



United States Steel Corporation



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Goldman Sachs Global Steel Conference

November 30, 2011



Forward-looking Statements

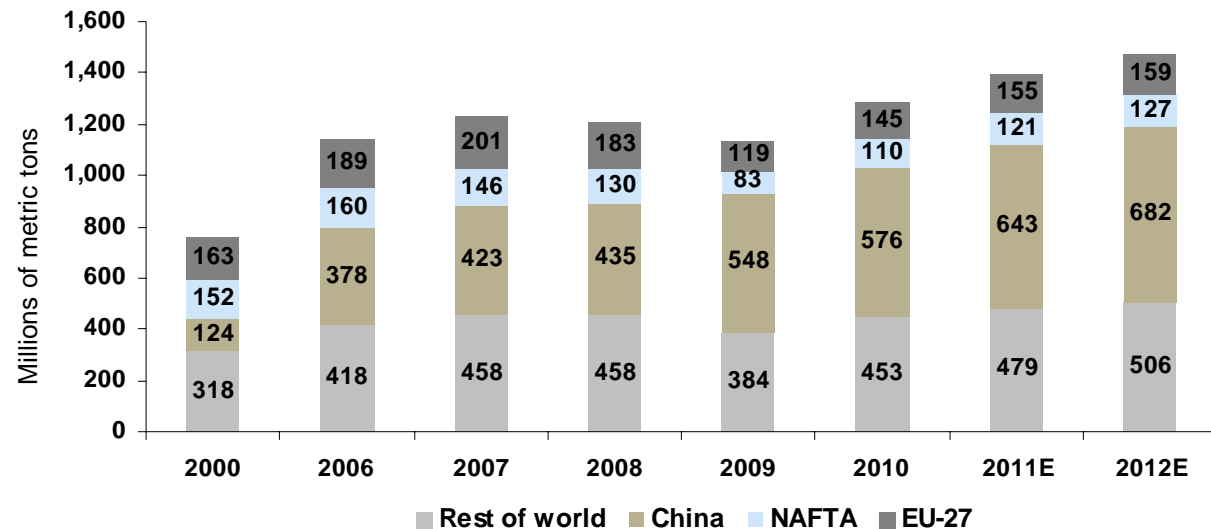
This presentation contains forward-looking statements with respect to market conditions, operating costs, shipments, prices, capital spending, and employee benefit costs and payments. Although we believe that we are in the early stages of a gradual economic recovery, U. S. Steel cannot control or predict the extent and timing of economic recovery. U. S. Steel has incurred costs to rebuild working capital during the recovery and we may continue to incur additional working capital costs primarily related to the increases in raw materials prices, but we cannot accurately forecast the amount of such costs. Other more normal factors that could affect market conditions, costs, shipments and prices for both North American and European operations include: (a) foreign currency fluctuations and related activities; (b) global product demand, prices and mix; (c) global and company steel production levels; (d) plant operating performance; (e) natural gas, electricity, raw materials and transportation prices, usage and availability; (f) international trade developments, including agency decisions on petitions and sunset reviews; (g) the impact of fixed prices in energy and raw materials contracts (many of which have terms of one year or longer) as compared to short-term contract and spot prices of steel products; (h) changes in environmental, tax, pension and other laws; (i) the terms of collective bargaining agreements, including the new labor agreement covering our Hamilton Works operations; (j) employee strikes or other labor issues; and (k) U.S. and global economic performance and political developments. Domestic steel shipments and prices could be affected by import levels and actions taken by the U.S. Government and its agencies, including those related to CO2 emissions and climate change and shale gas development. Economic conditions and political factors in Europe and Canada that may affect U. S. Steel Europe's and U. S. Steel Canada's results include, but are not limited to: (l) taxation; (m) nationalization; (n) inflation; (o) government instability; (p) political unrest; (q) regulatory actions; and (r) quotas, tariffs, and other protectionist measures. Factors that may affect our decisions on strategic initiatives include, among other things: (s) the cost and availability of capital; (t) the anticipated cost of additional facilities (whether built or acquired); and (u) current and anticipated product demand in the automotive and shale natural gas markets and availability of alternative products for such applications. Factors that may affect our ability to construct new facilities include: (v) levels of cash flow from operations; (w) general economic conditions; (x) business conditions; (y) cost and availability of capital; (z) receipt of necessary permits; and (aa) unforeseen hazards such as contractor performance, material shortages, weather conditions, explosions or fires. We present adjusted net income and adjusted net income per diluted share, which are non-GAAP measures, to better enable investors and others to assess our results and compare them with our competitors without the distorting impact of the accounting remeasurement of the intercompany loan. Additionally, the effect of the accounting remeasurement is not considered in the management of our business. The tax provision for the nine months ended September 30, 2011, is based on an estimated annual effective rate, which requires management to make its best estimate of annual pretax income or loss. During the year, management regularly updates forecasted annual pretax results for the various countries in which we operate based on changes in factors such as prices, shipments, product mix, plant operating performance and cost estimates. To the extent that actual 2011 pretax results for U.S. and foreign income or loss vary from estimates applied at the end of the most recent interim period, the actual tax provision or benefit recognized in 2011 could be materially different from the forecasted amount used to estimate the tax provision for the nine months ended September 30, 2011. In accordance with "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, cautionary statements identifying important factors, but not necessarily all factors, that could cause actual results to differ materially from those set forth in the forward-looking statements have been included in U. S. Steel's Annual Report on Form 10-K for the year ended December 31, 2010, and in subsequent filings for U. S. Steel.



Global Leader in a Growing Industry

- ◆ 8th largest in global steel production in 2010
- ◆ 2nd largest North American flat-rolled producer
- ◆ 2nd largest Central European flat-rolled producer
- ◆ Largest integrated North American energy tubular producer

World Steel Apparent Use (mm tonnes)



Source: World Steel Association

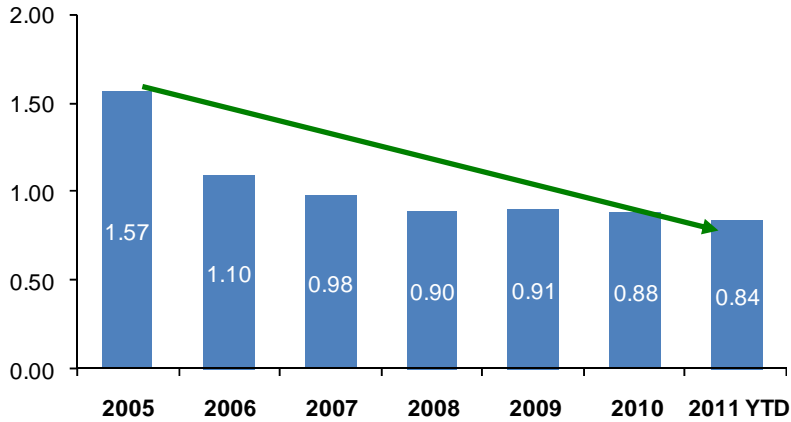
Making Steel



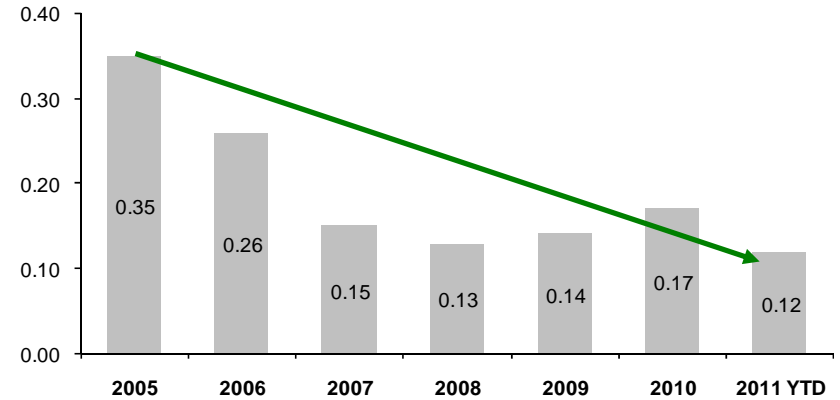
U. S. Steel Safety Performance

Global Safety Performance - 2005 to October 2011 YTD

OSHA Recordable Rate
47% Improvement 2005 to 2011 YTD
5% Improvement 2010 to 2011 YTD



Days Away from Work Rate
66% Improvement 2005 to 2011 YTD
29% Improvement 2010 to 2011 YTD



Frequency of Injuries (Per 200,000 Manhours)



North American Flat-rolled Segment

Leading Producer of High Quality Products

Annual raw steel production capability – 24.3 mmnt

Continuous cost reduction process

Excellent facility balance and capabilities

Balanced contract and spot commercial position

Strong research and development activities

Strong raw materials position:

- Significant North American iron ore pellet production capability
- Iron ore reserves of approximately of 800 mmnt
- Significant portion of coal requirements under multi-year contracts
- Improving coke balance



Steel Shipments (net tons in thousands)				
<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>9 months 2011</u>
14,534	16,845	9,861	15,301	11,725



North American Flat-Rolled Segment

Strong Market Share in Value-Added Products



Market Position

- Automotive
Major supplier to all North American producers
- Appliances
Major supplier to all North American producers
- Tin mill products
Largest tin mill products producer
- Value-added construction
Strong position

Significance

- Metallurgically demanding applications with specialized customer service and technical support
- Just-in-time inventory requirements favor domestic suppliers
- Production costs globally competitive
- Strong diversification through leading positions in key end markets
- Mini-mills typically do not make these value-added products



North American Flat-Rolled Segment

Product Technology Innovations

Automotive Industry Key Strategic Goals

Mass Reduction – Average of 100kg/unit by 2012

Dependent on OEM vehicle launch requirements

Energy Absorption – Increase from 35% to 100%

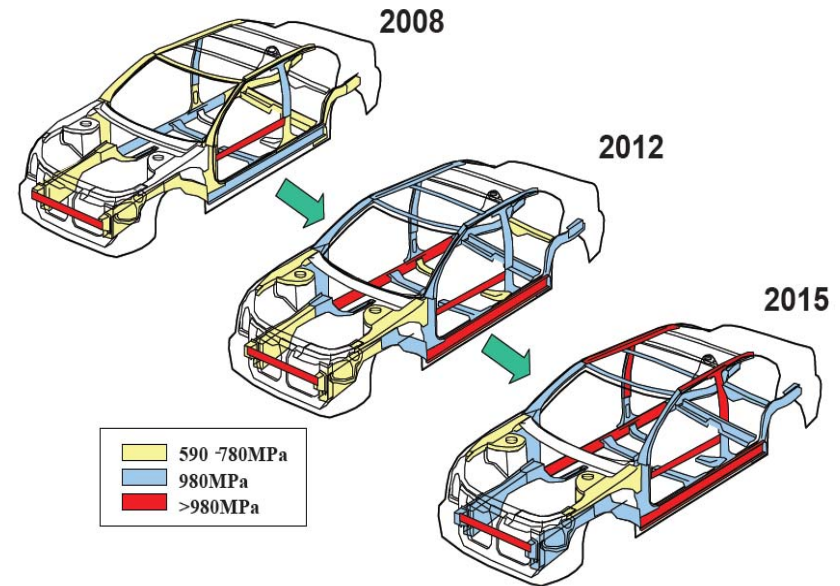
Requirement varies by crash event type

Frontal / Rear Impact / Side Impact / Roof Crush

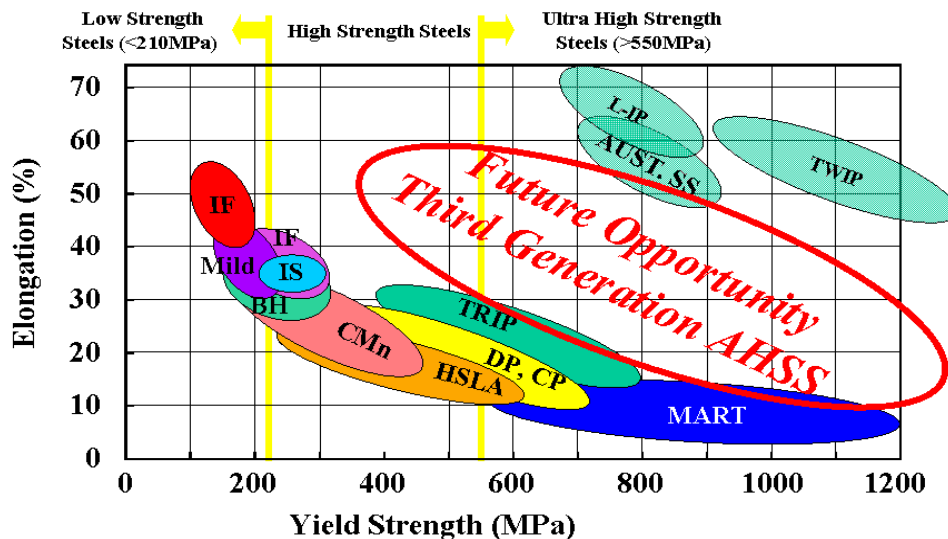
Occupant Safety – Improve intrusion resistance

Focus on rear impact, full frontal, side impact, and roof crush performance for major automotive markets

Projected Strength Requirements AHSS for Body in White



Future Steel Grades Required



U. S. Steel Research & Development

- Developing new steel grades
- Reducing costs
- Early vendor involvement
- Making steel the material of choice

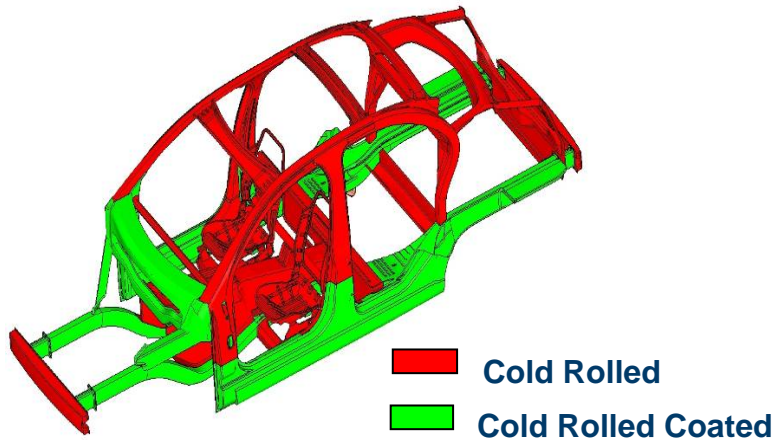


PRO-TEC Continuous Annealing Line

Future Materials for Future Vehicles



Automotive joint venture coating company with Kobe Steel



Cold Rolled AHSS is intended for use in structural components above the “belt line” and inside the body where it is not exposed to the elements, including seats, intrusion beams and roof structures.

Continuous Annealing Line Project

- *Up to 500,000 tons/year of Cold Rolled Advanced High Strength Steels (AHSS)*

Designed to produce Cold Rolled AHSS grades required to produce lighter vehicles to meet higher fuel efficiency requirements, while meeting higher safety requirements.

Project status:

- **Groundbreaking in March 2011**
- **Construction underway**

Targeting start-up in First Quarter of 2013



U. S. Steel Europe Segment

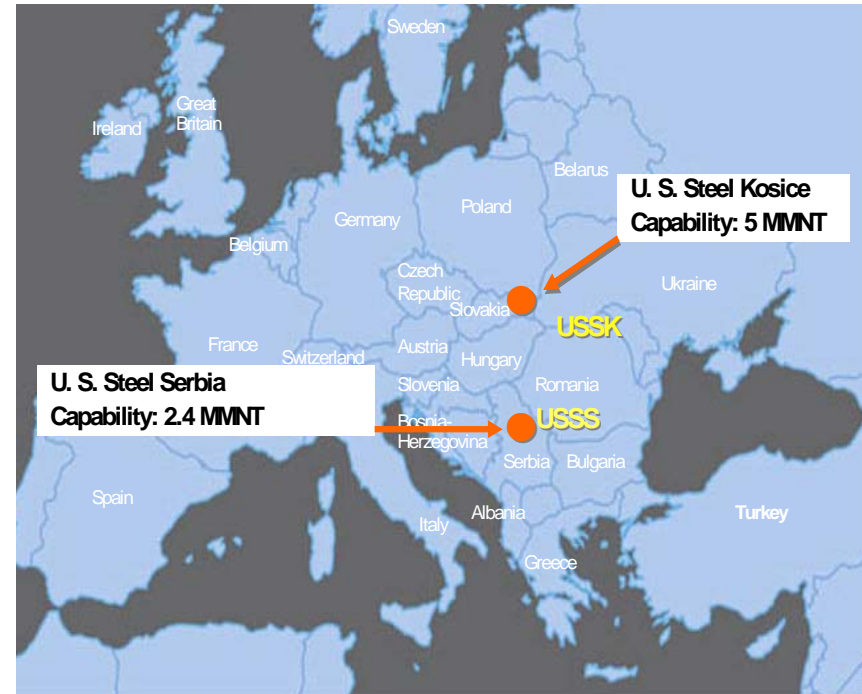
Integrated steel plants in Slovakia and Serbia

Annual raw steel production capability – 7.4 mmnt

Key industries: construction, service center, packaging and conversion

Automotive/appliance galvanizing line in Slovakia

Historically favorable growth rates and infrastructure investment in primary geographical markets – V4* and Balkans



Steel Shipments (net tons in thousands)				
<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>9 months 2011</u>
6,139	5,651	4,463	5,464	3,779

* Visegrad Group – Czech Republic, Hungary, Poland and Slovakia



Initiatives to Leverage our Favorable Conversion Cost Position

Commercial strategy

Increase market share in home markets (V4* & Balkans)

Increase value-added shipments

Increase shipments to targeted OEMs

Operating cost efficiency

Coke strategy

All U. S. Steel Europe blast furnaces equipped with PCI as of third quarter 2011

Increase natural gas injection

Optimize metallurgical coal blends used for coke production in Slovakia

Optimize material usage and recycling

Sinter usage in blast furnaces

Home scrap generation / lower cost external grades

Blast furnace and coke oven gas

* Visegrad Group – Czech Republic, Hungary, Poland and Slovakia



U. S. Steel Tubular Segment

Producing Tubular Products for More than 100 Years

Largest Integrated North American Energy Tubular Producer

2.8 million net tons of annual raw tube capacity

Reliable steel substrate supply from U. S. Steel North American flat-rolled segment

Unmatched Domestic Capabilities

Seamless products – annual capacity 1.5 million net tons

1.9” to 26” OD and 0.140” to 2.312” wall thickness

Welded products – annual capacity 1.3 million net tons

1” to 20” OD and 0.125” to 0.670” wall thickness

Strong Product Mix Supporting Evolving North American Energy Markets

70% Oil Country Tubular Goods and 25% Standard & Line

Proprietary premium and semi-premium connections

Significant Asset Base

Electric resistance welded (ERW) and seamless pipe and tube manufacturing

Value-added heat treat, coupling production, threading and finishing capability

API tubing processing facilities

Inspection and logistics facilities

Shipments (net tons in thousands)

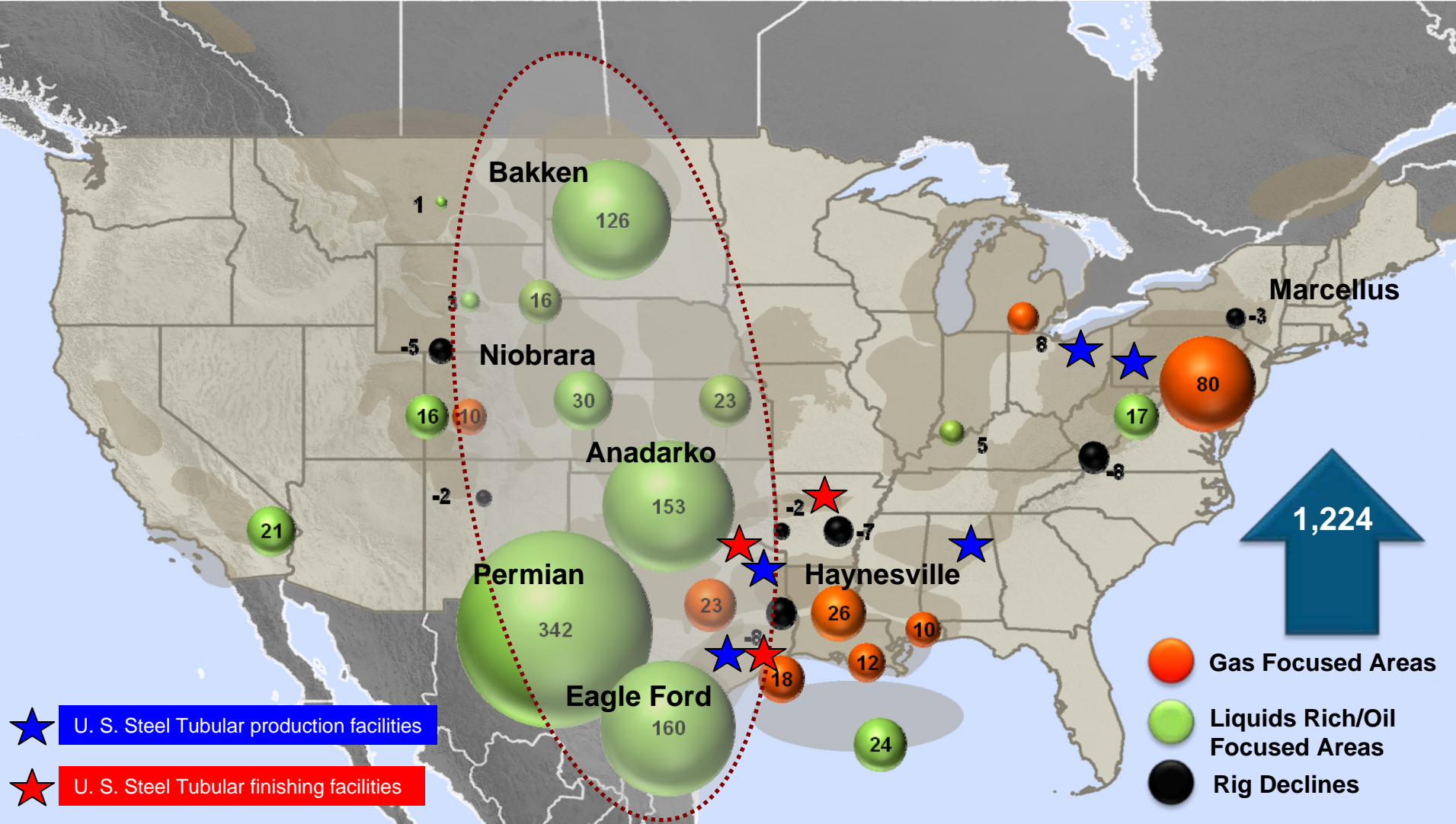
<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>9 months 2011</u>
1,422	1,952	657	1,551	1,330



Active Rig Additions Since May 2009

Source: RigData, BENTEK: June 2011

Oil and Liquid Rich Gas Plays Attract Capital

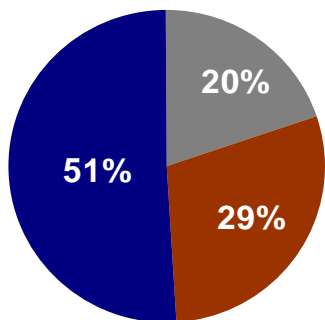




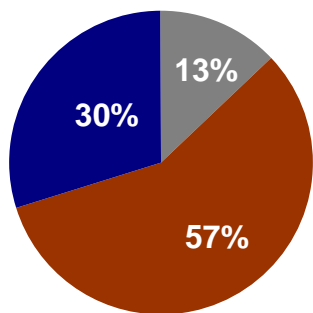
Sample Vertical and Horizontal Well String Designs

U.S. Rig Count by Well Type

2008



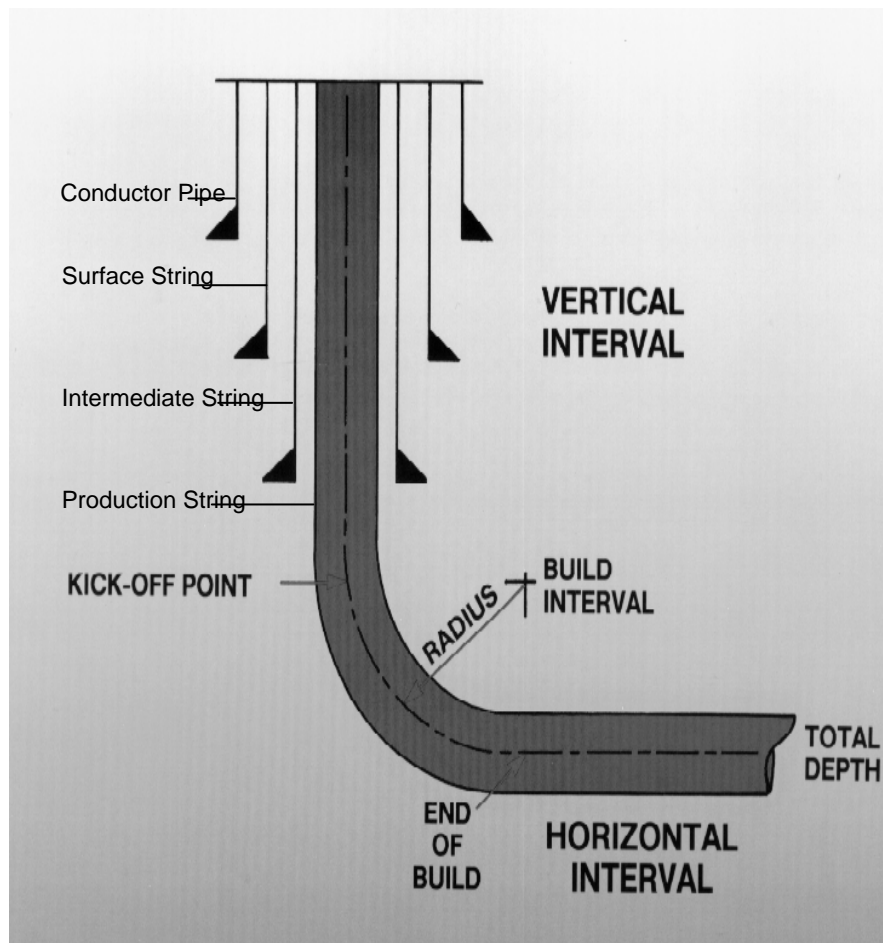
2011 YTD thru October



■ Directional ■ Horizontal ■ Vertical

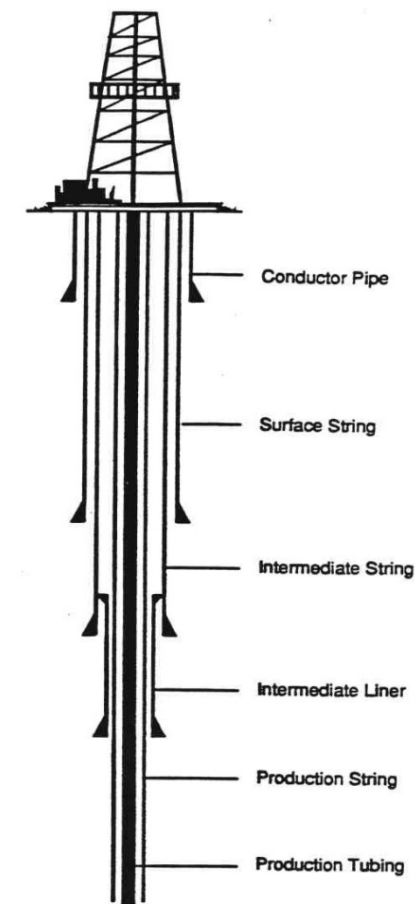
Horizontal Well

Estimated tons per well
175 - 400



Vertical Well

Estimated tons per well
100 - 250

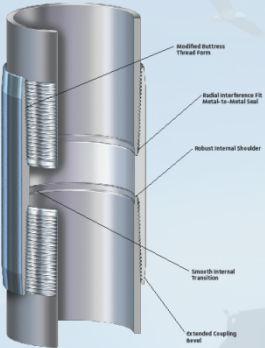




Positioning Our Capabilities to Support Unconventional Drilling

PATRIOT TC™

PREMIUM CONNECTIONS FOR EXTENDED REACH DRILLING™



Heat Treat and Finishing Capacity

New Lorain Tubular No. 6 Heat Treat & Finishing Facility

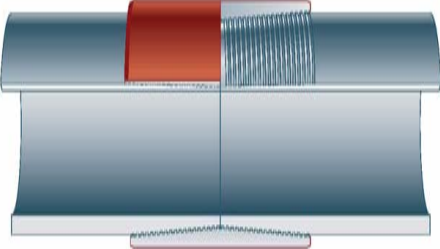
*Facility upgrades and process improvements -
Fairfield Tubular & Texas Operations*

OCTG Connection Development

Premium – PATRIOT TC™

Semi-premium – STAR SEAL-CDC™

STAR SEAL-CDC™



Rig Site Services Organization

***New U. S. Steel Tubular Products Innovation Center
and Technology Center – Houston, TX***





Strong Resource Base in North America

Current recoverable reserves of almost 800 million tons

Current pellet production capability

Minntac/Keetac	22.4 million net tons per year
JV interests	2.6 million net tons per year

Potential Keetac expansion in excess of 3 million net tons per year





Alternative Steelmaking Options

Leverage our North American iron ore position in a low-cost natural gas environment

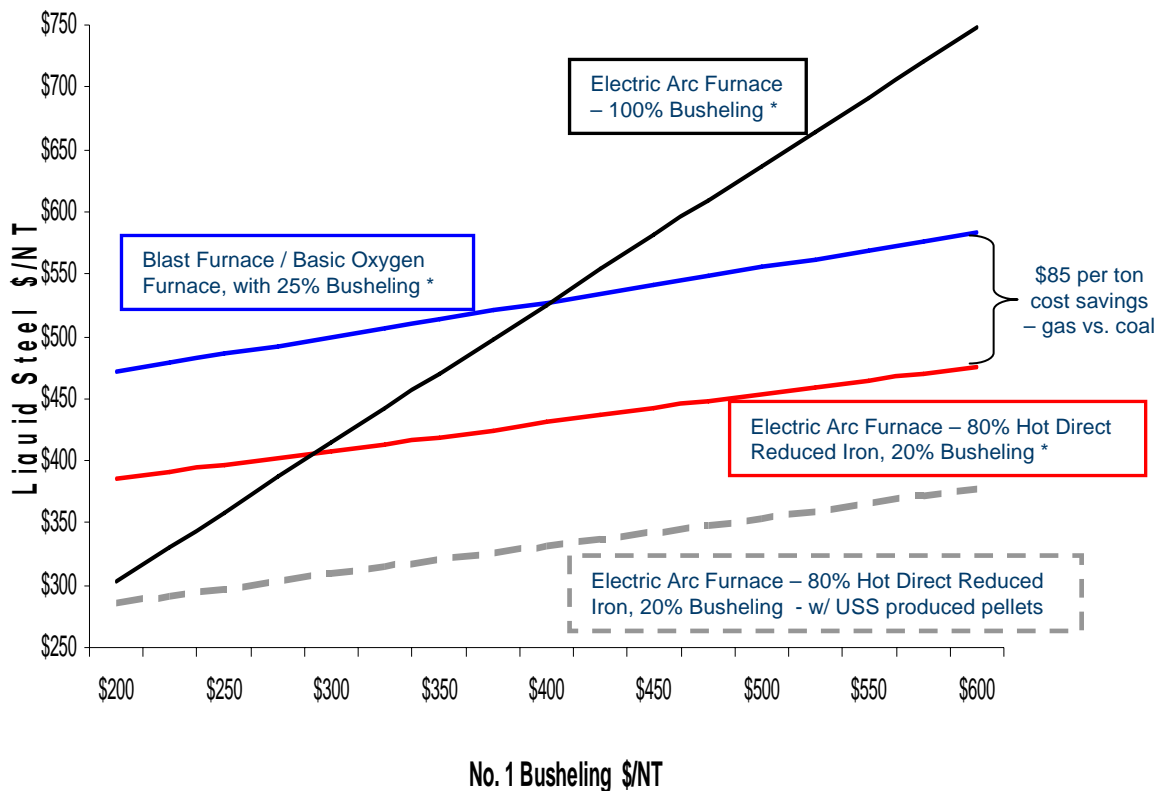
Direct reduced iron

- Improve blast furnace yields
- Basic oxygen furnace – substitute for higher cost scrap
- Electric arc furnace – substitute for higher cost scrap

Electric arc furnace

- Operating flexibility
- Capital cost versus maintaining blast furnace and cokemaking facilities
- Suitability to various products
- Reduces exposure to coal and coke

Theoretical Liquid Steel Cost – Blast Furnace versus Electric Arc Furnace



* - Assumes all market-based cost inputs



Increase self-sufficiency

Full production capability of Clairton C-Battery and Gary Carbonyx projects expected to be available in early 2013

Decrease coke usage

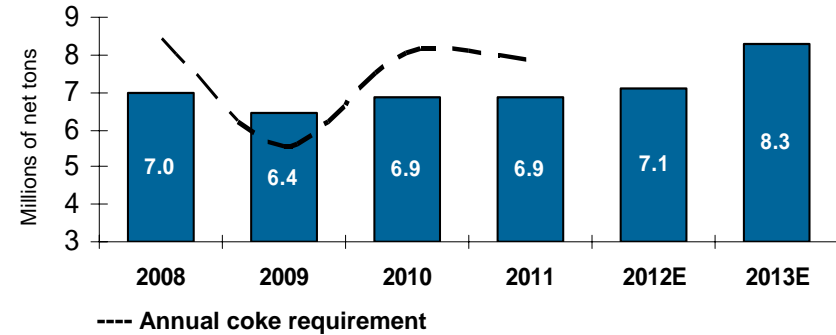
Increased natural gas injection on North American blast furnaces:

- Minimal cost to achieve
- September 2011 coke rate per ton of hot metal was approximately 60 pounds lower than the 2010 average
- 2012 target coke rate is an additional reduction of 35 to 40 pounds per ton of hot metal
- Estimated savings assuming natural gas at \$5/mmbtu and purchased coke at \$500/ton is \$0.16 per pound of coke reduction

Process improvements

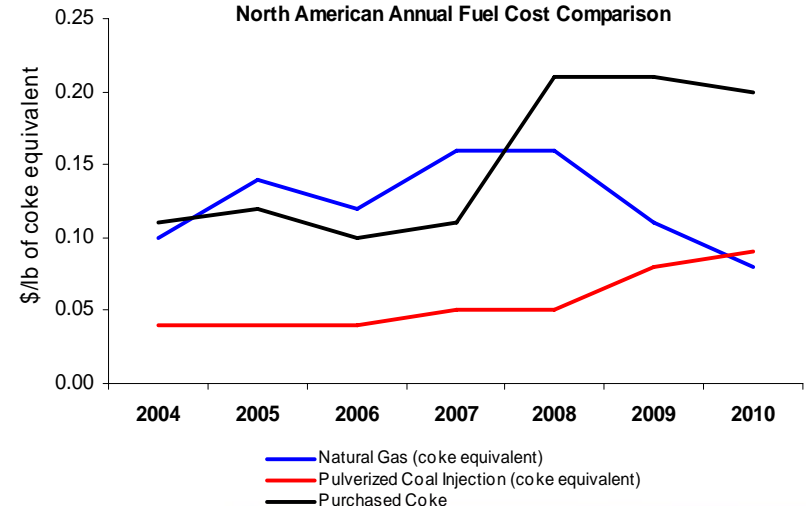
- Lower cost coal blends for cokemaking
- Increase hot blast temperatures
- Alternative steelmaking options
- U. S. Steel Europe PCI project completed in third quarter 2011

North American Annual Coke and Carbonyx Production Capability



Includes Gateway Coke & assumes Clairton C-Battery and Gary Carbonyx in full production in 2013

North American Annual Fuel Cost Comparison

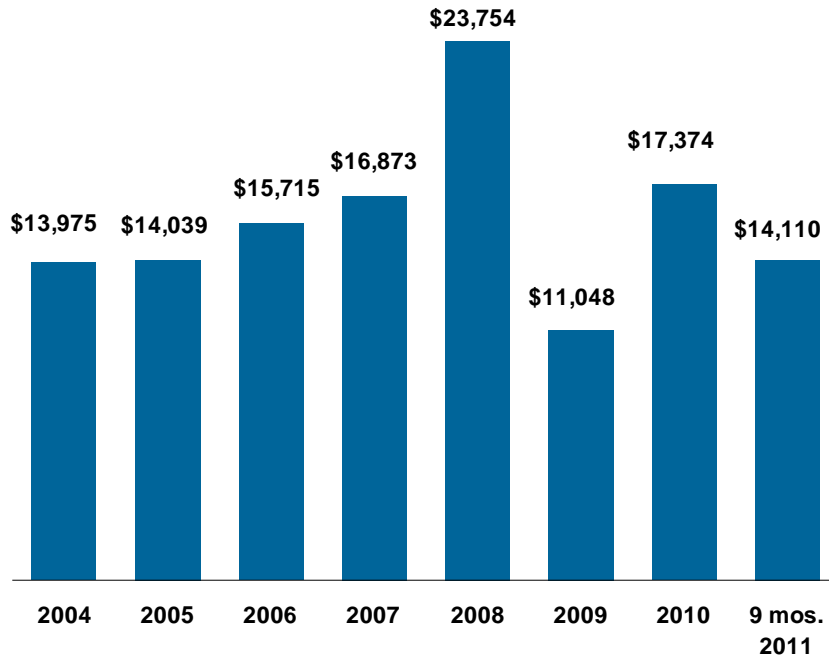




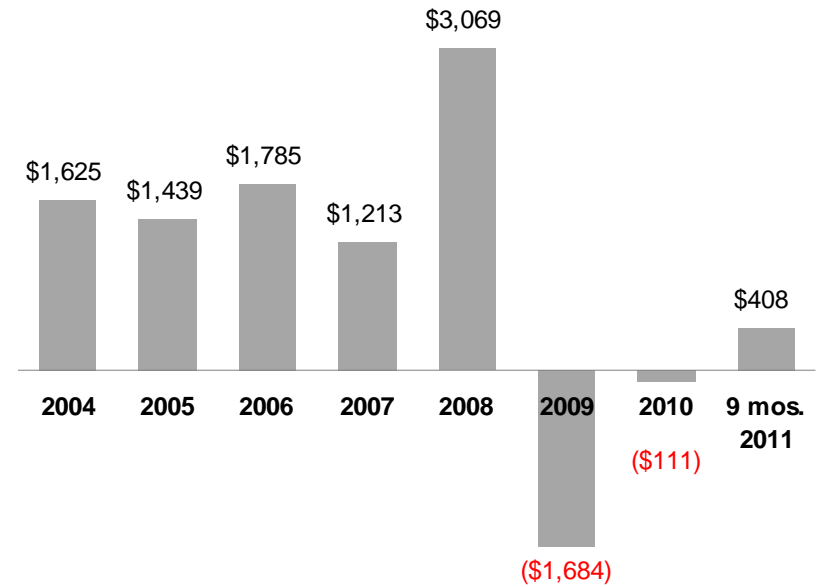
Financial Performance

US\$'s in millions

Revenues



Income from operations





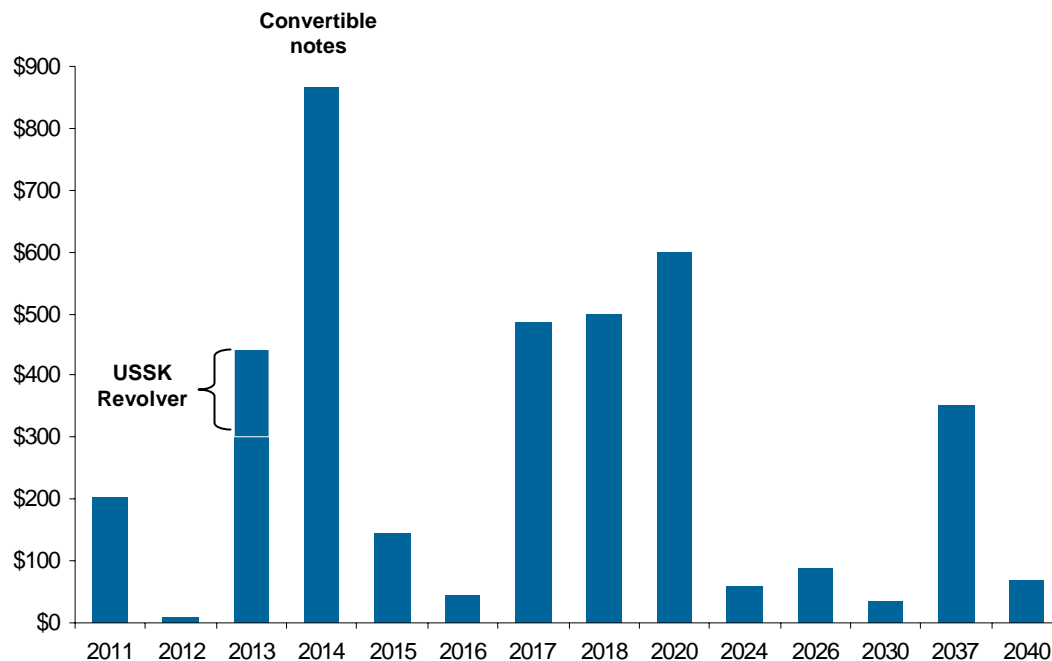
Capitalization and Liquidity

US\$'s in millions

Capitalization	9/30/2011
A/R Facility Sales Outstanding	75
Credit Agreement	—
Convertible Notes	863
Senior Notes	2,200
Environmental Revenue Bonds	458
Recovery Zone Facility Bonds	70
Province Note (C\$150mm)	144
USSK Revolver (€200mm)	142
Capital Leases & Other	20
Sub-total	\$3,972
Less: Discounts and fair value adjustment	(39)
Total debt	\$3,933
Total stockholders' equity	\$4,169
Total capitalization	\$8,102

Liquidity	9/30/2011
Cash and cash equivalents	270
Amount available under A/R facility ⁽¹⁾	550
Amount available under Credit Agreement ⁽²⁾	788
Amount available under USSK credit facilities	235
Amount available under USSS credit facilities	43
Total estimated liquidity	\$1,886

Debt Maturities as of 9/30/2011



(1) A/R facility size increased by \$100 million in July 2011

(2) Credit Agreement size increased by \$125 million in July 2011



Strong liquidity position - domestic liquidity facilities amendments – July 2011

Inventory-backed revolving credit facility

\$875 million facility – an increase of \$125 million
Matures in July 2016 – extended from May 2012

Accounts receivables securitization facility

\$625 million facility – an increase of \$100 million
Matures in July 2014 – extended from July 2013

Manageable near term debt maturities

Manageable legacy obligations

Past voluntary pension contributions mitigate potential near term mandatory funding obligations
Voluntary contributions to retiree healthcare trust available to fund current obligations

Capital spending flexibility

Environmental & Infrastructure
Strategic Projects – including Coke and Tubular



Positioned for a Global Economic Recovery

Global leader in a growing industry

Strong presence in energy tubulars

Balanced business mix with strong market share in value-added products

Substantial financial and operating leverage to economic recovery

Disciplined financial management resulting in strong liquidity position

Proactive and experienced leadership