

CLIFFS NATURAL RESOURCES INC.

FORM 8-K

(Current report filing)

Filed 05/06/08 for the Period Ending 05/06/08

Address	200 PUBLIC SQUARE STE. 3300 CLEVELAND, OH 44114-2315
Telephone	216-694-5700
CIK	0000764065
Symbol	CLF
SIC Code	1000 - Metal Mining
Industry	Metal Mining
Sector	Basic Materials
Fiscal Year	12/31

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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):

May 6, 2008

Cleveland-Cliffs Inc

(Exact name of registrant as specified in its charter)

Ohio

1-8944

34-1464672

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

1100 Superior Avenue, Cleveland, Ohio

44114-2544

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

216-694-5700

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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[Top of the Form](#)

Item 7.01 Regulation FD Disclosure.

On May 6, 2008, Portman Limited ("Portman") filed with the Australian Stock Exchange its unaudited first quarter earnings for the period ended March 31, 2008. The "Quarterly Earnings for the Period Ended 31 March 2008" is contained in Item 9.01 as exhibit 99(a) on this Current Form 8-K and is incorporated into this Item 7.01 by reference. The information on this Form 8-K 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 Statements and Exhibits.

(d) Exhibits

99(a) Portman published an earnings release with the Australian Stock Exchange captioned, "Quarterly Earnings for the Period Ended 31 March 2008" on May 6, 2008

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.

May 6, 2008

Cleveland-Cliffs Inc

By: George W. Hawk, Jr.

Name: George W. Hawk, Jr.

Title: General Counsel and Secretary

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.(a)	Portman published an earnings release with the Australian Stock Exchange captioned, "Quarterly Earnings for the Period Ended 31 March 2008" on May 6, 2008

**P
Portman
Limited**

ABN 22 007 871 892

6 May 2008

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The Quadrant
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GPO Box W2017
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Tel:
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61 8 9426 3333

61 8 9426 3344

(4 pages in total)

The Announcements Officer
Australian Stock Exchange (Sydney) Limited
Level 10
20 Bond Street
SYDNEY NSW 2001

Electronically Lodged

Dear Sir

QUARTERLY EARNINGS FOR THE PERIOD ENDED 31 MARCH 2008

Please find attached Portman's Quarterly Earnings for the period ended 31 March 2008.

Yours faithfully

/s/ C. M. Rainsford
C M Rainsford
Company Secretary

PORTMAN LIMITED

PORTMAN LIMITED

A.B.N. 22 007 871 892

QUARTERLY EARNINGS FOR THE PERIOD ENDED 31 MARCH 2008

PORTMAN LIMITED REPORTS FIRST QUARTER EARNINGS

Perth, WA – May 6, 2008 – Portman Limited (ASX: PMM) today reported a first quarter 2008 unaudited net profit of \$17.9 million or 10.16 cents per share. (All per-share amounts are “diluted.”). This compares with a net profit of \$28.9 million or 16.49 cents per share in the first quarter of 2007.

Following is a summary:

**(In Millions Except Per Share)
First Quarter**

2008

2007

Sales Tonnes (Mt)	2.1	1.9
Sales Revenue	\$129.7	\$128.4
Net profit before mark-to-market on hedging	\$ 30.4	\$ 43.5
Net profit before tax	\$ 25.5	\$ 41.3
Net profit after tax	\$ 17.9	\$ 28.9
Cents per share	10.16	16.49
Depreciation and amortisation	\$ 10.0	\$ 5.8
Capital additions (1)	\$ 31.8	\$ 1.5

(1) There were \$25.1 million of non-cash additions at 31 March 2008 and \$0.6 million at 31 March 2007.

First Quarter

Comparing results for the quarters ending 31 March 2008 and 31 March 2007, the decrease in net profit after tax of \$11.0 million was comprised of a \$15.8 million decrease in pre-tax profit, net of \$4.8 million decrease in income taxes. The pre tax earnings decrease of \$15.8 million was due primarily to:

- Appreciation of the Australian dollar relative to the US Dollar which negatively impacted Australian dollar sales revenue by \$18.8 million.
- An unfavourable market to market adjustment on the hedge book of \$2.7 million, reflecting the fair value movement in the time value of option based hedges.
- An increase of \$3.1 million in mining operating costs. (A different contractual structure applied in Q1 2007, coupled with inflationary pressures)

These variances were partially offset by:

- Higher selling prices of \$8.3 million
- A favourable sales mix of \$0.5 million

Sales continue to be recognised at the 2007 benchmark price as iron ore prices for 2008 are yet to settle.

Capital Expenditure

The Company's 2008 capital additions for the quarter total \$31.8 million. Of this \$25.1 million relates to non-cash additions: including \$17.0 million in finance leases relating to new mining equipment.

Capital additions are all funded from current cash flow.

Capital expenditure for the quarter ending 31 March 2007 totalled \$1.5 million of which \$0.6 million relates to non-cash additions.

Inventory

At 31 March 2008 Portman had 1.0 million tonnes of finished product inventory, 0.1 million tonnes higher than at 31 March 2007.

Liquidity

At 31 March 2008, Portman had \$171.6 million of cash and cash equivalents and \$38.6 million in held to maturity investments exceeding 90 days. At 31 March 2007, Portman had \$132.2 million of cash and cash equivalents and \$13.0 million in held to maturity investments. The \$65.0 million increase in liquid assets primarily reflects increased sales prices and sales volumes.

Pricing Outlook

The prices for 2008 iron ore bench mark prices are yet to settle. Negotiations with the Japanese indicate an increase in excess of 65%. Portman is incorporating this into its estimates for pricing projections for lump. However, negotiations are still underway

and there may be changes to the pricing for fines. In addition, lump may settle at different pricing levels.

Outlook

Portman's estimate of 2008 production is 7.8 million tonnes which includes 7.5 million from the Koolyanobbing operation. Portman's estimate of 2008 sales is 8.0 million tonnes of which 7.7 million tonnes relates to the Koolyanobbing operation.

Portman expects revenues per tonne of approximately US\$85 in 2008. This estimate assumes a 65% increase in the 2008 international settlement price for lump and fines, which, as stated above, is still subject to change.

Portman expects costs per tonne of approximately A\$53 in 2008. This estimate includes an expanded A\$25 million, or A\$3 per tonne, exploration and evaluation program at the Company's Koolyanobbing operations targeted at expanding Portman's production and iron ore reserves in Western Australia.