



ALLETE Announces Redemption of Cumulative Quarterly Income Preferred Securities

November 18, 2003

DULUTH, Minn.-- ALLETE, Inc. (NYSE: ALE) today announced the redemption by ALLETE Capital I of all \$75 million aggregate liquidation amount of the 8.05% Cumulative Quarterly Income Preferred Securities (QUIPS) of ALLETE Capital I at a redemption price equal to \$25 per QUIPS plus accumulated and unpaid distributions to the redemption date.

The redemption date will be December 18, 2003. The QUIPS are listed on the New York Stock Exchange under the symbol "ALE Pr."

A notice of redemption is being sent to all registered holders of the QUIPS. Copies of the notice of redemption may be obtained from The Bank of New York, the property trustee for the QUIPS, by calling The Bank of New York at (800) 254-2826.

ALLETE's corporate headquarters are located in Duluth, Minnesota. ALLETE's holdings include ADESA, the second largest wholesale vehicle auction network in North America; AFC, the leading provider of independent auto dealer financing; Minnesota Power, a low-cost electric utility that serves some of the largest industrial customers in the United States; and significant real estate holdings in Florida. For more information about ALLETE, visit the company'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.