

Larry G. Schultz
Vice President & Controller

Dated: March 2, 2004

UNAUDITED PRO FORMA CONDENSED COMBINED
FINANCIAL STATEMENTS

The following unaudited pro forma condensed combined statement of operations for the year ended December 31, 2003 gives effect to the sale of U. S. Steel's coal mining assets, the acquisition of substantially all of the assets of National Steel Corporation (National), including certain effects of the new labor agreement with the United Steelworkers of America (USWA), as it relates to National's employees (as described in the notes to this unaudited pro forma condensed combined statement of operations) and the associated financing incurred by U. S. Steel to complete the acquisition as if these transactions had occurred on January 1, 2003.

The unaudited pro forma condensed combined statement of operations has been developed from the audited consolidated statement of operations of United States Steel Corporation (U. S. Steel) for the year ended December 31, 2003 and the unaudited consolidated statement of operations of National for the year-to-date period ended May 20, 2003.

The pro forma financial information herein is based on available information and certain assumptions that management believes are reasonable and which are described in the accompanying notes. In the opinion of management, all adjustments have been made to these financial statements to fairly present the unaudited pro forma condensed combined statement of operations. The unaudited pro forma condensed combined statement of operations is provided for illustrative purposes only and does not purport to represent what the actual consolidated results of operations of U. S. Steel would have been had these transactions occurred on the dates assumed, nor is it necessarily indicative of future consolidated results of operations. A number of factors may affect U. S. Steel's results. The unaudited pro forma condensed combined statement of operations should be read in conjunction with the separate historical consolidated financial statements and accompanying notes of U. S. Steel and National.

U. S. STEEL
UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS FOR THE
YEAR ENDED DECEMBER 31, 2003 (DOLLARS IN MILLIONS EXCEPT PER SHARE DATA)

<TABLE>
<CAPTION>

	U. S. STEEL HISTORICAL	ADJUSTMENTS FOR SALE OF COAL MINING ASSETS (1)	ADJUSTED U. S. STEEL	NATIONAL HISTORICAL (2)	ADJUSTMENTS TO NATIONAL (3)
<S>	<C>	<C>	<C>	<C>	<C>
Revenues and other income	\$ 9,458	\$ (112) (a) 2 (b)	\$9,348	\$1,031	\$ (2)
Costs and expenses:					
Cost of revenues (excludes items below)	8,469	(97) (a) 2 (b)	8,374	992	(67)
Selling, general and administrative expenses	673	-	673	53	(12)
Depreciation, depletion and amortization	363	-	363	64	-
Restructuring charges	683	-	683	-	-
Pension curtailment	-	-	-	106	(106)
Total costs and expenses	10,188	(9 se			

Dividends on 7% Series B Mandatory Convertible Preferred Shares	16	-	16	-	-

Income (loss) from continuing operations applicable to common stock	\$(422)	\$(10)	\$(432)	\$(204)	\$203

Income (loss) from continuing operations per share -Basic and diluted	\$ (4.09)				
Weighted average shares outstanding, in thousands - Basic and diluted	103,179				

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	ADJUSTED NATIONAL (4)	PRO FORMA ADJUSTMENTS (5)	U. S. STEEL PRO FORMA

<S>	<C>	<C>	<C>
Revenues and other income	\$1,029	\$(23)(d)	\$10,354
Costs and expenses:			
Cost of revenues (excludes items below)	925	(23)(d) 16(e)	9,292
Selling, general and administrative expenses	41	2(e)	716
Depreciation, depletion and amortization	64	(48)(f)	379
Restructuring cost			

(DOLLARS IN MILLIONS)

- (1) Column reflects the adjustments for the sale of U. S. Steel's coal mining assets on June 30, 2003. The sale does not meet the criteria for presentation as a discontinued operation.
 - (a) Reflects adjustment to remove revenues, cost of revenues, selling, general and administrative expenses, depreciation, depletion and amortization and the gain on disposal of assets related to the coal mining sale.
 - (b) Reflects adjustment to reflect U. S. Steel's intercompany revenue and cost of revenues related to the coal mining assets, which were historically eliminated in consolidation.
 - (c) Reflects the income tax effects of the adjustments

(f) Reflects adjustments to reduce the historical depreciation, depletion and amortization recorded by National to reflect the reduced value of the property, plant and equipment and the value assigned to intangible assets that was recorded on U. S. Steel's books. The weighted average useful life of the property, plant and equipment and the intangible assets acquired is approximately 14 years and 6 years, respectively.

U. S. STEEL
 NOTES TO PRO FORMA CONDENSED
 STATEMENT OF OPERATIONS
 (DOLLARS IN MILLIONS)

(g) Reflects interest expense and other financial costs associated with the financing of the acquisition of substantially all of National's assets as follows:

	Year ended December 31, 2003

Interest on \$450 of 9.75% Senior Notes due 2010.....	\$16(a)
Amortization of deferred financing costs associated with the 9.75% Senior Notes.....	1 ---
Pro forma adjustment for interest and other financial costs.....	\$17

(a) Annual interest of \$44 million reduced by \$27 million recorded in U. S. Steel historical financial statements.