Net sales		$ 4,769		$ 14,110
Net sales to related parties		312		955
Total		5,081		15,065
Cost of sales (exclA				

[illegible] Dy

Net (loss) income		$ 158
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation, depletion and amortization		512
Provision for doubtful accounts		4
Pensions and other postretirement benefits		(74)
Deferred income taxes		10
Net loss (gain) on disposal of assets		(10)
Currency remeasurement gain		(26)
Distributions received, net of equity investees income		(49)
Changes in:		
Current receivables		(576)
Inventories		(511)
Current accounts payable and accrued expenses		443
Income taxes receivable/payable		148
Bank checks outstanding		21
All other, net		58
Net cash provided by operating activities		108
Capital expenditures [(a)]		(626)
Disposal of assets		16
Change in restricted cash, net		21
Investments, net		(22)
Net cash used in investing activities		(611)
Revolving credit facilities – borrowings		3,316
– repayments		(3,163)
Receivables Purchase Agreement proceeds		75
Issuance of long-term debt, net of financing costs		-
Repayment of long-term debt		(18)
Common stock issued		4
Distributions from noncontrolling interests		1
Dividends paid		(22)
Net cash (used in) provided by financing activities		193
		2
		(308)
		578
		$ 270

(a) Excludes the change in accrued capital expenditures of $50 million for the nine months ended September 30, 2012. The change in accrued capital expenditures was immaterial for the nine months ended September 30, 2011.

The accompanying notes are an integral part of these consolidated financial statements.

United States Steel Corporation (U. S. Steel) produces and sells steel mill products, including flat-rolled and tubular products, in North America and Central Europe. Operations in North America also include transportation services (railroad and barge operations) and real estate operations.

The year-end consolidated balance sheet data was derived from audited statements but does not include all disclosures required for complete financial statements by accounting principles generally accepted in the United States of America (U.S. GAAP). The other information in these financial statements is unaudited but, in the opinion of management, reflects all adjustments necessary for a fair presentation of the results for the periods covered. All such adjustments are of a normal recurring nature unless disclosed otherwise. These financial statements, including notes, have been prepared in accordance with the applicable rules of the Securities and Exchange Commission and do not include all of the information and disclosures required by accounting principles generally accepted in the United States of America for complete financial statements. Additional information is contained in the United States Steel Corporation Annual Report on Form 10-K for the year ended December 31, 2011 which should be read in conjunction with these financial statements.

On May 12, 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update No. 2011-04, (ASU 2011-04). The amendments in ASU 2011-04 change the wording used to describe many of the requirements in U.S. GAAP for measuring fair value and for disclosing information about fair value measurements. The amendments are intended to create comparability of fair value measurements presented and disclosed in financial statements prepared in accordance with U.S. GAAP and International Financial Reporting Standards. ASU 2011-04 is effective for interim and annual periods beginning after December 15, 2011. The adoption of this ASU did not have a material impact on U. S. Steel's financial statements.

On June 16, 2011, the FASB issued Accounting Standards Update No. 2011-05, (ASU 2011-05). The amendments in ASU 2011-05 require entities to present the total of comprehensive income, the components of net income,

Goodwill represents the excess of the cost over the fair value of acquired identifiable tangible and intangible assets and liabilities assumed from businesses acquired. We have two reporting units that have a significant amount of goodwill. Our Flat-rolled reporting unit was allocated goodwill from the Stelco Inc. (Stelco) and Lone Star Technologies Inc. (Lone Star) acquisitions in 2007. These amounts reflect the benefits the Flat-rolled reporting unit realizes from expanding our flexibility in meeting our customers' needs and running our Flat-rolled facilities at higher operating rates to source our semi-finished product needs. Our Texas Operations reporting unit, which is part of our Tubular reportable segment, was allocated goodwill from the Lone Star acquisition, reflecting the benefits the reporting unit is realizing from the expansion of our tubular operations.

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. On January 1, 2012, U. S. Steel adopted ASU 2011-08 which provides the option of performing a qualitative assessment before performing the first step of the two-step impairment test (see note 2). U. S. Steel completed its annual goodwill impairment evaluation during the third quarter of 2012 and determined, on the basis of a number of economic, cost, market and other qualitative factors, that there was no indication of goodwill impairment for any of the reporting units.

Goodwill impairment tests in prior years also indicated that goodwill was not impaired for any reporting unit. Accordingly, there are no accumulated impairment losses for goodwill.

Amortizable intangible assets are being amortized on a straight-line basis over their estimated useful lives and are detailed below:

Customer relationships	22-23 Years	$ 219	$ 44	$ 175
Other	2-20 Years	22	10	12
Total amortizable intangible assets		$ 241	$ 54	$ 187

The carrying amount of acquired water rights with indefinite lives as of September 30, 2012 and December 31, 2011 totaled $75 million. The water rights are tested for impairment annually in the third quarter. During the third quarter of 2012, U. S. Steel early adopted ASU 2012-02 (see note 2) and performed a qualitative impairment evaluation of its water rights. The 2012 and prior year tests indicated that the water rights were not impaired. Accordingly, no impairment loss was recognized.

Amortization expense was $3 million and $2 million in the three months ended September 30, 2012 and 2011, respectively and was $8 million in both the nine months ended September 30, 2012 and 2011, respectively. The estimated future amortization expense of identifiable intangible assets during the next five years is $3 million for the remaining portion of 2012 and $11 million each year from 2013 to 2016.

During the first nine months of 2012, U. S. Steel made a voluntary contribution of $140 million to its main defined benefit pension plan. U. S. Steel alM

Recent grants of stock-based compensation consist of stock options, restricted stock units and performance awards. The following table is a general summary of the awards made under the Plan.

Stock Options	707,060	$	24.39
Restricted Stock Units	421,000	$	45.81
Performance Awards	85,040	$	65.47

The share amounts shown in this table do not reflect an adjustment for estimated forfeitures.
Per share amounts
The number of Performance Awards shown represents the target value of the award.

As of September 30, 2012, total future compensation cost related to nonvested stock-based compensation arrangements was $51 million, and the weighted average period over which this cost is expected to be recognized is approximately 1.3 years.

Compensation expense for stock options is recorded over the vesting period based on the fair value on the date of grant,

U.S. dollars. In addition, foreign cash requirements have been, and in the future, may be funded by intercompany loans, creating intercompany monetary

[illegible] of the entities involved, [illegible]

At both September 30, 2012 and December 31, 2011, eligible accounts receivable supported $625 million of availability under the RPA. At September 30,30

The facilities were terminated on January 31, 2012 as a result of the sale of USSS (see note 4).

U. S. Steel’s asset retirement obligations (AROs) primarily relate to mine and landfill closure and post-closure costs. The following table reflects changes in the carrying values of AROs:

Balance at beginning of year	$	39
Additional obligations incurred		2
Obligations settled		(5)
Foreign currency translation effects		-
Accretion expense		2
expense		

The following table summarizes U. S. Steel's financial assets and liabilities that were not carried at fair value at September 30, 2012 and December 31, 2011.

Investments and long-term receivables	$ 45	$ 45
Debt	$ 3,874	$ 3,827

Excludes equity method investments.
Excludes borrowings under the Receivables Purchase Agreement 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

The following table reflects the first nine months of 2012 and 2011 reconciliation of the carrying amount of total equity, equity attributable to Unit [illegible]

2011, respectively, and $44 million and $41 million for the nine months ended September 30, 2012 and 2011, respectively. Purchases of iron ore pellets from related parties amounted to $84 million and $55 million for the three months ended September 30, 2012 and 2011, respectively, and $204 million and $164 million for the nine months ended September 30, 2012 and 2011, respectively.

Accounts payable to related parties include amounts collected on behalf of PRO-TEC Coating Company (PRO-TEC) of $80 million and $84 million at September 30, 2012 and December 31, 2011, respectively. U. S. Steel, as PRO-TEC's exclusive sales agent, is responsible for credit risk related to PRO-TEC's receivables. U. S. Steel also provides PRO-TEC marketing, selling and customer service functions. Payables to other related parties totaled $4 million and $2 million at September 30, 2012 and December 31, 2011, respectively.

U. S. Steel is the subject of, or party to, a number of pending or threatened legal actions, contingencies and commitments involving a variety of matters, including laws and regulations relating to the environment. Certain of these matters are discussed below. The ultimate resolution of these contingencies could, individually or in the aggregate, be material to the consolidated financial statements. However, management believes that U. S. Steel will remain a viable and competitive enterprise even though it is possible that these contingencies could be resolved unfavorably.

U. S. Steel accrues for estimated costs related to existing lawsuits, claims and proceedings when it is probable that it will incur these costs in the future.

Asbestos matters As of September 30, 2012, U. S. Steel was a defendant in approximately 755 active cases involving approximately 3,295 plaintiffs. [illegible], of these plaintiff claims are currently pending in jurisdictions which permit filihnt f s approximately 260 plaintiffs allege that they are suffering from mesothelioma. The potential for damages against defendants may be greater in cases in which the plaintiffs can prove mesothelioma.

In many cases in which claims have been asserted against U. S. Steel, the plaintiffs have been unable to establish any causal relationship to U. S. Steel or its products or premises; however, with the decline in mass plaintiff cases, the incidence of claimants actually alleging a claim against U. S. Steel is increasing. In addition, in many asbestos cases, the claimants have been unable to demonstrate that they have suffered any identifiable injur

Accrued liabilities for remediation activities are included in the following balance sheet lines:

Accounts payable	$	20
Deferred credits and other noncurrent liabilities		186
Total	$	206

Expenses related to remediation are recorded in cost of sales and totaled $2 million and $5 million for the three months ended September 30, 2012 and 2011, respectively, and $11 million and $10 million for the nine months ended September 30, 2012 and 2011, respectively. It is not presently possible to estimate the ultimate amount of all remediation costs that might be incurred. Due to uncertainties inherent in remediation projects and the associated liabilities, it is possible that total remediation costs for active matters and projects with ongoing study and scope develop

Geneva, Utah. As of September 30, 2012, accrued liabilities for these two additional projects totaled $87 million. U. S. Steel does not expect material additional costs related to these projects.

– There are five other environmental remediation projects which each had an accrued liability of between $1 million and $5 million. The total accrued liability for these projects at September 30, 2012 was $11 million. These projects have progressed through a significant portion of the design phase and material additional costs are not expected.

The remaining environmental remediation projects each had an accrued liability of less than $1 million. The total accrued liability for these projects at September 30, 2012 was $9 million. We do not foresee material additional liabilities for any of these sites.

– Accrued liabilities for post-closure site monitoring and other costs at various closed landfills totaled $27 million at September 30, 2012 and were based on known scopes of work.

– As of September 30, 2012, U. S. Steel had an accrued liability of $6 million for administrative and legal costs related to environmental remediation projects. These accrued liabilities were based on projected administrative and legal costs for the next three years and do not change significantly from year to year.

For a number of years, U. S. Steel has made substantial capital expenditures to bring existing facilities into compliance with various laws relating to the environment. In the first nine months of 2012 and 2011, such capital expenditures totaled $37 million and $64 million, respectively. U. S. Steel anticipates making additional such expenditures in the future; however, the exact amounts and timing of such expenditures are uncertain because of the continuing evolution of specific regulatory requirements.

– Current and potential regulation of Greenhouse Gas (GHG) emissions remains a significant issue for the steel ig i eel ig i 2e emissions. s. .

of more g9r

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 September 30, 2012). No liability has been recorded for these guarantees as the potential loss is not probable.

[illegible]

Net sales were $4,652 million in the third quarter of 2012, compared with $5,081 million in the same quarter last year. The slight increase in sales for the Flat-rolled segment reflected higher shipments (increase of 137 thousand tons) partially offset by lower average realized prices (decrease of $32 per ton). The decrease pe several prior years. U. S. Steel will likely make voluntary contributions of similar amounts in future periods to mitigate potentially larger mandatory contributions in later years. Assuming future asset performance consistent with our expected long-term earnings rate assumption of 7.75%, we anticipate that the pension stabilization legislation interest rate changes will allow us to continue to make voluntary contributions of approximately $140 million per year through 2015 before we could be required to contribute more than that amount should the current low interest rate environment persist.

The foregoing statements regarding future minimum required cash contributions to our main defined benefit pension plan are forward-looking statements. Factors that may affect our future minimum required contributions to our main defined benefit pension plan include: any voluntary contributions that we may make, future pension plan asset performance, actual interest rates under the law, and the impacts of business acquisitions or divestitures, union negotiated benefit changes and future government regulations.

Net periodic pension cost, including multiemployer plans, is expected to total approximately $410 million in 2012. Total other benefits costs in 2012 are expected to total approximately $100 million as a result of the remeasurement described below. The discount rate and plan asset performance are significant assumption inputs used in the calculation of pension and other benefits net periodic benefit costs.

A sensitivity analysis of the projected incremental effect of a hypothetical / percentage point change in the significant inputs used in the calculation of pension and other benefits net periodic benefit costs is provided in the following table:

primarily as [redacted] te. With the obligation reduction and an increase in the market value of the assets for these OPEB plans at September [redacted] PEB plans improved by approximately $410 million. After the remeasurement, net periodic OPEB expense for 2012 is now [redacted] mpared to $120 million at the January 1, 2012 measurement date.

Othe [redacted]

We recorded a pretax gain of $19 million related to that occurred in the first nine months of 2012. This was reflected as a reduction to our cost of sales.

Net interest and other financial costs

Interest and other financial costs	$ 53	-2%	$ 166	9%
Interest income	(1)	0%	(4)	50%

employee benefits that will become deductible for tax purposes over an extended period of time as cash contributions are made to employee benefit plans and retiree benefits are paid in the future. As a result of our cumulative historical earnings, we continue to believe it is more likely than not that the domestic deferred tax assets will be realized.

At September 30, 2012, the net foreign deferred tax asset was $58 million, net of established valuation allowances of $1,040 million. At December 31, 2011, the net foreign deferred tax asset was $66 million, net of established valuation allowances of $1,018 million. At December 31, 2011, a full valuation allowance was recorded for both the Canadian and Serbian deferred tax assets primarily due to cumulative losses in these jurisdictions in recent years. On January 31, 2012, U. S. Steel sold USSS and the Serbian deferred tax assets and the offsetting valuation allowance were removed in the first quarter of 2012 in connection with the sale. Net foreign deferred tax assets will fluctuate as the value of the U.S. dollar changes with respect to the Canadian dollar and the euro. If evidence changes and it becomes more likely than not that the Company will realize the Canadian deferred tax asset, the valuation allowance would be partially or fully reversed. Any reversal of this amount would result in a decrease to income tax expense.

For further information on income taxes see note 9 to the Consolidated Financial Statements.

Net income (loss) attributable to United States Steel Corporation was $44 million and $(74) million in the third quarter and first nine months of 2012, respectively, compared to net income of $22 million and $158 million in the third quarter and first nine months of 2011, respectively. The changes primarily reflect the factors discussed above.

decreased by $250 million from year-end 2011 due to the sale of USSS and a reduction in raw material inventories.

as of December 31, 2011 reflected the majority of the operating assets of Birmingham Southern Railroad and the Port Birmingham Terminal that were sold on February 1, 2012 (See Note 4 to the Consolidated Financial Statements).

decreased by $139 million from year-end 2011 primarily due to the sale of USSS.

decreased by $115 million from year-end 2011 due to decreased business volumes and decreased capital expenditures.

as of December 31, 2011 reflects the outstanding borrowings under our RPA. As of September 30, 2012, there were no borrowings outstanding under our RPA.

decreased by $611 million from year-end 2011 primarily due to a $410 million improvement in the funded status of the other post-employment benefit plans effective with the September 1, 2012 remeasurement (see note 6 to the Consolidated Financial Statements) and U. S. Steel's $140 million voluntary pension contribution to its main defined benefit pension

in the first nine months of 2012 reflects the issuance of $4 .g

At September 30, 2012, USSK had no borrowings under its €80 million unsecured credit facilities (which approximated $103 million) and the availability was approximately $102 million due to approximately $1 million of outstanding customs and other guarantees. On October 8, 2012, one of these facilities expired reducing the credit availability by €40 million (which approximated $52 million).

We may from time to time seek to retire or purchase our outstanding long-term debt in open market purchases, privately negotiated transactions, exchange transactions or otherwise. Such purchases or exchanges, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors and may be commenced or suspended at any time. The amounts involved may be material.

We use surety bonds, trusts and letters of credit to provide financial assurance for certain transactions and business activities. The use of some forms of financial assurance and collateral have a negative impact on liquidity. U. S. Steel has committed $140 million of liquidity sources for financial assurance purposes as of September 30, 2012.

At September 30, 2012, in the event of a change in control of U. S. Steel, debt obligations totaling $3,163 million, which includes the Senior Notes and the Senior Convertible Notes, may be declared immediately due and payable. In such an event, U. S. Steel may also be required to either repurchase the leased Fairfield slab caster for $20 million or provide a letter of credit to secure the remaining obligation.

The slab caster facility at Fairfield, Alabama is subject to a 24-year lease which expires in June 2013. U. S. Steel has the option to purchase the caster or to renew the lease at the end of the basic term. During the third quarter of 2012, U. S. Steel entered into an agreement granting the Company the option to either purchase the slab caster for $40.8 million, or to elect certain lease renewal options, including the purchase of the slab caster for a fixed price at the expiration of the selected renewal periods. U. S. Steel recorded the slab caster lease at the weighted average present value of the future expected cash flows.

The maximum outstanding guarantees of the indebtedness of unconsolidated entities of U. S. Steel totaled $37 million at September 30, 2012. In the event that any default related to the guaranteed indebtedness occurs, U. S. Steel has access to its interest in the assets of the investees to reduce its potential losses under the guarantees.

Our major cash requirements in 2012 are expected to be for capital expenditures, employee benefits and working capital requirements, including purchases of raw materials. We finished the third quarter of 2012 with $536 million of available cash and $2.4 billion of total liquidity. Available cash is left on deposit with financial institutions or invested in highly liquid securities with parties we believe to be creditworthy.

U. S. Steel management believes that U. S. Steel’s liquidity will be adequate to satisfy our obligations for the foreseeable future, including obligations to complete currently authorized capital spending programs. Future requirements for U. S. Steel’s business needs, including the funding of acquisitions and capital expenditures, scheduled debt maturities, contributions to employee benefit plans, and any amounts that may ultimately be paid in connection with contingencies, are expected to be financed by a combination of internally generated funds (including asset sales), proceeds from the sale of stock, borrowings, refinancings and other external financing sources.

Our opinion regarding liquidity is a forward-looking statement based upon currently available information. To the extent that operating cash flow is materially lower than recent levels or external financing sources are not available on terms competitive with those currently available, future liquidity may be adversely affected.

U. S. Steel did not enter into any new material off-balance sheet arrangements during the first nine months of 2012.

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. In recent years, these expenditures have been mainly for process changes in order to meet Clean Air Act (CAA) obligations and similar obligations in Europe and Canada, although ongoing compliance costs have also been significant. To the extent that these expenditures, as with all costs, are not ultimately reflected in the prices of our products and services, operating results will be reduced. U. S. Steel believes that our major North American and many European integrated steel competitors are confronted by substantially similar conditions and thus does not believe that our relative position with regard to such competitors is materially affected by the impact of environmental laws and regulations. However, the costs and operating restrictions necessary for compliance with environmental laws and regulations may have an adverse effect on our competitive position with regard to domestic mini-mills, some foreign steel producers (particularly in developing economies such as China) and producers of materials which compete with steel, all of which may not be required to incur equivalent costs in their operations. In addition, the specific impact on each competitor may vary depending on a number of factors, including the age and location of its operating facilities and its production methods. U. S. Steel is also responsible for remediation costs related to our prior disposal of environmentally sensitive materials. Many of our competitors do not have similar historical liabilities.

Our U.S. facilities are subject to the U.S. environmental standards, including the CAA, the Clean Water Act, the Resource Conservation and Recovery Act (RCRA) and the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), as well as state and local laws and regulations.

U. S. Steel Canada (USSC) is subject to the environmental laws of Canada, which are comparable to environmental standards in the United States. Environmental regulation in Canada is an area of shared responsibility between the federal government and the provincial governments, which in turn delegates certain matters to municipal governments. Federal environmental statutes include the federal Canadian Environmental Protection Act, 1999 and the Fisheries Act. Various provincial statutes regulate environmental matters such as the release and remediation of hazardous substances; waste storage, treatment and disposal; and air emissions. As in the United States, Canadian environmental laws (federal, provincial and local) are undergoing revision and becoming more stringent.

USSK is subject to the environmental laws of Slovakia and the European Union (EU). A related law of the EU commonly known as Registration, Evaluation, Authorization and Restriction of Chemicals, Regulation 1907/2006 (REACH) requires the registration of certain substances that are produced in the EU or imported into the EU. Although USSK is currently compliant with REACH, this regulation is becoming increasingly stringent. Slovakia is also currently considering a law implementing an EU Waste Framework Directive that would more strictly regulate waste disposal and increase fees for waste disposed of in landfills including privately owned landfills. The intent of the waste directive is to encourage recycling and because Slovakia has not adopted implementing legislation, we cannot estimate the full financial impact of this prospective legislation at this time.

The EU's Industry Emission Directive

limited discretion in implementing the legislation. Producers will be required to be in compliance with the iron and steel BAT by March 8, 2016. We are evaluating the costs of complying with BAT, but our most recent broad estimate of likely capital expenditures is $350 million to $

In 2007, Canada's federal government announced a framework climate change plan that involved mandatory reduction targets for all major greenhouse gas producing industries. To date, federal greenhouse gas regulations have been adopted for Canada's transportation and electricity sectors only. The federal government has indicated that it is committed to reducing Canada's total greenhouse gas emissions by 17 percent from 2005 levels by 2020, but also stated that this target is subject to adjustment in order to remain aligned with the United States. At this point, it is unclear when Canadian federal regulations on greenhouse gas emissions for other major-emitting sectors will be developed and whether they will reflect the targets or approach of the previously announced plan. On June 12, 2009, Canada's federal government also released for comment two draft guides related to the establishment of an Offset System in Canada. These draft documents propose rules and provide guidance on ti of a

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American consumption have historically been the automotive and construction markets which make up more than 50 percent of total sheet consumption. Other

The following international trade orders of interest to U. S. Steel are currently undergoing five-year (sunset) reviews in the United States: (i) AD and CVD orders on corrosion-resistant steel from Korea, (ii) an AD order on corrosion-resistant steel from Germany, and (iii) an AD order on welded large-diameter line pipe from Japan.

U. S. Steel is also participating in litigation at the DOC and the ITC where domestic producers are seeking to obtain AD and CVD relief against circular welded pipe from Oman, the United Arab Emirates, Vietnam, and India (the AD case against India would cover a producer that is not subject to the AD order currently in place against imports of circular welded pipe from India).

We expect to continue to experience competition from imports and will continue to closely monitor imports of products in which we have an interest. Additional complaints may be filed if unfairly-traded imports adversely impact, or threaten to adversely impact, financial results.

See note 2 to the Consolidated Financial Statements in Part I Item 1 of this Form 10-Q.

There were no material changes in U. S. Steel’s exposure to market risk from December 31, 2011 except as noted below.

Historically, volatility in the foreign currency markets has had significant implications for U. S. Steel as a result of foreign currency accounting remeasurement effects, primarily on a U.S. dollar denominated intercompany loan from a U.S. subsidiary to a European entity. As of January 1, 2012, the functional currency of this European entity was changed from the euro to the U.S. dollar primarily because of significant changes in economic facts and circumstances, including the sale of U. S. Steel Serbia. This change in functional currency has been applied on a prospective basis since January 1, 2012. The remaining foreign currency remeasurement exposure is not expected to have significant effects on U. S. Steel’s financial results going forward.

U. S. Steel has evaluated the effectiveness of the design and operation of its disclosure controls and pFHr

Flat-rolled		$ 203		

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 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 the projects is approximately $45 million as of September 30, 2012, based on the estimated remaining costs.

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 Catd

On February 13, 2007, Michigan Department of Environmental Quality (MDEQ) and U. S. Steel agreed to an Administrative Consent Order (the Order) that resolves alleged violations of Clean Water Act National Pollutant Discharge Elimination System (NPDES) permits at the Great Lakes Works facility. As required by the Order, U. S. Steel has paid a civil penalty of $300,000 and has reimbursed MDEQ $50,000 in costs. The Order identified certain compliance actions to address the alleged violations. U. S. Steel has completed work on most of these compliance actions, and has initiated work on the others. As of September 30, 2012, $1.8 million has been spent on the project. In addition, $161,000 remains accrued for possible additional requirements.

On April 20, 2011, U. S. Steel Great Lakes Works received an NOV from MDEQ regarding an alleged BOP roof monitor opacity violation that was to have occurred on April 14, 2011. On May 11, 2011, U.

COA with the Pennsylvania Department of Environmental Protection to address the environmental issues at the site. While U. S. Steel was not the only entity to use the facility, U. S. Steel is the single remaining viable company responsible for the cleanup. An engineered remedy for the three locations at the site requiring remediation was implemented in July 2011 and completed in December 2011. Submission of the final completion report to the agency is scheduled for [illegible] 2012. As of September 30, 2012, U. S. Steel has spent $11.8 million related to the project. The remaining cost of the project is estimated to be $396,000 and was recorded as an accrued liability as of September 30, 2012.

At UPI, a joint venture between subsidiaries of U. S. Steel and POSCO, corrective measures have been implemented for the majority of the former SWMUs. Prior to the formation of UPI, U. S. Steel owned and operated the Pittsburg, California facility and retained responsibility for the existing environmental conditions. Seven SWMUs remain at the facility. Based on their constituents, six of these SWMUs have been combined into two groups of three, while one SWMU [illegible] are referred to as the Girard Zinc Works and the Cherokee Lanyon #2 site. The CAFO recognizes a single project incorporating the corrective action for both sites. A Final Corrective Action Completion Report was submitted to KDHE on June 4, 2012 and conditionally approved on June 14, 2012, for onsite issues. U. S. Steel continues to work with KDHE in addressing an offsite issue. As of September 30, 2012, U. S. Steel has an accrued liability of approximately $37,000 to conduct outstanding measures.

In January of 2004, U.

believes the actual number of plaintiffs who ultimately assert claims against U. S. Steel will likely be a small fraction of the total number of plaintiffs. Most of the claims filed in 2009 through 2012 involve individual or small groups of claimants.

Historically, these claims against U. S. Steel fall into three major groups: (1) claims made by persons who allegedly were exposed to asbestos at U. S. Steel facilities (referred to as “premises claims”); (2) claims made by industrial workers allegedly exposed to products formerly manufactured by U. S. Steel; and (3) claims made under certain federal and general maritime laws by employees of former operations of U. S. Steel. The ultimate outcome of any claim depends upon a myriad of legal and factual issues, including whether the plaintiff can prove actual disease, if any; actual exposure, if any, to U. S. Steel products; the duration of exposure to asbestos, if any, on U. S. Steel’s premises and the plaintiff’s exposure to other sources of asbestos. In general, the only insurance available to U. S. Steel with respect to asbestos claims is excess casualty insurance, which has multi-million dollar self-insured retentions. To date, U. S. Steel has received minimal payments under these policies relating to asbestos claims.

These asbestos cases allege a variety of respiratory and other diseases based on alleged exposure to asbestos. U. S. Steel is currently a defendant in cases in which a total of approximately 260 plaintiffs allege that they are suffering from mesothelioma. The potential for damages against defendants may be greater in cases in which the plaintiffs can prove mesothelioma.

In many cases in which claims have been asserted against U. S. Steel, the plaintiffs have been unable to establish any causal relationship to U. S. Steel or our products or premises; however, with the decline in mass plaintiff cases, the incidence of claimants actually alleging a claim against U. S. Steel is increasing. In addition, in many asbestos cases, the plaintiffs have been unable to demonstrate that they have suffered any identifiable injury or compensable loss at all; that any injuries that they have incurred did in fact result from alleged exposure to asbestos; or that such alleged exposure was in any way related to U. S. Steel or our products or premises.

In every asbestos case in which U. S. Steel is named as a party, the complaints are filed against numerous named defendants and generally do not contain allegations regarding specific monetary damages sought. To the extent that any specific amount of damages is sought, the amount applies to claims against all named defendants and in no case is there any allegation of monetary damages against U. S. Steel. Historically, approximately 78 percent of the cases against U. S. Steel did not specify any damage amount or stated that the damages sought exceeded the amount required to establish jurisdiction of the cours

The amount U. S. Steel has accrued for pending asbestos claims is not material to U. S. Steel's financial position. U. S. Steel does not accrue for unasserted asbestos claims because it is not possible to determine whether any loss is probable with respect to such claims or even to estimate the amount or range of any

The following risk factor has been updated from U. S. Steel's Form 10-K for the year ended December 31, 2011 to reflect the potential effects from the Surface Transportation Act of 2012.

Our retiree health care and retiree life insurance plan costs, most of which are unfunded obligations and our pension plan costs in North America are higher than those of many of our competitors. These plans create a competitive disadvantage and negatively affect our results of operations and cash flows.

We maintain retiree health care and life insurance and defined benefit pension plans covering mhnsȯȯt D[illegible](Hn

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned chief accounting officer thereunto duly authorized.

UNITED STATES STEEL CORPORATION

By /s/ Gregory A. Zovko

Gregory A. Zovko
Vice President and Controller

October 30, 2012

This Form 10-Q will be posted on the U. S. Steel web site, www.ussteel.com, within a few days of its filing.

<u>CHIEF FINANCIAL OFFICER CERTIFICATION</u>

I, Gretchen R. Haggerty, certify that:

1. I have reviewed this quarterly report on Form 10-Q 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 recor

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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 Quarterly Report on Form 10-Q of United States Steel Corporation for the period ending September 30, 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
Stat Steel Co Gr nt
Gretchen R. Haggerty
Executive Vice President
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Exhibit 95

United States Steel Corporation
Mine Safety Disclosure
(Unaudited)

Mine (Federal Mine Safety and Health Administration (MSHA) ID)	Total # of Significant & Substantial violations under §104	Total # of orders under §104(b)	Total # of unwarrantable failure citations and orders under §104(d)	Total # of violations under §110(b)(2)	Total # of orders under §107(a)	Total dollar value of proposed assessments from MSHA	Total # of mining related fatalities	Received Notice of Pattern of Violations under §104(e) (yes/no)?	Received Notice of Potential to have Pattern under §104(e) (yes/no)?	Total # of Legal Actions Pending with the Mine Safety and Health Review Commission as of Last Day of Period	Legal Actions Instituted During Period	Legal Actions Resolved During Period
Mt. Iron (2100819, 2100820, 2100282)	15	0	0	0	0	$ 55,335	0	no	no	167	32	34
Keewatin (2103352)	2	0	0	0	0	$ —	0	no	no	35	9	8

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

Includes all legal actions pending before the Federal Mine Safety and Health Review Commission, together with the Administrative Law Judges thereof, for ea[illegible]