

SECURITIES AND EXCHANGE COMMISSION

Washington D. C. 20549

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FORM 8-K  
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (date of earliest event reported): January 21, 1999

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CLEVELAND-CLIFFS INC  
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(Exact name of registrant as specified in its charter)

OHIO	1-8944	34-1464672
----- (State or other jurisdiction of incorporation)	----- (Commission File Number)	----- (IRS Employer Identification No.)
1100 Superior Avenue, Cleveland, Ohio		44114
----- (Address of principal executive offices)		----- (Zip Code)

Registrant's telephone number, including area code: (216-694-5700)  
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(Former name or former address, if changed since last report)

ITEM 5. OTHER EVENTS.  
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On January 21, 1999 Cleveland-Cliffs Inc published a News Release with respect to 1998 earnings and 1998 fourth quarter earnings.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.  
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(a) Financial Statements of Business Acquired: None  
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(b) Pro Forma Financial Information: None  
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(c) Exhibits:  
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EXHIBIT

NUMBER	EXHIBIT	-----
99 (a)	Cleveland-Cliffs Inc News Release published on January 21, 1999, with respect to 1998 earnings and 1998 fourth quarter earnings	Filed Herewith

SIGNATURE

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.









(IN MILLIONS, BRACKETS INDICATE DECREASE IN CASH)	Fourth Quarter		Year	
	1998	1997	1998	1997
OPERATING ACTIVITIES				
<S>	<C>	<C>	<C>	<C>
Net income	\$ 19.9	\$ 17.9	\$ 57.4	\$ 54.9
Depreciation and amortization:				
Consolidated	1.4	1.5	7.8	6.7
Share of associated companies	3.1	3.1	12.5	12.2
Decrease in Savage River closedown reserve	-	(1.4)	-	(17.5)
Provision for deferred income taxes	(2.5)	7.2	3.1	16.4
Tax credit	(3.5)	-	(3.5)	(5.6)
Other	(.5)	4.2	(2.2)	7.2
Total Before Changes in Operating Assets and Liabilities	17.9	32.5	75.1	74.3
Changes in operating assets and liabilities	14.6	19.1	17.0	(32.0)
NET CASH FROM OPERATING ACTIVITIES	32.5	51.6	92.1	42.3
INVESTING ACTIVITIES				
Purchase of property, plant and equipment:				
Consolidated	(5.7)	(3.1)	(24.5)	(14.1)
Share of associated companies	(8.0)	(12.1)	(26.9)	(47.8)
Purchase of Wabush interest	-	-	-	(15.0)
Other	.2	.1	1.5	4.9
NET CASH (USED BY) INVESTING ACTIVITIES	(13.5)	(15.1)	(49.9)	(72.0)
FINANCING ACTIVITIES				
Dividends	(4.2)	(3.7)	(16.3)	(14.8)
Repurchases of Common Shares	-	(3.2)	(11.5)	(4.9)
NET CASH (USED BY) FINANCING ACTIVITIES	(4.2)	(6.9)	(27.8)	(19.7)
EFFECT OF EXCHANGE RATE CHANGES ON CASH	-	(.1)	-	(.1)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ 14.8	\$ 29.5	\$ 14.4	\$ (49.5)

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CLEVELAND-CLIFFS INC

STATEMENT OF CONSOLIDATED FINANCIAL POSITION

ASSETS	(In Millions)		
	Dec. 31 1998	Sept. 30 1998	Dec. 31 1997
CURRENT ASSETS			
<S>	<C>	<C>	<C>
Cash and cash equivalents	\$ 130.3	\$ 115.5	\$ 115.9
Accounts receivable - net	58.8	68.9	73.4
Inventories	59.6	54.7	61.4
Other	17.8	15.0	15.1
TOTAL CURRENT ASSETS	266.5	254.1	265.8
PROPERTIES - NET	150.0	146.0	134.0
INVESTMENTS IN ASSOCIATED COMPANIES	235.4	225.8	218.3
OTHER ASSETS	72.1	76.7	76.2
TOTAL ASSETS	\$ 724.0	\$ 702.6	\$ 694.3

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES	\$ 89.2	\$ 87.0	\$ 91.8
LONG-TERM OBLIGATIONS	70.0	70.0	70.0
POSTEMPLOYMENT BENEFIT LIABILITIES	71.0	69.8	70.1
OTHER LIABILITIES	56.2	55.1	55.0
SHAREHOLDERS' EQUITY	437.6	420.7	407.4
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TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 724.0	\$ 702.6	\$ 694.3
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UNAUDITED FINANCIAL STATEMENTS

In management's opinion, the unaudited financial statements present fairly the financial position of the company as of the end of the period and the results of its operations and cash flows for the period then ended.