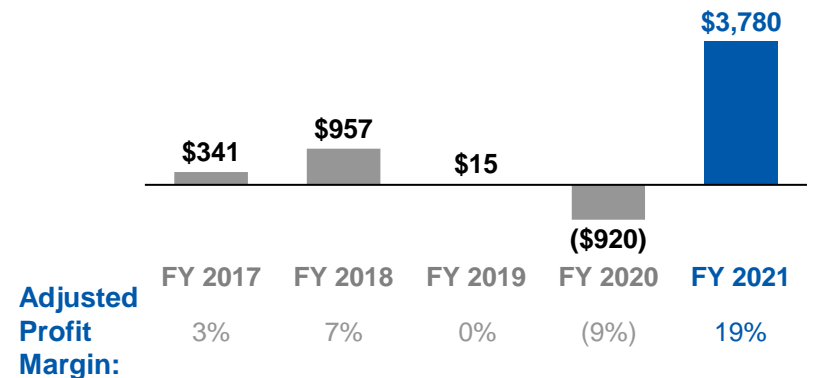
Reported Net Earnings (Loss) \$ Millions



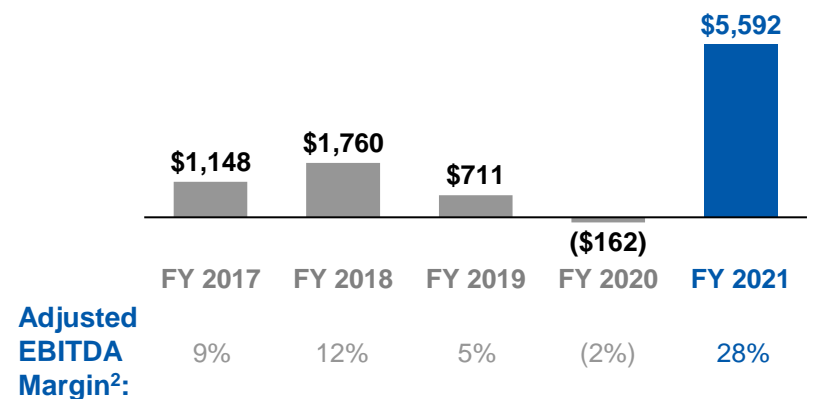
Segment EBIT¹ \$ Millions



Adjusted Net Earnings (Loss) \$ Millions



Adjusted EBITDA² \$ Millions



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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.

Flat-rolled segment

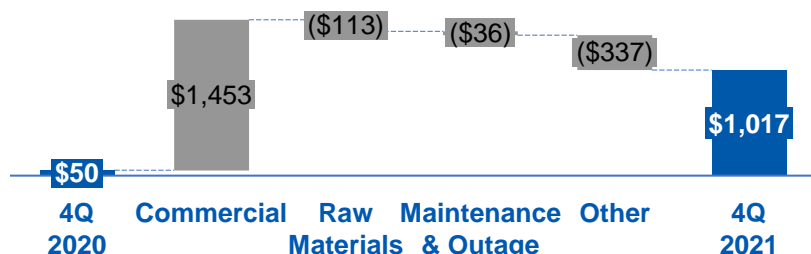
Key statistics



Operating Statistics

| | 4Q 2020 | 1Q 2021 | 2Q 2021 | 3Q 2021 | 4Q 2021 | FY 2020 | FY 2021 |
|-----------------------------------------------------|------------|------------|------------|------------|----------------|------------|----------------|
| Shipments: <i>in 000s, net tons</i> | 2,257 | 2,332 | 2,326 | 2,328 | 2,032 | 8,711 | 9,018 |
| Production: <i>in 000s, net tons</i> | 2,490 | 2,581 | 2,485 | 2,634 | 2,181 | 9,313 | 9,881 |
| Average Selling Price <i>\$ / net ton</i> | \$731 | \$888 | \$1,078 | \$1,325 | \$1,432 | \$718 | \$1,172 |

EBITDA Bridge \$ Millions, 4Q 2020 vs. 4Q 2021



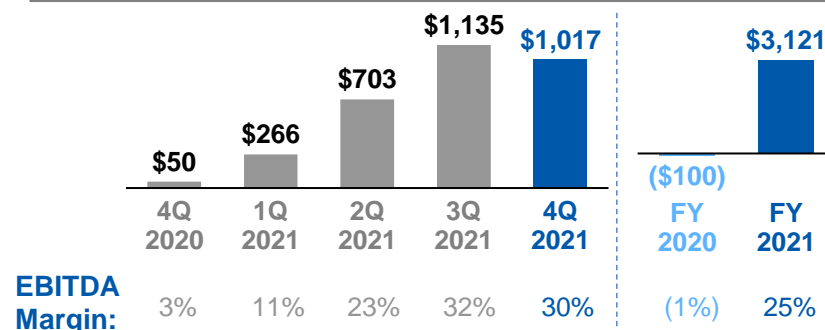
Commercial: The favorable impact is primarily the result of higher average realized prices and increased mining and coke sales, partially offset by lower volumes caused in part by increased levels of low-priced imports.

Raw Materials: The unfavorable impact is primarily the result of higher purchased scrap costs and steelmaking additions.

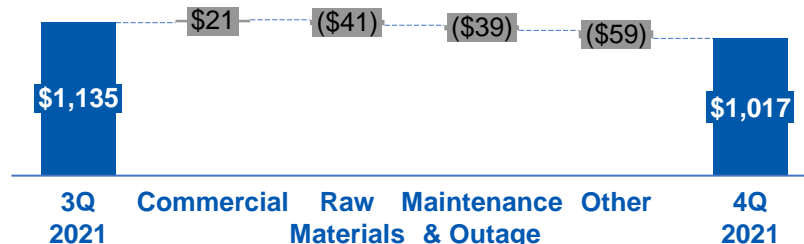
Maintenance & Outage: The unfavorable impact is primarily the result of increased costs for purchased products and services.

Other: The unfavorable impact is primarily the result of increased variable compensation and derivative losses.

Segment EBITDA \$ Millions



EBITDA Bridge \$ Millions, 3Q 2021 vs. 4Q 2021



Commercial: The favorable impact is primarily the result of higher average realized prices partially offset by fewer shipments.

Raw Materials: The unfavorable impact is primarily the result of higher steelmaking additions costs.

Maintenance & Outage: The unfavorable impact is primarily the result of increased costs for the planned outage at Gary Works blast furnace and purchased products and services.

Other: The unfavorable impact is primarily the result of increased energy costs.



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

Mini Mill segment¹

Key statistics



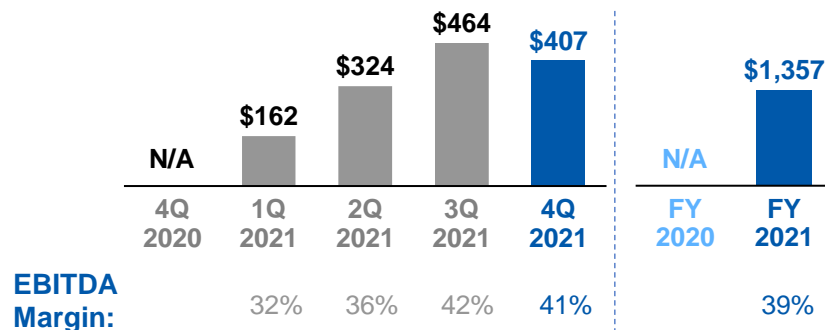
Operating Statistics

| | 4Q 2020 | 1Q 2021 | 2Q 2021 | 3Q 2021 | 4Q 2021 | FY 2020 | FY 2021 |
|-----------------------------------------------------|------------|------------|------------|------------|------------|------------|------------|
| Shipments: <i>in 000s, net tons</i> | — | 447 | 616 | 608 | 559 | — | 2,230 |
| Production: <i>in 000s, net tons</i> | — | 510 | 747 | 750 | 681 | — | 2,688 |
| Average Selling Price <i>\$ / net ton</i> | — | \$967 | \$1,207 | \$1,517 | \$1,490 | — | \$1,314 |

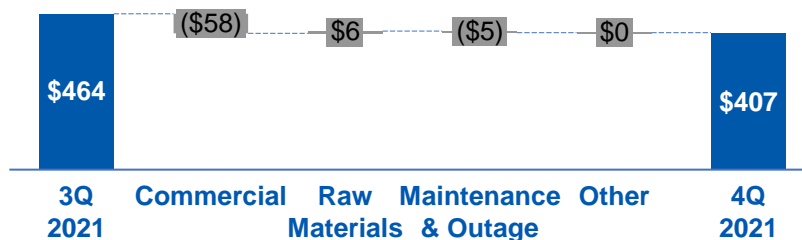
EBITDA Bridge \$ Millions, 4Q 2020 vs. 4Q 2021

EBITDA bridge not applicable for Mini Mill segment

Segment EBITDA \$ Millions



EBITDA Bridge \$ Millions, 3Q 2021 vs. 4Q 2021



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

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

Maintenance & Outage: The unfavorable impact is primarily the result of planned maintenance and outage costs.

Other: No change.



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

¹ Mini Mill segment includes Big River Steel performance as a fully consolidated entity of U. S. Steel, which began on January 15, 2021.

U. S. Steel Europe segment

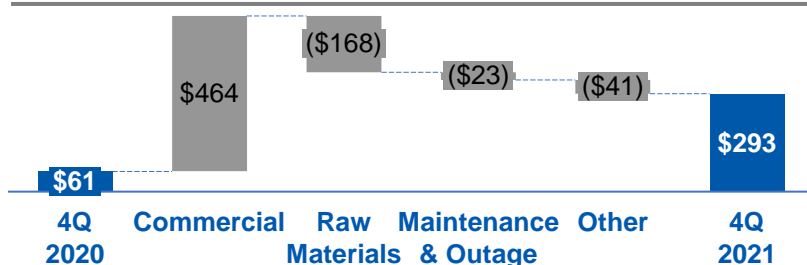
Key statistics



Operating Statistics

| | 4Q 2020 | 1Q 2021 | 2Q 2021 | 3Q 2021 | 4Q 2021 | FY 2020 | FY 2021 |
|-----------------------------------------------------|------------|------------|------------|------------|----------------|------------|--------------|
| Shipments: <i>in 000s, net tons</i> | 840 | 1,043 | 1,167 | 1,064 | 1,028 | 3,041 | 4,302 |
| Production: <i>in 000s, net tons</i> | 966 | 1,197 | 1,279 | 1,274 | 1,181 | 3,366 | 4,931 |
| Average Selling Price <i>\$ / net ton</i> | \$652 | \$748 | \$905 | \$1,143 | \$1,075 | \$626 | \$966 |

EBITDA Bridge \$ Millions, 4Q 2020 vs. 4Q 2021



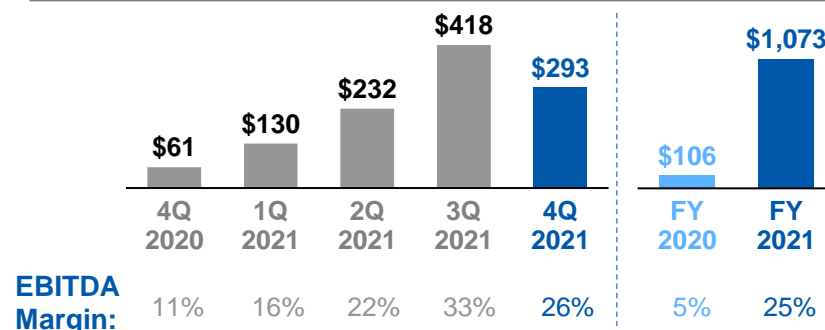
Commercial: The favorable impact is primarily the result of higher average realized prices and increased shipments.

Raw Materials: The unfavorable impact is primarily the result of higher costs for iron ore, CO2 credits, and coking coal.

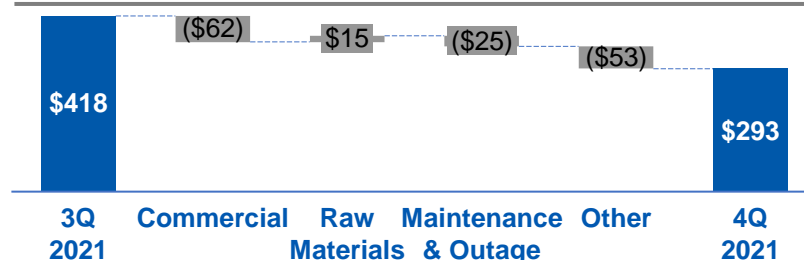
Maintenance & Outage: The unfavorable impact is primarily the result of increased costs for purchased products and services.

Other: The unfavorable impact is primarily the result of increased energy costs and increased variable compensation.

Segment EBITDA \$ Millions



EBITDA Bridge \$ Millions, 3Q 2021 vs. 4Q 2021



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

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

Maintenance & Outage: The unfavorable impact is primarily the result of increased costs for purchased products and services and outages in 4Q.

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



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

Tubular segment

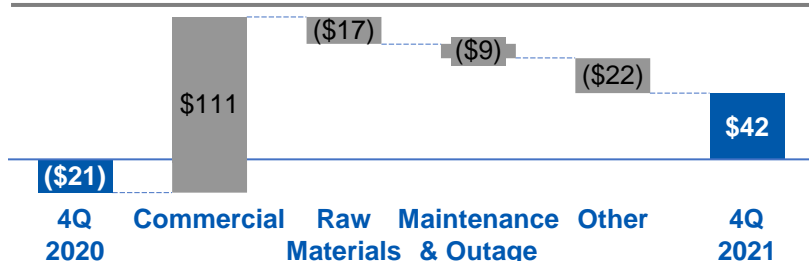
Key statistics



Operating Statistics

| | 4Q 2020 | 1Q 2021 | 2Q 2021 | 3Q 2021 | 4Q 2021 | FY 2020 | FY 2021 |
|------------------------------------------------|------------|------------|------------|------------|------------|------------|------------|
| Shipments: <i>in 000s, net tons</i> | 74 | 89 | 105 | 123 | 127 | 464 | 444 |
| Production: <i>in 000s, net tons</i> | 16 | 93 | 114 | 117 | 140 | 16 | 464 |
| Average Selling Price \$/ net ton | \$1,267 | \$1,372 | \$1,633 | \$1,702 | \$1,968 | \$1,271 | \$1,696 |

EBITDA Bridge \$ Millions, 4Q 2020 vs. 4Q 2021



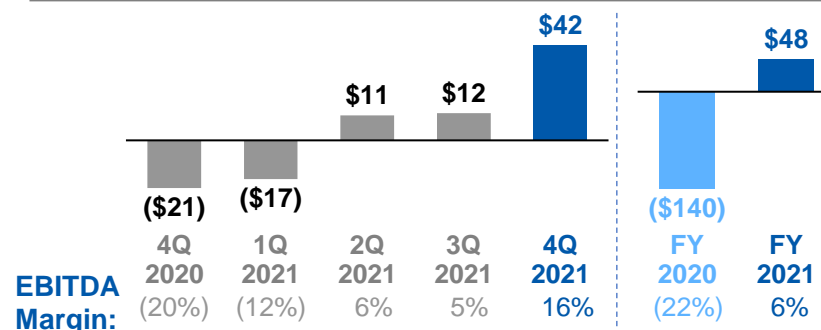
Commercial: The favorable impact is primarily the result of higher average realized prices and increased volumes, partially offset by increased levels of low-priced imports.

Raw Materials: The unfavorable impact is primarily the result of higher scrap costs.

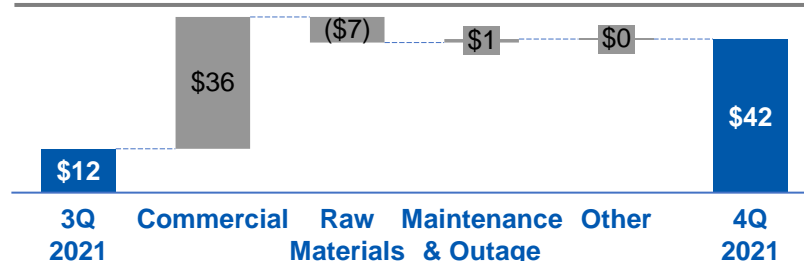
Maintenance & Outage: The unfavorable impact is primarily the result of increased costs for purchased products and services.

Other: The unfavorable impact is primarily the result of increased energy costs and increased variable compensation.

Segment EBITDA \$ Millions



EBITDA Bridge \$ Millions, 3Q 2021 vs. 4Q 2021



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

Raw Materials: The unfavorable impact is primarily the result of higher scrap costs.

Maintenance & Outage: The change is not material.

Other: No change.



Fourth quarter 2021 update

Utilization rates impacted by planned outages

A background image for the NA Flat-rolled segment showing industrial steel structures and a tall chimney against a clear sky.

~79% Adjusted
Raw Steel
Utilization

Adjusted for Gary Works #6 blast furnace planned outage and idled Granite City / Great Lakes capacity

NA Flat-rolled
segment

A background image for the Mini Mill segment showing a large, bright, glowing molten metal ladle in an industrial setting.

~91% Adjusted
Raw Steel
Utilization

Adjusted for Big River Steel hot mill planned outage

Mini Mill
segment

A background image for the U. S. Steel Europe segment showing a bright, glowing molten metal stream in a dark industrial environment.

~100% Adjusted
Raw Steel
Utilization

Adjusted for #1 blast furnace planned outage

U. S. Steel Europe
segment



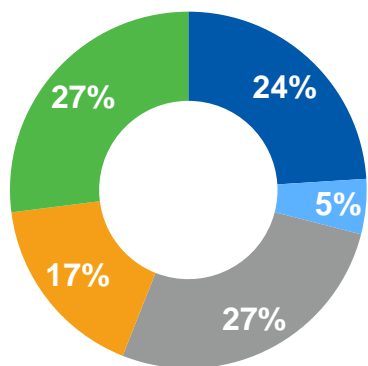
United States Steel Corporation

Full year 2021 update

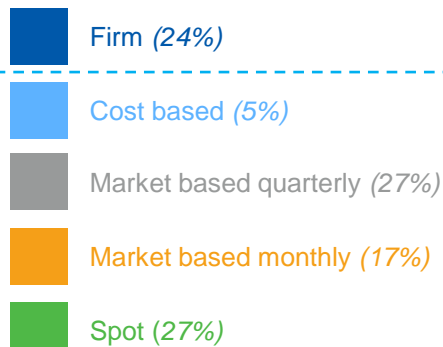
Contract / spot mix by segment



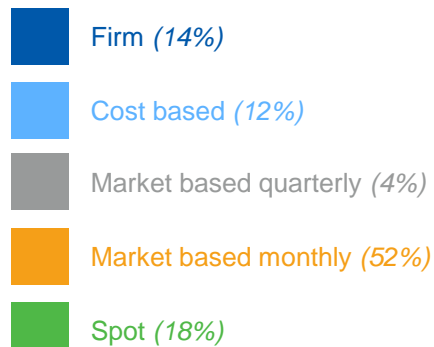
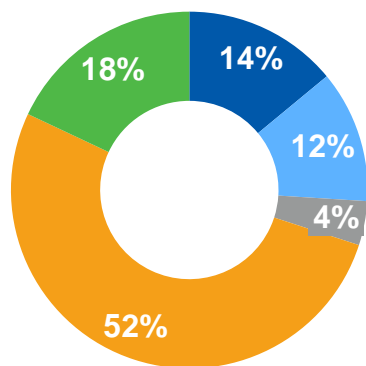
Flat-rolled



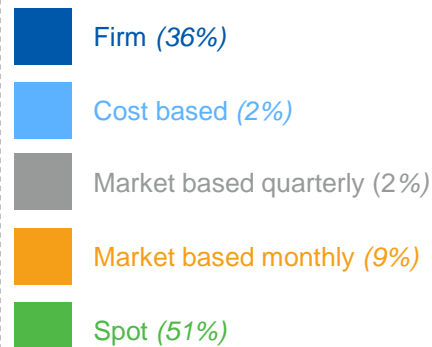
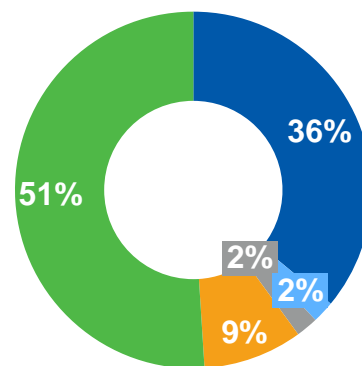
2021 firm contracts reduced year-over-year due to automotive supply chain issues



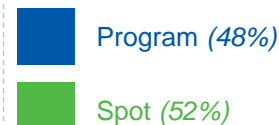
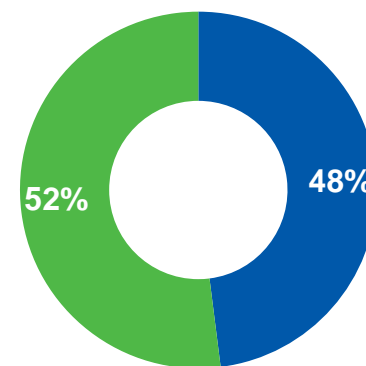
Mini Mill



U. S. Steel Europe



Tubular



United States Steel Corporation

Note: Excludes intersegment shipments.

2022 outlook

Current full year projections



Operating Metrics

| | |
|--------------------------------------------------------------------------------|------------------------|
| Flat-rolled Segment Estimated 3 rd Party Shipment Volumes | 9.0 – 9.5 million tons |
| Mini Mill Segment Estimated 3 rd Party Shipment Volumes | 2.2 – 2.4 million tons |
| U. S. Steel Europe Segment Estimated 3 rd Party Shipment Volumes | 4.1 – 4.3 million tons |
| Tubular Segment Estimated Shipment Volumes | 0.4 – 0.6 million tons |

Income Statement

| | |
|------------------------------------------------------------------------------------------------------------------------------|---------------------------------|
| Depreciation, Depletion, and Amortization | \$745 million |
| Pension and Other Benefits Costs / (Income) <i>\$127M in EBITDA; (\$247M) in net interest & other financial costs</i> | (\$120) million |
| Favorable change in U. S. Steel Europe purchased CO2 credit costs | \$80 million <i>vs. 2021</i> |

Cash Flow Statement

| | |
|------------------------------------------|---------------|
| Capital Spending | \$2.3 billion |
| Pension and Other Benefits Cash Payments | \$119 million |
| Cash Interest Expense | \$225 million |



2022 outlook

Global operating footprint



Operating  Indefinitely Idled  Permanently idled 

Idled **Total Capability¹**

North American
Flat-rolled

| | | | | |
|--------------------------|------------------------------------------|--------|--------|--------|
| Iron ore pellets | Minntac | Keetac | | |
| Cokemaking | Clairton | | | |
| Gary | BF #4 | BF #6 | BF #8 | BF #14 |
| Granite City | BF 'A' | | BF 'B' | |
| Great Lakes ² | Permanently idled steelmaking capability | | | |
| Mon Valley | BF #1 | | BF #3 | |

25-day outage
planned for
March

— 22.4
— 4.3
— 7.5
1.4 2.8
— —
— 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 | #3 seamless pipe |
|--------|------------------|

0.38 0.38

| | | |
|-----------|--------|--------|
| Lone Star | #1 ERW | #2 ERW |
|-----------|--------|--------|

0.79 0.79



United States Steel Corporation

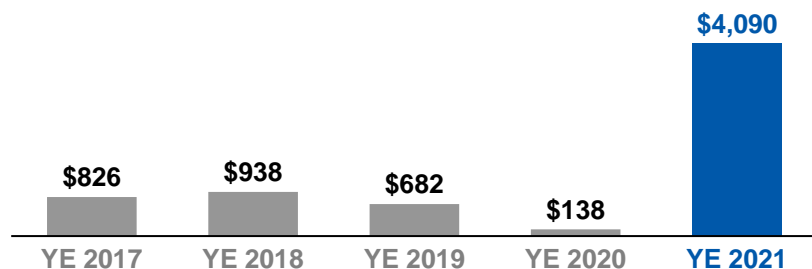
¹ Raw steel capability, except at Minntac and Keetac (iron ore pellet capability), Clairton (coke capability), Lorain, and Lone Star (pipe capability).

² Great Lakes raw steel capability was 3.8 million net tons previously.

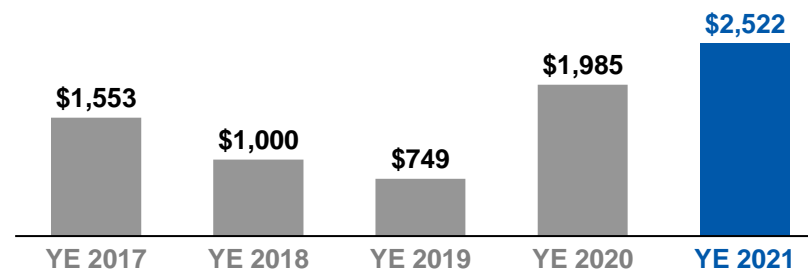
Cash and liquidity



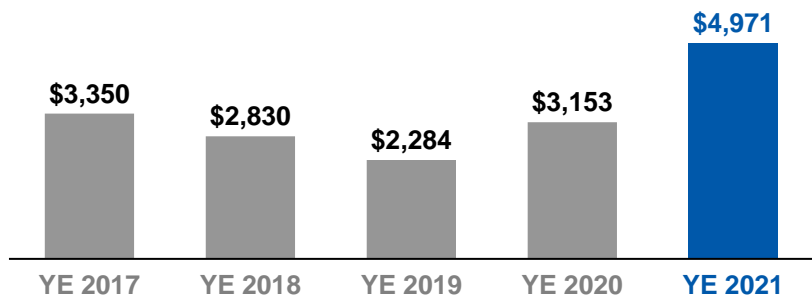
Cash from Operations \$ Millions



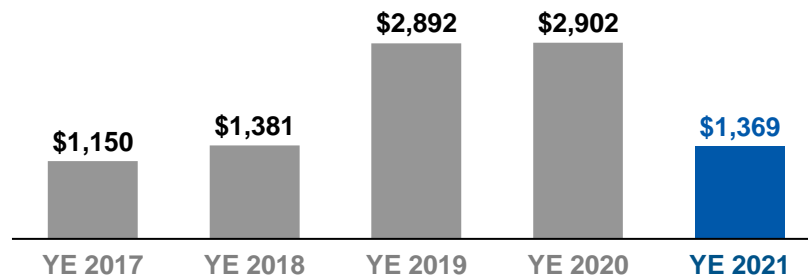
Cash and Cash Equivalents \$ Millions



Total Estimated Liquidity \$ Millions



Net Debt \$ Millions





APPENDIX



Additional Big River Steel summary data



\$ millions

4Q 2021

Income Statement

| | |
|---------------------------|---------------|
| Customer Sales | \$850M |
| <u>Intersegment Sales</u> | <u>\$148M</u> |
| Net Sales | \$998M |
| EBIT ¹ | \$366M |

Balance Sheet

| | |
|---------------------------------------------------|---------------|
| <i>Cash and cash equivalents</i> | <i>\$409M</i> |
| Total Assets | \$4,715M |
| <i>2029 senior secured notes</i> | <i>\$720M</i> |
| <i>Environmental revenue bonds</i> | <i>\$752M</i> |
| <i>Financial leases and all other obligations</i> | <i>\$123M</i> |
| <i>Fair value step up²</i> | <i>\$127M</i> |
| Total Debt | \$1,722M |

Cash Flow

| | |
|-------------------------------|-------|
| Depreciation and Amortization | \$41M |
| Capital Expenditures | \$85M |



United States Steel Corporation

¹ Earnings before interest and income taxes. ² Big River Steel debt amounts are shown at aggregate principal amounts which do not include Big River Steel's unamortized discounts and fees which were removed with the purchase. The fair value step up shown here represents the fair value step up over the aggregate principal amount.

Reconciliation of segment EBITDA



| Flat-rolled (\$ millions) | <u>4Q 2020</u> | <u>1Q 2021</u> | <u>2Q 2021</u> | <u>3Q 2021</u> | <u>4Q 2021</u> | <u>FY 2020</u> | <u>FY 2021</u> |
|----------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Segment (loss) earnings before interest and income taxes | (\$73) | \$146 | \$579 | \$1,015 | \$890 | (\$596) | \$2,630 |
| Depreciation | 123 | 120 | 124 | 120 | 127 | 496 | 491 |
| Flat-rolled Segment EBITDA | \$50 | \$266 | \$703 | \$1,135 | \$1,017 | (\$100) | \$3,121 |
| Mini Mill (\$ millions) | <u>4Q 2020</u> | <u>1Q 2021</u> | <u>2Q 2021</u> | <u>3Q 2021</u> | <u>4Q 2021</u> | <u>FY 2020</u> | <u>FY 2021</u> |
| Segment (loss) earnings before interest and income taxes | - | \$132 | \$284 | \$424 | \$366 | - | \$1,206 |
| Depreciation | - | 30 | 40 | 40 | 41 | - | 151 |
| Mini Mill Segment EBITDA | - | \$162 | \$324 | \$464 | \$407 | - | \$1,357 |
| U. S. Steel Europe (\$ millions) | <u>4Q 2020</u> | <u>1Q 2021</u> | <u>2Q 2021</u> | <u>3Q 2021</u> | <u>4Q 2021</u> | <u>FY 2020</u> | <u>FY 2021</u> |
| Segment (loss) earnings before interest and income taxes | \$36 | \$105 | \$207 | \$394 | \$269 | \$9 | \$975 |
| Depreciation | 25 | 25 | 25 | 24 | 24 | 97 | 98 |
| U. S. Steel Europe Segment EBITDA | \$61 | \$130 | \$232 | \$418 | \$293 | \$106 | \$1,073 |
| Tubular (\$ millions) | <u>4Q 2020</u> | <u>1Q 2021</u> | <u>2Q 2021</u> | <u>3Q 2021</u> | <u>4Q 2021</u> | <u>FY 2020</u> | <u>FY 2021</u> |
| Segment (loss) earnings before interest and income taxes | (\$32) | (\$29) | \$0 | \$0 | \$30 | (\$179) | \$1 |
| Depreciation | 11 | 12 | 11 | 12 | 12 | 39 | 47 |
| Tubular Segment EBITDA | (\$21) | (\$17) | \$11 | \$12 | \$42 | (\$140) | \$48 |
| Other (\$ millions) | <u>4Q 2020</u> | <u>1Q 2021</u> | <u>2Q 2021</u> | <u>3Q 2021</u> | <u>4Q 2021</u> | <u>FY 2020</u> | <u>FY 2021</u> |
| Segment (loss) earnings before interest and income taxes | (\$6) | \$8 | \$14 | (\$2) | (\$31) | (\$6) | (\$11) |
| Depreciation | 3 | 2 | 2 | 0 | 0 | 3 | 4 |
| Other Segment EBITDA | (\$3) | \$10 | \$16 | (\$2) | (\$31) | (\$3) | (\$7) |



Reconciliation of net debt



| Net Debt <u>(\$ millions)</u> | <u>YE 2017</u> | <u>YE 2018</u> | <u>YE 2019</u> | <u>YE 2020</u> | <u>YE 2021</u> |
|-------------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Short-term debt and current maturities of long-term debt | \$3 | \$65 | \$14 | \$192 | \$28 |
| Long-term debt, less unamortized discount and debt issuance costs | 2,700 | 2,316 | 3,627 | 4,695 | 3,863 |
| Total Debt | \$2,703 | \$2,381 | \$3,641 | \$4,887 | \$3,891 |
| Less: Cash and cash equivalents | 1,553 | 1,000 | 749 | 1,985 | 2,522 |
| Net Debt | \$1,150 | \$1,381 | \$2,892 | \$2,902 | \$1,369 |



Reconciliation of reported and adjusted net earnings



| (\$ millions) | 4Q 2020 | 1Q 2021 | 2Q 2021 | 3Q 2021 | 4Q 2021 | FY 2020 | FY 2021 |
|--------------------------------------------------------------------------|---------------|--------------|--------------|----------------|----------------|----------------|----------------|
| Reported net (loss) earnings attributable to U. S. Steel | \$49 | \$91 | \$1,012 | \$2,002 | \$1,069 | (\$1,165) | \$4,174 |
| Debt extinguishment | 18 | 255 | — | 26 | 10 | 18 | 291 |
| Asset impairment charges | — | — | 28 | — | 245 | 287 | 273 |
| Restructuring and other charges | 8 | 6 | 31 | — | 91 | 131 | 128 |
| Gain on sale of Transtar | — | — | — | (506) | — | — | (506) |
| (Gains) losses on assets sold & previously held investments ¹ | (144) | (111) | (15) | 7 | 1 | (209) | (118) |
| Big River Steel – acquisition-related items ² | 11 | 42 | 6 | (12) | (1) | 11 | 35 |
| Net reversal of tax valuation allowance ³ | — | — | (95) | (25) | (513) | — | (633) |
| Pension de-risking | — | — | — | — | 93 | — | 93 |
| Environmental remediation charge | — | — | — | — | 43 | — | 43 |
| Other items | (2) | — | — | — | — | 7 | — |
| Tax effect of the above items ⁴ | — | — | (3) | 51 | — | — | — |
| Adjusted net (loss) earnings attributable to U. S. Steel | (\$60) | \$283 | \$964 | \$1,543 | \$1,038 | (\$920) | \$3,780 |

¹ The three months ended December 31, 2020, primarily consists of a gain of \$145 million from the sale of property at the Fairless facility. The year ended December 31, 2021 consists of a gain of \$111 million on the previously held investment in Big River Steel, a gain of \$15 million for the sale of property, partially offset by a loss of \$8 million on the sale of a subsidiary of USSE. The year ended December 31, 2020 consists of a gain of \$145 million from the sale of property at the Fairless facility, a net gain of \$39 million from the earnings impact of the change in fair value of options related to our previous 49.9% ownership interest in Big River Steel and the recognition of the contingent forward for the exercise of the call option to purchase the remaining interest in Big River Steel, and a gain of \$25 million from the previously held investment in UPI.

² The year ended December 31, 2021 includes the amortization of the step-up to fair value for acquired inventory (\$24 million), acquisition-related costs (\$9 million), and a net loss of \$2 million related to unrealized mark-to-market movement from acquired derivatives.

³ These adjustments are related to partial reversals of the tax valuation allowance net of valuation allowance additions recorded against the Company's net domestic deferred tax asset as a result of the Company's three-year cumulative income position and a change in the projections of income in future years. The adjustment of \$513 million for the three months ended December 31, 2021 includes the reversals of the net valuation allowance due to the finalization of current year earnings.

⁴ Represents the aggregate net tax effect of the reconciling items due to the reversals of the net of valuation allowance due to changes in the estimated current year earnings.



Reconciliation of adjusted EBITDA



| (\$ millions) | 4Q 2020 | 1Q 2021 | 2Q 2021 | 3Q 2021 | 4Q 2021 | FY 2020 | FY 2021 |
|-------------------------------------------------------------|-------------|--------------|----------------|----------------|----------------|----------------|----------------|
| Reported net (loss) earnings attributable to U. S. Steel | \$49 | \$91 | \$1,012 | \$2,002 | \$1,069 | (\$1,165) | \$4,174 |
| Income tax provision (benefit) | (94) | 1 | (37) | 260 | (54) | (142) | 170 |
| Net interest and other financial costs | 88 | 333 | 59 | 80 | 130 | 232 | 602 |
| Reported (loss) earnings before interest and income taxes | \$43 | \$425 | \$1,034 | \$2,342 | \$1,145 | (\$1,075) | \$4,946 |
| Depreciation, depletion and amortization expense | 162 | 189 | 202 | 196 | 204 | 643 | 791 |
| EBITDA | \$205 | \$614 | \$1,236 | \$2,538 | \$1,349 | (\$432) | \$5,737 |
| Asset impairment charges | — | — | 28 | — | 245 | 287 | 273 |
| Restructuring and other charges | 8 | 6 | 31 | — | 91 | 138 | 128 |
| Big River Steel – acquisition-related items | 3 | 42 | 6 | (12) | (1) | 3 | 35 |
| (Gains)/losses on assets sold & previously held investments | (145) | (111) | (15) | 7 | 1 | (170) | (118) |
| Gain on sale of Transtar | — | — | — | (506) | — | — | (506) |
| Environmental remediation charge | — | — | — | — | 43 | — | 43 |
| Other | 16 | — | — | — | — | 12 | — |
| Adjusted EBITDA | \$87 | \$551 | \$1,286 | \$2,027 | \$1,728 | (\$162) | \$5,592 |





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