



ALLETE Increases Dividend on Common Stock

ALLETE, Inc.'s (NYSE: ALE) Board of Directors has declared a quarterly dividend on the company's common stock.

A dividend of 27.5 cents per share of common stock was declared by the board. On an annual basis the dividend is equivalent to \$1.10 per share, an increase of 3 cents per share.

The regular quarterly dividend on common stock is payable March 1, 2002 to shareholders of record at the close of business February 15, 2002.

ALLETE's corporate headquarters are located in Duluth, Minnesota. ALLETE's holdings include the second largest wholesale automobile auction network in North America, the leading provider of independent auto dealer inventory financing, significant real estate holdings in Florida and a low-cost electric utility that serves some of the largest industrial customers in the United States. 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.