



## **ALLETE Board Raises Quarterly Common Stock Dividend**

DULUTH, Minn. — The ALLETE (NYSE:ALE) Board of Directors has increased the quarterly dividend on the company's common stock by thirteen percent, to 41 cents per share.

"This increase is based on ALLETE's solid balance sheet and reflects our positive earnings outlook for the future," said Don Shippar, ALLETE Chairman, President and CEO. "ALLETE is committed to returning value to its shareholders and we expect to consistently provide future dividend increases while at the same time funding our growth initiatives."

On an annual basis, the increased dividend is equivalent to \$1.64 per share. The regular quarterly dividend is payable March 1 to common shareholders of record at the close of business February 15, 2007.

ALLETE's corporate headquarters are located in Duluth, Minnesota. ALLETE provides energy services in the upper Midwest and has significant real estate holdings in Florida. More information about the company is available on ALLETE's Web site at [www.allete.com](http://www.allete.com).

The statements contained in this release and statements that ALLETE may make orally in connection with this release that are not historical facts, are forward-looking statements. Actual results may differ materially from those projected in the forward-looking statements. These forward-looking statements involve risks and uncertainties and investors are directed to the risks discussed in documents filed by ALLETE with the Securities and Exchange Commission.

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