

BROXTON CAPITAL ADVISORS

U.S. Steel as of Q3 2020

Sunday, December 13, 2020

share price (X) \$14.44

PROJECTIONS MM	2020	2021	2022
Income Statement			
Revenue	\$9,178	\$10,829	\$11,046
Gross Profit	\$229	\$650	\$663
Operating Income	-\$1,132	-\$219	-\$214
Net Income	-\$1,394	-\$599	-\$594
EPS	-\$6.33	-\$2.72	-\$2.69
EBITDA	\$180	\$593	\$599
Interest	\$250	\$320	\$320
Capitalized Expense	\$800	\$500	\$500
Cash Flow after Capitalized Expense	-\$882	-\$287	-\$281
Equity Dividends	\$0	\$0	\$0
Cash Flow Equity Dividend Coverage	NA	NA	NA
Retained Cash Flow	(\$882)	(\$287)	(\$282)
Retained Cash Flow Compounded	(\$882)	(\$1,168)	(\$1,450)
Revenue Growth	-29%	18%	2%

Valuations			
Cash Flow Yield Vs. Equity Market Cap	-28%		
EV/EBITDA	40.54	12.32	12.21
P.E Ratio	-0.44	-0.19	-0.19
Enterprise Value	\$7,309		
Total Debt (net of \$1B of cash)	\$4,126		
Equity Market Cap	\$3,183		

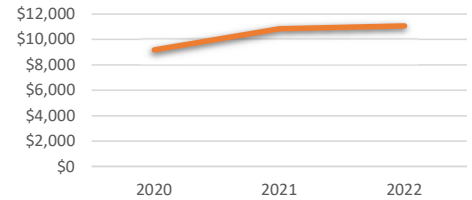
Debt Ratios			
EBITDA/Interest Coverage ratio	0.72	1.85	1.87
Debt/ EBITDA	22.89	6.95	6.89

Liquidity			
Cash	\$1,696		
Borrowing Availabilty est.	\$1,000		
Current Assets	\$4,244		
Current Liabilities	\$2,463		
Quick Ratio	1.72		

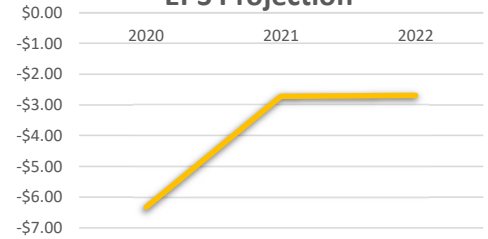
Debt			
		FINRA price	
2037 Senior Notes	\$350	81.5	
2026 Senior Notes	\$650	88	
2026 Senior Convertible Notes	\$350	128	
2025 Senior Notes	\$750	90	
2025 Senior Secured Notes	\$1,056	116	
Export-Import Credit Agreement 2021	\$250	NA	
other	\$810	NA	
Credit Facility Agreement, \$2.0 billion	\$500	NA	
USSK Credit Agreement	\$410	NA	
total	\$5,126		

SMART YIELD

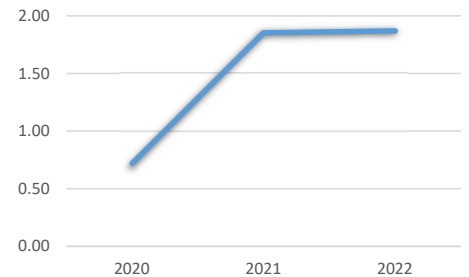
Income Statement



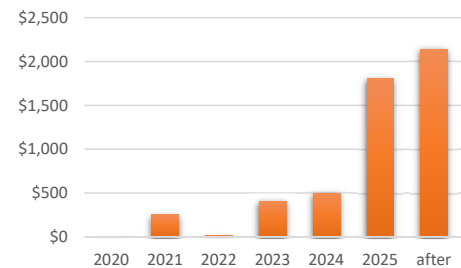
EPS Projection



EBITDA / Int. Coverage



Debt Amortization Schedule



Internal Notes, structured reports using Broxton algorithms are intended solely as research materials.

NOTES:Company: "Founded in 1901, United States Steel Corporation is an integrated steel producer with major production operations in the United States and Central Europe. Headquartered in Pittsburgh, Pa., we manufacture a wide range of value-added steel sheet and tubular products for the automotive, appliance, container, industrial machinery, construction, and oil and gas industries. Our vision is for U. S. Steel to be the industry leader in delivering high-quality, value added products and innovative solutions that address our customers' most challenging steel needs for the future.."

Broxton: for 2021. Need to examine some of the historical profit margins here to perfect the outlook. we modeled for 8 and 10% profit margins for 21 and 22, X has had profit margins in the mid to higher teens durring the last 7 years