



## **ALLETE Completes Separation of Automotive Business**

DULUTH, Minn.--ALLETE, Inc. (NYSE: ALE) today completed the spin-off of ADESA, Inc. (NYSE: KAR). As anticipated, ALLETE distributed to its shareholders one share of ADESA common stock for each share of ALLETE common stock they owned as of the record date of September 13, 2004. Shareholders will receive a cash payment for any fractional shares. The distribution was structured to qualify as a tax-free stock dividend and was done in book-entry form.

Also, as anticipated, immediately following the stock dividend disbursement, ALLETE completed a one-for-three reverse split of its common stock.

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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