

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of  
The Securities Exchange Act of 1934

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Date of Report (Date of earliest event reported):  
October 21, 2002

United States Steel Corporation

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(Exact name of registrant as specified in its charter)

Delaware	1-16811	25-1897152
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(State or other jurisdiction of g	(Commission File Number)	(IRS Employer Identification No.)

UNITED STATES STEEL CORPORATION REPORTS  
THIRD QUARTER 2002 RESULTS

Earnings Highlights

(Dollars in millions except per share data)

	3Q 2002	2Q 2002	3Q 2001
Revenues and other income	\$1,914	\$1,807	\$1,660
Net income (loss) per share	\$1.04	\$0.28	\$(0.26)
Net income (loss)	\$106	\$27	\$(23)
Adjustments to remove special items (Pre-tax):			
Federal excise tax refund	(3)	(33)	-
Insurance recoveries related to USS- POSCO fire	(2)	(6)	(21)
Pension settlement loss	-	10	-
Asset impairments - receivables	-	14	-
Costs related to Fairless shutdown	-	-	29
Costs related to Separation	-	-	1
Tax effect of special items (at 35% statutory rate)	2	5	(3)
Net income (loss) adjusted for special items	\$103	\$17	\$(17)
Net income (loss) - adjusted, per share	\$1.00	\$0.18	\$(0.19)

NOTE: Special items are discussed in Selected Notes to Financial Statement

PITTSBURGH, Oct. 21, 2002 - United States Steel Corporation (NYSE: X)

reported third quarter 2002 adjusted net income of \$103 million, or \$1.00 per share, significantly improved from the adjusted net income of \$17 million, or 18 cents per share, reported in the second quarter 2002 and the third quarter 2001 adjusted net loss of \$17 million, or 19 cents per share.

In third quarter 2002, U. S. Steel reported net income of \$106 million, or \$1.04 per share, including the effect of special items, which on an after tax basis increased net income by \$3 million, or 4 cents per share. Second quarter 2002 net income of \$27 million, or 28 cents per share, included special items, which increased net income by \$10 million, or 10 cents per share. The third quarter 2001 net loss of \$23 million, or 26 cents per share, included special items, which in total increased the net loss by \$6 million, or 7 cents per share.

Aggressive actions to reduce our costs are paying off, and we're ahead of our \$10-per-ton cost savings goal for the year."

U. S. Steel's Flat-rolled segment recorded third quarter 2002 income from operations of \$61 million, or \$23 per ton. This was a substantial improvement from the second quarter 2002 loss from operations of \$26 million, or \$10 per ton, and the third quarter 2001 loss of \$97 million, or \$42 per ton. The average realized price in third quarter 2002 was \$428 per ton, up \$26 per ton from the second quarter and \$34 per ton from the year-earlier third quarter. Flat-rolled shipments for the third quarter held at the 2.6 million net ton level of second quarter 2002 and were up 12 percent from the 2.3 million net tons shipped in the 2001 third quarter.

The Tubular is<sup>n,f</sup> 26



conditions, costs, shipments and prices, potential asset sales, pension issues and customer matters. Some factors, among others, that could affect full-year 2002 market conditions, costs, shipments and prices include import levels, future product demand, prices and mix, global and company steel production, plant operating performance, domestic natural gas prices and usage, the resumption of operation of steel facilities sold under the bankruptcy laws, and U.S. and European economic performance and political developments. Steel shipments and prices can be affected by imports and actions of the U.S. Government and its agencies. Factors that may affect USSK results are similar to domestic factors, including excess world supply, plus foreign currency fluctuations, matters peculiar to international marketing such as tariffs, and completion of facility projects at USSK. Factors that may impact the occurrence and timing of the sale of the raw materials and transportation businesses to affiliates of Apollo Management, L.P. include the availability of financing to the buyer, completion of definitive documentation, and approvals from the board of directors, lenders and regulatory agencies. Factors that may affect the amount of the expected unfavorable pension settlement and resulting expenses for the qualified plan for non-union employees and the amount of any additional minimum liability for the qualified plan for union employees include, among others, pension fund investment performance, liability changes and interest rates. 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 the Form 10-K of U. S. Steel for the year ended December 31, 2001, and in subsequent filings for U. S. Steel.

A Statement of Operations and Preliminary Supplemental Statistics for U. S. Steel are attached.

UNITED STATES STEEL CORPORATION  
STATEMENT OF OPERATIONS (Unaudited)

	Third Quarter Ended September 30		Nine Months Ended September 30	
	2002	2001	2002	2001
(Dollars in millions, except per share amounts)				
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REVENUES AND OTHER INCOME:				
Revenues	\$1,905	\$1,645	\$5,097	\$4,888
Income from investees	2	11	11	51
Net gains on disposal of assets	2	4	7	20
Other income	5	-	40	2
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Total revenues and other income	1,914	1,660	5,155	4,961
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COSTS AND EXPENSES:				
Cost of revenues	1,611	1,540	4,518	4,714
Selling, general and administrative expenses	74	51	245	154
Depreciation, depletion and amortization	89	94	266	246
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Total costs and expenses	1,774	1,685	5,029	5,114
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pretax gains of \$33 million and \$3 million, respectively, associated with the recovery of black lung excise taxes that were paid on coal export sales during the period 1993 through 1999. These gains are included in other income in the statement of operations and resulted from a 1998 federal district court decision that found such taxes to be unconstitutional. Of the \$36 million recognized, \$11 million represented the interest compo





Costs related to Separation	-	-	(1)
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Total Income (Loss) from Operations	\$140	\$47	\$(25)
CAPITAL EXPENDITURES			
Flat-rolled Products	\$6	\$6	\$12
Tubular Products	13	10	-
U. S O S			