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## FORWARD-LOOKING STATEMENTS

Certain sections of the Annual Report of United States Steel Corporation (U. S. Steel) on Form 10-K, particularly Item 1. Business, Item 1A. Risk Factors, Item 3. Legal Proceedings, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations and Item 7A. Quantitative and Qualitative Disclosures About Market Risk, include forward-looking statements concerning trends or events potentially affecting U. S. Steel. These statements typically contain words such as “anticipates,” “believes,” “estimates,” “expects” or similar words indicating that future outcomes are uncertain. In accordance with “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, these statements are accompanied by cautionary language identifying important factors, though not necessarily all such factors, that could cause future outcomes to differ materially from those set forth in forward-looking statements. For additional factors affecting the businesses of U. S. Steel, see “Item 1A. Risk Factors” and “Supplementary Data – Disclosures About Forward-Looking Statements.” References in this Annual Report on Form 10-K to “U. S. Steel,” “the Company,” “we,” “R Ď ξ ξ

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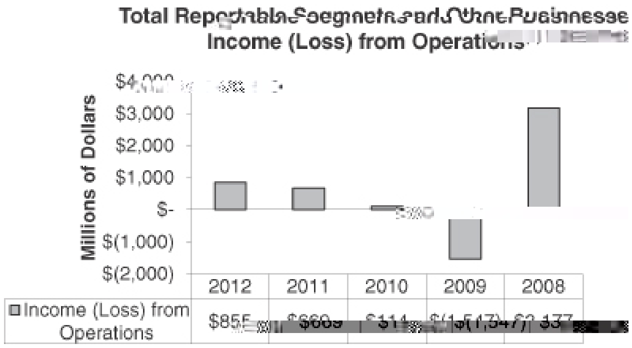
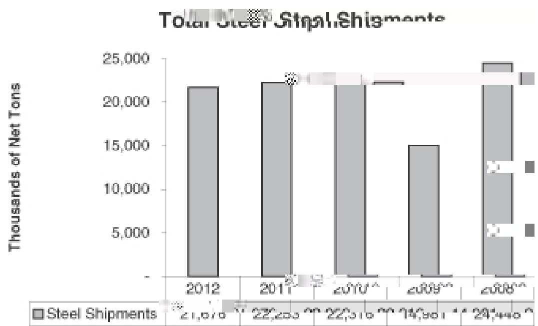
***Reportable Segments and Other Businesses – Income (Loss) from Operations (IFO)***




(a) Amounts prior to 2011 have been restated to reflect a change in our segment allocation methodology for postretirement benefit expenses as disclosed in Note 3 to the Consolidated Financial Statements.

***Steel Shipments***



**Business Strategy**

Over the long term, our strategy is to be forward-looking, grow responsibly, generate a competitive return on capital and meet our financial and stakeholder obligations. We remain committed to being a world leader in safety and environmental stewardship; producing innovative value added steel products, improving our quality, cost competitiveness and customer service; and attracting, developing and retaining a diverse workforce with the talent and skills needed for our long-term success.

**Safety**

We believe improving safety performance is consistent with the Company's other strategic objectives such as improving quality, cost competiveness and customer service%pl

**Environm**

Energy related tubular products imported into the United States accounted for an estimated 52 percent of the U.S. domestic market in 2012, 47 percent in 2011 and 46 percent in 2010.

Many of these imports have violated U.S. or Canadian trade laws. Under these laws, duties can be imposed against dumped products, which are products sold at a price that is below that producer's sales price in its home market or at a price that is lower than its cost of production. Countervailing duties (CVD) can be imposed against products that benefited from foreign gove

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Many nations have adopted or are considering regulation of carbon dioxide ($CO_2$) emissions. The integrated steel process involves a series of chemical reactions involving carbon that create $CO_2$ emissions. This distinguishes integrated steel producers from mini-mills and many other industries where $CO_2$ generation is generally linked to energy usage. In the United States, the Environmental Protection Agency (EPA) has published rules for regulating greenhouse gas emissions for certain facilities and has implemented various reporting requirements. In a previous Congressional session, legislation regulating $CO_2$ emissions was passed in the House of Representatives and was introduced in the Senate. We do not know what action, if any, may be taken by the current or future sessions of Congress. The EU has established greenhouse gas regulations and Canada has published details of a regulatory framework for greenhouse gas emissions. Such regulations may entail substantial costs for emission allowances, restriction of production, and higher prices for coking coal, natural gas and electricity generated by carbon-based systems. Some foreign nations such as China and India are not aggressively pursuing regulation of $CO_2$ and integrated steel producers in such countries may achieve a competitive advantage over U. S. Steel. For further information, see “Item 3. Legal Proceedings – Environmental Proceedings” and “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations – Environmental Matters, Litigation and Contingencies.”

U. S. Steel is subject to foreign currency exchange risks as a result of its European and Canadian operations. USSE’s revenues are primarily in Euros and its costs are primarily in U.S. dollars and Euros. U. S. Steel Canada’s (USSC’s) revenues and costs are denominated in both Canadian and U.S. dollars. In addition, international cash requirements have been and in the future may be funded by intercompany loans, creating intercompany monetary assets and liabilities in

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East Chicago Tin is located in East Chicago, Indiana and produces tin mill products. Facilities include a pickling linen

U. S. Steel has iron ore pellet operations located at Mt. Iron (Minntac) and Keewatin (Keetac), Minnesota with annual iron ore pellet production capability of 22.4 million tons. During 2012, 2011 and 2010 these operations produced 21.4 million, 21.1 million and 20.0 million net tons of iron ore pellets, respectively.

U. S. Steel has a 14.7 percent ownership interest in Hibbing Ts

Chrome Deposit Corporationpt

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Texas Operations, located in Lone Star, Texas, manufactures welded OCTG, standard and line pipe and mechanical tubing products. Texas Operations #1 Mill has the capability to produce O.D. sizes from 7 to 16 inches. Texas Operations #2 Mill has the capability to produce O.D. sizes from 1.088 to 7.15 inches. Both mills have quench and temper, hydrotester, threading and coupling and inspection capabilities. Bellville Operations, in Bellville, Texas, manufactures welded tubular products primarily for OCTG with the capability to produce O.D. sizes from 2.375 to 4.5 inches and has limited hydrotester and cutoff capabilities and uses Tubular Processing Services in Houston for oil field production tubing finishing. Texas Operations and Bellville Operations have combined annual production capability of 1.0 million tons and are supplied with hot rolled bands from Flat-rolled's facilities.

Welded products are also produced at a mill located in McKeesport, Pennsylvania, which, prior to May 1, 2011, was operated by a third party operator. The McKeesport mill has annual production capability of 315,000 tons and processes hot-rolled bands from several Flat-rolled locations. This mill has the capability to produce, hydrotest, cut to length and inspect O.D. sizes from 8.625 to 20 inches.

Wheeling Machine Products [illegible] couplings used to connect individual sections of oilfield casing and tubing. It produces sizes ranging from 2.375 to 20 inches at [illegible] Hughes Springs, Texas.

Tubular Processing Services, located in Houston, Texas, provides quench and temper and end-finishing services for oilfield production tubing. Tubular Threading and Inspection Services, also located in Houston, Texas, provides threading, inspection and storage services to the OCTG market.

[illegible]

U. S. Steel also has a 50 percent ownership interest in Apolo Tubulars S.A. (Apolo), a Brazilian supplier of welded casing, tubing, line pipe and o s, o si fi ual n

U. S. Steel owns, develops and manages various real estate assets, which include approximately 200,000 acres of surface rights primarily in Alabama, Illinois, Maryland, Michigan, Minnesota and Pennsylvania. In addition, U. S. Steel participates in joint ventures that are developing real estate projects in Alabama, Maryland and Illinois. U. S. Steel also owns approximately 4,000 acres of land in Ontario, Canada, which could potentially be sold or developed.

**Raw Materials and Energy**

As an integrated producer, U. S. Steel's primary raw materials are iron units in the form of iron ore pellets and sinter ore, carbon units in the form of coal and coke ([illegible] coking coal) and steel scrap. U. S. Steel's raw materials supply strategy consists of acquiring and expanding captive sources of these primary raw materials and entering into flexible supply contracts for certain raw materials at competitive market prices which are subject to fluctuations based on market conditions at the time.

The amounts of such raw materials needed to produce a ton of steel will fluctuate based upon the specifications of the final steel products, the quality of raw [illegible]

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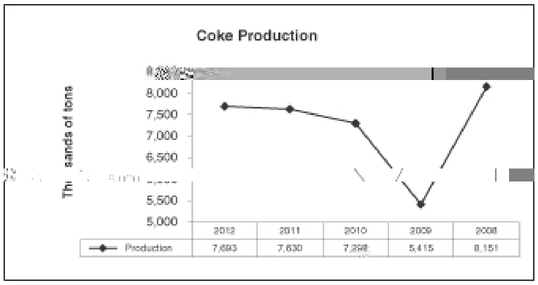
***Coke***

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purchase contracts for natural gas. During 2012, about 60 percent of our natural gas purchases in Flat-rolled were based on bids solicited on a monthly basis from various vendors; the remainder was made daily or with term agreements or with fixed-price forward physical purchase contracts.

We believe that supplies adequate to meet USSE's needs are normally available at competitive market prices.

Both Flat-rolled and USSE use self-generated coke oven and blast furnace gas to reduce consumption of natural gas.

***Industrial Gases***

U. S. Steel purchases its industrial gas requirements under long-term contracts with various l cts. я operational requirements for air emissions, waste water discharges, solid waste disposal and energy conservation, dictates certain operating practices and imposes stricter emission limits. Producers will be required to be in compliance with the iron and steel BAT by March 8, 2016. We are currently evaluating the costs of complying with BAT, but our most recent broad estimate of likely capital expenditures is approximately $400 million over the 2013 to 2016 period. We are currently investigating the possibility of obtaining EU grants to fund a portion of those capital expenditures. We also believe there will be increased operating costs, such as increased energy and maintenance costs, but we are currently unable to reliably estimate this amount.

U. S. Steel has incurred and will continue to incur substantial capital, operating and maintenance and remediation expenditures as a result of environmental laws and regulations, which in recent years have been mainly for process changes in order to meet CAA obligations and similar obligations in Europe and Canada. In the future, compl3 to 2016 sḥictates s s c6 e reducėrs womplianions,

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***Air***

The CAA imposes stringe

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and jurisdictions in which U. S. Steel operates received a five year extension, requiring that the area demonstrate compliance by April 2015. In addition, since the annual standard has been lowered, as disclosed in the remand noted above, some states may be required to modify their SIPs to meet the new standard, which could result in additional capital, operating and compliance costs to U. S. Steel.

On December 22, 2008, the EPA designated areas in which U. S. Steel operates as “nonattainment” and “unclassified/attainment” for the 2006 fine particle standard. SIPs for the 2006 24-hour standard were due December 14, 2012, with attainment demonstrations with the 2006 standard expected to be made sometime between 2014 and 2019, unless an extension is granted pursuant to the CAA.
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It is not possible to estimate the magnitude of any costs associated with the SIPs for the 2006 24-hour standard or the remand of the annual standard since the state and federal agencies are still developing regulations for the programs and implementation for the 2006 24-hour standard.

In response to a legal challenge to the 2008 standards, in 2010, the EPA voluntarily proposed to lower the ground level ozone air quality standards, which could affect sources of nitrogen oxide and volatile organic compounds, including coke plants, and iron and steel facilities. However, in 2011, the EPA withdrew the proposed rule. The EPA has advised the regulated community that it would move forward with implementation of the 2008 standard. States must submit Ďegu must subm

In Europe, most represented employees at USSK are represented by the OZ Metalurg union and are covered by an agreement that expires at the end of December 2014.

A small number of workers at some of our North American facilities and at our transportation operations are covered by agreements with the USW or other unions that have varying expiration dates.

**Available Information**

U. S. Steel's Internet address is ***www.ussteel.com***. We post our annual report on Form 10-K, our quarterly reports on Form 10-Q, our proxy statement and our interactive data files to our website as soon as reasonably practicable after such reports are filed with the Securities and Exchange Commission (SEC). We also post all press releases and earnings releases to our website.

All other filings with the SEC are available via a direct link on the U. S. Steel website to the SEC's website, .

Also available on the U. S. Steel website are U. S. Steel's Corporate Governance Principles, our Code of Ethical Business Conduct and the charters of the Audit Committee, the Compensation & Organization Committee and the Corporate Governance & Public Policy Committee of the Board of Directors. These documents and the Annual Report on Form 10-K are also available in print to any shareholder who requests them. Such requests should be sent to the Office of the Corporate Secretary, United States Steel Corporation, 600 Grant Street, Pittsburgh, Pennsylvania 15219-2800 (telephone: 412-433-2998).

U. S. Steel does not intend to incorporate into this document the contents of any website or the documents referred to in the immediately preceding paragraph.

**Other Information**

Information on net sales, depreciation, capital expenditures and income from operations by reportable segment and for Other Businesses and on net sales and assets by geographic area are set forth in Note 3 to the Consolidated Financial Statements.

For significant operating data for U. S. Steel for each of the last five years, see "Five-Year Operating Summary (Unaudited)" on pages F-61 and F-62.

**Item 1A. RISK FACTORS**

**Risk Factors Related to the Challenging Regional and Global Economic Conditions**

All segments of our business continue to be impacted by the challenging economic conditions that began with the global economic recession in 2008. U. S. Steel cannot predict the duration of the difficult economic conditions and the trajectory of the recovery but both will have a significant impact on U. S. Steel both regionally and globally.

***U. S. Steel and its end-product markets continue to be impacted by challenging economic and political conditions.***

The global economic recession that began in 2008 resulted in significantly lower demand and decreased profitability across all of our segments and major markets. According to published sources, apparent steel consumption in the United States and Canada have shown slight improvement in each of the last 3 years, but consumption remains below levels experienced in the period from 2003 – 2007. In Europe, steel consumption has recovered at a slower pace and little, if any, improvement is forecasted for 2013.

While some of our end customer markets supplied by our Flat-rolled and USSE segments saw modest recoveries during 2011 and 2012, others, such as construction, remain depressed. Our tubular business is heavily dependent upon the level of oil and natural gas drilling activity in the United States. Lower natural gas prices in 2012 resulted in less natural gas drilling. Since our Flat-rolled segment supplies the majority of the substrate used by our Tubular segment, any decrease in Tubular demand also adversely affects our Flat-rolled segment. Our operating levels and prices may remain at depressed levels until demand increases.

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We have legal requirements for future funding of this plan should the SPT become significantly underfunded or we decide to withdraw from the plan. Either of these scenarios may negatively impact our future cash flows. The 2012 Labor Agreements with the U       áct gr

factors associated with the EU and the Euro currency. Changes in any of these economic conditions or political factors could negatively affect our results of operations, cash flowÀa Ď þ

As of December 31, 2012, we had contingent obligations consistingo co

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***Provisions of ]***

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***We depend on third parties for transportation services, and increases in costs or the availability of transportation could adversely affect our business and operations.***

Our business depends on the transportation of a large number of products, both domestically and internationally. We rely primarily on third parties for transportation of the products we manufacture or distribute as well as delivery of our raw materials.

If any of these providers were to fail to deliver raw materials to us in a timely manner, we may be unable to manufacture and deliver our products in response to customer demand. In addition, if any of these third parties were to cease operations or cease doing business with us, we may be unable to replace them at a reasonable cost.

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## Item 2. PROPERTIES

The following tables list U. S. Steel's main properties, their locations and their products and services:

**North American Operations**

| Property | Location | Products and Services |
|---|---|---|
| Gary Works | Gary, Indiana | Slabs; Sheets; Tin mill; Strip mill plate; Coke |
| Midwest Plant | Portage, Indiana | Sheets; Tin mill |
| East Chicago Tin | East Chicago, Indiana | Sheets; Tin mill |
| Great Lakes Works | Ecorse and River Rouge, Michigan | Slabs; Sheets |
| Mon Valley Works | [illegible] | [illegible] |
| Irvin Plant | West Mifflin, Pennsylvania | Sheets [illegible] |
| Edgar Thomson Plant | Braddt n [illegible] | [illegible] |

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sediments in the St. Louis River Estuary. MPCA (on behalf of the EPA) has completed its second five-year review for the site. As a result, additional data collection has been undertaken to address data gaps identified in the five-year review and corrective measures are being implemented to address the discovered areas of contamination on the upland property. Additional study, investigation and oversight costs along with implementation of corrective measures on the upland property and implementation of the HEP are currently estimated at $22 million.

In addition, there are 13 sites related to U. S. Steel where information requests have been received or there are other indications that U. S. Steel may be a PRP under CERCLA, but where sufficient information is not presently available to confirm the existence of liability or to make any judgment as to the amount thereof.

***Other Remediation Activities***

There are 39 additional sites where remediation is being sought under other environmental statutes, both federal and state, or where private parties are seeking remediation through discussions or litigation. Based on currently available information, which is in many cases preliminary and incomplete, management believes that liability for cleanup and remediation costs in connection with 10 of these sites will be under $100,000 per site, another 17 sites have potential costs between $100,000 and $1 million per site, and 6 sites may involve remediation costs between $1 million and $5 million per site. As described below, costs for remediation, investigation, restoration or compensation are estimated to be in excess of $5 million per site at 2 sites. Potential costs associated with remediation at the remaining 4 sites are not presently determinable.

**Gary Works**

On March 4, 2010 the EPA notified U. S. Steel that the requirements of the January 26, 1998 CWA consent decree in United States of America v. USX (Northern District of Indiana) had been satisfied. A joint motion to terminate the CWA consent decree was granted by the court on June 25, 2012, thereby terminating the consent decree in its entirety. As of December 31, 2012, project costs have amounted to $60.7 million. In 1998, U. S. Steel also entered into an additional consent decree with the public trustees, which resolves liability for natural resource damages on the same section of the Grand Calumet River. Work continues to complete and terminate the Natural Resource Damages order. U. S. Steel has released the $1 million payment to the public trustee for ecological monitoring. In addition, U. S. Steel is obligated to perform, and has completed the ecological restoration in this section of the Grand Calumet River. In total, the accrued liability for the above projects based on the estimated remaining costs was approximately $773,000 at December 31, 2012.

At Gary Works, U. S. Steel has agreed to close three hazardous waste disposal sites: D5, along with an adjacent solid waste disposal unit, Terminal Treatment Plant (TTP) Area; T2; and D2 combined with a portion of the Refuse Area, where a solid waste disposal unit overlaps with the hazardous waste disposal unit. The sites are located on plant property. The Indiana Department of Environmental Management (IDEM) has approved the closure plans for all three sites. U. S. steel continues technical discussions with IDEM though on the conditions of the D2 approval. Closure is complete at D5, TTP and T2, with IDEM approval of the closure certification reports on February 1, 2012 (D5), April 3, 2012 (TTP) and November 1, 2012 (T2). As of December 31, 2012, the accrued liability for estimated costs to close these sites is approximately $16 million.

On October 23, 1998, EPA issued a final Administrative Order on Consent (Order) addressing Corrective Action for Solid Waste Management Units (SWMU) throughout Gary Works. This order requires U. S. Steel to perform a Resource Conservation and Recovery Act (RCRA) Facility Investigation (RFI), a Corrective Measure Study (CMS) and Corrective Measure Implementation at Gary Works. Reports of field investigation findings for Phase I work plans have been submitted to the EPA. Through December 31, 2012, U. S. Steel had spent $43.5 million for corrective action studies, Vessel Slip Turning Basin interim measures and other corrective actions. U. S. Steel has completed one year of a facility wide perimeter groundwater monitoring program and submitted a report with recommendations for future continuation of the program and additional localized groundwater assessment work to the EPA. U. S. Steel has also submitted and partially completed a Baseline Ecological Risk Assessment work plan for addressing sediments behind the East Breakwall. In addition, U. S. Steel has received approval from the EPA to proceed with an interim stabilization measure to address certain components of the East Side Groundwater Solid Waste Management Area as required by the Order. Until the remaining Phase I work and Phase II field

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investigations are completed, it is not possible to assess what additional expenditures will be necessary for Corrective Action projects at Gary Works. In total, the accrued liability for projects is approximately $44 million as of December 31, 2012, based on the estimated remaining costs.

**Mon Valley Works**

On March 17, 2008, U. S. Steel entered a Consent Order and Agreement (COA) with the Allegheny County Health Department (ACHD) to resolve alleged opacity limitation and pushing and traveling violations from older coke oven batteries at its Clairton Plant and to resolve alleged opacity violations from its Edgar Thomson Plant. Under the COA, U. S. Steel paid a civil penalty of $301,800 on March 25, 2008. The COA requires U. S. Steel to conduct interim repairs on existing batteries and make improvements at the Ladle Metallurgical Facility and Steelmaking Shop at the Edgar Thomson Plant. The COA also required that Batteries 1, 2 and 3 be shutdown by August 11, 2015. On September 30, 2010, U. S. Steel and ACHD amended the COA to require U. S. Steel to install two new Low Emissions Quench Towers to replace existing assumed primary responsibility for regulation and oversi

the current property owner pursuant to an agreement and a permit issued by the Utah Department of Environmental Quality. As of December 31, 2012, U. S. Steel has spent $17.8 million to complete remediation on certain areas of the site. Having completed the investigation on a majority of the remaining areas identified in the permit, U. S. Steel has determined that the most effective means to address the remaining impacted material is to manage those materials in a previously approved, on-site Corrective Action Management Unit. U. S. Steel has an accrued liability of $65 million as of December 31, 2012, for our estimated share of the remaining costs of remediation.

**Duluth Works**

The former U. S. Steel Duluth Works site was placed on the National Priorities List under CERCLA in 1983 and on the State of Minnesota's Superfund list in 1984. Liability for environmental remediation at the site is governed by a Response Order by Consent executed with the MPCA in 1985 and a Record of Decision signed by MPCA in 1989. As of December 31, 2012, U. S. Steel has spent $19.9 million to complete remediation on certain areas of the site. Current activity at the site is focused on completing the feasibility study and remedial design of the two St. Louis River Estuary Operable Units

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**Recent Sales of Unregistered Securities**

U. S. Steel had no sales of unregistered securities ®hag; r

government bonds and selected smaller investments with a target allocation for plan assets of 65 percent equities. U. S. Steel will use a 7.25 percent assumed rate of return on assets for the devemenore allreienpb pf plans. However, the discount rates required for minimum funding purposes are also based on corporate bond related indices and as such, the same general sensitivity concepts as above can be applied to increases or decreases to the funding obligations of the plans assuming the same hypothetical rate changes. (See Note 16 to the Consolidated Financial Statements for a discussion regarding legislation enacted in July 2012 that impacts the discount rate used for funding purposes.) For further cash flow discussion see “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations – Financial Condition, Cash Flows and Liquidity – Liquidity.”

***Goodwill and identifiable intangible assets*** – Goodwill represents the excess of the cost over the fair value of acquired identifiable tangible and intangible assets and

U. S. Steel makes no provi

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***Income (Loss) from Operations***

| | Year Ended December 31, | |
|---|---|---|
| | 2012 | 2011 |
| Flat-rolled | **$ 400** | $ 469 |
| USSE | **34** | (162) |
| TubuAz ( | | |

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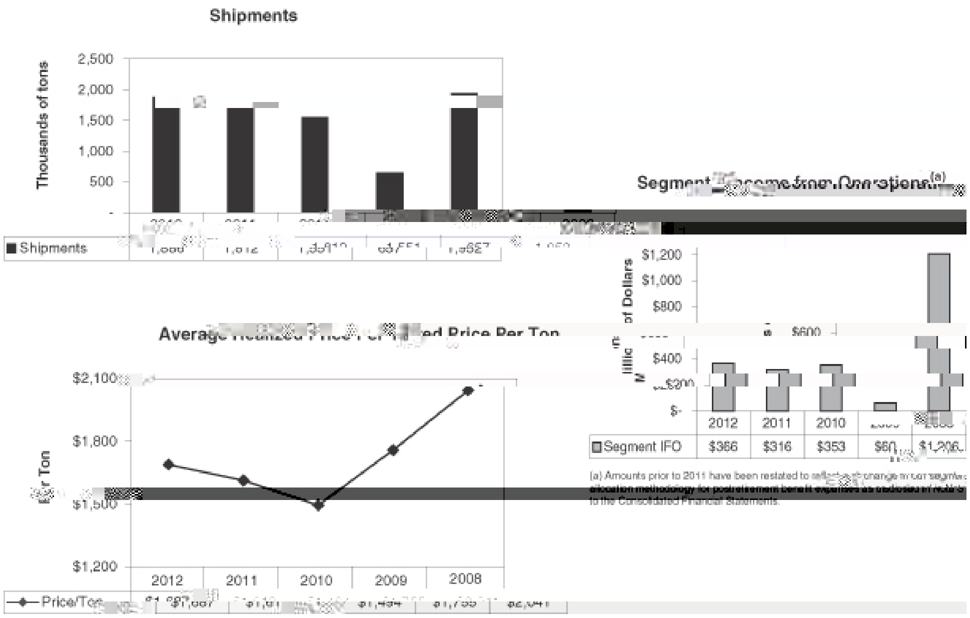
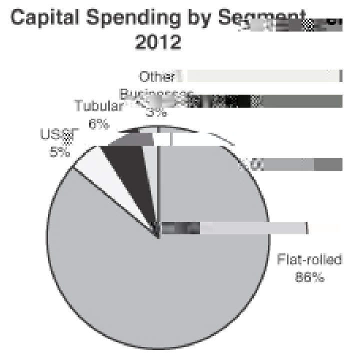
***Segment results for Tubular***

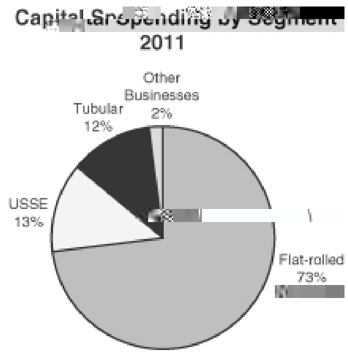



The Tubular segment had income of $366 million for the year ended December 31, 2012 compared to income of $316 million for the year ended December 31, 2011. The improvement in Tubular results in 2012 as compared to 2011 resulted mainly from an increase in average realized prices (approximately $100 million), lower substrate costs primarily supplied by the Flat-rolled segment (approximately $65 million), and an increase of 74 thousand tons in shipments (approximately $45 million). These improvements were partially offset by increased facility repairs and maintenance and other operating costs (approximately $155 million) and

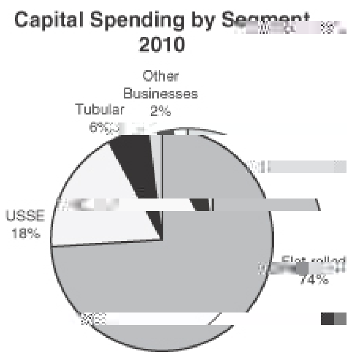
**Capital expenditures** in 2012 were $723 million compared to $848 million in 2011 and $676 million in 2010.




Flat-rolled capital expenditures were $625 million and included spending for construction of carbon alloy facilities (coke substitute) at Gary Works, construction of a technologically and environmentally advanced coke battery at the Mon Valley Works' Clairton Plant, ongoing implementation of an enterprise resource planning (ERP) system and various other infrastructure and environmental projects. Tubular capital expenditures of $42 million primarily related to an upgrade to the Lorain No. 4 Seamless Hot Mill, infrastructure and environmental capital projects. USSE capital expenditures of $38 million consisted of spending for infrastructure and environmental projects.




Flat-rolled capital expenditures of $616 million included spending for construction of carbon alloy facilities at Gary Works, construction of a technologically and environmentally advanced coke battery at the Mon Valley Works' Clairton Plant, ongoing implementation of an ERP system and various other infrastructure, environmental and strategic projects. USSE capital expenditures of $109 million included spending for environmental projects and for blast furnace coal injection projects. Tubular capital expenditures of $104 million primarily related to construction of a heat treat and finishing facility at our Lorain Tubular Operations in Ohio.




Flat-rolled capital expenditures of $499 million in 2010 included spending for implementation of an ERP system, the construction of carbon alloy facilities at Gary Works, blast furnace infrastructure projects, a technologically and environmentally advanced coke battery at the Mon Valley Works' Clairton Plant, large mobile equipment purchases for iron ore operations and various other infrastructure, environmental and strategic projects. USSE capital expenditures of $120 million included spending for environmental projects and for blast furnace coal injection projects. Tubular capital expenditures of $45 million were primarily related to spending for a quench and temper line at our Lorain Tubular operations in Ohio.

U. S. Steel's contract commitments to acquire property, plant and equipment at December 31, 2012, totaled $248 million.

Capital expenditures for 2013 are expected to total approximately $800 million and remain focused largely on strategic, infrastructure and environmental projects. During 2012, we completed or neared completion on several key projects of strategic importance. We have made significant progress to improve our coke self-sufficiency and reduce our reliance on purchased coke for the steel making process through the application of advanced

made. At December 31, 2012, $67 million of this restricted cash remained. This increase was partially offset by a reduction in collateralized letters of credit. Restricted cash in 2011 and 2010 primarily relates to the receipt and use of the proceeds received from the issuance of $70 million of Recovery Zone Facility Bonds in 2010. The proceeds of which were placed in escrow and restricted for the heat treat and finishing facilities capital project at our Tubular operations in Lorain, Ohio. The proceeds became unrestricted as capital expenditures for this project were made. This project was completed in 2011.

**Borrowings against revolving credit facilities** in 2012 and 2011 reflect amounts drawn under USSK's unsecured revolving credit facilitieslvqĎnǨ mar Uɑnty pr si

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The RPA may be terminated on the occurrence and failure to cure certain events, including, among others, failure by U. S. Steel to make payments under our material debt obligations and any failure to maintain certain ratios related to the collectability of the receivables. The maximum amount of receivables eligible for sale is $625 million and the facility expires on July 18, 2014. As of December 31, 2012, eligible accounts receivable supported $625 million of availability and there were no outstanding borrowings under this facility.

On March 16, 2010, U. S. Steel issued $600 million of 7.375% Senior Notes due 2020 (2020 Senior Notes). U. S. Steel received net proceeds of $582 million after fees of $13 million related to the underwriting discount and third party expenses. The 2020 Senior Notes contain covenants restricting our ability to create liens and engage in sale-leasebacks and requiring the purchase of the 2020 Senior Notes upon a change of control under specified circumstances, as well as other customary provisions. As of December 31, 2012, the principal amount outstanding under the 2020 Senior Notes was $600 million.

At December 31, 2012, USSK had no borrowings under its €200 million (approximately $264 million) revolving unsecured credit facility which expires in August 2013. At December 31, 2011, USSK had €100 million (approximately $129 million) borrowed under this facility.

During 2012, credit facilities totaling €60 million expired reducing the total of these facilities from €80 million to €20 million. At December 31, 2012, USSK had no borrowings under its €20 million credit facility (which approximated $26 million) and the availability was approximately $24 million due to approximately $2 million of customs and other guarantees outstanding. At December 31, 2011, USSK had no borrowings against its €80 million total unsecured revolving credit facilities (which approximated $104 million) and the availability was approximately $103 million due to approximately $1 million of customs and other guarantees
o[illegible]

U. S. Steel is in the study phase of RCRA corrective action programs at our Fairless Plant and Lorain Tubular Operations. RCRA corrective action programs have been initiated at Gary Works, Fairfield Works and USS-POSCO Industries. Until the studies are completed at these facilities, U. S. Steel is unable to estimate the total cost of remediation activities that will be required.

For discussion of other relevant environmental items see “Item 3. Legal Proceedings – Environmental Proceedings.”

The following table shows activity with respect to environmental remediation liabilities for the years ended December 31, 2012 and December 31, 2011. These amounts exclude liabilities related to asset retirement obligations accounted for in accordance with ASC Topic 410. See Note 17 to the Consolidated Financial Statements.

We expect first quarter results for our Tubular segment to improve compared to the fourth quarter due to decreased operating costs and a slight increase in shipments as drilling activity begins to improve. Average realized prices are expected to be slightly lower as compared to the fourth quarter, while operating costs are expected to decrease due to reduced repairs and maintenance costs and improved operating efficiencies.

**Accounting Standards**

See Note 2 to the Consolidated Financial Statements in Part II Item 8 of this Form 10-K.

**Item 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

U. S. Steel is exposed to certain risks relating to its ongoing business operations, including financial, market, political, and economic risks. The following discussion provides information regarding U. S. Steel's exposure to the risks of changing foreign currency exchange rates, commodity prices and interest rates.

U. S. Steel may enter into derivative financial instrument transactions in order to manage or reduce these market risks. The use of derivative instruments is subject to our corporate governance policies. These instruments are used solely to mitigate market exposure and would not be used for trading or speculative purposes.

U. S. Steel may elect to use hedge accounting for certain commodity or currency transactions. For those transactions, the impact of the effective portion of the hedging instrument will be recognized in other comprehensive income until the transaction is settled. Once the transaction is settled, the effect of the hedged item will be recognized in income. For further information regarding derivative instruments see Notes 1 and 13 to the Consolidated Financial Statements.

**Foreign Currency Exchange Rate Risk**

U. S. Steel, through USSE and USSC, is subject to the risk of price fluctuations due to the effects of exchange rates on revenues and operating costs, firm commitments for capital expenditures and existing assets or liabilities denominated in currencies other than the U.S. dollar, particularly the Euro and the Canadian dollar. U. S. Steel historically has made limited use of forward currency contracts to manage exposure to certain currency price fluctuations. U. S. Steel has not elected to use hedge accounting for these contracts. Foreign currency derivative instruments have been marked-to-market and the resulting gains or losses recognized in the current period in net interest and other financial costs. At December 31, 2012 and December 31, 2011, U. S. Steel had open euro forward sales contracts for U.S. dollars (total notional value of approximately $408 million and $468 million, respectively). A 10 percent increase in the December 31, 2012 euro forward rates would result in a $42 million charge to income.

The fair value of our derivatives is determined using Level 2 inputs, which are defined as "significant other observable" inputs. The inputs used include quotes from counterparties that are corroborated with market sources.

We utilize Euro-U.S. dollar derivatives to mitigate our currency exposure at USSE. Volatility in the foreign currency markets could have significant implications for U. S. Steel as a result of foreign currency accounting remeasurement effects. Future foreign currency impacts will depend upon changes in currencies and the extent to which we engage in derivatives transactions. For additional information on U. S. Steel's foreign currency exchange activity, see Note 13 to the Consolidated Financial Statements.

**Commodity Price Risk and Related Risks**

In the normal course of our business, U. S. Steel is exposed to market risk or price fluctuations related to the purchase, production or sale of steel products. U. S. Steel is also exposed to price risk related to the purchase, production or sale of coal, coke, natural gas, steel scrap, iron ore and pellets, and zinc, tin and other nonferrous metals used as raw materials. See Note 13 to the Consolidated Financial Statements for further details on U. S. Steel's derivatives.

**Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**

Based on this evaluation, United States Steel Corporation’s management c

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## Report of Independent Registered Public Accounting Firm

To the Stockholders of United States Steel C St[illegible]

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Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ PricewaterhouseCoopers LLP
Pittsburgh, Pennsylvania
February 15, 2013

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## UNITED STATES STEEL CORPORATION

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

| (Dollars in millions) 2 | Year Ended December 31, 2012 | 2011 | 2010 |
|---|---|---|---|
| Net loss | **$ (125)** | $ (53) | $ (482) |
| Other comprehensive iss | | | |

## 1. Nature of Business and Significant Accounting Policies

**Nature of Business**

United States Steel Corporation (U. S. Steel or the Company) produces and sells steel mill products, including flat-rolled and tubular products, in North America and Europe. Operations in North America also include a

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***Cash and cash equivalents***

Cash and cash equivalents include cash on deposit and investments in highly liquid debt instruments with maturities of three months or less.

***Inventories***

Inventories are carried at the lower of cost or market. Fixed costs related to abnormal production capacity are expensed in the period incurred rather than capitalized into inventory.

LIFO (last-in, first-out) is the predominant method of inventory costing for inventories in the United States and FIFO (first-in, first-out) is the predominant method used in Canada and Europe. The LIFO method of inventory costing was used on 56 percent and 54 percent of consolidated inventories at December 31, 2012 and 2011, respectively.

***Derivative instruments***

U. S. Steel uses commodity-based and foreign currency derivative instruments to manage its exposure to price and foreign currency exchange rate risk. Forward physical purchase contracts and foreign exchange forward contracts are used to reduce the effects of fluctuations in the purchase price of natural gas and certain nonferrous metals and also certain business transactions denominated in foreign currencies. U. S. Steel has not elected to designate derivative instruments as qualifying for hedge accounting treatment. As a result, the changes in fair value of these derivatives are recognized immediately in results of operations. See Note 13 for further details on U. S. Steel's derivatives.

***Goodwill and identifiable intangible assets***

Goodwill represents the excess of the cost over the fair value of acquired identifiable tangible and intangible assets and liabilities assumed from businesses acquired. Goodwill is tested for impairment at the reporting unit level annually in the third quarter and whenever events or circumstances indicate that the carrying value may not be recoverable. We have two reporting units that hold nearly all of our goodwill: Our Flat-rolled reporting unit and our Texas

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recorded in the accumulated other comprehensive income (loss) component of stockholders' equity. Gains and losses from foreign currency transactions are included in net income (loss) for the period.

***Stock-based compensation***
U. S. Steel accounts for its various stock-based employee compensation plans in accordance with the guidance in ASC Topic 718 on stock compensation (see Note 12).

***Deferred taxes***
Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. The realization of deferred tax assets is assessed quarterly based on several interrelated factors. These factors include U. S. Steel's expectation to generate sufficient future taxable income and the projected time period over which these deferred tax assets will be realized. U. S. Steel records a valuation allowance when necessary to reduce deferred tax assets to the amount that will more likely than not be realized. Deferred tax liabilities have not been recognized for the undistributed earnings of certain foreign subsidiaries, primarily U. S. Steel Košice (USSK), because management intends to indefinitely reinvest such earnings in foreign operations. See Note 8 for further details of deferred taxes.

***Insurance***
U  S. Steel maintains insurance for certain property damage, equipment, business interruption and general liability exposures; however, insurance is applicable only after certain deductibles and retainages. U. S. Steel is self-insured for certain other exposures including workers' compensation (where permitted by law) and automobile liability. Liabilities are recorded for workers' compensation and personal injury obligations. Other costs resulting from losses under deductible or retainage amounts or not otherwise covered by insurance are charged against income upon occurrence.

***Sales taxes***
Sales are recorded net of sales taxes charged to customers. Sales taxes primarily relate to value-added tax on sales.

***Reclassifications and Ďˇ"] Ď'ſRcg g***

However, early adoption is permitted. U. S. Steel early adopted ASU 2012-02 and performed the qualitative assessment of its indefinite-lived water rights during the third quarter of 2012.

On September 15, 2011, the FASB issued Accounting Standards Update No. 2011-08, (ASU 2011-08), which amends the guidance in ASC 350-20. The amendments in ASU 2011-08 provide entities with the option of performing a qualitative assessment before performing the first step of the two-step impairment test. If entities determine, on the basis of qualitative factors, it is not more likely than not that the fair value of the reporting unit is less than the carrying amount, then performing the two-step impairment test would be unnecessary. However, if an entity concludes otherwise, then it is required to perform the first step of the two-step impairment test by calculating the fair value of the reporting unit and comparing the fair value with the carrying amount of the reporting unit. If the carrying amount of a reporting unit exceeds its fair value, then the entity is required to perform the second step of the goodwill impairment test to measure the amount of the impairment loss, if any. ASU 2011-08 also provides entities with the option to bypass the qualitativ of tde reo of tdempariatnt v od te quunitalsit e

## 6. Income and Dividends Per Common Share

**Net Loss per Share Attributable to United States Steel Corporation Shareholders**

Basic net loss per common share is based on the weighted average number of common shares outstanding during the period.

Diluted net loss per common share assumes the exercise of stock options and the vesting of restricted stock, restricted stock units and performance awards and the conversion of convertible notes (under the "if-converted" method), provided in each case the effect is dilutive.

| (Dollars in millions, except per share amounts) | 2012 | 2011 | 2010 |
|---|---|---|---|
| Net loss attributable to United States Steel Corporation shareholders | $ (124) | $ (53) | $ (482) |
| Plus income effect of assumed conversion-interest on convertible notes | - | - | - |
| Net loss after assumed conversion | $ (124) | $ (53) | $ (482) |
| Weighted-average shares outstanding (in thousands): | | | |
| Basic | 144,237 | 143,967 | 143,571 |
| Effect of convertible notes | - | - | - |
| Effect of stock options, restricted stock units and performance awards | - | - | - |
| Adjusted weighted-average shares outstanding, diluted | 144,237 | 143,967 | 143,571 |
| Basic loss per common share | $ (0.86) | $ (0.37) | $ (3.36) |
| Diluted loss per common share | $ (0.86) | $ (0.37) | $ (3.36) |

The following table summarizes the securities that were antidilutive, and therefore, were not included in the computation of diluted loss per common share:

| (in thousands) | 2012 | 2011 | 2010 |
|---|---|---|---|
| Securities granted under the 2005 Stock Incentive Plan | 5,581 | 3,912 | 3,648 |
| Securities convertible under the Senior Convertible Notes | 27,059 | 27,059 | 27,059 |
| Total | 32,640 | 30,971 | 30,707 |

**Dividends Paid per Share**

Quarterly dividends on common stock were five cents per share for each quarter in 2012, 2011 and 2010.

## 7. Inventories

| (In millions) | December 31, 2012 | December 31, 2011 |
|---|---|---|
| Raw materials | $ 945 | $ 1,178 |
| Semi-finished products | 883 | 953 |
| | | |
| | | |

***Unrecognized tax benefits***
Unrecognized tax benefits are the differences between a tax position taken, or expected to be taken, in a tax return and the benefit recognized for accounting purposes pursuant to the guidance in ASC Topic 740 on income taxes. The total amount of unrecognized tax benefits was $85 million, $110 million and $115 million as of December 31, 2012, 2011 and 2010, respectively. The total amount of unrecognized tax benefits that, if recognized, would affect the effective tax rate was $62 million as of December 31, 2012.

U. S. Steel records interest related to uncertain tax positions as a part of net interest and other financial costs in the Statement of Operations. Any penalties are recognized as part of selling, general and administrative expenses. As of December 31, 2012, 2011 and 2010, U. S. Steel had accrued liabilities of $7 million, $6 million and $4 million, respectively, for interest related to unrecognized tax benefits. U. S. Steel currently does not have a liability for tax penalties.

A tabular reconciliation of unrecognized tax benefits follows:

| **(In millions)** | **2012** | **2011** | **2010** |
|---|---|---|---|
| Unrecognized tax benefits, beginning of year | **$ 110** | $ 115 | $ 106 |
| Increases – tax positions taken in prior years | **3** | 1 | 49 |
| Decreases – tax positions taken in prior years | **(25)** | (4) | (25) |
| Increases – current tax positions | **2** | 3 | 10 |
| Settlements | **(5)** | - | (18) |
| Lapse of statute of limitations | **-** | (5) | (7) |
| Unrecognized tax benefits, end of year | **$ 85** | $ 110 | $ 115 |

It is reasonably expected that during the next 12 months unrecognized tax benefits related to income tax issues will not change by a significant amount.

***Tax years subject to examination***
Below is a summary of the tax years open to examination by major tax jurisdiction:

U.S. Federal – 2008 and forward*
U.S. States – 2007 and forward
Slovakia – 2002 and forward
Canada Federal and Provincial – 2004 and forward

*U. S. Steel's 2008 federal tax year remains open to the extent of net operating losses carried back from 2010.

***Status of IRS examinations***
The Internal Revenue Service (IRS) audit of U. S. Steel's 2010 and 2011 tax returns began in 2012 and is ongoing. The IRS audit of the 2008 and 2009 tax returns was completed in 2012, and the audit of the 2006 and 2007 tax returns was completed in 2010. Agreement was reached with the IRS on both audits.

***Taxes on foreign income***
Pretax income for 2012, 2011 and 2010 includes domestic income of $782 million, $519 million and $359 million, respectively and losses attributable to foreign sources of ($776) million, ($492) million and ($744) million, respectively. Undistributed earnings of certain consolidated foreign subsidiaries at December 31, 2012, amounted to approximately $2.7 billion. As of December 31, 2012, it remains U. S. Steel's intention to continue to indefinitely reinvest undistributed foreign earnings and, accordingly, no deferred tax liability has been recorded in connection therewith. If such earnings were not indefinitely reinvested, a U.S. deferred tax liability of approximately $800 million would have been required.

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The aggregate intrinsic value in the table above represents the total pretax intrinsic value (difference between our closing stock price on the last trading day of 4f 4f price

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## 13. Derivative Instruments

U. S. Steel is exposed to foreign currency exchange rate risks as a result of our European and Canadian operations. USSE's revenues are primarily in Euros and costs are primarily in U.S. dollars and Euros. USSC's revenues and costs are denominated in both Canadian and U.S. dollars. In addition, foreign cash requirements have bt n and $. dollara aveIn 'A UĎeSII Cedoll sad Pldasbc lASEŠdoll sad Pld Tnsadd d iĎnǑmi USa.Se.rei1tspra xchangi1tsianI aeme anS. NeI gei

**Senior Notes**
On March 16, 2010, U. S. Steel issued $600 million of 7.375 percent

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than receiving cash in lieu of fractional shares, holders do not have the option to receive cash upon conversion. As of December 31, 2012, there have been an immaterial amount of conversions.

If U. S. Steel undergoes a fundamental change, as defined in the Senior Convertible Notes, holders may require us to repurchase the Senior Convertible Notes in whole or in part for cash at a price equal to 100% of the principal amount of the Senior Convertible Notes to be purchased plus any accrued and unpaid interest (including additional interest, if any) up to, but excluding the repurchase date.

The Senior Convertible Notes contain covenants limiting our ability to create liens, to enter into sale-leaseback transactions and to consolidate, merge or transfer all, or substantially all of our assets. They also contain provisions requiring the purchase of the Senior Convertible Notes upon a change of control under certain specified circumstances, as well as other customary provisions. In addition, certain payment defaults on other indebtedness are a default under the Senior Convertible Notes.

**Province Note**

In its acquisition of Stelco on October 31, 2007, U. S. Steel assumed a note that Stelco had issued to the Province of Ontario, Canada. The face amount of the Province Note is C$150 million (approximately $151 million and $147 million at December 31, 2012 and 2011) and is payable on December 31, 2015. The Province Note is unsecured and is subject to a 75 percent discount if the solvency deficiencies in the four main Stelco pension plans (see Note 16) are eliminated on or before the maturity date. The Province Note bears interest at a rate of one percent per annum and is payable semi-annually. Upon the acquisition, the Province Note was recorded at its present value of amounts to be paid using a current interest rate, in accordance with FAS 141. The Province Note will be accreted up to its face value over its term assuming an effective interest rate of 6.67 percent.

**Obligations relating to Environmental Revenue Bonds**

At December 31, 2012, U. S. Steel is the obligor on $549 million of Environmental Revenue Bonds. On August 17, 2012, U. S. Steel entered into loan agreements with several local authorities in connection with the issuance and sale of $94 million of Environmental Revenue Bonds due August 1, 2042 (2042 Environmental Revenue Bonds) to fund certain capital projects at our Gary Works, Clairton Plant and Granite City Works. The net proceeds from the sale of the 2042 Environmental Revenue Bonds were $93 million after fees of $1 million and are reflected as restricted cash in other noncurrent assets and become unrestricted as capital expenditures for these projects are made. At December 31, 2012, $67 million of this restricted cash remained. The interest rate on the loans is 5.75 percent and interest is payable semi-annually on February 1 and August 1 of each year.

**Recovery Zone Facility Bonds**

On December 1, 2010, U. S. Steel entered into a loan agreement in connection with the issuance and sale by the Lorain County Port Authority of $70 million of Lorain County Port Authority Recovery Zone Facility Revenue Bonds (the Recovery Zone Bonds). The proceeds from the sale of the Recovery Zone Bonds were used to fund a capital project at our Lorain Tubular Operations in Ohio. The interest rate on the loan is 6.75 percent and interest is payable semi-annually on June 1 and December 1 of each year.

**Fairfield Caster Lease** [illegible]

domestically, an employer cap on total costs. Upon their retirement, most salaried employees in the United States are provided with a flat dollar pre-Medicare benefit and a death benefit.

The majority of U. S. Steel's European employees are covered by government-sponsored programs into which U. S. Steel makes required contributions. Also, U. S. Steel sponsors defined benefit plans for most European employees covering benefit payments due to employees upon their retirement, some of which are government mandated. These same employees receive service awards throughout their careers based on stipulated service and, in some cases, age and service.

U. S. Steel and its U. S. Steel Tubular Products, Inc. subsidiary reached new labor agreements with the USW in September 2012 (the 2012 Labor Agreements, see Note 15) which required remeasurement of the other post-employment benefit (OPEB) plans effective September 1, 2012. The discount rate used for the September 1, 2012 remeasurement was 3.75 percent, as compared to 4.50 percent at December 31, 2011.

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this evaluation at December 31, 2012, U. S. Steel decreased the discount rate used to measure both domestic Pension and Other Benefits obligations to 3.75 percent. For USSC benefit plans, a discount rate was selected through a similar review process using Canadian bond rates and indices and at December 31, 2012, U. S. Steel decreased the discount rate to 3.75 percent for its Canadian-based pension and other benefits.

| | 2012 | | 2011 | |
|---|---|---|---|---|
| **Assumed health care cost trend rates at December 31:** | **U.S.** | **Canada** | **U.S.** | **Canada** |
| Health care cost trend rate assumed for next year | **7.00%** | **6.00%** | 7.00% | 6.00% |
| Rate to which the cost trend rate is assumed to decline (the ultimate trend rate) | **5.00%** | **5.00%** | 5.00% | 5.00% |
| Year that the rate reaches the ultimate trend rate | **2017** | **2017** | % | |

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The following is a summary of U. S. Steel's Pension plan assets carried at fair value at December 31, 2012 and 2011:

| | Fair Value Measurements at December 31, 2012 (in millions) | | | |
|---|---|---|---|---|
| | Total | Quoted Prices in Active Markets (Level 1) | Significant Observ[illegible] | [illegible] |
| | | | | |
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The following table summarizes U. S. Steel's financial assets and liabilities that were not carried at fair value at December 31, 2012 and 2011.

| (In millions) | December 31, 2012 Fair Value | December 31, 2012 Carrying Amount | December 31, 2011 Fair Value | December 31, 2011 Carrying Amount |
|---|---|---|---|---|
| **Financial assets:** | | | | |
| Investments and long-term receivables | **$ 39** | **$ 39** | $ 45 | $ 45 |
| **Financial liabilities:** | | | | |
| Debt | **$ 4,113** | **$ 3,902** | $ 3,874 | $ 3,827 |

(a) Excludes equity method investments.
(b) Excludes borrowings under the RPA and capital lease obligations.

The following methods and assumptions were used to estimate the fair value of financial instruments included in the table above:

: Fair value is based on level 2 inputs which were discounted cash flows. U. S. Steel is subject to market risk and liquidity risk related to its investments.

: Fair value was determined using Level 2 inputs which were derived from quoted market prices and is based on the yield on public debt where available or current borrowing rates available for financings with similar terms and maturities.

Fair value of the financial assets and liabilities disclosed herein is not necessarily representative of the amount that could be realized or settled, nor does the fair value amount consider the tax consequences of realization or settlement.

Financial guarantees are U. S. Steel's only unrecognized financial instrument. For details relating to financial guarantees see Note 22.

## 19. Supplemental Cash Flow Information

| (In millions) | 2012 | 2011 | 2010 |
|---|---|---|---|
| **Net cash used in operating activities included:** | | | |
| Interest and other financial costs paid (net of amount capitalized) | **$ (239)** | $ (222) | $ (195) |
| Income taxes (paid) refunded | **$ (71)** | $ 13 | $ (63) |
| **Noncash investing and financing activities:** | | | |
| Change in accrued capital expenditures | **$ (52)** | (a) | (a) |
| Assets acquired under capital lease | **$ 35** | $ - | $ - |
| U. S. Steel common stock issued for employee stock plans | **$ 2** | | |

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Accounts payable to related parties include balances due to PRO-TEC Coating Company (PRO-TEC) of $53 million and $84 million at December 31, 2012 and 2011, respectively for invoicing and receivables collection services provided by U. S. Steel. U. S. Steel, as PRO-TEC's exclusive sales agent, is responsible for credit risk related to those receivables. U. S. Steel also provides PRO-TEC marketing, selling and customer service functions. Payables to other related parties totaled $3 million and $2 million at December 31, 2012 and 2011, respectively.

## 21. Leases

Future minimum commitments for capital leases (including sale-leasebacks accounted for as financings) and for operating leases having initial non-cancelable lease terms in excess of one year are as follows:

| (In millions) | Capital Leases | Operating Leases |
|---|---|---|
| 2013 | $ 6 | $ 55 |
| 2014 | 5 | 48 |
| 2015 | 5 | 43 |
| 2016 | 5 | 38 |
| 2017 | 5 | 24 |
| Later years | 20 | 7 |
| Sublease rentals | | |
| Total minimum lease payments | 46 | $ 215 |
| Less imputed interest costs | 18 | |
| Present value of net minimum lease payments included in long-term debt | $ 28 | |

Operating lease rental expense:

***Asbestos matters*** As of

We are unable to estimate the ultimate outcome of asbestos-related lawsuits, claims and proceedings due to the unpredictable nature of personal injury litigation. Despite this uncertainty, management believes that the ultimate resolution of these matters will not have a material adverse effect on U. S. Steel's financial condition, although the resolution of such matters could significantly impact results of operations for a particular quarter. Among the factors considered in reaching this conclusion are: (1) it has been many years since U. S. Steel employed maritime workers or manufactured or sold asbestos containing products; (2) most asbestos containing material was removed or remediated at U. S. Steel facilities many years ago; and (3) U. S. Steel's history of trial outcomes, settlements and dismissals.

***Environmental Matters*** U. S. Steel is subject to federal, state, local and foreign laws and regulations relating to the environment. These laws generally provide for control of pollutants relpS

considered by legislative bodies of many nations, including countries where we h capital expenditures. We also believe that there will be increased operating costs, such as increased energy and maintenance costs, but we are currently unable to reliably estimate th

***Randle Reef*** – The Canadian and Ontario governments have identified for remediation a sediment deposit, commonly referred to as Randle Reef, in Hamilton Harbor near USSC's Hamilton Works, for which the regulatory agencies estimate expenditures of approximately C$120 million (approximately $121 million). The national and provincial governments have each allocated C$40 million (approximately $40 million) for this project. Local sources, including industry, have also agreed to provide funding of C$40 million (approximately $40 million) for the project. USSC has committed to contribute approximately 11,000 tons of hot rolled steel and to fund C$2 million (approximately $2 million). The steel contribution is expected to be made in 2014. As of December 31, 2012, U. S. Steel has an accrued liability of approximately $10 million reflecting the contribution commitment.

***Other contingencies*** Under certain operating lease agreements covering various equipment, U. S. Steel has the option to renew the lease or to purchase the equipment at the end of the lease term. If U. S. Steel does not exercise the purchase option by the end of the lease term, U. S. Steel guarantees a residual value of the equipment as determined at the lease inception date (totaling approximately $11 million at December 31, 2012). No liability has been recorded for these guarantees as either management believes that the potential recovery of value from the equipment when sold is greater than the residual value guarantee or the potential loss is not probable.

***Insurance*** U S. Steel maintains insurance for certain property damage, equipment, business interruption and general liability exposures; however, insurance is applicable only after certain deductibles and retainages. U. S. Steel is self-insured for certain other exposures including workers' compensation (where permitted by law) and automobile liability. Liabilities are recorded for workers' compensation and personal injury obligations. Other costs resulting from losses under deductible or retainage amounts or not otherwise covered by insurance are charged against income upon occurrence.

U. S. Steel uses surety bonds, trusts and letters of credit to provide whole or partial financial assurance for certain obligations such as workers' compensation. The total amount of active surety bonds, trusts and letters of credit being used for financial assurance purposes was approximately $185 million as of December 31, 2012, which reflects U. S. Steel's maximum exposure under these financial guarantees, but not its total exposure for the underlying obligations. Most of the trust arrangements and letters of credit are collateralized by restricted cash. Restricted cash, which is recorded in other current and noncurrent assets, totaled $181 million at December 31, 2012, of which $5 million was classified as current, and $160 million at December 31, 2011, of which $14 million was classified as current. The increase in restricted cash in 2012 was primarily due to the issuance of the 2042 Environmental Revenue Bonds (see Note 14).

***Capital Commitments*** At December 31, 2012, U. S. Steel's commitments to acquire property, plant and equipment totaled $248 million.

***Contractual Purchase Commitments –*** U. S. Steel is obligated to make payments under contractual purchase commitments, including unconditional purchase obligations. Payments for contracts with remaining terms in excess of one year are summarized below (in millions):

| 2013 | 2014 | 2015 | 2016 | 2017 | Later Years | Total |
|---|---|---|---|---|---|---|
| $982 | $ 724 | $ 356 | $ 346 | $ 335 | $ 1,716 | $ 4,459 |

The majority of U. S. Steel's unconditional purchase obligations relate to the supply of industrial gases, certain energy and utility services with terms ranging from two to 16 years. Unconditional

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## FIVE-YEAR OPERATING SUMMARY (Unaudited) (Continued)

| **(Thousands of net tons, unless otherwise noted)** | **2012** | **2011** | **2010** | **2009** | **2008** |
|---|---|---|---|---|---|
| **Steel Shipments by Market - North American Facilities** | | | | | |
| Steel service centers | **2,882** | 2,987 | 3,214 | 1,999 | 3,887 |
| Further conversion: | | | | | |
| Trade customers | **5,119** | 4,799 | 4,256 | 2,214 | 3,402 |
| Joint ventures | **1,823** | 1,803 | 1,835 | 1,283 | 1,770 |
| Transportation (including automotive) | **2,511** | 2,268 | 2,139 | 1,262 | 2,558 |
| Construction and construction products | **1,013** | 998 | 859 | 675 | 1,333 |
| Containers | **1,290** | 1,221 | 1,398 | 1,296 | 1,421 |
| Appliances & electrical equipment | **727** | 651 | 703 | 755 | 1,115 |
| Oil, gas and petrochemicals | **1,601** | 1,526 | 1,438 | 619 | 1,737 |
| Export from the United States | **550** | 736 | 746 | 322 | 926 |
| All other | **344** | 332 | 264 | 93 | 648 |
| Total | **17,860** | 17,321 | 16,852 | 10,518 | 18,797 |
| **Steel Shipments by Market - USSE** | | | | | |
| Steel service centers | **567** | 943 | 1,106 | 882 | 1,239 |
| Further conversion: | | | | | |
| T§ ( | | | | | |

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**FIVE-YEAR FINANCIAL SUMMARY (Un**

## Item 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

## Item 9A. CONTROLS AND PROCEDURES

### Conclusions Regarding the Effectiveness of Disclosure Controls and Procedures

Under the supervision and with the participation of U. S. Steel's management, including the chief executive officer and chief financial officer, U. S. Steel conducted an evaluation of our disclosure controls and procedures, as such term is defined under Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934, as amended (the Exchange Act). Based on this evaluation, U. S. Steel's chief executive officer and chief financial officer concluded that U. S. Steel's disclosure controls and procedures were effective as of the end of the period covered by this annual report.

### Management's Report on Internal Control Over Financial Reporting

See "Item 8. Financial Statements and Supplementary Data – Management's Reports to Stockholders – Internal Control Over Financial Reporting."

### Attestation Report of Independent Registered Public Accounting Firm

See "Item 8. Financial Statements and Supplementary Data – Report of Independent Registered Public Accounting Firm."

### Changes in Internal Control Over Financial Reporting

There have not been any changes in U. S. Steel's internal control over financial reporting that occurred during the fourth quarter of 2012 which have materially affected, or are reasonably likely to materially affect, U. S. Steel's internal control over financial reporting.

## Item 9B. OTHER INFORMATION

None.

## PART IV

### Item 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULE

### A. Documents Filed as Part of the Report

1. **Financial Statements**
   Financial Statements filed as part of this report are included in "Item 8 – Financial Statements and Supplementary Data" beginning on page F-1.
2. **Financial Statement Schedules and Supplementary Data**
   "Schedule II – Valuation and Qualifying Accounts and Reserves" is included on page 98. All other schedules are omitted because they are not applicable or the required information is contained in the applicable financial statements or notes thereto.

   "Supplementary Data – Disclosures About Forward-Looking Statements" is provided beginning on page 102.

### B. Exhibits

Exhibits 10(a) through 10(i) and Exhibits 10(t) through 10(mm) are management contracts or compensatory plans or arrangements.

Exhibit No.

2. **Plan of acquisition, rĎ H**

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(c) First Supplemental Indenture dated as of May 21, 2007 between United States Steel Corporation and The Bank of New York Mellon, formerly known as The Bank of New York, regarding ǂ 0

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**10. Material Contracts**

| | |
|---|---|
| (a) United States Steel Corporation 2002 Stock Plan, as amended April 26, 2005 | Incorporated by reference to Exhibit 10.5 to United States Steel Corporation's Form 10-Q for the quarter ended March 31, 2005, Commission File Number 1-16811. |
| (b) United States Steel Corporation Executive Management Supplemental Pension Program | Incorporated by reference to Exhibit 10.4 to United States Steel Corporation's Form 10-Q for the quarter ended September 30, 2011, Commission File Number 1-16811. |
| (c) United States Steel Corporation Supplemental Thrift Program | Incorporated by reference to Exhibit 10.2 to United States Steel Corporation's Form 10-Q for the quarter ended September 30, 2011, Commission File Number 1-16811. |
| (d) United States Steel Corporation Deferred Compensation Program for Non-Employee Directors, a program under the 2005 Stock Incentive Plan | Incorporated by reference to Exhibit 10(d) to United States Steel Corporation's Form 10-K for the year ended December 31, 2011, Commission File Number 1-16811. |
| (e) Form of Severance Agreements between the Corporation and its Officers | Incorporated by reference to Exhibit 10(e) to United States Steel Corporation's Form 10-K for the year ended December 31, 2007, Commission File Number 1-16811. |
| (f) Amendment and Restated Agreement between United States Steel Corporation and John P. Surma | Incorporated by reference to Exhibit 10(f) to United States Steel Corporation's Form 10-K for the year ended December 31, 2008, Commission File Number 1-16811. |
| (g) Form of Offer Letter to Mario Longhi | Incorporated by reference to Exhibit 10.1 to United States Steel Corporation's Form 8-K filed on July 2, 2012, Commission File Number 1-16811. |
| (h) Exhibit A to Offer Letter to Mario Longhi – Supplemental Account | Incorporated by reference to Exhibit 10.2 to United States Steel Corporation's Form 8-K filed on July 2, 2012, Commission File Number 1-16811. |
| (i) Form of Non-Compete Agreement attached to Offer Letter to Mario Longhi | Incorporated by reference to Exhibit 10.4 to United States Steel Corporation's Form 8-K filed on July 2, 2012, Commission File Number 1-16811. [illegible] |
| (j) Tax Sharing Agreement between USX Corporation (renamed Marathon Oil Corporatio[illegible] | |

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| | |
|---|---|
| (ff) Form of Restricted Stock Unit Retention Grant Agreement under the 2005 Stock Incentive Plan, as Amended and Restated | [illegible] |

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## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacity indicated on February 15, 2013.

UNITED STATES STEEL CORPORATION

By: ______________________________

**Gregory A. Zovko**
**Vice President & Controller**

| Signature | Title |
|---|---|
| **John P. Surma** | Chairman of the Board of Directors and Chief Executive Officer and Director |
| **Gretchen R. Haggerty** | Executive Vice President & Chief Financial Officer |
| **Gregory A. Zovko** | Vice President & Controller |
| * **Dan O. Dinges** | Director |
| * **John G. Drosdick** | Director |
| * **John J. Engel** | Director |
| * **Richard A. Gephardt** | Director |
| * **Murry S. Gerber** | Director |
| * **Charles R. Lee** | Director |
| * **Frank J. Lucchino** | Director |
| * **Glenda G. McNeal** | Director |
| * **Seth E. Schofield** | Director |
| * **David S. Sutherland** | Director |
| * **Patricia A. Tracey** | Director |

* **BY:** ______________________________
**Gretchen R. Haggerty,**
**Attorney-in-Fact**

Tabl

## SUPPLEMENTARY DATA

## DISCLOSURES ABOUT FORWARD-LOOKING STATEMENTS

U. S. Steel includes forward-looking statements concerning strategies, plans, trends, market forces, commitments, material events or other contingencies potentially affecting the Company in reports filed with the Securities and Exchange Commission, external documents and oral presentations. In accordance with "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, U. S. Steel is filing the following cautionary language identifying important factors (though not necessarily all such factors) that could cause actual outcomes to differ materially from information set forth in forward-looking statements made by, or on behalf of, U. S. Steel and our representatives.

### Cautionary Language Concerning Forward-Looking Statements

Forward-looking statements with respect to U. S. Steel may include, but are not limited to, comments about general business strategies, financing decisions, projections of levels of revenues, income from operations or income from operations per ton, net income or earnings per share; levels of capital, environmental or maintenance expenditures; levels of employee benefits; the success or timing of completion of ongoing or anticipated capital or maintenance projects; levels of raw steel production capability, prices, production, shipments, or labor and raw materials costs; availability of raw materials; the acquisition, idling, shutdown or divestiture of assets or businesses; the effect of restructuring or reorganization of business components and cost-reduction programs; the effect of collective bargaining agreements and relations with unions, the effect of potential steel industry consolidation; the effect of potential legal proceedings on our business and financial condition; the effects of actions of third parties such as competitors, or foreign, federal, state or local regulatory authorities; and the effects of import quotas, tariffs and other protectionist measures.

Forward-looking statements typically contain words such as "anticipates," "believes," "estimates," "expects," "forecasts," "predicts" or "projects," or variations of these words, suggesting that future outcomes are uncertain. The following discussion is intended to identify important factors (though not necessarily all such factors) that could cause future outcomes to differ materially from those set forth in forward-looking statements with respect to U. S. Steel.

### Liquidity Factors

U. S. Steel's ability to finance our future business requirements through internally generated funds (including asset sales), proceeds from the sale of stock, borrowings and other external financing sources is affected by our performance (as measured by various factors, including cash provided from operating activities), levels of inventories and accounts receivable, the state of worldwide credit, debt and equity markets, investor perceptions and expectations of past and future performance and actions, the overall North American and international financial climate, and, in particular, with respect to borrowings, by the level of U. S. Steel's outstanding debt, our ability to comply with debt covenants and our credit ratings by rating agencies. To the extent that U. S. Steel management's assumptions concerning these factors prove to be inaccurate, U. S. Steel may have difficulty obtaining the funds necessary to maintain or expand our operations.

Our major cash requirements in 2013 are expected to be for capital expenditures, employee benefits and operating costs, including purchases of raw materials. We finished 2012 with $570 million of available cash.

### Market Factors

U. S. Steel's expectations as to levels of production and revenues, gross margins, income from operations and income from operations per ton are based upon assumptions as to global market conditions, future product prices and mix, and levels of raw steel production capability, production and shipments. These assumptions may prove to be inaccurate.

The global steel industry is cyclical era

U. S. Steel competes with many North American and international steel producers. Competitors include integrated producers which, like U. S. Steel, use iron ore and coke as primary raw materials for steel production, and electric arc furnace (EAF) producers, which primarily use steel scrap and other iron-bearing feedstocks as raw materials.

EAF producers typically require lower capital expenditures for construction of facilities and may have lower total employment costs; however, these competitive advantages may be minimized or eliminated by the cost of scrap when scrap prices are high. Some mini-mills utilize thin slab casting technology to produce flat-rolled products and are increasingly able to compete directly with integrated producers of flat-rolled products, previously produced only by integrated steelmaking. International competitors may also have lower labor costs than U.S. producers and some are owned, controlled or subsidized by their governments, allowing their production and pricing decisions to be influenced by political and economic policy considerations, as well as prevailing market conditions. Such competition could adversely affect our future product prices and shipment levels.

We also face competition in many markets from producers of materials such as aluminum, cement, composites, glass, plastics and wood. The emergence of additional substitutes for steel products could adversely affect future prices and demand for steel products.

We are subject to market conditions in those areas which are influenced by many of the same factors that affect U.S. markets, as well as matters specific to international markets such as foreign currency exchange rate quotas, tariffs and other protectionist measures. Since our European operations are more dependent upon purchased raw materials than our North American operations they are more subject to the impact of changes in world supply, demand and prices of such raw materials.

Changes in foreign currency exchange rates may impact demand and prices for our products both within the respective domestic markets and for export.

Steel imports have been and we expect will continue to be a significant factor in all of our major markets. Many steel imports have violated United States, Canadian and European international trade laws. We have not always been successful in obtaining relief under these international trade laws. Increases in future levels of imported steel to North America and Europe could reduce future market prices and demand levels for steel products produced in those markets.

**Operating and Cost Factors**

U. S. Steel is also exposed to casualty risks such as the structural failure at Gary Works in 2010 that disrupted operations for several weeks. If major equipment or structures fail in the future we may incur substantial repair costs and business interruptions. Similarly, if any of our critical suppliers suffer such a casualty we may suffer business interruptions. There also exists the chance of other unexpected events such as power outages, weather related events or transportation disruption that may affect operating levels, production and profitability. We may also be affected if major suppliers or customers experience such events.

As an integrated steel producer, U. S. Steel’s primary raw materials are iron units in the form of iron ore pellets and sinter ore, carbon units in the form of coal and coke (which is produced from coking coal) and steel scrap. U. S. Steel is not 100% self-sufficient in raw materials and as a consequence purchases all of its coking coal as well as significant amounts of iron units, exposing us to market risks for such raw materials.

Most hourly employees of U. S. Steel’s flat-rolled, tubular, cokemaking and iron ore pellet facilities in the United States are covered by collective bargaining agreements with the United Steel Workers (USW) entered into effective September 1, 2012 (the 2012 Labor Agreements) that expire on September 1, 2015. At U. S. Steel Canada the collective bargaining agreement with the USW covering employees at Lake Erie Works expires in April 2013. The collective bargaining agreement with the USW covering employees at Hamilton Works expires in October 2014.

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**UNITED STATES STEEL CORPORATION**
**Subsidiary and Joint Ventures**
**2012 Form 10-K**

**Company Name**

Chisholm Coal LLC

Chrome Deposit Corporation

Compagnie de Gestion de Mifergui- Nimba, LTEE

Cygnus Mines Limited

Delaware USS Corporation

Double Eagle Steel Coating Company

Double G Coatings, Inc.

Double G Coatings Company, L.P.

Essex Minerals Company

Feralloy Processing Company

GCW/USS Energy, LLC

Grant Assurance Corporation

Kanawha Coal LLC

Oilfield Technologies, Inc.

Orinoco Mining Company

PITCAL, Inc.

- USS-POSCO Industries

Perdido Land Development, Inc.

Pitcal Pipe, LLC

Preserve Village Developers, LLC

Steel Health Resources, LLC

Stelco Holding Company

- Ontario Coal Company
- Ontario Eveleth Company
- Ontario Hibbing Company
- Stelco Coal Company
  - Stelco Erie Corporation
  - Ontario Tilden Company

Straightline, Inc.

Straightline Sr ompaXa

Swan Point Yacht & Country Club, Inc.

- SPDC Hotel, LLC
- Swan Point Development Company, Inc.
  - Brookfield Swan Point, LLC

Timber Wolf Land, LLC

Transtar, Inc.

- Delray Connecting Railroad Company
- Gary Railway Company
- Tracks Traffic and Management Services, Inc.
- Texas & Northern Railway Company
- Lake Terminal Railroad Company, The
  - Lorain Northern Company f/k/a/ Ohio Northern Company
- McKeesport Connecting Railroad Company
- Union Railroad Company
- Birmingham Southern Railroad Company
  - Fairfield Southern Company, Inc.
  - Warrior & Gulf Navigation LLC
    - Sisco Stevedoring, LLC

U. S. Steel China, LLC

U. S. Steel Holdings, Inc.

- U. S. Steel Holdings II, LLC
- Worldwide Steel C.V.
  - U. S. Steel Global Holdings I B.V.
    - U. S. Steel Košice, s.r.o. (USSK)
      - OBAL-SERVIS, a.s. Košice
        - U. S. Steel Europe (UK) Limited
      - U. S. Steel Košice – Labortest, s.r.o.
      - U. S. Steel Services s.r.o.
      - U. S. Steel Europe - Bohemia a.s.
      - U. S. Steel Europe - France S.A.
      - U. S. Steel Košice - SBS, s.r.o.

**Exhibit 23**

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements listed below of United States Steel Corporation of our report dated February 15, 2013 relating to the financial statements, financial statement schedule and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

On Form S-3:

| | | |
|---|---|---|
| File No. | 333-157546 | United States Steel Corporation Dividend Reinvestment and Stock Purchase Plan |
| | 333-165054 | United States Steel Corporation Senior Debt Securities, Subordinated Debt Securities, Common Stock, Preferred Stock, Depositary Shares, Warrants, Stock Purchase Contracts and Stock Purchase Units |

On Form S-8:

| | | |
|---|---|---|
| File No. | 333-76394 | United States Steel Corporation 2002 Stock Plan |
| | 333-125221 | United States Steel Corporation 2005 Stock Incentive Plan |
| | 333-166787 | United States Steel Corporation 2005 Stock Incentive Plan |
| | 333-151438 | U. S. Steel Tubular Services Savings Plan |
| | 333-151440 | United States Steel Corporation Savings Fund Plan for Salaried Employees |

/s/ PricewaterhouseCoopers LLP
Pittsburgh, Pennsylvania
February 15, 2013

**Exhibit 24**

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned does hereby make, constitute and appoint J. P. Surma, Jr., G. R. Haggerty and G. A. Zovko or any one of them, my true and lawful attorneys-in-fact to sign and execute for me and on my behalf United States Steel Corporation's Annual Report on Form 10-K for the year ended December 31, 2012 to be filed with the Securities and Exchange Commission, and any and all amendments to such report to be filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, in such form as they or any one or more of them may approve, and to do any and all other acts which said attorneys-in-fact may deem necessary or desirable to enable United States Steel Corporation to comply with said Act and the rules and regulations thereunder.

IN WITNESS WHEREOF, I have hereunto set my hand this 15th February, 2013.

/s/ Dan O. Dinges

Dan O. Dinges

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned does hereby make, constitute and appoint J. P. Surma, Jr., G. R. Haggerty and G. A. Zovko or any one of them, my true and lawful attorneys-in-fact to sign and execute for me and on my behalf United States Steel Corporation's Annual Report on Form 10-K for the year ended December 31, 2012 to be filed with the Securities and Exchange Commission, and any and all amendments to such report to be filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, in such form as they or any one or more of them may approve, and to do any and all other acts which said attorneys-in-fact may deem necessary or det proor

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IN WITNESS WHEREOF, I have hereunto set my hand this 15th day of February, 2013.

/s/ Murry S. Gerber

Murry S. Gerber

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned does hereby make, constitute and appoint J. P. Surma, Jr., G. R. Haggerty and G. A. Zovko or any one of them, my true and lawful attorneys-in-fact to sign and execute for me and on my behalf United States Steel Corporation's Annual Report on Form 10-K for the year ended December 31, 2012 to be filed with the Securities and Exchange Commission, and any and all amendments to such report to be filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, in such form as they or any one or more of them may approve, and to do any and all other acts which said attorneys-in-fact may deem necessary or desirable to enable United States Steel Corporation to comply with said Act and the rules and regulations thereunder.

IN WITNESS WHEREOF, I have hereunto set my hand this 15th day of February, 2013.

/s/ Charles R. Lee

Charles R. Lee

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned does hereby make, constitute and appoint J. P. Surma, Jr., G. R. Haggerty and G. A. Zovko or any one of them, my true and lawful attorneys-in-fact to sign and execute for me and on my behalf United States Steel Corporation's Annual Report on Form 10-K for the year ended December 31, 2012 to be filed with the Securities and Exchange Commission, and any and all amendments to such report to be filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, in such form as they or any one or more of them may approve, and to do any and all other acts which said attorneys-in-fact may deem necessary or desirable to enable United States Steel Corporation to comply with said Act and the rules and regulations thereunder.

IN WITNESS WHEREOF, I have hereunto set my hand this 15th day of February, 2013.

/s/ Glenda G. McNeal

Glenda G. McNeal

<u>POWER OF ATTORNEY</u>

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned does hereby make, constitute and appoint J. P. Surma, Jr., G. R. Haggerty and G. A. Zovko or any one of them, my true and lawful attorneys-in-fact to sign and execute for me and on my behalf United States Steel Corporation's Annual Report on Form 10-K for the year ended December 31, 2012 to be filed with the Securities and Exchange Commission, and any and all amendments to such report to be filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, in such form as they or any one or more of them may approve, and to do any and all other acts which said attorneys-in-fact may deem necessary or desirable to enable United States Steel Corporation to comply with said Act and the rules and regulations thereunder.

IN WITNESS WHEREOF, I have hereunto set my hand this 15th day of February, 2013.

/s/ Seth E. Schofield

Seth E. Schofield

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned does hereby make, constitute and appoint J. P. Surma, Jr., G. R. Haggerty and G. A. Zovko or any one of them, my true and lawful attorneys-in-fact to sign and execute for me and on my behalf United States Steel Corporation's Annual Report on Form 10-K for the year ended December 31, 2012 to be filed with the Securities and Exchange Commission, and any and all amendments to such report to be filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, in such form as they or any one or more of them may approve, and to do any and all other acts which said attorneys-in-fact may deem necessary or desirable to enable United States Steel Corporation to comply with said Act and the rules and regulations thereunder.

IN WITNESS WHEREOF, I have hereunto set my hand this 15th day of February, 2013.

/s/ Patricia A. Tracey
Patricia A. Tracey

**Exhibit 31.2**

CHIEF FINANCIAL OFFICER CERTIFICATION

I, Gretchen R. Haggerty, certify that:

1. I have reviewed this annual report on Form 10-K of United States Steel Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

February 15, 2013

/s/ Gretchen R. Haggerty
Gretchen R. Haggerty
Executive Vice President and Chief Financial Officer

**Exhibit 32.1**

CHIEF EXECUTIVE OFFICER
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350

I, John P. Surma, Chairman of the Board of Directors and Chief Executive Officer of United States Steel Corporation, certify that:

(1) The Annual Report on Form 10-K of United States Steel Corporation for the period ending December 31, 2012 fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the foregoing report fairly presents, in all material respects, the financial condition and results of operations of United States Steel Corporation.

/s/ John P. Surma

John P. Surma
Chairman of the Board of Directors and Chief Executive Officer

February 15, 2013

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to United States Steel Corporation and will be retained by United States Steel Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

**Exhibit 32.2**

CHIEF FINANCIAL OFFICER
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350

I, Gretchen R. Haggerty, Executive Vice President and Chief Financial Officer of United States Steel Corporation, certify that:

(1) The Annual Report on Form 10-K of United States Steel Corporation for the period ending December 31, 2012 fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the foregoing report fairly presents, in all material respects, the financial condition and results of operations of United States Steel Corporation.

/s/ Gretchen R. Haggerty

Gretchen R. Haggerty
Executive Vice President and Chief Financial Officer

February 15, 2013

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to United States Steel Corporation and will be retained by United States Steel Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

**Exhibit 95**

# United States Steel Corporation
## Mine Safety Disclosure
## (Unaudited)

Information for the twelve months ended December 31, 2012 follows:

| Mine (Federal Mine Safety and Health Administration (MSHA) ID) | Total # of Significant & Substantial violations under §104 (a) | Total # of orders under §104(b) (a) | Total # of unwarrantable failure citations and orders under §104(d) (a) | Total # of violations under §110(b)(2) (a) | Total # of orders under §107(a) (a) | Total dollar value of proposed assessments from MSHA | Total # of mining related fatalities | Received Notice of Pattern of Violations under §104(e) (a) (yes/no)? | Received Notice of Potential to have Pattern under §104(e) (a) (yes/no)? | Total # of Legal Actions Pending with the Mine Safety and Health Review Commission as of Last Day of Period (b) | Legal Actions Initiated During Period | Legal Actions Resolved During Period |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Mt. Iron (2100819, 2100820, 2100282) | 93 | 0 | 0 | 0 | 0 | $ 293,460 | 0 | no | no | 167 | 106 | 64 |
| Keewatin (2103352) | 18 | 0 | 0 | 0 | 0 | $ 41,071 | 0 | no | no | 35 | 24 | 11 |

(a) References to Section numbers are to sections of the Federal Mine Safety and Health Act of 1977.

(b) Includes all legal actions pending before the Federal Mine Safety and Health Review Commission, together with the Administrative Law Judges thereof, for each of our iron ore operations. These actions may have been initiated in prior quarters. All of the legal actions were initiated by us to contest citations, orders or proposed assessments issued by the Federal Mine Safety and Health administration, and if we are successful, may result in the reduction or dismissal of those citations, orders or assessments. As of the last day of the period, all 202 legal actions were to contest citations and proposed assessments.