

Securities and Exchange Commission  
Washington, DC 20549

FORM 8-K/A

Current Report

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

Date of Report (Date of earliest event reported) - June 28, 1995

Minnesota Power & Light Company

A Minnesota Corporation  
Commission File No. 1-3548  
IRS Employer Identification No. 41-0418150  
30 West Superior Street  
Duluth, Minnesota 55802  
Telephone - (218) 722-2641

Pursuant to Form 8-K Item 7. instructions, financial statements of ADESA Corporation (ADESA) for the interim period ended June 30, 1995, and pro forma financial statements reflecting the acquisition of ADESA are hereby filed as an amendment to Minnesota Power & Light Company's Form 8-K filed July 12, 1995.

Item 7. Financial Statements and Exhibits.

(a) Financial statements of ADESA Corporation

ADESA Corporation  
Condensed Consolidated Balance Sheet

	June 30, 1995 ----- (Unaudited)	December 31, 1994 ----- (Note)
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 17,977,097	\$ 10,203,992
Trade receivables, net	62,258,026	48,790,083
Other current assets	5,033,288	4,637,150
	-----	-----
Total current assets	85,268,411	63,631,225
Property and equipment, net	87,540,292	71,114,221
Intangible assets, net	38,991,941	38,571,513
Other assets	190,784	407,388
	-----	-----
Total assets	<u>\$211,991,428</u>	<u>\$173,724,347</u>
<b>Liabilities and Shareholders' Equity</b>		
Current liabilities		
Accounts payable and accrued expenses	\$ 48,945,827	\$ 26,747,798
Notes payable	25,346,242	20,647,135
Current portion of long-term debt	4,975,166	4,994,649
	-----	-----
Total current liabilities	79,267,235	52,389,582
Long-term debt	44,473,321	37,894,509
Deferred income taxes	614,435	452,113
Minority interest in equity of subsidiary	1,505,588	1,289,280
Shareholders' equity		
Common stock	66,181,978	66,162,853
Retained earnings	20,106,295	15,751,929
Cumulative translation adjustment	(157,424)	(215,919)
	-----	-----
Total shareholders' equity	86,130,849	81,698,863
	-----	-----
Total liabilities and shareholders' equity	<u>\$211,991,428</u>	<u>\$173,724,347</u>

Note: The balance sheet at December 31, 1994, has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

See accompanying notes.

ADESA Corporation  
Condensed Consolidated Statement of Income  
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	1995	1994	1995	1994
	-----	-----	-----	-----
Operating revenues	\$30,527,481	\$23,538,560	\$60,136,826	\$45,109,884
Operating expenses				
Direct	11,301,643	8,555,340	22,420,970	16,863,376
Selling, general and administrative				
Operating	12,165,059	8,421,864	24,366,301	16,236,532
Depreciation	1,087,122	852,350	2,098,230	1,596,835
Amortization	751,143	941,131	1,500,601	1,876,444
	-----	-----	-----	-----
Operating income	5,222,514	4,767,875	9,750,724	8,536,697
Other income (expense)				
Interest income	150,577	59,625	304,620	126,917
Interest expense	(1,548,587)	(828,883)	(2,820,621)	(1,505,537)
Other, net	(106,554)	129,407	(216,308)	201,368
	-----	-----	-----	-----
	(1,504,564)	(639,851)	(2,732,309)	(1,177,252)
	-----	-----	-----	-----
Income before income taxes	3,717,950	4,128,024	7,018,415	7,359,445
Income taxes	(1,360,225)	(1,656,200)	(2,664,005)	(2,913,905)
	-----	-----	-----	-----
Net income	\$ 2,357,725	\$ 2,471,824	\$ 4,354,410	\$ 4,445,540
	=====	=====	=====	=====
Weighted average shares outstanding	11,424,710	11,254,918	11,410,931	11,250,911
	=====	=====	=====	=====
Earnings per share	\$0.21	\$0.22	\$0.38	\$0.40
	=====	=====	=====	=====

See accompanying notes.

ADESA Corporation  
Condensed Consolidated Statement of Cash Flows  
(Unaudited)

	Six Months Ended June 30,	
	1995	1994
Operating activities		
Net income	\$ 4,354,410	\$ 4,445,540
Adjustments to reconcile net income to net cash provided (used) by operating activities		
Depreciation	2,098,230	1,596,835
Amortization	1,500,601	1,876,444
Gain on disposal of assets	(110,387)	(12,835)
Minority interest in subsidiary earnings	216,308	76,795
Changes in operating assets and liabilities		
Trade receivables	(13,467,943)	(21,090,889)
Other current assets	(396,138)	(3,574,957)
Accounts payable and accrued expenses	22,198,029	26,154,986
	16,393,110	9,471,919
Net cash provided by operating activities		
Investing activities		
Purchases of property and equipment, net	(18,413,914)	(13,444,572)
Other assets	(1,656,043)	(2,175,189)
	(20,069,957)	(15,619,761)
Net cash used by investing activities		
Financing activities		
Proceeds from notes and long-term debt	13,927,691	14,781,409
Payments on notes and long-term debt	(2,526,556)	(9,302,947)
Proceeds from sale of common stock	19,125	-
	11,420,260	5,478,462
Net cash provided by financing activities		
Effect of exchange rate changes on cash	29,692	(118,614)
	7,773,105	(787,994)
Net increase (decrease) in cash		
Cash and cash equivalents at beginning of period	10,203,992	11,902,141
	\$17,977,097	\$11,114,147
Cash and cash equivalents at end of period	\$17,977,097	\$11,114,147

See accompanying notes.

ADESA CORPORATION

Notes to Condensed Consolidated Financial Statements - (Unaudited)

1. Basis of Presentation

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The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of ADESA, all adjustments (consisting of only normal recurring accruals) considered necessary to present fairly the consolidated financial statements have been included. Quarterly results of operations are not necessarily indicative of annual results. These statements should be read in conjunction with the consolidated financial statements and footnotes thereto included in ADESA's annual report on Form 10-K for the year ended December 31, 1994.

2. Business Segments

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Selected second quarter 1995 income data by business segment is as follows:

	Auction Services -----	Financial Services -----	Total -----
Operating revenues	\$28,634,538 =====	\$1,892,943 =====	\$30,527,481 =====
Operating income	\$ 4,060,237 =====	\$1,162,277 =====	\$ 5,222,514 =====

Total assets presented by business segment and inclusive of ADESA's headquarters as of June 30, 1995, were as follows:

Auction services	\$171,985,232
Financial services	27,152,411
Corporate headquarters	12,853,785
	-----
	\$211,991,428 =====

3. Per-Share Data

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Earnings per share data are based on the weighted average number of shares outstanding during the applicable periods, including the effect of dilutive stock options.

4. Subsequent Event

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ADESA currently has three United States auctions which sell rental repurchase units under separate master contracts with General Motors (GM). These contracts do not require GM to sell any minimum number of vehicles through ADESA's auctions and may be terminated upon 30 days' notice. In 1995 GM requested that auctions bid for the right to sell rental repurchase units under three-year contracts commencing January 1, 1996. ADESA was invited in February 1995 to take part in this process and on May 10, 1995, submitted a bid for all of ADESA's United States auctions including a greenfield auction in Manville, New Jersey. On August 24, 1995, GM awarded contracts to seven of ADESA's auctions.

(b) Pro forma financial information

Pro Forma Condensed Financial Information (Unaudited)

On July 1, 1995, Minnesota Power & Light Company (Minnesota Power or the Company) acquired 80 percent of ADESA for \$167 million in cash. The Company accounted for the acquisition as a purchase and recorded approximately \$140 million of goodwill, which will be amortized over a 40 year period. Proceeds from the sale of the paper and pulp business combined with proceeds from the sale of securities investments were used to fund the purchase of ADESA. The following unaudited pro forma balance sheet as of June 30, 1995, combines the historical consolidated balance sheet of Minnesota Power and ADESA to reflect the July 1, 1995, acquisition as if it had occurred on June 30, 1995. The unaudited pro forma combined statement of income for the six months ended June 30, 1995, and for the year ended December 31, 1994, are based on the historical consolidated statements of income of Minnesota Power and ADESA and reflect the acquisition as if it had occurred on January 1 of the respective periods.

On June 30, 1995, Minnesota Power sold its investment in the paper and pulp business for \$118 million in cash and realized a \$1.5 million after-tax loss from the sale. Minnesota Power's financial statements as of June 30, 1995, reflect this transaction as discontinued operations. The historical consolidated statement of income of Minnesota Power for the year ended December 31, 1994, has been restated to classify the operating results of the paper and pulp business as discontinued operations.

The unaudited pro forma combined statement of income for the six months ended June 30, 1995, and for the year ended December 31, 1994, reflect exiting Reach All Partnership (Reach All), the truck-mounted lifting equipment manufacturing business immediately prior to January 1 of the respective periods.

The following pro forma financial information has been prepared from, and should be read in conjunction with, the historical consolidated financial statements and related notes thereto of Minnesota Power and ADESA. The following information is not necessarily indicative of the financial position or operating results that would have occurred had the acquisition and disposition transactions been consummated on the date, or at the beginning of the periods, for which the acquisition and disposition are being given effect nor is it necessarily indicative of future operating results or financial position.

Minnesota Power  
 Unaudited Pro Forma Combined Balance Sheet  
 June 30, 1995  
 In Thousands

	Historical		Pro Forma	
	Minnesota Power	ADESA	Adjustments (Note 1)	Combined
<b>Assets</b>				
<b>Plant and Other Assets</b>				
Electric utility operations	\$ 786,387			\$ 786,387
Water utility operations	307,456			307,456
Auto redistribution operations	-	\$ 87,731	\$ (3,180)	84,551
Investments and corporate services	219,285	-	(4,117)	215,168
<b>Total plant and other assets</b>	<b>1,313,128</b>	<b>87,731</b>	<b>(7,297)</b>	<b>1,393,562</b>
<b>Intangible Assets</b>	<b>1,740</b>	<b>38,992</b>	<b>117,339</b>	<b>158,071</b>
Cash and Funds Held by Trustee	290,693	17,977	(147,751)	160,919
Other Current Assets	159,388	67,291	(777)	225,902
Deferred Charges	107,207	-	(3,282)	103,925
<b>Total Assets</b>	<b>\$1,872,156</b>	<b>\$211,991</b>	<b>\$(41,768)</b>	<b>\$2,042,379</b>
<b>Capitalization and Liabilities</b>				
<b>Capitalization</b>				
Common stock	\$ 372,634	\$ 66,182	\$(66,182)	\$ 372,634
Unearned ESOP shares	(74,505)	-	-	(74,505)
Net unrealized gain on securities investments	245	-	-	245
Retained earnings	279,370	20,106	(20,106)	279,370
Cumulative translation adjustment	-	(157)	157	-
<b>Total common stock equity</b>	<b>577,744</b>	<b>86,131</b>	<b>(86,131)</b>	<b>577,744</b>
Preferred stock	48,547	-	-	48,547
Long-term debt	568,725	44,473	-	613,198
<b>Total capitalization</b>	<b>1,195,016</b>	<b>130,604</b>	<b>(86,131)</b>	<b>1,239,489</b>
<b>Current Liabilities</b>	<b>299,537</b>	<b>79,267</b>	<b>-</b>	<b>378,804</b>
Deferred Credits	377,603	2,120	44,363	424,086
<b>Total Capitalization and Liabilities</b>	<b>\$1,872,156</b>	<b>\$211,991</b>	<b>\$(41,768)</b>	<b>\$2,042,379</b>

Note 1 - Pro forma adjustments necessary to reflect the acquisition of ADESA are as follows:

	Debit	Credit
Elimination of ADESA's historical equity accounts and net intangibles		
Common stock	\$ 66,182	
Retained earnings	20,106	
Cumulative translation adjustment		\$ 157
Intangible assets net of accumulated amortization		38,301
Cash payments to acquire 80 percent of ADESA net of cash retained		
Cash payment to shareholders		161,786
Cost of ADESA common stock acquired previously		4,117
Acquisition costs previously deferred		3,282
Cash retained by ADESA for acquisition and capital expenditures	14,035	
Fair value adjustment of assets and liabilities acquired		
Auto redistribution operations		3,180
Other current assets		777
Deferred credits		1,945

Intangible assets including customer lists,

organizational costs, noncompete and  
employment contracts, and \$140 million  
of goodwill representing the excess of  
cost over net assets acquired

155,640

Fair value of minority shareholders'  
interest

42,418

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\$255,963

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\$255,963

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Minnesota Power  
 Unaudited Pro Forma Combined Statement of Income  
 For the Six Months Ended June 30, 1995  
 In Thousands Except Per Share Amounts

	Historical		Pro Forma	
	Minnesota Power	ADESA	Adjustments (Note 1)	Combined
Operating Revenue and Income				
Electric utility operations	\$237,865			\$237,865
Water utility operations	34,816			34,816
Auto redistribution operations	-	\$60,136		60,136
Investments and corporate services	21,341	305	\$(3,613)	18,033
Total operating revenue and income	294,022	60,441	(3,613)	350,850
Operating Expenses				
Fuel and purchased power	84,422	-	-	84,422
Operations	123,117	26,020	2,285	151,422
Administrative and general	35,250	24,582	418	60,250
Interest expense	22,489	2,821	-	25,310
Total operating expenses	265,278	53,423	2,703	321,404
Income (Loss) from Equity Investments	(3,908)	-	8,528	4,620
Operating Income				
from Continuing Operations	24,836	7,018	2,212	34,066
Income Tax Expense (Benefit)	(9,892)	2,664	2,260	(4,968)
Income from Continuing Operations	34,728	\$ 4,354	\$ (48)	39,034
Dividends on Preferred Stock	1,600			1,600
Earnings from Continuing Operations Available for Common Stock	\$ 33,128			\$ 37,434
Average Shares of Common Stock	28,409			28,409
Earnings Per Share of Common Stock from Continuing Operations	\$ 1.17			\$ 1.32

Note 1 - Pro forma adjustments necessary to reflect the acquisition of ADESA and disposition of Reach All are as follows:

	Debit	Credit
Reduction of investment income due to the sale of portfolio securities to fund the acquisition of ADESA	\$ 3,613	
Net increase in operating expenses due to the following:		
Amortization of goodwill on a straight-line basis over 40 years	1,744	
Amortization of other intangibles on a straight-line basis over 2 to 40 years	835	
Change in depreciation expense resulting from purchase accounting	56	
Reduction of management fees relating to the sale of portfolio securities		\$ 350

Minority shareholders' 20 percent interest in

ADESA's earnings		418	
Includes the disposition of Reach All			8,528
Income tax effect relating to adjustments , and	2,260	-----	-----
		\$ 8,926	\$ 8,878
		=====	=====

Minnesota Power  
 Unaudited Pro Forma Combined Statement of Income  
 For the Year Ended December 31, 1994  
 In Thousands Except Per Share Amounts

	Historical		Pro Forma	
	Minnesota Power	ADESA	Adjustments (Note 1)	Combined
Operating Revenue and Income				
Electric utility operations	\$453,182			\$453,182
Water utility operations	91,224			91,224
Auto redistribution operations	-	\$95,476		95,476
Investments and corporate services	37,761	694	\$ (3,641)	34,814
Total operating revenue and income	582,167	96,170	(3,641)	674,696
Operating Expenses				
Fuel and purchased power	157,687	-	-	157,687
Operations	220,733	42,809	4,517	268,059
Administrative and general	79,846	35,768	650	116,264
Interest expense	46,750	4,147	-	50,897
Total operating expenses	505,016	82,724	5,167	592,907
Income from Equity Investments	2,972	-	5,166	8,138
Operating Income				
from Continuing Operations	80,123	13,446	(3,642)	89,927
Income Tax Expense	20,658	5,663	994	27,315
Income from Continuing Operations	59,465	\$ 7,783	\$ (4,636)	62,612
Dividends on Preferred Stock	3,200			3,200
Earnings from Continuing Operations				
Available for Common Stock	\$ 56,265			\$ 59,412
Average Shares of Common Stock	28,239			28,239
Earnings Per Share of Common Stock				
From Continuing Operations	\$ 1.99			\$ 2.10

Note 1 - Pro forma adjustments necessary to reflect the acquisition of ADESA and disposition of Reach All are as follows:

	Debit	Credit
Reduction of investment income due to the sale of portfolio securities to fund the acquisition of ADESA	\$ 3,641	
Net increase in operating expenses due to the following:		
Amortization of goodwill on a straight-line basis over 40 years	3,488	
Amortization of other intangibles on a straight-line basis over 2 to 40 years	1,670	
Change in depreciation expense resulting from purchase accounting	111	
Reduction of management fees relating to the sale of portfolio securities		\$ 752

Minority shareholders' 20 percent interest in

ADESA's earnings

650

Includes the disposition and operations  
of Reach All

5,166

Income tax effect relating to adjustments  
, and

994

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\$10,554

\$ 5,918

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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.

Minnesota Power & Light Company

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(Registrant)

September 8, 1995

D.G. Gartzke

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D.G. Gartzke  
Senior Vice President - Finance  
and Chief Financial Officer