

FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED) - APRIL 25, 2003

ALLETE, INC.

A Minnesota Corporation
Commission File No. 1-3548
IRS Employer Identification No. 41-0418150
30 West Superior Street
Duluth, Minnesota 55802-2093
Telephone - (218) 279-5000

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

- (a) Financial Statements - Not applicable
- (b) Pro Forma Financial Information - Not applicable
- (c) Exhibits

Exhibit
Number

99 - ALLETE, Inc. News Release dated April 25, 2003 announcing 2003 first quarter earnings.

ITEM 9. REGULATION FD DISCLOSURE (ITEM 12. RESULTS OF OPERATIONS AND FINANCIAL CONDITION)

On April 25, 2003 ALLETE, Inc. issued a press release announcing first quarter 2003 earnings which is attached to this Current Report on Form 8-K as Exhibit 99 and incorporated herein by reference in its entirety. The information is being furnished pursuant to Item 12. Results of Operations and Financial Condition and is being presented under Item 9. Regulation FD Disclosure in accordance with interim guidance issued by the Securities and Exchange Commission in Release Nos. 33-8216 and 34-47583. This information, including Exhibit 99 attached hereto, shall not be deemed "filed" for purposes of Section 18 of the Securities Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference in such filing.

SAFE HARBOR STATEMENT
UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

In connection with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, ALLETE is hereby filing cautionary statements identifying important factors that could cause ALLETE's actual results to differ materially from those projected in forward-looking statements (as such term is defined in the Private Securities Litigation Reform Act of 1995) made by or on behalf of ALLETE in this Form 8-K, in presentations, in response to questions or otherwise. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "anticipates," "believes," "estimates," "expects," "intends," "plans," "projects," "will likely result," "will continue" or similar expressions) are not statements of historical facts and may be forward-looking.

Forward-looking statements involve estimates, assumptions, risks and uncertainties and are qualified in their entirety by reference to, and are accompanied by, the following important factors, which are difficult to predict, contain uncertainties, are beyond the control of ALLETE and may cause actual results or outcomes to differ materially from those contained in forward-looking statements:

- war and acts of terrorism;
- prevailing governmental policies and regulatory actions, including those of the United States Congress, state legislatures, the Federal Energy Regulatory Commission, the Minnesota Public Utilities Commission, the Florida Public Service Commission, the North Carolina Utilities Commission, the Public Service Commission of Wisconsin and various county regulators, about allowed rates of return, financings, industry and rate structure, acquisition and disposal of assets and facilities, operation and construction of plant facilities, recovery of purchased power and capital investments, and present or prospective wholesale and retail competition (including but not limited to transmission costs) as well as general vehicle-related laws, including vehicle brokerage and auction laws;
- unanticipated impacts of restructuring initiatives in the electric industry;
- economic and geographic factors, including political and economic risks;
- changes in and compliance with environmental and safety laws and policies;
- weather conditions;
- natural disasters;
- market factors affecting supply and demand for used vehicles;
- wholesale power market conditions;
- population growth rates and demographic patterns;
- the effects of competition, including the competition for retail and wholesale customers, as well as suppliers and purchasers of vehicles;
- pricing and transportation of commodities;
- changes in tax rates or policies or in rates of inflation;
- unanticipated project delays or changes in project costs;
- unanticipated changes in operating expenses and capital expenditures;
- capital market conditions;
- competition for economic expansion or development opportunities;
- ALLETE's ability to manage expansion and integrate recent acquisitions;
- and
- the outcome of legal and administrative proceedings (whether civil or criminal) and settlements that affect the business and profitability of ALLETE.

Any forward-looking statement speaks only as of the date on which that statement is made, and ALLETE undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which that statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time and it is not possible for management to predict all of those factors, nor can it assess the impact of each of those factors on the businesses of ALLETE or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ALLETE, Inc.

April 25, 2003

James K. Vizanko

James K. Vizanko
Vice President, Chief Financial Officer
and Treasurer

ALLETE Form 8-K dated April 25, 2003

3

EXHIBIT INDEX

EXHIBIT
NUMBER

99 - ALLETE, Inc. News Release dated April 25, 2003 announcing 2003 first quarter earnings.

ALLETE Form 8-K dated April 25, 2003

[ALLETE LOGO]

For Release: April 25, 2003
 Contact: Eric Olson
 218-723-3947
 eolson@allete.com

Investor: Tim Thorp
 Contact: 218-723-3953
 tthorp@allete.com

NEWS

ALLETE REPORTS SOLID FIRST-QUARTER EARNINGS

DULUTH, Minn.-ALLETE, Inc. (NYSE: ALE) today reported first quarter 2003 earnings of 54 cents per share, compared with 44 cents per share reported for the first quarter a year ago. Net income was \$44.3 million on revenue of \$422.9 million compared with \$35.2 million of net income on \$368.3 million of revenue in the first quarter of 2002.

"We are satisfied with the overall financial results for the quarter and are on track to meet our total year expectations," said Dave Gartzke, ALLETE Chairman, President and CEO.

Increased wholesale power sales and prices resulted in ENERGY SERVICES net income of \$12.2 million compared with \$9.1 million in the first quarter of 2002. AUTOMOTIVE SERVICES revenue climbed 12 percent and net income increased 7 percent in spite of difficult market conditions that resulted in flat sales volume at ADESA auctions compared to last year.

In addition to net income from Water Services, this quarter's earnings from DISCONTINUED OPERATIONS included a \$9.8 million after-tax gain on the condemnation sale of a utility system at Amelia Island, Florida. This more than offset \$7.4 million of after-tax expenses associated with efforts to sell the Water Services businesses. In 2002, Discontinued Operations included exit charges of \$2.3 million.

The company also announced that representatives of its subsidiary, Florida Water Services Corporation, met on April 16, 2003 with leaders of local governments that have expressed an interest in purchasing the assets of Florida Water that serve their residents. The governmental entities at the meeting discussed acquiring directly from Florida Water approximately two-thirds of Florida Water's asset base. If it proceeds with this course of action, Florida Water would seek to sell the remaining one-third of its assets to other interested local governments, and the water systems not sold in this process would be sold to a private buyer.

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.

###

[RECYCLE LOGO] recycled paper
 ALLETE - 30 West Superior Street, Duluth, Minnesota 55802
www.allete.com

ALLETE NEWS RELEASE

PAGE 2

ALLETE, INC.
 CONSOLIDATED STATEMENT OF INCOME
 FOR THE PERIODS ENDED MARCH 31, 2003 AND 2002
 Millions Except Per Share Amounts

	QUARTER ENDED	
	2003	2002
OPERATING REVENUE		
Energy Services	\$179.1	\$142.9
Automotive Services	232.9	208.8
Investments	10.9	16.6
Total Operating Revenue	422.9	368.3
OPERATING EXPENSES		
Fuel and Purchased Power	67.4	49.4
Operations	276.2	246.2
Interest	14.8	15.9
Total Operating Expenses	358.4	311.5
OPERATING INCOME FROM CONTINUING OPERATIONS	64.5	56.8
DISTRIBUTIONS ON REDEEMABLE		

PREFERRED SECURITIES OF ALLETE CAPITAL I	1.5	1.5
INCOME TAX EXPENSE	24.6	21.7

INCOME FROM CONTINUING OPERATIONS	38.4	33.6
INCOME FROM DISCONTINUED OPERATIONS	5.9	1.6

NET INCOME	\$ 44.3	\$ 35.2

AVERAGE SHARES OF COMMON STOCK		
Basic	82.2	80.4
Diluted	82.3	81.0

BASIC AND DILUTED		
EARNINGS PER SHARE OF COMMON STOCK		
Continuing Operations	\$0.47	\$0.42
Discontinued Operations	0.07	0.02

	\$0.54	\$0.44

DIVIDENDS PER SHARE OF COMMON STOCK	\$0.2825	\$0.275

ALLETE, INC.
CONSOLIDATED BALANCE SHEET
Millions

	MAR. 31, 2003	DEC. 31, 2002

ASSETS		
Current Assets	\$ 749.7	\$ 658.4
Property, Plant and Equipment	1,388.4	1,364.7
Investments	172.6	170.9
Goodwill	502.4	499.8
Other	118.1	107.3
Discontinued Operations	342.5	346.1

TOTAL ASSETS	\$3,273.7	\$3,147.2

LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities	\$ 788.6	\$ 738.2
Long-Term Debt	670.2	661.3
Other Liabilities	290.3	277.4
Discontinued Operations	170.6	162.9
Mandatorily Redeemable Preferred Securities of ALLETE Capital I	75.0	75.0
Shareholders' Equity	1,279.0	1,232.4

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$3,273.7	\$3,147.2

ALLETE, INC.	QUARTER ENDED MARCH 31,	
	2003	2002
NET INCOME		
Millions		
Energy Services	\$12.2	\$ 9.1
Automotive Services	26.7	24.9
Investments and Corporate Charges	(0.5)	(0.4)
Income from Continuing Operations	38.4	33.6
Income from Discontinued Operations	5.9	1.6
Net Income	\$44.3	\$35.2

DILUTED EARNINGS PER SHARE		
Continuing Operations	\$0.47	\$0.42
Discontinued Operations	0.07	0.02
	\$0.54	\$0.44

Discontinued operations included the operating results of ALLETE's Water Services businesses, its auto transport business, its vehicle registration import business and its retail stores. During the first three months of 2002 ALLETE included \$2.3 million, or \$0.02 per share, in charges to complete the exit from its auto transport business and its retail stores.

ALLETE, INC.	QUARTER ENDED MARCH 31,	
	2003	2002
STATISTICAL DATA		
CORPORATE		
Common Stock		
High	\$24.05	\$29.43
Low	\$18.75	\$24.25
Close	\$20.76	\$29.09
Book Value	\$14.86	\$13.87
ENERGY SERVICES		
Millions of Kilowatthours Sold		
Utility		
Retail		
Residential	312.9	285.7
Commercial	326.4	314.6
Industrial	1,718.5	1,649.8
Other	20.5	19.8
Resale	407.9	442.9
Nonregulated	2,786.2	2,712.8
	419.1	83.6
	3,205.3	2,796.4
AUTOMOTIVE SERVICES		
Vehicles Sold		
Wholesale	462,000	461,000
Total Loss	49,000	45,000
	511,000	506,000
Conversion Rate - Wholesale Vehicles	62.4%	65.6%
Vehicles Financed	233,000	237,000