ITEM 2.02. Results of Operations and Financial Condition

On April 25, 2007, Cleveland-Cliffs Inc issued a news release announcing selected operating information for the first three months ended March 31, 2007, a copy of which is attached as Exhibit 99(a) to this Current Report on Form 8-K. This information shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

ITEM 9.01. Financial Sg

Per-ton billing rates (excluding freight and venture partners’ costs) for pellet deliveries increased approximately seven percent to $66.91 during the quarter, versus $62.50 in the first three months of last year. First-quarter billing rates reflect customer mix and the net impact from several contractual price-adjustment factors. Included in the first-quarter 2007 billing rate realization were 1.5 million tons of shipments at 2006 billing rates.

The various sensitivities of full-year 2007 pellet-price realization, versus 2006, resulting from price-adjustment factors in Cliffs’ pellet contracts are currently estimated to be as follows: The settlement of the World Pellet Price in 2007 is expected to increase Cliffs’ average pellet sales realization by $0.63 per ton, compared with 2006. Each one percent change in the PPI—Industrial Commodities Less Fuel and PPI—Fuel and Related Products indices is is p كِج lʼ كِج lʼ

increase in 2007 iron ore prices versus the 2006 price settlement of 19 percent, which did not occur until the second quarter with retroactive application to the beginning of the year.

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the end of the quarter under the Company’s $500 million revolving credit facility. At December 31, 2006, Cliffs ha

On the Company's application of SFAS 133, Carrabba added, "Due to the complex nature of identifying and accounting for derivative instruments embedded in our pellet supply agreements, the time required to complete this examination and file our 2006 10-K is still uncertain. However, it is important to note that any potential adjustments to results will be non-cash and will not impact Cliffs' profitability over the life of any contract. While it is regrettable that our audited results are being delayed as a result of this review, we remain steadfast in our commitment to financial transparency according to our corporate governance standards."

Cliffs will host a conference call to discuss its first-quarter operations tomorrow, April 26, 200 availability of float capacity on the Great Lakes; changes in the financial condition of the Company's partners and/or customers; rejection of major contracts and/or venture agreements by customers and/or participants under provisions of the U.S. Bankruptcy Code or similar statutes in other countries; the impact of consolidation in the steel industry; events or circumstances that could impair or adversely impact the viability of a mine and the carrying value of associated assets; inability to achieve expected production levels; failure to receive or maintain required environmental permits; problems with productivity, labor disputes, weather conditions, fluctuations in ore grade, tons mined, changes in cost factors including energy costs, transportation and employee benefit costs; and the effect of these various risks on the Company's future cash flows, debt levels, liquidity and financial position.

Reference is also made to the detailed explanation of the many factors and risks that may cause such predictive statements to turn out differently, set forth in the Company's Annual Report and Reports on Form 10-K and previous news releases filed with the Securities and Exchange Commission, which are publicly available on Cleveland-Cliffs' website. The information contained in this document speaks as of the date of this news release and may be superseded by subsequent events

News releases and other information on the Company are available on the Internet at:http://www.cleveland-cliffs.com.

SOURCE: Cleveland-Cliffs Inc

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