



Florida County where ALLETE has three major developments again designated as nation's fastest-growing

The Florida county where ALLETE (NYSE: ALE) owns most of its real estate inventory is the fastest-growing county in America for the second consecutive year, according to the U.S. Census Bureau.

Flagler County experienced a 10.7 percent population increase from July 1, 2004 to July 1, 2005, ranking it number one in the nation, according to estimates released March 16 by the U.S. Census Bureau. Flagler County is located along Florida's Atlantic Coast between Daytona Beach and Jacksonville.

Flagler County, with 76,410 residents, led the United States with a 53 percent population increase since the last census in 2000, the Census Bureau said. It was also America's fastest-growing county between July 1, 2003 and July 1, 2004. The largest city in Flagler County is Palm Coast, which was unincorporated when ALLETE first bought property there in 1996.

ALLETE currently owns more than 16,000 acres of land in Florida, the majority of which is located in Flagler County. ALLETE has three major multiple-use development projects in northeast Florida, and two of them — Town Center at Palm Coast and Palm Coast Park — are located entirely within Flagler County's borders. The third development, Ormond Crossings, straddles the Flagler-Volusia county line.

"We're not surprised that people continue to move into Flagler County in very large numbers, because it's a wonderful place to live and work," said ALLETE Properties President Laura Holquist. "This population growth translates into strong demand for our property."

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.

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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