

TABLE OF CONTENTS

PART I—FINANCIAL INFORMATION
CLEV





increased ownership of CAL. Cliffs increased its CAL ownership from 46.5 percent to approximately 82 percent as a res:

The successful startup of the CAL plant in March was encouraging for the owners and employees of CAL. CAL is expected to produce about 250,000 tons of HBI in 2001. While the current pricing for HBI is weak, Circal (TM) briquettes have excellent market potential. Cliffs' losses from CAL are expected to be somewhat lower for the full year 2001 than the \$13.3 million pre-tax loss recorded in 2000.

Brinzo concluded, "While we cannot control the marketplace for iron ore and other ferrous metallics products, we can minimize the loss of

Interest incomeWite

INCREASE (DECREASE) IN CASH AND
CASH EQUIVALENTS

\$