

FOR IMMEDIATE RELEASE

United States Steel Announces Major Modernization and Asset Revitalization in Gary, Indiana

GARY, Ind. (Aug. 16, 2018) – Indiana Governor Eric J. Holcomb and Gary Mayor Karen Freeman-Wilson joined David B. Burritt, president and CEO of United States Steel Corporation, as the company announced plans to make significant upgrades at its Gary Works plant through a \$750 million asset revitalization investment that will increase efficiencies and position the facility for long-term success in Indiana.

“Today’s news is a major step forward that will have a lasting positive impact on the city of Gary, the northwest region and the state of Indiana for years to come,” Gov. Holcomb said. “U. S. Steel has a rich history in Indiana, producing steel for customers around the world while providing quality career opportunities for Hoosiers and supporting their families here in northwest Indiana. We look forward to U. S. Steel’s continued success and growth right here in Gary, Indiana.”

“We are pleased to be making this significant investment at Gary Works, which will improve the facility’s environmental performance, bolster our competitiveness and benefit the local community for years to come,” said Burritt. “Through the skill and determination of our employees, support from the state and city, without which this project would not be possible, and favorable trade policies with the strong Section 232 national security action on steel imports, we are experiencing a renaissance at U. S. Steel.”

With the increases in investment due to U. S. Steel’s \$2 billion asset revitalization program, a minimum of \$750 million in capital investments will be made over five years to modernize and enhance the company’s flagship operation in Gary, through building expansion and improvement. This includes the installation of new, state-of-the-art production equipment, machinery, and modernizing technology to better serve customers in the automotive, energy, industrial, metal building components, home construction, appliance and container industries.

“There is no secret that U. S. Steel’s flagship is located in Gary. We are pleased about this investment in the plant and even more encouraged by a deepened partnership with the company of the city’s origin,” said Mayor Freeman-Wilson. “This is also consistent with our development plan which builds on our strong manufacturing history and allowing us to diversify commerce in the areas of education and medicine; recreation and gaming; logistics and technology.”

Located on the south shore of Lake Michigan, Gary Works is U. S. Steel’s largest manufacturing plant and the largest integrated steel mill in North America. Gary Works has been in operation in Northwest Indiana since 1908. Comprised of both steelmaking and finishing facilities, Gary Works has an annual raw steelmaking capability of 7.5 million net tons. The facility provides more than 3,800 full-time jobs and manufactures sheet products, strip mill plate in coils, and tin products.

“We are extremely excited about the \$750 million investment at U. S. Steel along the shoreline in Gary,” said Gary Common Council President Ronald Brewer. “Today’s news couldn’t have come at a better time as we continue to persevere in the progress of our great city. This multi-million dollar investment demonstrates U. S. Steel’s renewed commitment to its workers and to the city of Gary, and we look forward to strengthening this relationship for the betterment of our great community.”

U. S. Steel is headquartered in Pittsburgh, Pennsylvania, and is an integrated steel producer with major production operations in North America and Central Europe and an annual raw steelmaking capability of 22 million net tons. Founded in 1901, the company has been manufacturing steel for more than 100 years, providing a wide range of value-added steel sheet and tubular products for the automotive, appliance, container, industrial machinery, construction and oil and gas industries.

Subject to the approval of the Indiana Economic Development Corporation board of directors, the IEDC will offer U. S. Steel up to \$10 million in conditional tax credits over a 10-year period based on the company's commitment to retain 3,875 Hoosier jobs. This offer of tax credits is also subject to the review of the State Budget Committee. The IEDC will also offer up to \$2 million in Skills Enhancement Fund (SEF) training grants to support workforce development and training for Gary Works employees.

Additionally, the city of Gary will offer tax increment financing valued at approximately \$35 million over 25 years based on a \$750 million investment that will then be ameliorated through a development agreement in partnership with U. S. Steel to allow the city, the Gary Community School Corporation, the Gary Public Library and U. S. Steel to share the benefit of the company's investment. This incentive and economic development financing method, which is subject to the Gary Common Council's approval, will help generate immediate tax revenue for the city, create a Community Development Fund to further economic growth, and increase the city's partnership with U. S. Steel.

About United States Steel Corporation

United States Steel Corporation, headquartered in Pittsburgh, Pennsylvania, is a leading integrated steel producer and Fortune 300 company with major operations in the United States and Central Europe. For more information about U.S. Steel, please visit www.ussteel.com.

About IEDC

The Indiana Economic Development Corporation (IEDC) leads the state of Indiana's economic development efforts, helping businesses launch, grow and locate in the state. Governed by a 15-member board chaired by Governor Eric J. Holcomb, the IEDC manages many initiatives, including performance-based tax credits, workforce training grants, innovation and entrepreneurship resources, public infrastructure assistance, and talent attraction and retention efforts. For more information about the IEDC, visit www.iedc.in.gov.

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Media Contacts:

Amanda Malkowski (U. S. Steel)- 412-736-2475 or almalkowski@uss.com
LaLosa Dent Burns (City of Gary) – 219.881.1314 or ldburns@ci.gary.in.us
Abby Gras (IEDC) – 317.232.8845 or agras@iedc.in.gov