



NYSE: ALE | ALLETE.COM
INCORPORATED 1906

ALLETE is an energy company headquartered in Duluth, Minnesota. Its regulated utilities and complementary energy-centric companies do business in 49 states through a wide network of facilities.

JULY
2018

OUR SUSTAINABILITY STATEMENT

At ALLETE, we recognize that impacts from human activity, including climate change, are real, complex and interrelated. We are committed to answer the call to transform the nation's energy and water landscape through innovative and sustainable solutions.

OUR COMPANIES



MINNESOTA POWER, an operating division of ALLETE serving customers since 1906, generates, transmits and distributes electricity in a 26,000-square-mile region of northern Minnesota rich with mineral deposits and timber.



SUPERIOR WATER, LIGHT & POWER is a regulated provider of electric, natural gas and water service in northwestern Wisconsin.



ALLETE CLEAN ENERGY leverages industry knowledge and innovation to bring clean energy to customers across North America.



BNI ENERGY operates a lignite mine in Center, North Dakota, producing about 4 million tons annually.

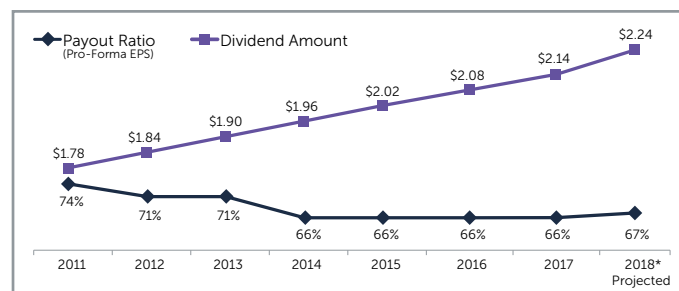


U.S. WATER is a leader in sustainable, integrated water management for a growing number of industrial customers.

The regulated utility businesses provide a foundation for consistent earnings and cash flow. ALLETE has developed a complementary growth platform focused on energy infrastructure and related services.

In combination, these businesses will provide earnings and dividend growth in support of long-term shareholder returns.

ALLETE targets a minimum average Earnings Per Share (EPS) growth of 5-7 percent annually while maintaining a competitive dividend, and has paid consecutive dividends on its common stock since 1948.



Attractive and growing dividend objective with an expected payout range of 60-65 percent. Total Shareholder Return (TSR) average of 9-10 percent.
*based on mid-point of 2018 guidance

ALLETE, INC. AS OF 6/30/2018

Market capitalization	3.98B
Shares outstanding	51.36M
Debt ratio	42%
P/E	21.04
Avg. trading volume (3 mo)	254,231
Payout ratio (as of 12/31/17)	66%
Dividend Yield	2.89%
52-wk low/high	\$66.64/\$81.24

SELL-SIDE ANALYSTS

Guggenheim Securities
KeyBank Capital Markets
J.P. Morgan
Mizuho Securities
Wells Fargo Securities
Williams Capital Research

CREDIT RATING AGENCIES

Standard & Poor's BBB+
Moody's A3

ALLETE, INC. STOCK PRICE

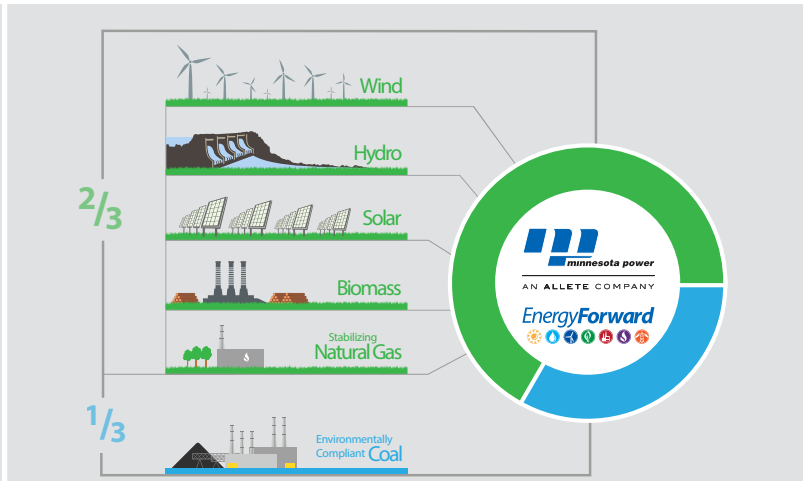
(As of 6/30/2018)



ALLETE is well positioned to support societal expectations, regulations and resource scarcity requiring sustainable energy solutions while delivering value to shareholders.



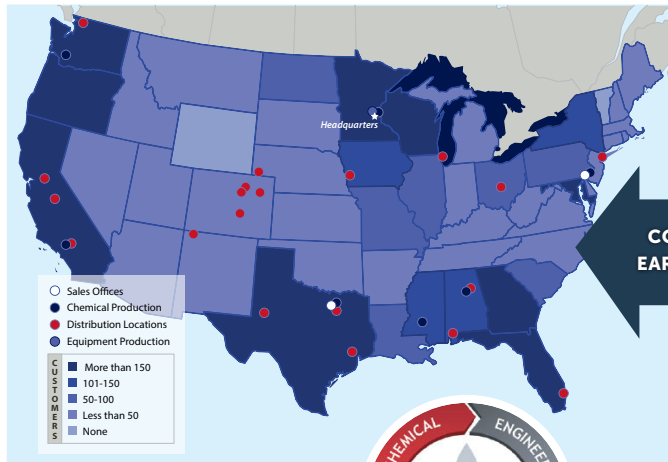
Smart, strategic investments to reduce emissions, add renewable energy, build transmission, and provide integrated water solutions are among the ways ALLETE is transforming the energy landscape.



Minnesota Power is implementing its *EnergyForward* strategic plan by providing significant reductions in emissions and diversifying its electricity generation mix to include more renewable and natural gas energy.

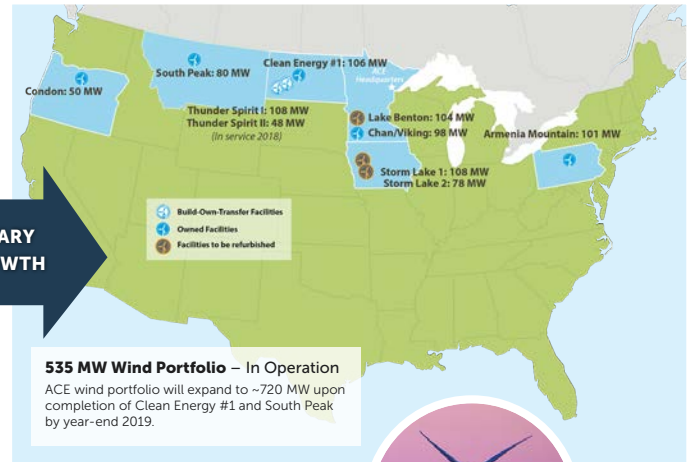
Visit mnpower.com/EnergyForward to learn more.

U.S. WATER



Conservation of water and energy will drive future business opportunity.

ALLETE clean energy



Clean energy will be increasingly important to our nation's energy landscape.

Synergies between ALLETE's core businesses result in a stronger, more agile company able to capitalize on the nexus of energy and water by investing in clean energy and water conservation solutions.