



Otter Tail Corporation Expects to Complete Holding Company Transition On July 1, 2009

FARGO, N.D., June 24, 2009 (GLOBE NEWSWIRE) -- Otter Tail Corporation (Nasdaq:OTTR) expects to complete its transition to a holding company on July 1, 2009. As previously announced, Otter Tail Corporation has been preparing for a transition to a holding company structure that will result in Otter Tail Power Company becoming a separate legal entity and a wholly owned subsidiary of Otter Tail Corporation.

With the expected completion of the transition, the newly formed Otter Tail Corporation will function as a holding company with two principal subsidiaries. In addition to Otter Tail Power Company, which will continue to own and operate the regulated utility business, a second subsidiary, Varistar Corporation, will continue to own and operate the nonelectric businesses. At the effective time of the transition, each outstanding Otter Tail Corporation common share will be automatically converted into one common share of the new holding company, and each outstanding Otter Tail Corporation cumulative preferred share will be automatically converted into one cumulative preferred share of the new holding company having the same terms.

About the Corporation: Otter Tail Corporation has interests in diversified operations that include an electric utility, manufacturing, health services, food ingredient processing, and infrastructure businesses, which include plastics, construction, and transportation. Otter Tail Corporation stock trades on the NASDAQ Global Select Market under the symbol OTTR. The latest investor and corporate information is available at www.ottertail.com. Corporate offices are located in Fergus Falls, Minnesota, and Fargo, North Dakota.

The Otter Tail Corporation logo is available at <http://www.globenewswire.com/newsroom/prs/?pkgid=4958>

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