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Cleveland-Cliffs Comments on Transformative Global Industry Consolidation and Updates Investors on Capital Allocation Priorities

CLEVELAND--(BUSINESS WIRE)-- Cleveland-Cliffs Inc. (NYSE: CLF) (“Cliffs” or “the Company”) issued the following statement regarding the announced proposed acquisition of U.S. Steel by Nippon Steel.

Lourenco Goncalves, Chairman, President of CEO of Cleveland-Cliffs, said, “We identified U.S. Steel as an extremely undervalued company with significant synergy potential when combined with Cleveland-Cliffs, creating a union-friendly American champion among the top-10 steelmakers in the world. Even though U.S. Steel’s Board of Directors and CEO chose to go a different direction with a foreign buyer, their move validates our view that our sector remains undervalued by the broader market, and that a multiple re-rating for Cleveland-Cliffs is long overdue. We congratulate U.S. Steel on their announcement and wish them luck in closing the transaction with Nippon Steel.”

Lourenco Goncalves continued: “As we have been guiding, we have already reached our net debt target of $3.0 billion this quarter, with no borrowings on our ABL as of today. Given that our CLF shares are still significantly undervalued, we will now re-focus our capital allocation priorities towards more aggressive share buybacks under our existing share repurchase authorization.”

About Cleveland-Cliffs Inc.

Cleveland-Cliffs is the largest flat-rolled steel producer in North America. Founded in 1847 as a mine operator, Cliffs also is the largest manufacturer of iron ore pellets in North America. The Company is vertically integrated from mined raw materials, direct reduced iron, and ferrous scrap to primary steelmaking and downstream finishing, stamping, tooling, and tubing. Cleveland-Cliffs is the largest supplier of steel to the automotive industry in North America and serves a diverse range of other markets due to its comprehensive offering of flat-rolled steel products. Headquartered in Cleveland, Ohio, Cleveland-Cliffs employs approximately 27,000 people across its operations in the United States and Canada.

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MEDIA CONTACT:
Patricia Persico
Senior Director, Corporate Communications
(216) 694-5316

INVESTOR CONTACT:
James Kerr
Manager, Investor Relations
(216) 694-7719

Source: Cleveland-Cliffs Inc.