SECURITIES AND EXCHANGE COMMISSION

FORM 424B2

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USX CORP

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SIC: **3312** Steel works, blast furnaces & rolling mills (coke ovens)

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Rule 424(b)(2)
Registration No. 033-51621

PROSPECTUS SUPPLEMENT
(To Prospectus dated January 6, 1994)

$300,000,000

USX CORPORATION

7.20% NOTES DUE 2004

The Notes will mature on February 15, 2004. Interest is payable semiannually, on February 15 and August 15, commencing August 15, 1994. The Notes are not redeemable prior to maturity.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS SUPPLEMENT OR THE PROSPECTUS TO WHICH IT RELATES. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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<TABLE>
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	PRICE TO PUBLIC(1)	UNDERWRITING DISCOUNT	PROCEEDS TO COMPANY(1)(2)
<S>	<C>	<C>	<C>
Per Note..................................	99.786%	.650%	99.136%
Total.....................................	$299,358,000	$1,950,000	$297,408,000

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(1) Plus accrued interest, if any, from February 7, 1994.
(2) Before deducting expenses payable by the Company estimated at $100,000.

The Notes are offered subject to receipt and acceptance by the Underwriters, to prior sale and to the Underwriters' right to reject any order in whole or in part and to withdraw, cancel or modify the offer without notice. It is expected that delivery of the Notes will be made through the facilities of The Depository Trust Company, on or about February 7, 1994.

SALOMON BROTHERS INC

GOLDMAN, SACHS & CO.

LEHMAN BROTHERS

The date of this Prospectus Supplement is January 31, 1994.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE SECURITIES OFFERED HEREBY AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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USX CORPORATION

The following discussion is a brief description of USX Corporation ("USX" or the "Company") and is qualified in its entirety by reference to the documents incorporated herein under "Incorporation of Certain Documents by Reference" in the accompanying Prospectus. Readers of this Prospectus Supplement are encouraged to refer to such incorporated documents for a more complete description of the Company.

USX is a diversified company engaged in the energy business through its Marathon Group, in the steel business through its U.S. Steel Group and in the gas gathering and processing business through its Delhi Group.

- The Marathon Group includes the operations of Marathon Oil Company, a wholly owned subsidiary of USX, which is engaged in worldwide crude oil and natural gas exploration, production and transportation, and domestic refining, marketing and transportation of crude oil and petroleum products. Marathon Group sales (excluding sales from operations now included in the Delhi Group) as a percentage of total USX consolidated sales were 66% in 1993, 69% in 1992, and 72% in 1991.

- The U.S. Steel Group includes U.S. Steel, one of the largest integrated steel producers in the United States, which is primarily engaged in the production and sale of a wide range of steel mill products, coke, and taconite pellets. The U.S. Steel Group also includes the management of mineral resources, domestic coal mining, engineering and consulting services and technology licensing. Other businesses that are part of the U.S. Steel Group include real estate development and management, fencing products, leasing and financing activities and a majority interest in a titanium metal products company. U.S. Steel Group sales as a percentage of total USX consolidated sales were 31% in 1993, 28% in 1992 and 26% in 1991.

- The Delhi Group includes Delhi Gas Pipeline Corporation and certain related companies which are engaged in the purchasing, gathering, processing, transporting and marketing of natural gas. Prior to creation of the Delhi Group on October 2, 1992, these businesses were included in the Marathon Group. Sales from the businesses included in the Delhi Group as a percentage of total USX consolidated sales were 3% in each of 1993 and 1992 and 2% in 1991.

USX has three classes of common stock: USX-Marathon Group Common Stock ("Marathon Stock"), USX-U.S. Steel Group Common Stock ("Steel Stock") and USX-Delhi Group Stock ("Delhi Stock"). Each class of stock is intended to provide the stockholders of such class with a separate equity security reflecting the performance of the related group.

A portion of USX's corporate assets and liabilities are attributed to each of the Marathon Group, the U.S. Steel Group and the Delhi Group. Although the financial statements of the Marathon Group, the U.S. Steel Group and the Delhi Group separately report the assets, liabilities (including contingent liabilities) and stockholders' equity of USX attributed to each such group, such attribution does not affect legal title to such assets or responsibility

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for such liabilities. Holders of Marathon Stock, Steel Stock and Delhi Stock are stockholders of USX and continue to be subject to all of the risks associated with an investment in USX and all of its businesses and liabilities.

The Notes will be obligations of USX and not of any segment, group or subsidiary of USX.

Set forth below is a three-year summary of financial highlights for the groups.

(MILLIONS)	SALES	OPERATING INCOME (LOSS) (A)	ASSETS (AT YEAR-END)
MARATHON GROUP (B)			
1993	$11,962	$ 169	$10,805
1992	12,782	304	11,141
1991	13,975	358	11,644
U.S. STEEL GROUP			
1993	5,612	(149)	6,563
1992	4,919	(241)	6,251
1991	4,864	(617)	5,627
DELHI GROUP (C)			
1993	535	36	580
1992	458	33	565
1991	423	31	584
ELIMINATIONS			
1993	(45)	--	(628)
1992	(346)	(26)	(705)
1991	(437)	(31)	(816)
TOTAL USX CORPORATION			
1993	$18,064	$ 56	$17,320
1992	17,813	70	17,252
1991	18,825	(259)	17,039

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(a) Operating income included the following: a $342 million charge related to the adverse decision in the B&LE litigation for the U.S. Steel Group in 1993; restructuring charges of $42 million for the U.S. Steel Group in 1993; restructuring charges of $115 million for the Marathon Group and $10 million for the U.S. Steel Group in 1992; restructuring charges of $24 million for the Marathon Group and $402 million for the U.S. Steel Group in 1991; and inventory market valuation charges (credits) for the Marathon Group of $241 million, $(62) million and $260 million in 1993, 1992 and 1991, respectively.

(b) Includes sales and operating income for the businesses comprising the Delhi

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Group for periods prior to October 2, 1992, and identifiable assets related to the businesses comprising the Delhi Group for year-end 1991.

(c) Includes historic sales, operating income and identifiable assets for the businesses included in the Delhi Group which, prior to October 2, 1992, were included in the Marathon Group.

USE OF PROCEEDS

USX will use the net proceeds of the offering of the Notes for general corporate purposes, including the refunding of outstanding indebtedness and other financial obligations. As of December 31, 1993, USX had long-term debt obligations maturing within one year of $734 million, including $699 million of Marathon 9 1/2% Guaranteed Notes Due March 1, 1994.

USX CORPORATION
SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following selected consolidated financial information has been derived from the consolidated financial statements of USX for each of the five years in the period ended December 31, 1993. The information set forth below should be read in connection with the USX consolidated financial statements and notes thereto and accompanying "Management's Discussion and Analysis" contained in the USX Annual Report on Form 10-K for the year ended December 31, 1992, incorporated herein by reference. The data for the year ended December 31, 1993, have been derived from unaudited financial statements which, in the opinion of management, reflect all adjustments necessary to a fair statement of results for the periods covered. All such adjustments are of a normal recurring nature except as described herein.

	YEAR ENDED DECEMBER 31,				
	1993	1992	1991	1990	1989
	(DOLLARS IN MILLIONS, EXCEPT PER SHARE DATA)				
STATEMENT OF OPERATIONS DATA:(A)					
Sales	$18,064	$17,813	$18,825	$20,659	$18,717
Operating income (loss)(b)	56	70	(259)	1,556	1,570
Operating costs include:					
Depreciation, depletion and amortization	1,077	1,091	1,128	1,304	1,336
Inventory market valuation charges (credits)	241	(62)	260	(140)	(145)
Restructuring charges	42	125	426	--	--
B&LE litigation charge(c)	342	--	--	--	--
Other income (loss)	257	(2)	39	37	406
Other income (loss)					

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includes:					
Gain on disposal of assets....................	253	24	30	7	370
Total income (loss) before income taxes and cumulative effect of changes in accounting principles(b)(c)...........	(239)	(189)	(691)	1,216	1,358
Total income (loss) before cumulative effect of changes in accounting principles.................	(167)	(160)	(578)	818	965
Net income (loss) before preferred dividends........	$ (259)	$(1,826)	$ (578)	$ 818	$ 965
Dividends on preferred stock......................	(27)	(9)	(9)	(18)	(58)
Net income (loss) applicable to common stocks(d)(e).....	$ (286)	$(1,835)	$ (587)	$ 800	$ 907
BALANCE SHEET DATA (AT PERIOD END):(A)(F)					
Cash and cash equivalents...	$ 268	$ 57	$ 279	$ 263	$ 786
Working capital(c)(g).......	(154)	(370)	(215)	351	273
Capital expenditures........	1,151	1,505	1,392	1,391	1,429
Property, plant and equipment--net............	11,603	11,759	11,593	11,584	11,995
Total assets................	17,320	17,252	17,039	17,268	17,500
Capitalization:					
Notes payable...............	$ 1	$ 47	$ 79	$ 138	$ 16
Total long-term debt(h).....	5,923	6,302	6,438	5,527	5,875
Total proceeds from production agreements......	--	--	17	142	327
Minority interest...........	5	16	37	67	--
Stockholders' equity(i).....	3,864	3,709	4,987	5,869	5,737
Total capitalization......	$ 9,793	$10,074	$11,558	$11,743	$11,955

</TABLE>

THE FOOTNOTES BELOW AND ON THE FOLLOWING FOUR PAGES ARE AN INTEGRAL PART OF THIS INFORMATION.

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(a) USX follows the successful efforts method of accounting for oil and gas exploration and development.

(b) Pretax income in 1992 included a settlement of a production tax refund claim for the years 1982 through 1985. The refund resulted in a credit to operating income of $119 million as well as interest income of $177 million.

(c) Pretax income (loss) in 1993 included a $506 million charge related to the adverse decision in the Lower Lake Erie Iron Ore Antitrust Litigation

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against the B&LE. Charges of $342 million were included in operating costs and $164 million included in interest and other financial costs. The effect on net income (loss) was $325 million unfavorable.

(d) The provision for estimated U.S. and foreign income taxes for the periods reported is based on tax rates and amounts which recognize management's best estimate of current and deferred tax assets and liabilities. The 1993 U.S. income tax provision included a credit of $64 million related to recognition of additional future U.S. income tax benefits for deferred foreign income taxes. This favorable adjustment results from USX's ability to elect to credit, rather than deduct, foreign income taxes for U.S. federal income tax purposes in future periods and reflects expected improvement in Marathon's international production. The U.S. income tax provision for 1993 also included a $29 million charge associated with an increase in the federal income tax rate from 34% to 35%, reflecting remeasurement of deferred federal income tax liabilities as of January 1, 1993.

(e) In 1993, USX adopted Statement of Financial Accounting Standards No. 112--Employers' Accounting for Postemployment Benefits ("SFAS 112") which requires employers to recognize the obligation to provide postemployment benefits on an accrual basis if certain conditions are met. The cumulative effect of the change in accounting principle determined as of January 1, 1993, reduced net income $86 million, net of $50 million income tax effect. The effect of the change in accounting principle on 1993 operating income was $23 million unfavorable.

In 1993, USX also adopted Emerging Issues Task Force Consensus No. 93-14, Accounting for Multiple-Year Retrospectively Rated Insurance Contracts" ("EITF 93-14"). EITF 93-14 requires accrual of retrospective premium adjustments when the insured has an obligation to pay cash to the insurer that would have not been required absent experience under the contract. The cumulative effect of the change in accounting principle determined as of January 1, 1993, reduced net income $6 million, net of $3 million income tax effect.

In 1992, USX adopted Statement of Financial Accounting Standards No. 106--Employers' Accounting for Postretirement Benefits Other Than Pensions ("SFAS 106") and Statement of Financial Accounting Standards No. 109-- Accounting for Income Taxes ("SFAS 109"). The cumulative effect of these changes in accounting principles decreased first quarter 1992 net income by $1,306 million, net of $764 million income taxes, for SFAS 106; and $360 million for SFAS 109.

(f) USX 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 USX will remain a viable and competitive enterprise even though it is possible

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that these contingencies could be resolved unfavorably. See "USX Corporation--Analysis of Selected Consolidated Financial Information--Liquidity and Capital Resources" herein.

LEGAL PROCEEDINGS--

B&LE Litigation--MDL-587

On January 24, 1994, the U.S. Supreme Court denied a Petition for Writ of Certiorari by the Bessemer and Lake Erie Railroad (the "B&LE") in the Lower Lake Erie Iron Ore Antitrust Litigation ("MDL-587"). As a result, the decision of the U.S. Court of Appeals for the Third Circuit affirming judgements of approximately $498 million, plus interest, relating to antitrust violations by the B&LE was permitted to stand. In addition, the Third Circuit decision remanded the claims of two plantiffs for retrial of their damage awards. At trial these plaintiffs asserted claims of approximately $8 million, but were awarded only nominal damages by the jury.

The B&LE was a wholly owned subsidiary of USX throughout the period the conduct occurred. It is now a subsidiary of Transtar in which USX has a 45% equity interest. These actions were excluded liabilities in the sale of USX's transportation units in 1988, and USX is obligated to reimburse Transtar for judgements paid by B&LE.

Following the Court of Appeals decision, USX, which had previously accrued $90 million on a pretax basis for this litigation, charged an additional amount of $619 million on a pretax basis against the results of the U.S. Steel Group in the second quarter of 1993. In late 1993, USX and LTV Steel

Corp. ("LTV"), one of the plantiffs in MDL-587, agreed to settle all of LTV's claims in that action for $375 million. USX's potential liability in the LTV portion of the case was estimated to be in excess of $500 million at year end 1993. USX made a payment of $200 million on December 29, 1993 and is obligated to pay an additional $175 million not later than February 28, 1994. Claims of three additional plantiffs were also settled in December 1993. These settlements resulted in a pretax credit of $127 million in the fourth quarter financial results of the U.S. Steel Group. As a result of the denial of the Petition for Writ of Certiorari, judgments for the remaining MDL-587 plaintiffs (other than the two remanded for retrial), totaling approximately $210 million, including post-judgment interest, are due for payment in the first quarter of 1994.

B&LE Litigation--Armco

In June 1990, following judgments entered on behalf of steel company plaintiffs in MDL-587, Armco Steel filed federal antitrust claims against the B&LE and other railroads in the Federal District Court for the District of Columbia. B&LE successfully challenged the actions for lack of

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jurisdiction and venue, and the case was transferred to the Federal District Court for the Northern District of Ohio. Other defendant railroads settled with Armco, leaving B&LE the only remaining defendant. On April 7, 1993, B&LE's motion to dismiss the federal antitrust claims on grounds of statute of limitations was granted. Subsequently, Armco refiled its claims under the Ohio Valentine Act in the Butler County Court of Common Pleas. B&LE's motions for summary judgment on time bar issues and for change of venue to another Ohio county are pending, and not yet fully briefed. No discovery has been taken on the merits of Armco's claims, but if Armco survives the present and possibly further pretrial motions and the case proceeds to trial on the merits, Armco's claimed damages are likely to be substantial. There is a dispute whether the Armco case was an excluded liability in the sale of USX's transportation units and whether USX is obligated to reimburse Transtar for a judgment in this case.

Energy Buyers Litigation

On December 21, 1992, an arbitrator issued an award for approximately $117 million, plus interest under Ohio law, against USX in Energy Buyers Service Corporation v. USX Corporation, a case originally filed in the District Court of Harris County, Texas. Such amount was fully accrued as of December 31, 1992. On December 15, 1993, USX agreed to settle all claims in the case for $95 million and deferred payments of up to $9 million.

ENVIRONMENTAL MATTERS--

USX is subject to federal, state, local and foreign laws and regulations relating to the environment. These laws generally provide for control of pollutants released into the environment and require responsible parties to undertake remediation of waste disposal sites. Penalties may be imposed for noncompliance. USX provides for remediation costs and penalties when the responsibility to remediate is probable and the amount of associated costs is reasonably determinable. At December 31, 1993 and December 31, 1992, accrued liabilities for remediation, platform abandonment and mine reclamation totaled $312 million and $280 million, respectively. It is not presently possible to estimate the ultimate amount of all remediation costs that might be incurred or the penalties that may be imposed.

For a number of years, USX has made substantial capital expenditures to bring existing facilities into compliance with various laws relating to the environment. In 1993 and 1992, such capital expenditures for environmental controls totaled $181 million and $294 million, respectively. USX 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.

LIBYAN OPERATIONS--

By reason of Executive Orders and related regulations under which the U.S. Government is continuing economic sanctions against Libya, Marathon was required to discontinue performing its Libyan petroleum contracts on June 30, 1986. In June 1989, the Department of the Treasury authorized Marathon to resume performing under those contracts. Pursuant to that authorization,

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Marathon has

engaged the Libyan National Oil Company and the Secretary of Petroleum in continuing negotiations to determine when and on what basis they are willing to allow Marathon to resume realizing revenue from Marathon's investment of $108 million in Libya. Marathon is uncertain when these negotiations can be completed or how the negotiations will be affected by the United Nations' sanctions against Libya.

GUARANTEES--

Guarantees by USX of the liabilities of affiliated and other entities totaled $227 million at December 31, 1993. In the event that any defaults of guaranteed liabilities occur, USX has access to its interest in the assets of most of the affiliates to reduce losses resulting from these guarantees. At December 31, 1993, the largest guarantee for a single affiliate was $96 million.

At December 31, 1993, Marathon's pro rata share of obligations of LOOP INC. and various pipeline affiliates secured by throughput and deficiency agreements totaled $206 million. Under the agreements, Marathon is required to advance funds if the affiliates are unable to service debt. Any such advances are prepayments of future transportation charges.

COMMITMENTS--

At December 31, 1993, and December 31, 1992, contract commitments for capital expenditures for property, plant and equipment totaled $389 million and $423 million, respectively.

(g) USX has entered into agreements to sell certain accounts receivable subject to limited recourse. Payments are collected from the sold accounts receivable; the collections are reinvested in new accounts receivable for the buyers; and a yield based on defined short-term market rates is transferred to the buyers. At December 31, 1993, the balance of sold accounts receivable that had not been collected was $740 million. Buyers have collection rights to recover payments from an amount of outstanding receivables equal to 120% of the outstanding receivables purchased on a nonrecourse basis; such overcollateralization cannot exceed $150 million. In the event of a change in control of USX, as defined in the agreements, USX may be required to forward all payments collected on sold accounts receivable to the buyers.

Prior to 1993, USX Credit, a Division of USX, sold certain of its loans receivable subject to limited recourse. USX Credit continues to collect payments from the loans and transfer to the buyers principal collected plus yield based on defined short-term market rates. At December 31, 1993, the balance of sold loans receivable subject to recourse was $205 million. At December 31, 1993, USX Credit had outstanding loan commitments of $29 million. USX Credit is not actively making new loan commitments. In the

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event of a change in control of USX, as defined in the agreement, USX may be required to provide cash collateral in the amount of the uncollected loans receivable to assure compliance with the limited recourse provisions.

(h) At December 31, 1993, USX had outstanding borrowings of $500 million against credit agreements, leaving $1,675 million of available unused committed credit lines. In addition, USX had $185 million of available unused short-term lines of credit, which generally require maintenance of compensating balances. At December 31, 1993, certain long-term debt due within one year of $699 million was included in long-term debt, since unused long-term credit agreements of $1,500 million were available for refinancing if needed.

(i) In January 1994, USX sold 5,000,000 shares of Steel Stock to the public for net proceeds of $201 million. In 1993, USX sold 10,000,000 shares of Steel Stock to the public for net proceeds of $350 million. In 1992, USX sold 8,050,000 shares of Steel Stock to the public for net proceeds of $198 million, 25,000,000 shares of Marathon Stock to the public for net proceeds of $541 million and 9,000,000 shares of Delhi Stock in its initial public offering for net proceeds of $136 million.

In 1993, USX also sold 6,900,000 shares of 6.50% Cumulative Convertible Preferred Stock (stated value of $1.00 per share; liquidation preference of $50.00 per share) ("6.50% Covertible Preferred") to the public for net proceeds of $336 million. The 6.50% Convertible Preferred is convertible at any time, at the option of the holder, into shares of Steel Stock at a conversion price of $46.125 per share of Steel Stock, subject to adjustment in certain circumstances. On and after April 1, 1996, this stock is

redeemable, at USX's sole option, at a price of $52.275 per share, and thereafter at prices declining annually on each April 1 to an amount equal to $50.00 per share on and after April 1, 2003.

RATIOS OF EARNINGS TO FIXED CHARGES (UNAUDITED)

<TABLE>
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	YEAR ENDED DECEMBER 31				
	1993	1992	1991	1990	1989
<S>	<C>	<C>	<C>	<C>	<C>
Ratio of earnings to fixed charges.....................	(a)	(a)	(a)	2.80	2.57

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(a) Earnings did not cover fixed charges by $281 million for 1993, $197 million for 1992 and by $681 million for 1991.

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USX CORPORATION

ANALYSIS OF SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following analysis is a condensation of, and should be read in connection with, the information presented in the financial statements and related notes and Management's Discussion and Analysis of each of the Marathon Group, the U.S. Steel Group, the Delhi Group and USX in the USX Annual Report on Form 10-K for the year ended December 31, 1992, incorporated herein by reference. Historical amounts relating to the businesses comprising the Delhi Group are included in the data presented for the Marathon Group for periods prior to October 2, 1992.

RESULTS OF OPERATIONS

SALES

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	YEAR ENDED DECEMBER 31,		
	1993	1992	1991
	(MILLIONS)		
<S>	<C>	<C>	<C>
Marathon Group	$11,962	$12,782	$13,975
U.S. Steel Group	5,612	4,919	4,864
Delhi Group	535	458	423
Eliminations	(45)	(346)	(437)
Total USX	$18,064	$17,813	$18,825

</TABLE>

Sales were $18.1 billion in 1993, compared with $17.8 billion in 1992 and $18.8 billion in 1991. The increase in 1993 primarily reflected increased sales for the U.S. Steel Group due mainly to higher steel shipment volumes and prices, and increased commercial shipments of taconite pellets and coke. These were partially offset by lower sales for the Marathon Group (excluding the effect of the businesses of the Delhi Group which were included in the Marathon Group for periods prior to October 2, 1992) due mainly to lower worldwide liquid hydrocarbon volumes and prices and lower average refined product prices, partially offset by increased excise taxes (which have no effect on income) and higher refined product sales volumes (excluding matching buy/sell transactions). The decrease from 1991 to 1992 primarily reflected reduced sales for the Marathon Group due mainly to lower average refined product prices, reduced volumes and prices for crude oil matching buy/sell transactions (which have no effect on income) and lower worldwide liquid hydrocarbon volumes.

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OPERATING INCOME (LOSS)

	YEAR ENDED DECEMBER 31,		
	1993	1992	1991
	(MILLIONS)		
Marathon Group	$ 169	$ 304	$ 358
U.S. Steel Group	(149)	(241)	(617)
Delhi Group	36	33	31
Eliminations	--	(26)	(31)
Total USX	$ 56	$ 70	$(259)

Operating income decreased by $14 million in 1993, following a $329 million improvement in 1992. Results in 1993 included a $342 million charge as a result of the adverse decision in the B&LE litigation (which also resulted in $164 million of interest costs) (See footnote (f) to "USX Corporation--Selected Consolidated Financial Information."), a $241 million unfavorable noncash effect resulting from an increase in the inventory market valuation reserve and restructuring charges of $42 million related

to the planned shutdown of the Maple Creek coal mine and preparation plant. Results in 1992 included a favorable impact of $119 million for the settlement of a tax refund claim related to prior years' production taxes and a $62 million favorable noncash effect resulting from a decrease in the inventory market valuation reserve, partially offset by restructuring charges of $125 million primarily related to the disposition of certain domestic exploration and production properties. Excluding the effects of these items, operating income increased $667 million in 1993 predominantly due to improved results in the U.S. Steel Group, as well as the Marathon Group. The adoption of SFAS 112 resulted in a $23 million increase in operating costs in 1993, principally in the U.S. Steel Group.

Operating income in 1991 included restructuring charges of $426 million mainly related to the closure of certain steel facilities and a $260 million unfavorable noncash effect resulting from an increase in the inventory market valuation reserve, partially offset by a favorable $20 million adjustment of prior years' production tax accruals. Excluding the effects of these items and the 1992 special items previously discussed, operating income declined $393 million from 1991 to 1992 due mainly to lower results in the Marathon Group. Contributing to the decline was a $58 million increase in operating costs resulting from the 1992 adoption of SFAS 106, $42 million in the U.S. Steel

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Group and $16 million in the Marathon Group.

Net pension credits included in operating income totaled $211 million in 1993, compared with $260 million in 1992 and $224 million in 1991. The decrease in 1993 was primarily due to a lower assumed long-term rate of return on plan assets. The increase in 1992 from 1991 primarily reflected recognition of the growth in plan assets. In 1994, net pension credits are expected to decline by approximately $80 to $90 million primarily due to a further reduction in the assumed long-term rate of return on plan assets.

Other income was $257 million in 1993, compared with a loss of $2 million in 1992 and income of $39 million in 1991. The increase in 1993 primarily resulted from higher gains from the disposal of assets, including the sale of the Cumberland coal mine, the realization of a $70 million deferred gain resulting from the collection of a subordinated note related to the 1988 sale of Transtar (which also resulted in $37 million of interest income) and the sale of an investment in an insurance company. The increase in 1993 also reflected the absence of a $19 million impairment of an investment recorded in 1992. The decline in 1992 relative to 1991 primarily resulted from the nonrecurrence of 1991's favorable minority interest effect related to RMI and the $19 million impairment of an investment in 1992.

Interest and other financial income was $78 million in 1993, compared with $228 million in 1992 and $38 million in 1991. The 1993 amount included $37 million of interest income resulting from collection of the Transtar note. The 1992 amount included $177 million of interest income resulting from the settlement of a tax refund claim related to prior years' production taxes. Excluding these items, interest and other financial income was $41 million in 1993, compared with $51 million in 1992 and $38 million in 1991.

Interest and other financial costs were $630 million in 1993, compared with $485 million in 1992 and $509 million in 1991. The 1993 amount included $164 million of interest expense related to the adverse decision in the B&LE litigation. Excluding this amount, the decrease in 1993 primarily reflected an increase in capitalized interest. The 1991 amount included a $26 million favorable adjustment related to interest accrued for prior years' production taxes. Excluding this item, the decrease from 1991 to 1992 was mainly due to the favorable effect of declining variable interest rates.

The net credit for estimated income taxes in 1993 was $72 million, compared with credits of $29 million in 1992 and $113 million in 1991. The 1993 U.S. income tax provision included a credit of $64 million related to recognition of additional future U.S. income tax benefits for deferred foreign income taxes. This favorable adjustment results from USX's ability to elect to credit, rather than deduct, certain foreign income taxes for U.S. federal income tax purposes in future periods. The anticipated use of the U.S. foreign tax credit reflects Marathon's improving international production profile including income which will be generated by the East Brae platform in the United Kingdom sector of the North Sea. The U.S. income tax provision for 1993 also included a $29 million charge associated with an increase in the federal income tax rate from 34% to 35%, reflecting remeasurement of deferred federal income tax liabilities as of January 1, 1993.

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The total loss before cumulative effect of changes in accounting principles was $167 million in 1993, compared with a loss of $160 million in 1992 and a loss of $578 million in 1991.

The unfavorable cumulative effect of changes in accounting principles totaled $92 million in 1993 and $1,666 million in 1992. The cumulative effect of adopting SFAS 112, determined as of January 1, 1993, decreased 1993 income by $86 million, net of the income tax effect. The cumulative effect of adopting EITF 93-14, determined as of January 1, 1993, decreased 1993 income by $6 million, net of the income tax effect. The immediate recognition of the transition obligation resulting from the adoption of SFAS 106, measured as of January 1, 1992, decreased 1992 income by $1,306 million, net of the income tax effect. The cumulative effect of adopting SFAS 109, measured as of January 1, 1992, decreased 1992 net income by $360 million.

USX recorded a net loss of $259 million in 1993, compared with a net loss of $1,826 million in 1992 and a net loss of $578 million in 1991.

OPERATING RESULTS BY GROUP

Marathon Group

The Marathon Group had operating income of $169 million in 1993, compared with $304 million in 1992 and $358 million in 1991. Results for 1993 and 1991 were adversely affected, while 1992 was favorably impacted, by special items. Results included a $241 million unfavorable effect in 1993, a $62 million favorable effect in 1992 and a $260 million unfavorable effect in 1991 resulting from noncash adjustments to the inventory market valuation reserve. The 1992 results also included a favorable impact of $119 million for the settlement of a tax refund claim related to prior years' production taxes, partially offset by a $115 million restructuring charge related to the disposition of certain domestic exploration and production properties. The 1991 results also included a $24 million restructuring charge, partially offset by a favorable $20 million adjustment of prior years' production tax accruals. Excluding the effects of these special items, operating income was $410 million in 1993, $238 million in 1992 and $622 million in 1991. The increase in 1993 primarily reflected increased average refined product margins and increased domestic natural gas prices, partially offset by lower worldwide liquid hydrocarbon prices and volumes. The decrease in 1992 predominantly reflected lower average refined product margins, as well as reduced worldwide liquid hydrocarbon prices and volumes and a decrease in international natural gas prices.

OPERATING INCOME (LOSS)

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<TABLE>
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<S>	1993 <C>	1992* <C>	1991* <C>
	(DOLLARS IN MILLIONS)		
Exploration and Production ("Upstream")			
Domestic	$ 117	$ 123	$ 104
International	(37)	49	156
Total Exploration & Production	80	172	260
Refining, Marketing and Transportation ("Down-stream")	407	128	422
Gas Gathering and Processing	--	21	30
Other Administrative	(77)	(83)	(90)
Special Items	(241)	66	(264)
Total	$ 169	$ 304	$ 358

</TABLE>

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* Certain reclassifications have been made to conform to 1993 classifications.

Gas Gathering and Processing results decreased in 1993 due to the exclusion of the businesses now in the Delhi Group.

AVERAGE VOLUMES AND SELLING PRICES

<TABLE>
<CAPTION>

<S>	1993 <C>	1992 <C>	1991 <C>
	(THOUSANDS OF BARRELS PER DAY)		
Net Liquids Production*--U.S.	111	118	127
- --International	45	56	68
- --Total Consolidated	156	174	195
<CAPTION>			
	(MILLIONS OF CUBIC FEET PER DAY)		
<S>	<C>	<C>	<C>
Net Natural Gas Production--U.S.	529	593	689
- --International	373	338	336
- --Total Consolidated	902	931	1,025
<CAPTION>			
	(DOLLARS PER BARREL)		
<S>	<C>	<C>	<C>
Liquid Hydrocarbons*--U.S.	$14.54	$16.47	$17.43
- --International	16.22	18.95	19.38
<CAPTION>			
	(DOLLARS PER MCF)		
<S>	<C>	<C>	<C>

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Natural Gas--U.S.	$1.94	$1.60	$1.57
- --International................................	1.52	1.77	2.18

</TABLE>

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* Includes Crude Oil, Condensate and Natural Gas Liquids.

Upstream operating income decreased $92 million in 1993, following an $88 million decrease in 1992. Operating income in 1992 included a $20 million gain recognized as a result of a settlement of a natural gas contract. Excluding this settlement, the decline in 1993 was mainly due to significant decreases in worldwide liquid hydrocarbon prices and volumes and lower international natural gas prices, partially offset by increased domestic natural gas prices. The decline in 1992, excluding this contract settlement, was also primarily caused by decreases in worldwide liquid hydrocarbon prices and volumes and lower international natural gas prices, partially offset by ongoing cost reduction efforts.

Domestic upstream operating income in 1993 declined $6 million from 1992, following a $19 million increase in 1992 from 1991. Excluding the previously mentioned contract settlement, the 14% increase in 1993 was primarily due to increased natural gas prices and reduced dry well expenses, partially offset by reduced liquid hydrocarbon prices and volumes. In addition, operating income in 1993 reflected ongoing cost reduction efforts and reduced depletion expenses. The results in 1992, excluding the previously mentioned contract settlement, remained level with 1991, as ongoing cost reduction efforts and reduced exploration expenses were offset by lower liquid hydrocarbon prices.

International upstream operating income declined $86 million in 1993, following a $107 million decline in 1992. Natural gas prices have declined 30% since 1991, primarily reflecting changes in contract sales prices in Norway. The decrease in 1993 was primarily due to lower liquid hydrocarbon prices, reduced liftings primarily from the United Kingdom sector of the North Sea as a result of natural production declines, lower natural gas prices, and a $17 million charge for the relinquishment of the Marathon Group's interest in the Arzanah Oil Field, Abu Dhabi. This decrease was partially offset by reduced pipeline and terminal expenses and reduced dry well expenses. The decrease in 1992 was primarily due to lower natural gas prices, lower liquid hydrocarbon liftings and increased dry well expenses.

In December 1993, the East Brae Field in the U.K. North Sea was brought onstream. East Brae liquids production is expected to peak at 40,000 net barrels per day in the fourth quarter of 1994. Worldwide liquid volumes are expected to increase approximately 15% in 1994, reflecting a full year of East Brae production, which should continue to contribute to increased volumes in 1995. Worldwide natural gas volumes are expected to increase approximately 5% in 1994, reflecting the start of Brae area gas sales in October 1994. The 1995 volumes are expected to continue to increase reflecting a full year of Brae area production.

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In 1992, Marathon and its partners finalized and delivered a feasibility study to the Russian Government assessing the technical and economic viability of developing fields offshore Sakhalin Island. After positive review by the State Expertise Commission in 1993, negotiations to sign a production sharing contract are currently being held among the Russian Government and representatives of the consortium.

Downstream operating income increased $279 million in 1993, after decreasing $294 million in 1992. The increase in 1993 was primarily due to increased average refined product margins from refining and wholesale marketing which nearly doubled since 1992 as a result of decreased crude oil costs and lower maintenance costs for refinery turnaround activities, partially offset by decreased average refined product prices. Also contributing to the increase in operating income were record margins in both refined products and convenience store merchandise experienced by Emro Marketing Company, a Marathon subsidiary. Downstream operating income in 1993 also included a $17 million charge for future environmental remediation. The decrease in 1992 was chiefly the result of lower average refined product margins which were adversely impacted as declines in refined product sales prices exceeded decreases in raw material costs. Results in 1992 were also negatively affected by increased maintenance costs as a result of refinery turnaround activities.

Other Administrative expenses were $77 million in 1993, compared to $83 million in 1992 and $90 million in 1991. These costs include the portion of the Marathon Group's administrative costs not allocated to the individual business components and the portion of USX corporate general and administrative costs allocated to the Marathon Group.

The outlook regarding prices and costs for the Marathon Group's principal products is largely dependent upon world market developments for crude oil and refined products. Market conditions in the petroleum industry are cyclical and subject to global economics and events such as the 1993 OPEC accord, winter oil and natural gas consumption and resumption of Iraqi production.

U.S. Steel Group

The U.S. Steel Group reported an operating loss of $149 million in 1993 compared with operating losses of $241 million in 1992 and $617 million in 1991. The operating loss for 1993 included a $342 million charge as a result of the adverse decision in the B&LE litigation (which also resulted in $164 million of interest costs). See footnote (f) to "USX Corporation--Selected Consolidated Financial Information." The 1993, 1992, and 1991 operating losses included restructuring charges of $42 million, $10 million, and $402 million, respectively, which are discussed below.

OPERATING INCOME (LOSS)

<TABLE>
<CAPTION>

	1993	1992*	1991*

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<S>	<C>	<C>	<C>
	(DOLLARS IN MILLIONS)		
Steel and Related Businesses	$ 123	$(140)	$(235)
Other Businesses	(29)	(96)	(30)
Other Administrative	141	5	50
B&LE litigation charge	(342)	--	--
Restructuring	(42)	(10)	(402)
Total	$(149)	$(241)	$(617)

</TABLE>

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*Certain reclassifications have been made to conform to 1993 classifications.

Steel and Related Businesses recorded operating income of $123 million in 1993 compared with a loss of $140 million in 1992 and a loss of $235 million 1991. The improvement in 1993 over 1992 was predominantly due to higher steel shipment volumes and prices, improved operating efficiencies and lower accruals for environmental and legal contingencies. In addition, 1993 results benefitted from a $39 million favorable effect from the utilization of funds from previously established insurance reserves to pay for certain employee insurance benefits. These positive factors were partially offset by higher hourly steel labor costs, unfavorable effects associated with pension and other employee benefits, lower results from coal operations and a $21 million increase in operating costs related to the adoption of SFAS 112.

The improvement in 1992 compared with 1991 was primarily due to savings from cost reduction programs, higher utilization of raw steel and raw material capability and the absence of costs incurred in 1991 due to the lack of an early labor settlement with the United Steelworkers of America ("USWA"). These were partially offset by an increase in postretirement benefit costs in connection with the adoption of SFAS 106, higher depreciation charges and start-up costs for the Mon Valley Works continuous caster.

Average realized steel prices improved $8 per ton in 1993 after virtually no change in 1992.

Steel shipments were just under 10 million tons in 1993, an increase of 1.1 million tons over 1992. Shipments in 1992 were basically flat with the 1991 level. U.S. Steel Group shipments comprised approximately 11% of the domestic steel market in each of the three years. Exports accounted for 4% of U.S. Steel Group shipments in 1993, compared with 7% in 1992 and 15% in 1991.

Raw steel production was 11.3 million tons in 1993, compared with 10.4 million tons in 1992 and 10.5 million tons in 1991. Raw steel produced was nearly 100% continuous cast in 1993, versus 83% in 1992 and 67% in 1991. U.S. Steel completed its continuous cast modernization program in 1992 with the start up of the Mon Valley Works continuous caster in August 1992. Raw steel production averaged 96% of capability in 1993 compared with 86% of capability in 1992 and 70% of capability in 1991.

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Other Businesses recorded an operating loss of $29 million in 1993, compared with operating losses of $96 million in 1992 and $30 million in 1991. The improvement in 1993 of $67 million and the decrease in 1992 of $66 million primarily reflected a $28 million charge in 1992 resulting from market valuation provisions for foreclosed real estate assets and higher provisions in 1992 for loan losses by USX Credit. Loan loss provisions were $11 million in 1993, $42 million in 1992 and $14 million in 1991. USX Credit is not actively making new loan commitments. Excluding loan loss provisions, the balance of the operating losses for Other Businesses during the three-year period was largely due to the effect of depressed titanium markets on RMI's results.

Other Administrative includes the portion of pension credits, postretirement benefit costs and certain other expenses principally attributable to former business units of the U.S. Steel Group as well as USX

corporate general and administrative costs allocated to the U.S. Steel Group. Operating income from Other Administrative was $141 million in 1993 compared to $5 million in 1992 and $50 million in 1991. The 1993 increase resulted mainly from the absence of a charge incurred in 1992 to cover the amount of the award in the Energy Buyers litigation and a credit in 1993 due to settlement of all claims in the case. See footnote (f) to "USX Corporation--Selected Consolidated Financial Information." The decrease from 1991 to 1992 primarily reflected the 1992 charge related to the Energy Buyers litigation, partially offset by a decrease in postretirement benefit costs charged to Other Administrative in connection with the adoption of SFAS 106.

The U.S. Steel Group's 1993 operating loss included restructuring charges of $42 million related to the planned shutdown of the Maple Creek coal mine and preparation plant. The 1992 loss included a charge of $10 million for completion of the portion of the 1991 restructuring plan related to steel facilities. The 1991 loss included $402 million of restructuring charges primarily related to the closing of the iron and steel producing, slab and hot strip mill and pipe mill facilities at Fairless Works; all facilities at South Works; RMI's sodium and sponge production facilities; a previously idled plate mill in Baytown, Texas; and miscellaneous other facilities.

The U.S. Steel Group's 1993 operating income was reduced by a total of $21 million due to the adoption of SFAS 112. Operating income in 1992 compared to 1991 was reduced by a total of $42 million due to the adoption of SFAS 106.

The pension credits referred to above, combined with pension costs for ongoing operating units of the U.S. Steel Group, resulted in net pension credits (which are primarily noncash) of $202 million, $231 million and $196 million in 1993, 1992 and 1991, respectively. The decrease in 1993 from 1992 was primarily due to a lower assumed long-term rate of return on plan assets. The increase in 1992 from 1991 primarily reflected recognition of the 1991 growth in plan assets. In 1994, net pension credits are expected to decline by approximately $60 to $70 million, primarily due to a further reduction in the assumed long-term rate of return on plan assets.

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The domestic steel industry has been adversely affected by unfairly traded imports. Steel imports to the United States accounted for an estimated 19% of the domestic steel market during the first eleven months of 1993, and for an estimated 23% and 24% in October and November, respectively. Steel imports to the United States accounted for an estimated 17 to 18% of the domestic steel market in 1992 and 1991. On March 31, 1992, Voluntary Restraint Agreements restricting the level of steel imports to the United States expired, and in June 1992, in conjunction with other domestic steel firms, USX filed a number of antidumping and countervailing duty cases with the USDC and the ITC against unfairly traded imported carbon flat rolled steel. Beginning in late 1992, as a result of affirmative preliminary determinations by both the ITC and the USDC in the vast majority of cases, provisional duties were imposed on the imported steel products under investigation. On June 22, 1993, the USDC issued the final determinations of subsidization in the countervailing duty cases and final margins for sales at less than fair value in the antidumping cases.

On July 27, 1993, the ITC issued affirmative determinations of material injury to the domestic steel industry by reason of imports in cases representing an estimated 51% of dollar value and 42% of the volume of all flat-rolled carbon steel imports under investigation. Affirmative determinations were found in cases relating to 37% of such volume of cold-rolled steel, 92% of such volume of the higher value-added corrosion resistant steel and 97% of such volume of plate steel. Negative determinations were found in all cases related to hot-rolled steel, the largest import market.

In those cases where negative determinations were made by the ITC, provisional duties imposed on imports covered by the cases were removed and final remedial duties were not imposed. While USX is unable to predict the effect these negative determinations may have on the business or results of operations of the U.S. Steel Group, they may result in increasing levels of imported steel and may adversely affect some product prices. As discussed above, steel imports to the United States have increased in recent months.

Although the affirmative determinations are helpful in offsetting the harm to the U.S. steel industry caused by subsidized and dumped imports, USX believes that certain of the negative determinations were improper and, together with other steel firms, has appealed such determinations to the U.S. Court of International Trade and, in certain cases involving imports from Canada, to a bi-national panel in accordance with the Canadian Free Trade Agreement. Several of the affirmative determinations similarly have been challenged in appeals filed by foreign steel producers.

USX will file additional antidumping and countervailing duty petitions if unfairly traded imports adversely impact, or threaten to adversely impact, the results of the U.S. Steel Group.

The U.S. Steel Group depreciates steel assets by modifying straight-line depreciation based on the level of production. Depreciation charges for 1993 were 100% of straight-line depreciation based on production levels for the

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year. Depreciation charges for 1992 and 1991 approximated 91% and 89% of the amounts that would have been reported if production levels had not been considered. In 1992, the U.S. Steel Group revised the modification factors used in the depreciation of steel assets to reflect that raw steel production capability is entirely continuous cast.

Based on strong recent order levels and assuming a continuing recovery of the domestic economy, the U.S. Steel Group anticipates that steel demand will remain strong in 1994. The U.S. Steel Group believes that domestic industry shipments will reach 89 to 90 million tons in 1994 as compared to approximately 88 million tons in 1993. Price increases on sheet products have been announced effective January 2 and July 3, 1994. Price increases on certain other products have also been announced. Realization of these price increases will be dependent upon steel demand and the level of imports. As previously discussed, steel imports to the United States have increased in recent months.

U.S. Steel entered into a new five and one-half year contract with the USWA, effective February 1, 1994, covering approximately 15,000 employees. The agreement will result in higher labor and benefit costs for the U.S. Steel Group each year throughout the term of the agreement. The agreement includes a signing bonus of $1,000 per USWA represented employee that will be paid in the first quarter of 1994, $500 of which represents the final bonus payable under the previous agreement. Management believes that this agreement is competitive with labor agreements reached by U.S. Steel's major domestic integrated competitors and thus does not believe that U.S. Steel's competitive position with regard to such other competitors will be materially affected by its ratification.

Severe cold and extreme winter weather conditions disrupted steel and raw materials operations and caused forced utility curtailments at Gary Works, Mon Valley Works and Fairless Works in January 1994. It is likely that these events will have some negative effects on operations in the first quarter of 1994.

Delhi Group

Operating income was $36 million in 1993, compared with $33 million in 1992 and $31 million in 1991. Operating income in 1993 included favorable effects of $2 million for the reversal of a prior-period accrual related to a natural gas contract settlement, $1 million related to gas imbalance settlements and a net $1 million for a refund of prior years' taxes other than income taxes. Operating income in 1992 included favorable effects totaling $2 million relating to the settlement of various lawsuits and third-party disputes. Excluding the effects of these items, 1993 operating income improved by $1 million, primarily as a result of higher gas sales margins and lower operating and other expenses, partially offset by a 34% decline in gas processing margins from the sale of natural gas liquids ("NGLs"). Operating income in 1991 included $8 million due to the favorable settlements of certain contractual issues. Excluding the effects of the settlements in 1992 and 1991, operating income in 1992 improved by $8 million, primarily due to increased NGLs volumes from gas processing, higher natural gas systems throughput volumes and lower operating and other expenses. These favorable items were partially offset by lower unit margins for NGLs, reflecting lower NGLs prices and higher feedstock costs.

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LIQUIDITY AND CAPITAL RESOURCES

Net cash provided from operating activities totaled $944 million in 1993, compared with $920 million in 1992. The 1993 period was negatively affected by payments of $314 million related to partial settlement of the B&LE litigation and settlement of the Energy Buyers litigation. The 1992 period included $296 million associated with the refund of prior years' production taxes. Excluding these items, net cash provided from operating activities improved $634 million from 1992. The increase primarily reflected improved operations for the U.S. Steel Group, improved refined product margins for the Marathon Group and a $103 million favorable effect from the use of available funds from previously established (now depleted) insurance reserves to pay for certain active and retired employee insurance benefits.

Excluding the 1992 refund discussed above, net cash provided from operating activities in 1992 declined $399 million from 1991 primarily due to lower income, partially offset by favorable changes in working capital accounts.

Capital expenditures were $1,151 million in 1993, compared with $1,505 million in 1992 and $1,392 million in 1991. The $354 million decrease in 1993 was due primarily to lower expenditures for the Marathon Group and the U.S. Steel Group. The decline for the Marathon Group mainly reflected decreased expenditures for environmental projects and for development of the East Brae Field and SAGE system in the United Kingdom and other international projects, partially offset by increased exploration and development projects in the Gulf of Mexico and increased drilling activity for onshore domestic natural gas projects. The decrease for the U.S. Steel Group primarily reflected completion of U.S. Steel's continuous cast modernization program in 1992. Contract commitments for capital expenditures at year-end 1993 were $389 million, compared with $423 million at year-end 1992. For the year 1994, capital expenditures are expected to total approximately $1.1 billion. The slight anticipated decrease in 1994 is expected to result mainly from lower expenditures for the Marathon Group, partially offset by higher expenditures for the U.S. Steel Group. The Marathon Group's capital expenditures are expected to decrease by approximately $100 million in 1994 mainly reflecting lower expenditures for development of the East Brae Field and SAGE system. The U.S. Steel Group's capital expenditures are expected to increase by approximately $60 million in 1994 and will include continued expenditures for projects begun in 1993 relative to environmental, hot-strip mill and pickle line improvements at Gary Works and initial expenditures for a blast furnace project at Mon Valley Works which is planned for completion in 1995.

Cash from the disposal of assets was $469 million in 1993, compared with $117 million in 1992 and $78 million in 1991. The 1993 amount primarily reflected the realization of proceeds from a subordinated note related to the 1988 sale of Transtar, the sale of the Cumberland coal mine, the sale/leaseback of interests in two LNG tankers, and the sales of various domestic oil and gas production properties and of an investment in an insurance company. No individually significant sales transactions occurred in 1992 or 1991.

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Financial obligations decreased by $458 million in 1993, compared with a decrease of $240 million in 1992 and an increase of $662 million in 1991. These amounts represent net cash flows on commercial paper and the revolving credit agreements and lines of credit, other debt and production financing and other agreements. During 1993, USX issued an aggregate principal amount of $800 million of fixed rate debt through its medium-term note program and three separate series of unsecured, noncallable debt securities in the public market. Maturities ranged from 5 to 30 years and interest rates ranged from 6 3/8% to 8 1/2% per annum. In addition, an aggregate principal amount of $77 million of Marathon 9 1/2% Guaranteed Notes Due 1994 was tendered in exchange for its Monthly Interest Guaranteed Notes Due 2002, 9 3/4% to March 1, 1994 and 7% thereafter. During 1992, USX issued an aggregate principal amount of $748 million of fixed rate debt through its medium-term note program and three separate series of unsecured, noncallable debt securities in the public market. Maturities ranged from 5 to 30 years and interest rates ranged from 6.65% to 9.375% per annum. During 1991, debt borrowings included the issuance of three separate series of unsecured, noncallable debt securities in the public market in the aggregate principal amount of $550 million and a $300 million loan to Marathon Oil U.K., Ltd. from the European Investment Bank.

Preferred stock issued totaled $336 million in 1993. The 1993 amount reflected the sale of 6,900,000 shares of 6.50% Convertible Preferred to the public for net proceeds of $336 million. The 6.50% Convertible Preferred is convertible at any time into shares of Steel Stock at a conversion price of $46.125 per share of Steel Stock.

Common stock issued, net of repurchases, totaled $371 million in 1993, compared with $942 million in 1992 and $70 million in 1991. The 1993 amount mainly reflected the sale of 10,000,000 shares of Steel Stock to the public for net proceeds of $350 million. The increase in 1992 primarily reflected sales to the public of all three classes of common stock. In 1992, USX sold 25,000,000 shares of Marathon Stock for net proceeds of $541 million, 8,050,000 shares of Steel Stock for net proceeds of $198 million and 9,000,000 shares of Delhi Stock for net proceeds of $136 million.

Dividend payments decreased in 1993 primarily due to a decrease in the dividend rate on Marathon Stock in the fourth quarter of 1992, partially offset by increased dividends due primarily to the sale in 1993 of additional shares of Steel Stock and of the 6.50% Convertible Preferred mentioned above. The increase in 1992 from 1991 primarily resulted from higher dividends due to the sale of additional shares of all three classes of common stock in 1992, partially offset by the fourth quarter decrease in the dividend rate on Marathon Stock.

In September 1993, Standard & Poor's Corp. ("S&P") lowered its ratings on USX's and Marathon's senior debt to below investment grade (from BBB- to BB+) and on USX's subordinated debt, preferred stock and commercial paper. S&P cited extremely aggressive financial leverage, burdensome retiree medical liabilities

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and litigation contingencies. In October 1993, Moody's Investors Service, Inc. ("Moody's") confirmed its Baa3 investment grade ratings on USX's and Marathon's senior debt. Moody's also confirmed its ratings on USX's subordinated debt and commercial paper, but lowered its ratings on USX's preferred stock from ba1 to ba2. Moody's noted that the rating confirmation on USX debt securities reflected confidence in the expected performance of USX during the intermediate term, while the downward revision of the preferred stock ratings incorporated a narrow fixed charge coverage going forward. The downgrades by S&P and the downgrade of ratings on preferred stock by Moody's could increase USX's cost of capital.

In December 1993, USX filed a universal shelf registration statement with the Securities and Exchange Commission which became effective on January 6, 1994 and allows USX to offer and issue up to $850 million of debt and equity securities. The equity securities include preferred stock as well as each class of USX's common stock. In January 1994, USX sold 5,000,000 shares of Steel Stock to the public under the shelf registration for net proceeds of $201 million.

As a result of the settlement of LTV's portion of the B&LE litigation, USX is obligated to pay an additional $175 million to LTV in the first quarter of 1994. In addition, approximately $210 million in judgments for other MDL-587 plaintiffs are due for payment in the first quarter of 1994. See footnote (f) to "USX Corporation--Selected Consolidated Financial Information."

USX anticipates that it will begin funding the U.S. Steel Group's pension plan by approximately $100 million per year commencing with the 1994 plan year. The funding for both the 1994 and 1995 plan years will impact cash flows in 1995.

USX believes that its short-term and long-term liquidity is adequate to satisfy its obligations (including those related to the B&LE litigation) as of December 31, 1993, and to complete currently authorized capital spending programs. USX actively used its access to capital markets during 1993 to meet its business needs beyond internally generated funds. Future requirements for its business needs, including the funding of capital expenditures, debt maturities for the years 1994 to 1996 and amounts which may ultimately be paid in connection with contingencies are expected to be financed by a combination of internally generated funds, proceeds from the sale of stock (including the Steel Stock sold in January 1994), future borrowings and other external financing sources. Long-term debt of $734 million matures within one year, including $699 million classified as long-term debt at December 31, 1993. The $699 million represents the Marathon 9 1/2% Guaranteed Notes Due March 1, 1994. See footnote (h) to "USX Corporation--Selected Consolidated Financial Information" herein.

ENVIRONMENTAL MATTERS, LITIGATION AND CONTINGENCIES

USX has incurred and will continue to incur substantial capital, operating

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and maintenance, and remediation expenditures as a result of environmental laws and regulations. In recent years, these expenditures have increased primarily due to required product reformulation and process changes in order to meet CAA obligations, although ongoing compliance costs have also been significant. To the extent these expenditures, as with all costs, are not ultimately reflected in the prices of USX's products and services, operating results will be adversely affected. USX believes that domestic competitors of the U.S. Steel Group and substantially all the competitors of the Marathon Group and the Delhi Group are subject to similar environmental laws and regulations. However, the specific impact on each competitor may vary depending on a number of factors, including the age and location of their operating facilities and their production processes and whether or not they are engaged in the petrochemical business.

USX's environmental expenditures for 1993 and 1992 are discussed below and have been estimated for the Marathon Group and the Delhi Group based on American Petroleum Institute ("API") survey guidelines and for the U.S. Steel Group based on USDC survey guidelines. These guidelines are subject to differing interpretations which could affect the comparability of such data. Some environmental related expenditures, while benefitting the environment, also enhance operating efficiencies.

The Marathon Group's total environmental expenditures in 1993 were $253 million compared with $370 million in 1992. These amounts consisted of capital expenditures of $123 million in 1993 and $240 million in 1992 and estimated compliance expenditures (including operating and maintenance) of $130 million in both 1993 and 1992. Compliance expenditures were broadly estimated based on API survey guidelines and represented 1% of the Marathon Group's total operating costs in both 1993 and 1992. The decline in environmental capital expenditures from 1992 to 1993 primarily reflected the Marathon Group's multi-year capital spending program for diesel fuel desulfurization which was substantially completed in 1993.

The U.S. Steel Group's total environmental expenditures in 1993 were $240 million compared with $220 million in 1992. These amounts consisted of capital expenditures of $53 million in 1993 and $52 million in 1992 and estimated compliance expenditures (including operating and maintenance) of $187 million in 1993 and $168 million in 1992. Compliance expenditures were broadly estimated based on USDC survey guidelines and represented 3% of the U.S. Steel Group's total operating costs in both 1993 and 1992.

The Delhi Group's total environmental expenditures in 1993 were $10 million compared with $8 million in 1992. These amounts consisted of capital expenditures of $5 million in 1993 and $3 million in 1992 and estimated compliance expenditures (including operating and maintenance) of $5 million in both 1993 and 1992. Compliance expenditures were broadly estimated based on API survey guidelines and represented 1% of the Delhi Group's total operating costs in both 1993 and 1992.

USX's environmental capital expenditures totaled $181 million in 1993, $294 million in 1992 and $175 million in 1991. Such expenditures accounted for 16%, 20% and 13% of total consolidated capital expenditures in 1993, 1992 and 1991, respectively. USX expects such expenditures to approximate $150 million in 1994

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or approximately 13% of total estimated consolidated capital expenditures. The increase from 1991 to 1992 and the decline in 1993 was primarily the result of Marathon's multi-year capital spending program for diesel fuel desulfurization which was substantially completed in 1993. Predictions beyond 1994 can only be broad-based estimates which have varied, and will continue to vary, due to the ongoing evolution of specific regulatory requirements, the possible imposition of more stringent requirements and the availability of new technologies, among other matters. Based upon currently identified projects, USX anticipates that environmental capital expenditures in 1995 will total approximately $90 million; however, actual expenditures may increase as additional projects are identified or additional requirements are imposed.

USX has been notified that it is a potentially responsible party ("PRP") at 55 waste sites under the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") as of December 31, 1993. In addition, there are 50 sites where USX has received information requests or other indications that USX may be a PRP under CERCLA but where sufficient information is not presently available to confirm the existence

of liability or make any judgment as to the amount thereof. There are also 62 additional sites, excluding retail gasoline stations, where state governmental agencies or private parties are seeking remediation under state environmental laws through discussions or litigation. Total environmental expenditures for the Marathon Group included remediation related expenditures estimated at $38 million in 1993 and $35 million in 1992. Remediation spending was primarily related to retail gasoline stations which incur ongoing clean-up costs for soil and groundwater contamination associated with underground storage tanks and piping. Total environmental expenditures for the U.S. Steel Group included remediation related expenditures estimated at $19 million in 1993 and $11 million in 1992. Remediation related expenditures for the Delhi Group were not material. USX accrues for environmental remediation activities when the responsibility to remediate is probable and the amount of associated costs is reasonably determinable. At most of these sites, USX is one of a number of PRPs and the total cost of remediation, as well as USX's share thereof, is frequently dependent upon the outcome of investigations and remedial studies. As environmental remediation matters proceed toward ultimate resolution and additional remediation matters come to management's attention, charges in excess of those previously accrued may be required.

New or expanded requirements for environmental regulations, which could increase USX's environmental costs, may arise in the future. USX intends to comply with all legal requirements regarding the environment, but since many of them are not fixed or presently determinable (even under existing legislation) and may be affected by future legislation, it is not possible to accurately predict the ultimate cost of compliance, including remediation costs which may be incurred and penalties which may be imposed. However, based on presently available information, and existing laws and regulations as currently implemented, management does not anticipate that environmental compliance expenditures will materially increase in 1994. As discussed above, environmental capital expenditures are currently expected to decrease in 1994

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and again in 1995.

USX 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 in footnote (f) to "USX Corporation--Selected Consolidated Financial Information." The ultimate resolution of these contingencies could, individually or in the aggregate, be material to the consolidated financial statements. However, management believes that USX will remain a viable and competitive enterprise even though it is possible that these contingencies could be resolved unfavorably. See "USX Corporation--Analysis of Selected Consolidated Financial Information--Liquidity and Capital Resources" above.

ACCOUNTING STANDARD

Statement of Financial Accounting Standards No. 114--Accounting by Creditors for Impairment of a Loan ("SFAS 114") requires impairment of loans based on either the sum of discounted cash flows or the fair value of underlying collateral. USX expects to adopt SFAS 114 in the first quarter of 1995. Based on preliminary estimates, USX expects that the unfavorable effect of adopting SFAS 114 will be less than $2 million.

DESCRIPTION OF THE NOTES

The following description of the particular terms of the Notes offered hereby supplements, and to the extent inconsistent therewith replaces, the description of the general terms and provisions of Debt Securities set forth in "Description of the Debt Securities" in the accompanying Prospectus, to which description reference is hereby made. Capitalized terms not otherwise defined herein shall have the meanings given to them in the Prospectus.

The Notes will be limited to $300 million aggregate principal amount and will mature on February 15, 2004. The Notes will be issued only in book-entry form in denominations of $1,000 and integral multiples thereof. The Notes will bear interest at the rate per annum shown on the cover of this Prospectus Supplement from February 7, 1994 or from the most recent Interest Payment Date to which interest has been paid or provided for, payable semiannually on February 15 and August 15 of each year, commencing August 15, 1994, to the person in whose name a Note (or any predecessor Note) is registered at the close of business on the January 31 or July 31, as the case may be, next preceding such Interest Payment Date. The Notes will not be redeemable prior to maturity and do not provide for any sinking fund. The covenants contained in the Indenture and the Notes would not necessarily afford holders of the Notes protection in the event of a highly leveraged or other transaction involving the Company that may adversely affect holders of the Notes.

The Notes are subject to defeasance and covenant defeasance by the Company if certain conditions are satisfied. Any such defeasance or covenant defeasance

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would be likely to have a taxable effect on Holders of the Notes. See "Description of the Debt Securities--Satisfaction and Discharge; Defeasance and Covenant Defeasance" in the accompanying Prospectus.

With respect to the Notes offered hereby, for purposes of Section 11.01 of the Indenture, "substantially all of its assets" means, at any date, a portion of the Company's non-current assets reflected in the Company's consolidated balance sheet as of the end of the most recent quarterly period that represents at least 66 2/3% of the total reported value of such assets.

BOOK-ENTRY SECURITIES

The Notes will be issued in the form of two or more fully registered Global Securities. Each Global Security will be deposited with, or on behalf of, the Depositary, and will be registered in the name of the Depositary or its nominee.

Except under the limited circumstances described in "Description of the Debt Securities--Book-Entry Securities" in the accompanying Prospectus, Global Securities will not be exchangeable for definitive certificated Securities.

The total amount of principal and interest due on any Global Security representing one or more Notes on any Interest Payment Date or at maturity will be made available to the Trustee on such date. As soon as possible thereafter, the Trustee will make such payments to the Depositary. The Depositary will allocate such payments to each Note represented by such Global Security and make payments to the owners or holders thereof in accordance with its existing operating procedures. Neither the Company nor the Trustee shall have any responsibility or liability for such payments by the Depositary. As long as the Depositary or its nominee is the registered owner of any Global Security, the Depositary or its nominee, as the case may be, will be considered the sole owner or holder of the Note or Notes represented by such Global Security for all purposes under the Indenture and the Notes. The Company understands, however, that under existing industry practice, the Depositary will authorize the persons on whose behalf it holds a Global Security to exercise certain rights of holders of Notes. See "Description of the Debt Securities--Book-Entry Securities" in the Prospectus.

The Depositary is a limited purpose trust company organized under the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act

of 1934, as amended. The Depositary holds securities of its participants and facilitates the settlement of securities transactions among its participants in such securities through electronic book-entry changes in accounts of the participants, thereby eliminating the need for physical movement of securities certificates. Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations, some of which

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(and/or their representatives) own the Depositary. Access to the Depositary's book-entry system is also available to others, such as banks, brokers, dealers and trust companies, that clear through or maintain a custodial relationship with a participant, either directly or indirectly.

For a further description of the Depositary's procedures with respect to Book-Entry Securities, see "Description of the Debt Securities--Book-Entry Securities" in the Prospectus.

UNDERWRITING

Subject to the terms and conditions set forth in the Underwriting Agreement, the Company has agreed to sell to each of the Underwriters named below, and each of the Underwriters, for whom Salomon Brothers Inc, Goldman, Sachs & Co. and Lehman Brothers Inc. are acting as Representatives, has severally agreed to purchase, the amount of Notes set forth opposite its name below:

UNDERWRITER	PRINCIPAL AMOUNT OF NOTES
Salomon Brothers Inc	$ 91,000,000
Goldman, Sachs & Co.	91,000,000
Lehman Brothers Inc	91,000,000
Chemical Securities Inc	9,000,000
Citicorp Securities, Inc	9,000,000
UBS Securities Inc	9,000,000
Total	$300,000,000

In the Underwriting Agreement, the several Underwriters have agreed, subject to the terms and conditions set forth therein, to purchase all the Notes offered hereby if any Notes are purchased. In the event of default by any Underwriter, the Underwriting Agreement provides that, in certain circumstances, the Underwriting Agreement may be terminated.

The Company has been advised by the Representatives that the several Underwriters propose initially to offer the Notes to the public at the public offering price set forth on the cover page of this Prospectus Supplement, and to certain dealers at such price less a concession of not more than .400% of the principal amount of the Notes. The Underwriters may allow and such dealers may reallow a concession of not more than .250% of the principal amount of the Notes to certain other dealers. After the initial public offering, the public offering price and such concessions may be changed.

The Company has been advised by the Underwriters that they intend to make a market in the Notes but that they are not obligated to do so and may discontinue making a market at any time without notice. The Company currently

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has no intention to list the Notes on any securities exchange, and there can be no assurance given as to the liquidity of the trading market for the Notes.

The Underwriting Agreement provides that the Company will indemnify the several Underwriters against certain civil liabilities, including liabilities under the Securities Act of 1933, or contribute to payments which the Underwriters may be required to make in respect thereof.

Chemical Securities Inc. ("CSI") is an affiliate of Chemical Bank which is a lender under the Company's Revolving Credit and Term Loan Agreement. Chemical Bank Delaware, another affiliate of CSI, is the trustee under the Company's indentures relating to the Company's 7% Convertible Subordinated Debentures Due 2007 and the 4 5/8% Subordinated Debentures Due 1996. A director (and former chairman and chief executive officer)

of Chemical Banking Corporation, the parent of CSI, is a director on the board of directors of the Company, and the former chief financial officer of the Company is a director on the board of directors of Chemical Banking Corporation. In addition, Chemical Bank, or its affiliates, participates on a regular basis in various general financing and banking transactions for the Company.

In the ordinary course of their respective business, the Underwriters and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with the Company.

VALIDITY OF THE NOTES

The validity of the Notes offered hereby will be passed upon for USX by D. D. Sandman, Esq., General Counsel and Secretary of USX, and for the Underwriters by Sullivan & Cromwell, New York, New York. Mr. Sandman, in his capacity as General Counsel and Secretary, is paid a salary by USX and participates in the various employee benefit plans offered to officers of USX generally. Mr. Sandman will rely as to matters of New York law on the opinion of Sullivan & Cromwell.

EXPERTS

The consolidated financial statements of the Company, as of December 31, 1992 and 1991 and for each of the three years in the period ended December 31, 1992 incorporated in the Prospectus by reference to USX's Annual Report on Form 10-K for the year ended December 31, 1992 have been so incorporated in reliance on the report of Price Waterhouse, independent accountants, given on the authority of said firm as experts in auditing and accounting.

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NO DEALER, SALESMAN OR ANY OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION, OR TO MAKE ANY REPRESENTATIONS, OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS SUPPLEMENT OR THE PROSPECTUS, IN CONNECTION WITH THE OFFER CONTAINED IN THIS PROSPECTUS SUPPLEMENT AND THE PROSPECTUS, AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY OR ANY UNDERWRITER. NEITHER THE DELIVERY OF THIS PROSPECTUS SUPPLEMENT AND THE PROSPECTUS NOR ANY SALE MADE HEREUNDER AND THEREUNDER SHALL UNDER ANY CIRCUMSTANCES CREATE AN IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE THE DATE HEREOF. THIS PROSPECTUS SUPPLEMENT AND THE PROSPECTUS ARE NOT AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SECURITY IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION.

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Appendix I--Summary of USX Common Stock.................................. A-1
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$300,000,000

USX CORPORATION

7.20% NOTES DUE 2004

LOGO

SALOMON BROTHERS INC
GOLDMAN, SACHS & CO.
LEHMAN BROTHERS

PROSPECTUS SUPPLEMENT DATED JANUARY 31, 1994

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