

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Cleveland-Cliffs Inc.

Date: February 20, 2020

By: /s/ James D. Graham

Name: James D. Graham

Title: Executive Vice President, Chief Legal Officer & Secretary



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Cleveland-Cliffs Inc. Reports Fourth-Quarter and Full-Year 2019 Results

- Fourth-quarter net income of \$63 million or \$0.23 per diluted share, including \$0.02 per diluted share of acquisition-related costs
- Full-year net income of \$283 million or \$1.03 per diluted share

CLEVELAND—February 20, 2020—Cleveland-Cliffs Inc. (**NYSE: CLF**) today reported fourth-quarter and full-year results for the period ended December 31, 2019.

Fourth-quarter 2019 consolidated revenues were \$534 million, compared to prior-year fourth-quarter revenues of \$696 million. Cost of goods sold was \$407 million, compared to \$496 million reported in the fourth quarter of 2018.

For the fourth quarter of 2019, the Company recorded net income of \$63 million, or \$0.23 per diluted share. This included \$7 million, or \$0.02 per share, composed related to the acquisition of Axi Steel. This compares to net income of \$610 million, or \$1.98 per diluted share, recorded in the prior year quarter which included a \$461 million, or \$1.50

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	(In Millions)			
	Three Months Ended December 31,		Year Ended December 31,	
	2019	2018	2019	2018
Adjusted EBITDA ¹				
Mining and Pelletizing	\$ 157.6	\$ 217.4	\$ 668.3	\$ 875.3
Metallics	(4.1)	(0.8)	(8.1)	(3.3)
Corporate/Other	(42.4)	(28.6)	(135.4)	(105.7)
Total Adjusted EBITDA ¹	<u>\$ 111.1</u>	<u>\$ 188.0</u>	<u>\$ 524.8</u>	<u>\$ 766.3</u>

Lourenco Goncalves, Chairman, President and Chief Executive Officer, said: "We finished 2019 on an exciting note with the announcement of the acquisition of AK Steel by Cleveland-Cliffs. With this transformational acquisition we will become a leading supplier of the most sophisticated carbon and stainless steel products to high-end clients, including engineered parts to the automotive industry as a Tier 1 supplier to several different models of cars, SUVs and trucks. On top of that, we will be totally self-sufficient in pellets and rely only on ourselves to get our iron ore feedstock, while preserving our ability to supply customized pellets to other steel mills, as we have been doing so successfully for a long time. The performance of the new Cleveland-Cliffs will be less subject to the volatility of commodity indices and more reliant on fixed-price contracts, which will provide us with much more predictable free cash flow generation."

Mr. Goncalves continued, "In 2019 we also made incredible progress in advancing our Toledo HBI project to an ahead-of-schedule completion. We remain on track to start producing and selling this highly sought-after product to the marketplace in the first half of this year. With both the up-Cleveland completion of the acquisition of AK Steel and the Toledo HBI plant coming online, 2020 will be a transformational year for us, and we can't wait to deliver on all of the potential Cleveland-Cliffs has in store."





Cliffs' Investor Relations at 216.694.6544. Documents filed with the SEC by AK Steel are also available from AK Steel free of charge.
