

for steel pr

Company L.C.(3)	Magnetite	40.00%(4)	6,702	6,016	6,891	7,800(4)	1974
-----------------	-----------	-----------	-------	-------	-------	----------	------

2041
Minnesota

Mesabi Range
- Hibbing Tacon

The Company's managed capacity is approximately 41.6 million tons, or 46% of total pellet capacity in North America, and the Company's annual North American pellet sales capacity in 1998 was 11.5 million tons. In 1998, the Company produced 11.4 million tons of pellets in North America for its own account.

In 1998, the Company produced 28.7 million gross tons of iron ore in the United States and Canada for participants other than the Company. The share of participants having the five largest amounts, Algoma Steel Company, Bethlehem Steel Corporation, InAleh

Canada, Quebec Cartier Mining Company, and Evtac Mining Company, as well as other steel companies which own interests in iron ore mines and/or have excess iron ore p

In the paper format version of this document, this page contains a map. The map is entitled, "Cleveland-Cliffs Inc and AssocC

PART II

ITEM 5. MARKET FOR REGISTRANTS' COMMON

opinion on these financial state8e'

J. C. Morley	Director and Chairman	March 25, 1999
S. B. Oresman	Director	March 25, 1999
A. Schwartz	Director	March 25, 1999
A. W. WhitX	XXXXX 25,,,,,,,,,	

on November 13, 1996 and incorporated by
r

- -----

* Reflects management contract or other compensatory

(Amended and Restated effective June 1,
144

Nonemployee Directors' Supplemental
Compensation Plan, effective as of January
1, 1999

Filed Herewith

s 10(n) ~~Digital~~ ~~Cleveland-Cliffs~~ ~~Incd-Cl~~ ~~Nonemployee~~ ~~Directors'~~ ~~Compensation~~ ~~Plan,~~ ~~effective~~ ~~as~~ ~~of~~ ~~July~~ ~~1,~~ ~~1996~~ ~~(filed~~ ~~as~~ ~~Appendix~~ ~~A~~ ~~to~~ ~~Proxy~~ ~~Statement~~ ~~of~~ ~~Cleveland-Cliffs~~ ~~Incd-Cl~~ * Inc Nonem(n) ofnHn
vN

In 1998, Cleveland-Cliffs Inc ("Company") earned \$57.4 million, or \$5.06 per share (references to per share earnings are "diluted earnings per share"), an increase of \$2.5 million, or \$.26 per share, from 1997. Following is a su%ll'A

million decrease in 1997 earnings was mainly due to the termination of Savage

Capital	====	=====
	\$22.1	\$ 60.2
	====	=====

</TABLE>

* Includes equipment acquired through leases, which are largely non-recourse to the Company.

FERROUS METALLICS
- - - - -

The Company's strategy includes extending its ~~bp~~ **p**

<TABLE>

<CAPTION>

COMMON SHARE REPURCHASES

Common
Shares

Cost
(In Millions)

<S>

<C>

<C>

1995

284,500

\$10.8

1996

495,800

19.5

1997

113,100

4.9

1998

237,100

11.5

Total

The incremental expense of achieving Year 2000 compliance on systems not covered

The Company currently has \$70 million of long-term debt outstanding at a fixed
inObt

LONG-TERM DEBT	70.0	70.0
POSTEMPLOYMENT BENEFIT LIABILITIES	70.5	70.1
OTHER LIABILITIES	56.2	55.0
SHAREHOLDERS' EQUITY		
Preferred Stock		

instruments with an initial maturity of three months or less, or with put options exercisable in three months or less, to be cash equivalents.

INVESTMENTS: The Company determines the appropriate classification of debt and equity securities

(Losses) on
Securities

Currency
Items

Comprehensive
Income (Loss

difference between the Company's equit... X'

NOTE D - SEGME YYYYYYYY

NOTE G - LEASE OBLIGATIONS

The Company and its ventures lease certain mining, production, data processing and other equipment under operating leases. The Company's operating lease expense, including its share of ventures, was \$9.1 million in 1998, \$8.5 million in 1997 and \$7.5 million in 1996.

Assets acquired under capital leases by the Company, including its share of ventures, were \$9.2 million and \$8.1 million, respectively, at December 31, 1998 and 1997. Corresponding accumulated amortization of capital leases included in respective allowances for depreciation was \$4.0 million and \$3.3 million at December 31, 1998 and 1997, respectively.

der mcapital leases inclu1997lg, ' 19o1,

	1998	1997	1996
<S>			
Net income (millions)	<C> \$56.5	<C> \$54.7	<C> \$61.1
Earnings per s			

Reserved for future grants or awards at end of year	520,704	718,640	339,007
Weighted-avei '4	4 X26		

INVESTOR AND CORPORATE INFORMATION

Exhn STXN ANE XFORMATYO

\$411.2

\$334.8

\$268.1

\$266.9

\$271.6

\$272.2

X2

Exhibit 21

Subsidiaries of Cleveland-Cliffs Inc

Jurisdiction
of
Incorporation

(1) The namede-----ede

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned Directors and officers of Cleveland-Cliffs Inc, an Ohio corporation ("Company"), hereby constitute and appoint John S. Brinzo, Cynthia B. Bezik, Joseph H. Ballway, Jr., and John E. L

Cc*4 Cc*6