
SECURITIES AND EXCHANGE COMMISSION

U.S.A., . . . 20549

FORM 10-Q

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CLEVELAND-CLIFFS INC

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(A) (1) (2)

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44114-2589
(216) 694-5700

At 1934 (1) (2) (3) (4) (5) (6) (7) (8) (9) (10),
(2) (11) (12) (13) (14) (15) (16) (17) (18) (19) (20).

At 18, 2002, 10,185,083 (\$1.00) .

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PART I — ITEM 1 — FINANCIAL INFORMATION

CLEVELAND-CLIFFS INC AND CONSOLIDATED SUBSIDIARIES

STATEMENT OF CONSOLIDATED OPERATIONS

(In Millions, Except Per Share Amounts)

	Three Months Ended September 30		Nine Months Ended September 30	
	2002	2001	2002	2001
Net sales	\$ 170.8	\$ 103.5	\$ 354.6	\$ 203.5
Less cost of sales	4.9		8.6	
Gross profit	170.8	108.4	354.6	212.1
Less selling, general and administrative expenses	26.3	5.6	50.1	9.6
Operating income	197.1	114.0	404.7	221.7
Less interest expense	3.4	7.7	8.0	22.5
Income before taxes	200.5	121.7	412.7	244.2
Less provision for income taxes	1.4	.8	3.4	2.8
Net income	5.8	3.8	11.7	8.4
Net income per share	207.7	126.3	427.8	255.4
Nonoperating items				
Interest income	191.1	112.0	414.0	248.1
Less interest expense	10.7		21.0	
Net interest income	191.1	122.7	414.0	269.1
Less dividends paid to noncontrolling interest	121.5		121.5	
Less dividends paid to common stockholders	3.4		9.4	5.8
Less dividends paid to preferred stockholders	5.2	3.9	16.0	11.9
Less dividends paid to other shareholders	2.0	2.8	5.6	7.4
Less dividends paid to employees	1.3	.9	4.5	4.8
Net cash provided by operating activities	324.5	130.3	571.0	299.0
Investing activities				
Less capital expenditures	(116.8)	(4.0)	(143.2)	(43.6)
Less purchases of marketable securities	1.9	(1.1)	(11.0)	(13.4)
Net cash used in investing activities	(118.7)	(2.9)	(132.2)	(30.2)
Financing activities				
Less dividends paid to common stockholders	26.5	1.2	27.8	3.8
Less dividends paid to preferred stockholders				
Less dividends paid to other shareholders				
Less dividends paid to employees				
Net cash used in financing activities	(92.2)	(1.7)	(104.4)	(26.4)
Net cash provided by (used in) operations	\$ 9.3			
Net cash used in investing activities	\$ (92.2)	\$ (1.7)	\$ (104.4)	\$ (17.1)
Net cash used in financing activities				
Net increase (decrease) in cash and cash equivalents				
Less dividends paid to common stockholders	\$ (9.12)	\$ (.16)	\$ (10.32)	\$ (2.61)
Less dividends paid to preferred stockholders				.92
Net cash used in financing activities	\$ (9.12)	\$ (.16)	\$ (10.32)	\$ (1.69)
Net cash provided by (used in) operations				
Less dividends paid to common stockholders	10,121	10,139	10,116	10,120
Less dividends paid to preferred stockholders	10,121	10,139	10,116	10,120

CLEVELAND-CLIFFS INC AND CONSOLIDATED SUBSIDIARIES

STATEMENT OF CONSOLIDATED FINANCIAL POSITION

(In Millions)

	September 30 2002	December 31 2001
ASSETS		
Current Assets:		
Inventory	\$ 185.5	\$ 183.8
Accounts receivable	22.0	19.9
Prepaid expenses	9.4	12.1
Cash	99.1	84.8
Short-term investments	55.8	29.0
Other current assets	4.4	20.9
Total current assets	389.0	362.7
Property, plant and equipment:		
Less accumulated depreciation	382.8	358.0
Net property, plant and equipment	(104.6)	(97.7)
Less than one year		
Accounts receivable	278.2	260.3
Less than one year		
Accounts receivable	14.1	131.7
Less than one year		
Accounts receivable	42.4	46.1
Less than one year		
Accounts receivable	37.4	3.3
Less than one year		
Accounts receivable	31.8	20.9
Less than one year		
Accounts receivable	111.6	70.3
Total Assets	\$ 792.9	\$ 825.0
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 100.0	\$ 100.0
Accrued liabilities	126.5	64.7
Income taxes payable	10.8	16.0
Other current liabilities	8.7	9.1
Less than one year		
Accounts payable	246.0	189.8
Accrued liabilities	70.0	70.0
Income taxes payable	99.0	69.2
Other current liabilities	57.5	59.2
Less than one year		
Accounts payable	22.5	36.7
Total Current Liabilities	495.0	424.9
Long-term Liabilities:		
Accounts payable	25.9	
Less than one year		
Accounts payable	25.7	
Long-term Equity:		
Common stock	\$1	
A - 500,000	16,827,941	16.8
- 4,000,000	71.8	66.2
Total common stock	372.3	476.7
Additional paid-in capital	(1.9)	(1.0)
Less than one year		
Additional paid-in capital	6,642,858	(2001 - 6,685,988)
Less than one year	(182.2)	(183.3)
Less than one year	(4.6)	(1.2)
Total Long-term Equity	272.2	374.2
Less than one year		
Accounts payable	\$ 792.9	\$ 825.0

CLEVELAND-CLIFFS INC AND CONSOLIDATED SUBSIDIARIES

STATEMENT OF CONSOLIDATED CASH FLOWS

(In Millions,
Brackets Indicate
Cash Decrease)
Nine Months Ended
September 30

	2002	2001
Net cash provided by operating activities	\$121.5	\$11.5
Less: Net cash used in investing activities	19.1	11.5
Less: Net cash used in financing activities	6.2	8.2
Less: Dividends paid	(5.1)	(5.1)
Less: Purchase of treasury stock	(1.7)	(6.2)
Less: Net cash used in discontinued operations	(27.8)	(3.8)
Less: Net cash used in discontinued operations less cash received from discontinued operations of \$5.0 million	(9.3)	
Less: Net cash used in discontinued operations	.1	2.6
Net cash provided by operating activities	7.9	(19.2)
Net cash used in investing activities	28.5	(12.8)
Net cash used in financing activities	36.4	(32.0)
Net cash used in discontinued operations	(6.0)	
Net cash provided by discontinued operations	(7.1)	(2.6)
Less: Net cash used in discontinued operations	(1.7)	(2.1)
Less: Net cash used in discontinued operations	(27.4)	
Less: Net cash used in discontinued operations	(6.0)	
Less: Net cash used in discontinued operations	6.7	10.5
Less: Net cash used in discontinued operations	(.4)	
Net cash used in discontinued operations	(35.5)	(.6)
Net cash provided by discontinued operations	100.0	
Less: Net cash used in discontinued operations	.8	7.0
Less: Net cash used in discontinued operations	(.3.1)	
Net cash provided by discontinued operations	.8	103.9
Net cash provided by discontinued operations	1.7	71.3
Net cash provided by discontinued operations	183.8	29.9
Net cash provided by discontinued operations	\$185.5	\$101.2

Additional information:

CLEVELAND-CLIFFS INC AND CONSOLIDATED SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2002

NOTE A — BASIS OF PRESENTATION

The consolidated financial statements include the accounts of Cleveland-Cliffs Inc. and its consolidated subsidiaries. All significant intercompany transactions have been eliminated.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

On December 31, 2002, the Company had cash and cash equivalents of \$40.1 million, restricted cash of \$85.0 million, and short-term investments of \$100.0 million. At September 29, 2002, the Company had cash and cash equivalents of \$26.83 million, restricted cash of \$10.0 million, and short-term investments of \$100.0 million. The difference between the December 31, 2002 and September 29, 2002 financial statement amounts is due to the timing of cash receipts and disbursements.

NOTE B — ACCOUNTING POLICIES

Asset Impairment

It's a good idea to have a list of all the things you need to do before you start your day, so you can prioritize them and make sure you get everything done.

Income Taxes

As the **W** () is the best letter to use, it is used.

Iron Ore Reserves

NOTE C — ACCOUNTING AND DISCLOSURE CHANGES

For the year ended December 31, 2001, the Company's net loss was \$9.3 million (\$14.3 million after tax). The Company's net assets as at December 31, 2001 were \$1 million.

15, 2002 and December 31, 2003. The amount of revenue recognized in 2002 was \$20 million; the amount of revenue recognized in 1999 was \$20 million.

In 2001, the AICPA issued APB 144, *Accounting for the Impairment of Long-Lived Assets*, APB 121, *Accounting for the Impairment of Long-Lived Assets and for Long-Term Contracts*, and APB 144, *Impairment of Long-Lived Assets and for Long-Term Contracts*. These pronouncements require that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment loss is recognized when the sum of the expected future cash flows is less than the carrying amount of the asset. The new accounting standards were effective January 1, 2002.

In 2002, the AICPA issued APB 146, *Accounting for the Impairment of Long-Lived Assets*, APB 146, *Impairment of Long-Lived Assets and for Long-Term Contracts*, and APB 146, *Impairment of Long-Lived Assets and for Long-Term Contracts*. The new accounting standards require that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment loss is recognized when the sum of the expected future cash flows is less than the carrying amount of the asset. The new accounting standards were effective January 1, 2003.

NOTE D — REVENUE RECOGNITION

Revenue is recognized at the time of delivery, when persuasive evidence of an arrangement exists, the price is fixed or determinable, and collectibility is reasonably assured. (\$23.8 million in 2002; \$9.6 million in 2001). Revenue from sales of \$26.3 million in 2002, \$31,2002, and \$21,2001, did not qualify for revenue recognition.

Revenue from the sale of software products is recognized at the time of delivery, when persuasive evidence of an arrangement exists, the price is fixed or determinable, and collectibility is reasonably assured. Revenue from sales of \$4.5 million in 2002; \$8.6 million in 2001, and \$1.1 million in 2000.

NOTE E — ENVIRONMENTAL AND CLOSURE OBLIGATIONS

At December 30, 2002, the Company had environmental obligations of \$66.7 million, \$8.8 million, \$7.7 million, \$5.5 million, \$4.1 million and \$2.0 billion for the years 2003 through 2008, respectively.

At December 31, 2001, the Company had environmental obligations of \$47.7 million, \$11.1 million, \$43.1 million, \$4.6 million, \$2.1 million and \$2.0 billion for the years 2002 through 2007, respectively.

The total environmental obligation at December 31, 2002, was \$19.0 million, which includes \$1.1 million for asbestos removal costs. A portion of the environmental obligations relate to asbestos removal costs, which are included in the \$19.0 million. A detailed discussion of the environmental obligations follows:

Environmental obligations by year:

As of December 31, 2002, the Company had environmental obligations of \$66.7 million, \$8.8 million, \$7.7 million, \$5.5 million, \$4.1 million and \$2.0 billion for the years 2003 through 2008, respectively. At December 31, 2001, the Company had environmental obligations of \$47.7 million, \$11.1 million, \$43.1 million, \$4.6 million, \$2.1 million and \$2.0 billion for the years 2002 through 2007, respectively. A detailed discussion of the environmental obligations follows:

Environmental obligations by year:

Environmental obligations by year:

NOTE F — SEGMENT REPORTING

The following table presents the operating results of the Company's segments for the years ended December 31, 2002 and 2001.

(In Millions)

	Iron Ore	Ferrous Metallics	Segments Total	Other	Consolidated Total
Year 2002					
Net sales	\$197.1	\$	\$ 197.1	\$	\$ 197.1
Cost of sales	3.4		3.4		3.4
Segment profit	200.5		200.5		200.5
Interest expense	10.0	(125.2)	(115.2)	(1.6)	(116.8)
Interest income	14.1		14.1		14.1
Net income	756.0	12.6	768.6	10.2	778.8
Total	770.1	12.6	782.7	10.2	792.9
Year 2001					
Net sales	\$109.1	\$ 4.9	\$ 114.0	\$	\$ 114.0
Cost of sales	7.7		7.7		7.7
Segment profit	116.8	4.9	121.7		121.7
Interest expense	7.1	(5.9)	1.2	(5.2)	(4.0)
Interest income	134.9		134.9		134.9
Net income	491.9	136.5	628.4	32.0	660.4
Total	626.8	136.5	763.3	32.0	795.3
Year 2002					
Net sales	\$404.7	\$	\$ 404.7	\$	\$ 404.7
Cost of sales	8.0		8.0		8.0
Segment profit	412.7		412.7		412.7
Interest expense	2.7	(132.8)	(130.1)	(13.1)	(143.2)
Year 2001					
Net sales	\$213.1	\$ 8.6	\$ 221.7	\$	\$ 221.7
Cost of sales	22.5		22.5		22.5
Segment profit	\$235.6	\$ 8.6	\$ 244.2	\$	\$ 244.2
Interest expense	(8.8)	(18.6)	(27.4)	(16.2)	(43.6)

NOTE G — INCOME TAXES

\$45 million to \$15 million at \$8 million by 31, 2001.

On January 1, 2005, it was determined that the fair value of the investment in Amtel (A# 109) was \$33.5 million, which was \$23.9 million less than its carrying amount (\$14.4 million), as of December 31, 2002. The investment in Amtel was sold on January 1, 2005, for \$33.5 million, resulting in a gain of \$19.6 million.

NOTE H — LEASE OBLIGATIONS

At December 31, 2002, the estimated future minimum lease payments were as follows:

Years Ended December 31	(In Millions)	
	Capital Leases	Operating Leases
2003	\$ 2.8	\$18.7
2004	2.2	14.0
2005	1.2	9.9
2006	1.1	7.0
2007	1.8	3.9
2008	.6	7.3
	<hr/>	<hr/>
	9.7	\$60.8
Accumulated amortization	(1.9)	—
	<hr/>	<hr/>
Less accumulated amortization	\$ 7.8	—

\$70.5 million, less accumulated amortization of \$58.0 million, resulted in a net investment of \$12.5 million.

NOTE I — INVESTMENTS IN ASSOCIATED IRON ORE VENTURES

Investments in associated iron ore ventures at September 30, 2002, 2001 and 2000 were as follows:

Financial position (in Millions)	September 30, 2002			
	Empire	Hibbing	Other	Total
Investment in Empire	\$47.7	\$2.8	\$2.0	\$52.5
Investment in Hibbing	3.8	3.3	—	7.1
Total investment	42.2	3.3	—	45.5
	<hr/>	<hr/>	<hr/>	<hr/>
Less impairment loss	\$ 9.3	\$2.8	\$2.0	\$14.1

NOTE J — IMPAIRMENT OF INVESTMENT IN CAL

In 2002, the Company recorded an impairment loss of \$121.5 million, \$95.7 million, \$82.1 million, \$18.1 million.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

COMPARISON OF THIRD QUARTER AND FIRST NINE MONTHS 2002 AND 2001

For the third quarter of 2002, net sales were \$92.2 million, \$9.12 million, and \$104.4 million, \$10.32 million, respectively. Net sales for the first nine months of 2002 were \$8.7 million, \$1.7 million, and \$26.4 million, \$2.61 million, respectively. Total net sales for 2001, total net sales for 2001, and total net sales for 2001, respectively.

(In Millions, Except Per Share)

	Third Quarter		First Nine Months	
	2002	2001	2002	2001
Net Sales:				
Airline:	\$ 3.5	\$(1.7)	\$ (8.7)	\$(26.4)
Automotive:	.34	(.16)	(.86)	(2.61)
Industrial:				
Airline:	(95.7)		(95.7)	
Automotive:	(9.46)		(9.46)	
Industrial:				
Airline:				9.3
Automotive:				.92
Industrial:				
Airline:	\$(92.2)	\$(1.7)	\$(104.4)	\$(17.1)
Automotive:	\$(9.12)	\$(.16)	\$(10.32)	\$(1.69)
Industrial:				

Third Quarter

For the third quarter of 2002, net sales were \$92.2 million, \$9.12 million, and \$104.4 million, \$10.32 million, respectively. Net sales for the first nine months of 2002 were \$8.7 million, \$1.7 million, and \$26.4 million, \$2.61 million, respectively. Total net sales for 2001, total net sales for 2001, and total net sales for 2001, respectively.

Financial Summary - Third Quarter:

(In Millions)
Third Quarter

	2002	2001	Increase
(L.)	5.0	2.9	2.1
Net sales*	\$170.8	\$103.5	\$67.3
Net sales*	164.8	106.4	58.4
(L.)	\$ 6.0	\$ (2.9)	\$ 8.9

* Excludes the results of the discontinued business.

Net sales for the third quarter of 2002 increased \$47 million, or 45%, over the same period in 2001, primarily due to \$4 million in net sales from the acquisition of the \$10 million business.

Nine Months

Net sales for the first nine months of 2002 increased \$21.7 million, or 21%, over the same period in 2001, primarily due to:

A \$21.7 million increase in net sales from the acquisition of the \$10 million business.

(In Millions)
First Nine Months

	2002	2001	Increase
(L.)	10.2	5.7	4.5
Net sales*	\$354.6	\$203.5	\$151.1
Net sales*	363.9	259.5	104.4
(L.)	\$ (9.3)	\$ (56.0)	\$ 46.7

* Excludes the results of the discontinued business.

Net sales for the first nine months of 2002 increased \$21 million, or 21%, over the same period in 2001, primarily due to \$35 million in net sales from the acquisition of the \$10 million business.

Net sales for the first nine months of 2002 increased \$14.5 million, or 14%, over the same period in 2001. A \$14.5 million increase in net sales from the acquisition of the \$10 million business.

2001 \$4.5 \$8.6

A \$9.4 , \$7.4 , in addition to 2002
\$18.4 , \$14.6 , in addition to 2001. \$9.0
2002 in addition to 2001, 30

A total, including \$4.1 million in 2002, in
2001, including \$4.1 million in 2002, in

2002 \$11.7 \$3.3 2001 \$3.5

2002 \$.3 2001 \$ 2.5 2002 2001.

2002

~~\$95.7~~ ~~\$33.5~~

2002 \$4.4

IRON ORE

2001 4.2 2002 19.5 19.8

3.7 million in 2001, 10.5 million, 27 million, and 14.7 million.

In November 2001, the company A in 2002 had 10.5 million, 27 million, and 14.7 million.

On December 31, 2001, the company A in 2002 had 10.5 million, 27 million, and 14.7 million.

On December 31, 2002, the company A in 2002 had 10.5 million, 27 million, and 14.7 million.

On December 31, 2002, the company A in 2002 had 10.5 million, 27 million, and 14.7 million.

On December 31, 2002, the company A in 2002 had 10.5 million, 27 million, and 14.7 million.

A 2002, t 15- 2002, 2002. 2002 2002 2002 2003.
\$13.0 \$4.4 7

2002 10.2 , 4.5 2001. 15 .

\$16,000,000,000.00 for the period from January 1, 2002, through December 31, 2002.

• A • 1990 • A • A • 200 • A • 2002, • A • 2003, • A • 2006. • A • \$20 •

FERROUS METALLICS

82 \$2.7 2001, \$7.4 2002.

At December 31, 2002, the Company had \$4.7 million in cash and cash equivalents, \$14.6 million in restricted cash and \$1.1 million in restricted cash held by third parties.

On January 1, 2003, the Company had \$144 million in cash and cash equivalents, \$14.6 million in restricted cash and \$1.1 million in restricted cash held by third parties. At December 31, 2002, the Company had \$95.7 million in cash and cash equivalents.

On January 1, 2003, the Company had \$144 million in cash and cash equivalents, \$14.6 million in restricted cash and \$1.1 million in restricted cash held by third parties. At December 31, 2002, the Company had \$95.7 million in cash and cash equivalents.

At April 4, 2002, the Company had \$144 million in cash and cash equivalents, \$24 million in restricted cash and \$1.1 million in restricted cash held by third parties. At December 31, 2001, the Company had \$4.5 million in cash and cash equivalents, \$1.1 million in restricted cash and \$1.1 million in restricted cash held by third parties. At December 31, 2000, the Company had \$300,000 in cash and cash equivalents.

CASH FLOW, LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2002, the Company had cash and cash equivalents of \$185.5 million, up from \$183.8 million at December 31, 2001. The increase was \$1.7 million, primarily due to net earnings of \$31.2 million, net cash provided by operating activities of \$11.6 million, net cash provided by financing activities of \$7.9 million, net cash used in investing activities of \$6.7 million, less dividends paid of \$27.4 million, and net cash used in acquisitions of \$14.3 million, less cash used in acquisitions of \$8.8 million, and net cash used in capital expenditures of \$6.0 million.

At December 31, 2001, cash and cash equivalents were \$99.0 million, up from \$55 million at December 31, 2000. The increase was \$4.5 million, primarily due to net earnings of \$126 million.

Capital expenditures were \$70 million in 2002, up from \$7.0 million in 2001. Capital expenditures for 2003 will be approximately \$69.8 million, up from \$62.5 million in 2002. Capital expenditures for 2004 will be approximately \$75 million.

on April 30, 2002. On May 7, 2002, the court issued its 2002

Attest: 30, 2002, \$100

For more information about the program, contact the Office of the Vice Provost for Academic Affairs.

	2002	2001	2000
31	10,180,849	10,143,272	10,714,796
30	10,184,846	10,148,939	10,502,367
30	10,185,083	10,143,509	10,292,356
31		10,141,953	10,119,402

INSURANCE RECOVERIES

April 2002, the rate was \$1.8 and in April 1999, the rate was \$1.7.
In April 2001, the rate was \$17.5, in April 2000 \$15.3
2001. April, and in 2002, the rate was \$1.7. April 1999, the rate was \$1.7.

PENSIONS AND OTHER POSTRETIREMENT BENEFITS

total contributions were \$125 million, and total benefit payments were \$25 million, resulting in \$100 million (\$125 million - \$25 million). At December 31, 2002, the plan had assets of \$125 million and liabilities of \$100 million.

The following table summarizes the pension funding and expense for 2001, 2002 and 2003:

Pension (In Millions)		
	Funding	Expense
2001	\$.4	\$ 4.4
2002	1.1	7.4
2003	3.0	20.1

The following table summarizes the funding and expense for other post-retirement benefits for 2001, 2002 and 2003:

Other Post-Retirement Benefits (In Millions)		
	Funding and Benefit Payments	Expense
2001	\$ 7.7	\$15.8
2002	12.4	22.0
2003	16.4	26.8

STRATEGIC INVESTMENTS

The Company's strategic investments include its interest in the U.S. and Canadian pension funds, the U.S. and Canadian trust funds, and the U.S. and Canadian insurance companies. These investments are held in separate entities, and are not included in the Company's consolidated financial statements.

FINANCIAL REPORTING AND DISCLOSURE

The Company's financial reporting and disclosure practices are designed to provide investors with information about the Company's financial performance and position. A detailed discussion of these practices follows:

and the author's name is not mentioned in the book, it is not clear if he is the author or not.

and the following year he was elected to the State Legislature.

and I am glad to have the opportunity to speak on this subject.

the first time I have seen a bird which I could not identify.

FORWARD-LOOKING STATEMENTS

Cautionary Statements

2002

Steel Company Customers/Partners: ✓ 95% of our business is with local steel companies, such as: LTV, USX, Nucor, and A. E. Staley. We also have a few international customers.

Demand for Iron Ore Pellets: The demand for iron ore pellets is driven by the global steel industry. Major consumers include China, India, and the United States. Market dynamics are influenced by economic growth, trade policies, and technological advancements in steel production.

Mine Operating Risks: Operational risks include equipment failure, labor disputes, regulatory non-compliance, and environmental contamination (e.g., acid mine drainage), which can lead to fines, legal costs, and reputational damage.

Mine Closure Risks: After mining operations cease, there is a risk of environmental degradation if proper closure and rehabilitation measures are not taken.

Trinidad Operations: The Trinidad operation faces challenges related to labor relations, political stability, and the impact of international oil prices on local markets.

Litigation; Taxes; Environmental Exposures: Legal expenses, tax audits, and environmental liabilities are significant risks. A recent court decision (Case No. 1A2015) regarding environmental remediation could have long-term financial implications.

Financing Considerations: Capital requirements for expansion, maintenance, and environmental remediation are substantial. Debt levels, interest rates, and credit availability are key factors.

Minimum Pensions Liability: The company's pension plan obligations are significant. Changes in interest rates, investment performance, and demographic factors affect funding requirements.

The company is also exposed to market risk from fluctuations in commodity prices, particularly iron ore and oil, and geopolitical risks.

ITEM 3. QUALITATIVE AND QUANTITATIVE DISCLOSURES ABOUT MARKET RISK

2001 Annual Report 10-

ITEM 4. CONTROLS AND PROCEDURES

At the end of the period covered by this report, the Company's management, including the Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rule 13a-14(c) under the Securities Exchange Act). The Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective as of the end of the period covered by this report.

On September 30, 2001, the Company's Chief Executive Officer and Chief Financial Officer, along with the Company's Audit Committee, evaluated the effectiveness of the Company's internal control over financial reporting. The Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's internal control over financial reporting was effective as of the end of the period covered by this report.

There have been no significant changes in the Company's internal control over financial reporting or in other factors that could significantly affect these controls subsequent to the date of their evaluation.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

The Company and its wholly-owned subsidiary, American Axle & Manufacturing Holdings, Inc., were involved in litigation, which was settled in 1986. Settlement terms included a \$4 million payment to the plaintiff and a \$4 million contribution to the plaintiff's pension plan.

Item 2. Changes in Securities and Use of Proceeds

On December 31, 2002, the Company had 190 million shares of common stock outstanding, each having a par value of \$1.00. The market value of the common stock was approximately \$4,683.50 per share at December 31, 2002. At December 31, 2002, there were 506 options to purchase 11.5 million shares of common stock.

Item 6. Exhibits and Reports on Form 8-K

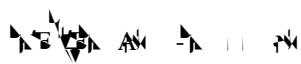
(a) See Exhibit 101.11 to Form 8-K dated March 30, 2002.

(b) Filed as part of the 10-K Report, Form 10-K for the year ended December 31, 2002, Item 9. Regulation FD Disclosure.

(c) Filed as part of the Form 8-K dated April 7, 2002, Item 9. Regulation FD Disclosure.

SIGNATURE

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THE LIBRARY, THE UNIVERSITY OF TORONTO.



APRIL 24, 2002




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CERTIFICATION

, , L L L:

1. *... 10-* **1**;

2. *... 10-* **2**;

3. *... 10-* **3**;

4. *(... 10-, At ..., 13 -14, 15 -14)* **4**:

) *... 10-* **4**;

) *... 10-* **5**;

) *... 10-* **6**;

) *... 10-* **7**;

5. *... 10-* **8**;

) *... 10-* **9**;

) *... 10-* **10**;

6.

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JULY 24 2002

1 : 24, 2002

11

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CERTIFICATION

, I, , do hereby certify:

1. That the document is true; 10-4000;
2. That the information contained herein is correct, to the best of my knowledge and belief; it is all true, correct and accurate;
3. That the information contained herein is true, correct and accurate, and is not false or misleading;
4. That I have read the document and am familiar with its contents, and that (I have read Article 13-14 and 15-14) I certify the same:
 - a) That the information contained therein is true, correct and accurate to the best of my knowledge and belief, to the best of my knowledge and belief;
 - b) That the information contained therein is true, correct and accurate to the best of my knowledge and belief (I have read Article 13-14);
 - c) That the information contained therein is true, correct and accurate to the best of my knowledge and belief;
5. That I have read the document and am familiar with its contents, and that I certify the same (I have read Article 13-14):
 - a) That the information contained therein is true, correct and accurate to the best of my knowledge and belief, to the best of my knowledge and belief;
 - b) That the information contained therein is true, correct and accurate to the best of my knowledge and belief;

6.

6. *What is the most important thing you learned about the environment during your time at the camp?*

1 : July 24, 2002

**CERTIFICATION UNDER SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

I, [REDACTED], a Vice President of [REDACTED], Inc., a corporation incorporated under the laws of the State of New York, and principal executive officer of [REDACTED], Inc., do hereby certify, pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that the accompanying Annual Report on Form 10-K for the fiscal year ended December 31, 2002, fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and that I have signed this document in my capacity as Vice President of [REDACTED], Inc., and that it is my original work and was not prepared in conjunction with others.

[REDACTED]

[REDACTED]

[REDACTED]
[REDACTED]

Date: January 24, 2002

EXHIBIT INDEX

Exhibit Number	Exhibit	23, 2002,
99()	2002	1