
Item 2.02. Results of Operations and Financial Condition.

On February 25, 2021, Cleveland-Cliffs Inc. issued a news release announcing the fourth-quarter and full-year financial results for the period ended December 31, 2020. A copy of the news release is attached as Exhibit 99.1 to this Current Report on Form 8-K.

The information contained in this Current Report on Form 8-K, including the exhibit attached hereto, is being furnished and shall not be deemed to be filed for the purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act"), or incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act, unless such subsequent filing specifically references this Form 8-K.

Item 9.01. Financial Statements and Exhibits.

(d) **Exhibits.**

Exhibit Number	Description
99.1	Cleveland-Cliffs Inc. published a news release on February 25, 2021 captioned, "Cleveland-Cliffs Reports Fourth Quarter and Full-Year 2020 Results"
101	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document.
104	The cover page from this Current Report on Form 8-K, formatted as Inline XBRL.

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 25, 2021

By: /s/ James D. Graham

Name: James D. Graham

Title: Executive Vice President, Chief Legal Officer & Secretary

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Cleveland-Cliffs Reports Fourth-Quarter and Full-Year 2020 Results

CLEVELAND—February 25, 2021—Cleveland-Cliffs Inc. (NYSE: CLF) today reported fourth-quarter and full-year results for the period ended December 31, 2020.

On December 9, 2020, Cleveland-Cliffs completed the acquisition of substantially all the operations of ArcelorMittal USA LLC ("ArcelorMittal USA"), which has since been renamed to Cleveland-Cliffs Steel LLC. The results set forth in this release only consider the operating results of Cleveland-Cliffs Steel LLC for the period from December 9, 2020 through December 31, 2020.

Due to the transformative nature of the ArcelorMittal USA acquisition, the Company has updated its segment structure to coincide with its new business model. The Company now has one reportable segment, Steelmaking. The previous Mining and Pelletizing segment is included within Steelmaking as iron ore pellets are a primary raw material for Cliffs' steel products. The other remaining operating segments, including Tooling and Stamping, are classified as Other Businesses.

Fourth-Quarter Consolidated Results

Fourth-quarter 2020 consolidated revenues were \$2.3 billion, compared to prior-year fourth-quarter revenues of \$534 million.

For the fourth quarter of 2020, the Company recorded net income of \$74 million, or \$0.14 per diluted share. This included \$44 million of charges, or \$0.10 per diluted share, from acquisition-related costs and amortization of inventory step-up. This compares to net income of \$63 million, or \$0.23 per diluted share, recorded in the fourth quarter of 2019, which included \$7 million, or \$0.03 per share, of acquisition-related costs.

Fourth-quarter 2020 Adjusted EBITDA¹ was \$286 million, compared to \$111 million in the fourth quarter of 2019.

Full-Year Consolidated Results

Full-year 2020 consolidated revenues were \$5.4 billion, compared to the prior year's revenues of \$2.0 billion.

For the full-year 2020, the Company recorded a net loss of \$81 million, which included \$186 million of acquisition-related, amortization of inventory step-up and severance costs. This compares to 2019 net income of \$293 million, which included \$9 million of acquisition-related and severance costs.

For the full-year 2020, Adjusted EBITDA was \$353 million, compared to \$525 million in 2019.

	(In Millions)			
	Three Months Ended December 31,		Year Ended December 31,	
	2020	2019	2020	2019
Adjusted EBITDA:				
Steelmaking	\$ 316	\$ 142	\$ 433	\$ 636
Other Businesses	25	—	47	—
Corporate and eliminations	(55)	(31)	(127)	(111)
Total Adjusted EBITDA	<u>\$ 286</u>	<u>\$ 111</u>	<u>\$ 353</u>	<u>\$ 525</u>

Lourenco Goncalves, Chairman, President and Chief Executive Officer, said: "Without question, 2020 was the most transformational year in our Company's 173 year history. We completed two seminal acquisitions, AK Steel and ArcelorMittal USA, that transformed us from an iron ore miner into the largest flat-rolled steelmaker in North America. We also completed our Toledo direct reduction plant, which began operations in the fourth quarter. We were able to accomplish all of this while navigating through the COVID-19 pandemic and taking action to preserve the health and safety of our workforce and our company for the long-term."

Mr. Goncalves added: "Our strong fourth quarter results offer just a sample of what we expect to accomplish in 2021, when we will show the full magnitude of the ArcelorMittal USA acquisition as well as the added contribution from our state-of-the art direct reduction plant. The integration of the ArcelorMittal USA assets into our portfolio is going extremely well, and we are benefiting substantially from our increased exposure to markets where we are currently seeing all-time highs in pricing. Our differentiated business model is set up perfectly to thrive in this environment."

Mr. Goncalves concluded: "We continue to manage supply in a disciplined manner, and will let our order book dictate our production levels, not adding volume for volume's sake. We also have made a serious and important commitment to the environment, laying out an aggressive plan to reduce greenhouse gas emissions by 25% by 2030. The opportunities that await us in 2021 and beyond are immense, and we look forward to putting on full display what this transformed business can accomplish."

LLC for a full quarter,



heightened risk that a significant portion of our workforce or on-site contractors may suffer illness or otherwise be unable to perform their ordinary work functions; continued volatility of steel and iron ore market prices, which directly and indirectly impact the prices of the products that we sell to our customers; uncertainties associated with the highly competitive and cyclical steel industry and our reliance on the demand for steel from the automotive industry, which has been experiencing a trend toward light weighting that could result in lower steel volumes being consumed; potential weaknesses and uncertainties in global economic conditions, excess global steelmaking capacity, oversupply of iron ore, prevalence of steel imports and reduced market demand, including as a result of the COVID-19 pandemic; severe financial hardship, bankruptcy, temporary or permanent shutdowns or operational challenges, due to the COVID-19 pandemic or otherwise, of one or more of our major

CLEVELAND-CLIFFS