



ADESA acquires nine more automotive auctions

Minnesota Power, Inc.'s ADESA subsidiary has signed a letter of intent to buy eight ADT Automotive auctions and one Manheim auction from Manheim Auctions. This is the second major purchase Minnesota Power has announced in the past week. For the twelve months ended May 31, 2000, these nine auctions sold approximately 400,000 vehicles and generated roughly \$130 million in revenue. The transaction is subject to approval by the Federal Trade Commission.

The auctions involved are: Southwest Auto Auction, Phoenix; Golden Gate Auto Auction, San Francisco; Southern States Vehicle Auction, Atlanta; Metro Auto Auction, Kansas City; Puget Sound Auto Auction, Seattle; Colorado Springs Auto Auction, Colorado Springs; and three Florida-based auctions, Bayside Auto Auction in Tampa, Clearwater Auto Auction and Orlando-Sanford Vehicle Auction.

"Along with our recently announced acquisition of the Canadian Auction Group this deal dramatically expands our automotive services business across North America," said Jim Hallett, executive vice president of Minnesota Power and president of ADESA. "Strategically, the Phoenix, San Francisco and Seattle auctions complement our ADESA facilities in San Diego, Los Angeles, Sacramento, Vancouver and Calgary. The three Florida locations fit nicely with our other operations in that state, plus we're moving into some new regions."

On June 20, Minnesota Power announced that it acquired the Canadian Auction Group (CAG), a wholesale auto remarketing company with 13 auction sites and dealer financing operations located across Canada. With these recent acquisitions, ADESA will operate 55 automotive auctions across North America.

Minnesota Power is a multi-services company with corporate headquarters in Duluth, Minnesota. Minnesota Power holdings include the second largest wholesale automobile auction network in North America; the leading provider of independent auto dealer inventory financing; the largest investor-owned water utilities in Florida and North Carolina; significant real estate holdings in Florida and a low-cost electric utility that serves some of the largest industrial customers in the United States.

The statements contained in this release and statements that the company 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 the company with the Securities and Exchange Commission.