

Senior Vice President & Controller

Dated: October 28, 2008

dollar-denominated intercompany loan to a European subsidiary, partially offset by euro-U.S. dollar derivatives activity. This compares to an immaterial effect for these items in the second quarter of 2008.

We repurchased 1.13 million shares of common stock for approximately \$130 million during the third quarter.

Reportable Segments and Other Businesses

Management believes segment income from operations is a key measure in evaluating company performance. U. S. Steel's reportable segments and Other Businesses reported segment income from operations of \$1,461 million, or \$227 per ton, in the third quarter of 2008, S We fi e

U. S. Steel.

A Statement of Operations (Unaudited), Cash Flow Statement (Unaudited), Condensed Balance Sheet (Unaudited) and Preliminary Supplemental Statistics (Unaudited) for U. S. Steel are attached.

The company will conduct a conference call on third quarter earnings on Tuesday, October 28, at 2 p.m. EDT. To listen to the webcast of the conference call, visit the U. S. Steel web site, www.ussteel.com, and click on the "Investors" button.

For more information on U. S. Steel, visit its web site at www.ussteel.com.

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2008-051

UNITED STATES STEEL CORPORATION
STATEMENT OF OPERATIONS (Unaudited)

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(Dollars in millions)	Quarter Ended			Nine Months Ended	
	Sept. 30 2008	June 30 2008	Sept. 30 2007	Sept. 30 2008	Sept. 30 2007
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NET SALES	\$ 7,312	\$ 6,744	\$ 4,354	\$ 19,252	\$ 12,338
OPERATING EXPENSES (INCOME):					
Cost of sales (excludes items shown below)	5,752	5,497	3,749	15,892	10,523
Selling, general and administrative expenses	151	171	134	464	411
Depreciation, depletion and amortization	149	159	124	464	353
Income from investees	(51)	(34)	(7)	(92)	(19)
Net gains on disposal of assets	(6)	(1)	(7)	(8)	(20)
Other income, net	(10)	(2)	1	(15)	(7)
Total operating expenses	5,985	5,790	3,994	16,705	11,241
INCOME FROM OPERATIONS	1,327	954	360	2,547	1,097
Net interest and other financial costs	46	25	22	39	61
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS	1,281	929	338	2,508	1,036
Income tax provision	339	255	68	652	187
Minority interests	23	6	1	34	5
NET INCOME	\$ 919	\$ 668	\$ 269	\$ 1,822	\$ 844
COMMON STOCK DATA:					
Net income per share:					
- Basic	\$ 7.84	\$ 5.69	\$ 2.28	\$ 15.51	\$ 7.15
- Diluted	\$ 7.79	\$ 5.65	\$ 2.27	\$ 15.43	\$ 7.10
Weighted average shares, in thousands					
- Basic	117,169	117,507	118,086	117,423	118,183
- Diluted	117,826	118,217	118,755	118,051	118,896
Dividends paid per common share	\$.30	\$.25	\$.20	\$.80	\$.60

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UNITED STATES STEEL CORPORATION
CASH FLOW STATEMENT (Unaudited)

(Dollars in millions)	Nine Months Ended September 30	
	2008	2007
Cash provided from operating activities:		
Net income	\$ 1,822	\$ 844
Depreciation, depletion and amortization	464	353
Pensions and other postretirement benefits	(388)	(182)
Deferred income taxes	262	113
Net gains on disposal of assets	(8)	(20)
Changes in: Current receivables	(1,264)	(300)
Inventories	(478)	243
Current accounts payable and accrued expenses .	931	216

Bank checks outstanding	(9)	61
Other operating activities	(1)	82
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Total	1,331	1,410
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Cash used in investing activities:		
Capital expenditures	(633)	(460)
Acquisition of pickle lines	(36)	--
Acquisition of Lone Star Technologies, Inc.	--	(1,990)
Acquisition of Stelco Inc.	(1)	--
Disposal of assets	19	27
Other investing activities	(14)	2
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Total	(665)	(2,421)
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Cash provided from (used in) financing activities:		
Issuance of long-term debt	--	1,583
Repayment of long-term debt	(359)	(458)
Revolving credit facilities - borrowings	359	--
- repayments ..	(44)	--
Common stock issued	11	15
Common stock repurchased	(214)	(87)
Dividends paid	(94)	(71)
Other financing activities	68	(1)
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Total	(273)	981
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Effect of exchange rate changes on cash	(1)	11
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Net increase (decrease) in cash and cash equivalents	392	(19)
Cash at beginning of the year	401	1,422
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Cash at end of the period	\$ 793	\$ 1,403
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UNITED STATES STEEL COPORATION
CONDENSED BALANCE SHEET (Unaudited)

(Dollars in millions)	Sept. 30 2008	Dec. 31 2007
Cash and cash equivalents	\$ 793	\$ 401
Receivables, net	3,287	2,077
Inventories	2,669	2,279
Other current assets	232	202
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Total current assets	6,981	4,959
Property, plant and equipment, net	6,732	6,688
Investments and long-term receivables, net	728	694
Prepaid pensions	252	734
Goodwill and intangible assets, net	2,023	2,131
Other assets	552	426
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Total assets	\$17,268	\$15,632
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Accounts payable	\$ 2,246	\$ 1,730
Payroll and benefits payable	950	995
Short-term debt and current maturities of long-term debt	61	110
Other current liabilities	437	168
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Total current liabilities	3,694	3,003
Long-term debt, less unamortized discount	3,120	3,147
Employee benefits	3,542	3,187
Other long-term liabilities and minority interests	733	764
Stockholders' equity	6,179	5,531
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Total liabilities and stockholders' equity	\$17,268	\$15,632
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UNITED STATES STEEL CORPORATION
PRELIMINARY SUPPLEMENTAL STATISTICS (Unaudited)

<TABLE>
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(Dollars in millions)	Quarter Ended			Nine Months Ended	
	Sept. 30	June 30	Sept. 30	September 30	
	2008	2008	2007	2008	2007
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<S>	<C>	<C>	<C>	<C>	<C>
INCOME FROM OPERATIONS					

Flat-rolled(a)	\$ 835	\$ 478	\$ 170	\$ 1,433	\$ 337
U. S. Steel Europe	173	298	152	6u .	

- (c) Includes the results of the businesses acquired from Lone Star Technologies, Inc. as of June 14, 2007.
- (d) Thousands of net tons.
- (e) Based on annual raw steel production capability of 19.4 million net tons for North American facilities prior to October 31, 2007 and 24.3 million net tons thereafter, and 7.4 million net tons for U. S. Steel Europe.