SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)
X QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 1998

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____________________ to ______________________

Commission File Number 1-3523

WESTERN RESOURCES, INC.
(Exact Name of Registrant as Specified in Its Charter)

KANSAS	48-0290150
(State or Other Jurisdiction of Incorporation or Organization)	(Employer Identification No.)
818 KANSAS AVENUE, TOPEKA, KANSAS	66612
(Address of Principal Executive Offices)	(Zip Code)

Registrant's Telephone Number Including Area Code (785) 575-6300

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at May 12, 1998
Common Stock, $5.00 par value	65,538,871

WESTERN RESOURCES, INC.
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WESTERN RESOURCES, INC.
CONSOLIDATED BALANCE SHEETS
(Dollars in Thousands)
(Unaudited)

	March 31, 1998	December 31, 1997
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 13,876	$ 76,608
Accounts receivable (net)	179,764	325,043
Inventories and supplies (net)	92,195	86,398
Marketable securities	90,522	75,258
Prepaid expenses and other	22,240	25,483
Total Current Assets	398,597	588,790
PROPERTY, PLANT AND EQUIPMENT, NET	3,770,284	3,786,528
OTHER ASSETS:		
Investment in ONEOK	610,318	596,206
Subscriber accounts	737,316	549,152
Goodwill (net)	1,066,331	854,163
Regulatory assets	379,784	380,421
Other	244,259	221,700
Total Other Assets	3,038,008	2,601,642
TOTAL ASSETS	$7,206,889	$6,976,960
LIABILITIES AND SHAREOWNERS' EQUITY		
CURRENT LIABILITIES:		
Current maturities of long-term debt	$ 8,800	$ 21,217
Short-term debt	462,250	236,500
Accounts payable	96,031	151,166
Accrued liabilities	287,171	249,447
Accrued income taxes	37,795	27,360
Other	133,327	89,106
Total Current Liabilities	1,025,374	774,796
LONG-TERM LIABILITIES:		
Long-term debt (net)	2,162,470	2,181,855
Western Resources obligated mandatorily redeemable preferred securities of subsidiary trusts holding solely company subordinated debentures	220,000	220,000
Deferred income taxes and investment tax credits	1,068,693	1,065,565
Minority interests	167,512	164,379
Deferred gain from sale-leaseback	218,822	221,779
Other	251,999	259,521
Total Long-term Liabilities	4,089,496	4,113,099
COMMITMENTS AND CONTINGENCIES		
SHAREOWNERS' EQUITY:		
Cumulative preferred and preference stock	74,858	74,858
Common stock, par value $5 per share, authorized 85,000,000 shares, outstanding 65,409,603 and 65,409,603 shares, respectively	327,048	327,048
Paid-in capital	760,553	760,553
Retained earnings	908,730	914,487
Accumulated other comprehensive income (net)	20,830	12,119
Total Shareowners' Equity	2,092,019	2,089,065
TOTAL LIABILITIES AND SHAREOWNERS' EQUITY	$7,206,889	$6,976,960

The Notes to Consolidated Financial Statements are an integral part of these statements.

WESTERN RESOURCES, INC.
CONSOLIDATED STATEMENTS OF INCOME
(Dollars in Thousands)
(Unaudited)

	Three Months Ended March 31, 1998	Three Months Ended March 31, 1997
SALES:		
Energy.	$ 305,548	$ 593,912
Security.	76,795	32,286
Total Sales	382,343	626,198
COST OF SALES:		
Energy.	106,260	296,696
Security.	23,993	19,054
Total Cost of Sales	130,253	315,750
GROSS PROFIT.	252,090	310,448
OPERATING EXPENSES:		
Operating and maintenance expense	76,329	93,341
Depreciation and amortization	61,637	60,678
Selling, general and administrative expense	47,538	53,132
Total Operating Expenses.	185,504	207,151
INCOME FROM OPERATIONS.	66,586	103,297
OTHER INCOME (EXPENSE):		
Investment earnings	14,552	10,766
Minority interest	(213)	(272)
Other	9,036	(418)
Total Other Income (Expense).	23,375	10,076
INCOME BEFORE INTEREST AND TAXES.	89,961	113,373
INTEREST EXPENSE:		
Interest expense on long-term debt.	38,957	23,795
Interest expense on short-term debt and other	11,443	25,690
Total Interest Expense.	50,400	49,485
INCOME BEFORE INCOME TAXES.	39,561	63,888
INCOME TAXES.	9,093	22,855
NET INCOME.	30,468	41,033
PREFERRED AND PREFERENCE DIVIDENDS.	1,230	1,230
EARNINGS AVAILABLE FOR COMMON STOCK	$ 29,238	$ 39,803
AVERAGE COMMON SHARES OUTSTANDING	65,409,603	64,807,081
BASIC EARNINGS PER AVERAGE COMMON SHARE OUTSTANDING	$ 0.45	$ 0.61
DIVIDENDS DECLARED PER COMMON SHARE	$ .535	$ .525

The Notes to Consolidated Financial Statements are an integral part of these statements.

WESTERN RESOURCES, INC.
CONSOLIDATED STATEMENTS OF INCOME
(Dollars in Thousands)
(Unaudited)

	Twelve Months Ended March 31, 1998	1997
SALES:		
Energy	$1,711,054	$2,077,047
Security	196,856	40,354
Total Sales	1,907,910	2,117,401
COST OF SALES:		
Energy	737,888	903,730
Security	43,739	22,601
Total Cost of Sales	781,627	926,331
GROSS PROFIT	1,126,283	1,191,070
OPERATING EXPENSES:		
Operating and maintenance expense	366,900	377,089
Depreciation and amortization	257,684	213,911
Selling, general and administrative expense	307,333	203,695
Write-off of deferred merger costs	48,008	-
Security asset impairment charge	40,144	-
Total Operating Expenses	1,020,069	794,695
INCOME FROM OPERATIONS	106,214	396,375
OTHER INCOME (EXPENSE):		
Gain on sale of Tyco securities	864,253	-
Special charges from ADT	-	(18,181)
Investment earnings	29,432	28,123
Minority interest	4,796	(270)
Other	37,857	10,766
Total Other Income (Expense)	936,338	20,438
INCOME BEFORE INTEREST AND TAXES	1,042,552	416,813
INTEREST EXPENSE:		
Interest expense on long-term debt	134,551	103,037
Interest expense on short-term debt and other	59,589	65,340
Total Interest Expense	194,140	168,377
INCOME BEFORE INCOME TAXES	848,412	248,436
INCOME TAXES	364,883	83,242
NET INCOME	483,529	165,194
PREFERRED AND PREFERENCE DIVIDENDS	4,919	12,714
EARNINGS AVAILABLE FOR COMMON STOCK	$ 478,610	$ 152,480
AVERAGE COMMON SHARES OUTSTANDING	65,276,370	64,238,154
BASIC EARNINGS PER AVERAGE COMMON SHARE OUTSTANDING	$ 7.33	$ 2.37
DIVIDENDS DECLARED PER COMMON SHARE	$ 2.11	$ 2.07

The Notes to Consolidated Financial Statements are an integral part of these statements.
/TABLE

WESTERN RESOURCES, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Dollars in Thousands)
(Unaudited)

	Three Months Ended March 31,	
	1998	1997
Net income.	$30,468	$41,033
Other comprehensive income, before tax:		
Unrealized gain on equity securities.	14,465	-
Income tax expense.	5,754	-
Other comprehensive income, net of tax.	8,711	-
Comprehensive income.	$39,179	$41,033

The Notes to Consolidated Financial Statements are an integral part of these statements.

WESTERN RESOURCES, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Dollars in Thousands)
(Unaudited)

	Twelve Months Ended March 31,	
	1998	1997
Net income.	$483,529	$165,194
Other comprehensive income, before tax:		
Unrealized gain on equity securities.	39,713	-
Income tax expense.	18,883	-
Other comprehensive income, net of tax.	20,830	-
Comprehensive income.	$504,359	$165,194

The Notes to Consolidated Financial Statements are an integral part of these statements.
/TABLE

WESTERN RESOURCES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in Thousands)
(Unaudited)

	Three Months Ended March 31, 1998	Three Months Ended March 31, 1997
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 30,468	$ 41,033
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	61,637	60,678
Equity in earnings from investments	(5,576)	(13,177)
Changes in working capital items (net of effects from acquisitions):		
Accounts receivable (net)	146,248	47,424
Inventories and supplies	(5,709)	22,364
Marketable securities	(15,264)	-
Prepaid expenses and other	3,348	7,540
Accounts payable	(56,099)	(65,354)
Accrued liabilities	12,112	13,238
Accrued income taxes	10,435	17,937
Other	20,532	2,718
Changes in other assets and liabilities	11,606	(18,622)
Net cash flows from operating activities	213,738	115,779
CASH FLOWS USED IN INVESTING ACTIVITIES:		
Additions to property, plant and equipment (net)	(33,908)	(39,737)
Customer account acquisition	(64,703)	(3,356)
Security alarm monitoring acquisitions, net of cash acquired	(274,030)	-
Other investments (net)	(59,041)	(18,799)
Net cash flows (used in) investing activities	(431,682)	(61,892)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Short-term debt (net)	225,750	245,997
Proceeds of long-term debt	764	1,407
Retirements of long-term debt	(35,732)	(275,607)
Issuance of common stock (net)	-	7,386
Cash dividends paid	(35,570)	(34,505)
Net cash flows from (used in) financing activities	155,212	(55,322)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(62,732)	(1,435)
CASH AND CASH EQUIVALENTS:		
Beginning of the period	76,608	3,724
End of the period	$ 13,876	$ 2,289
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
CASH PAID FOR:		
Interest on financing activities (net of amount capitalized)	$ 56,591	$ 58,813
Income taxes	161	7,044

The Notes to Consolidated Financial Statements are an integral part of these statements.
/TABLE

WESTERN RESOURCES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in Thousands)
(Unaudited)

	Twelve Months Ended March 31, 1998	1997
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income.	$ 483,529	$ 165,194
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	257,684	213,911
Gain on sale of securities.	(864,253)	-
Equity in earnings from investments	(17,804)	(18,772)
Write-off of deferred merger costs.	48,008	-
Security asset impairment charge.	40,144	-
Changes in working capital items (net of effects from acquisitions):		
Accounts receivable (net)	112,980	13,594
Inventories and supplies.	(24,824)	(340)
Marketable securities	(25,725)	-
Prepaid expenses and other.	5,038	10,414
Accounts payable.	(39,043)	(24,421)
Accrued liabilities	63,945	(862)
Accrued income taxes.	2,367	16,988
Other	9,230	2,238
Changes in other assets and liabilities	(39,125)	(91,427)
Net cash flows from operating activities.	12,151	286,517
CASH FLOWS USED IN INVESTING ACTIVITIES:		
Additions to property, plant and equipment (net).	(204,909)	(197,503)
Customer account acquisition.	(106,510)	(3,356)
Proceeds from sale of securities.	1,533,530	-
Security alarm monitoring acquisitions net of cash acquired.	(712,747)	(368,535)
Purchase of ADT common stock.	-	(145,842)
Other investments (net)	(85,560)	(16,799)
Net cash flows from (used in) investing activities. .	423,804	(732,035)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Short-term debt (net)	(764,487)	884,437
Proceeds of long-term debt.	519,357	(48,593)
Retirements of long-term debt	(54,102)	(291,607)
Issuance of other mandatorily redeemable securities . . .	-	120,000
Issuance of common stock (net).	17,656	27,070
Redemption of preference stock.	-	(100,000)
Cash dividends paid	(142,792)	(146,450)
Net cash flows (used in) from financing activities. .	(424,368)	444,857
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS. . . .	11,587	(661)
CASH AND CASH EQUIVALENTS:		
Beginning of the period	2,289	2,950
End of the period	$ 13,876	$ 2,289
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
CASH PAID FOR:		
Interest on financing activities (net of amount capitalized).	$ 168,413	$ 191,652
Income taxes.	59,809	66,120

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:
During the fourth quarter of 1997 the company contributed the net assets of its natural gas business totaling approximately $594 million to ONEOK in exchange for a 45% ownership interest in ONEOK.

The Notes to Consolidated Financial Statements are an integral part of these statements.
/TABLE

WESTERN RESOURCES, INC.
CONSOLIDATED STATEMENTS OF CUMULATIVE PREFERRED AND PREFERENCE STOCK
(Dollars in Thousands)
(Unaudited)

	March 31, 1998	December 31, 1997
CUMULATIVE PREFERRED AND PREFERENCE STOCK:		
Preferred stock not subject to mandatory redemption, Par value $100 per share, authorized 600,000 shares, outstanding -		
4 1/2% Series, 138,576 shares.	$ 13,858	$ 13,858
4 1/4% Series, 60,000 shares	6,000	6,000
5% Series, 50,000 shares	5,000	5,000
	24,858	24,858
Preference stock subject to mandatory redemption, Without par value, $100 stated value, Authorized 4,000,000 shares, outstanding -		
7.58% Series, 500,000 shares	50,000	50,000
TOTAL CUMULATIVE PREFERRED AND PREFERENCE STOCK. . . .	$ 74,858	$ 74,858

The Notes to Consolidated Financial Statements are an integral part of these statements.
/TABLE

WESTERN RESOURCES, INC.
CONSOLIDATED STATEMENTS OF COMMON SHAREOWNERS' EQUITY
(Dollars in Thousands, Except Per Share Amounts)
(Unaudited)

	Common Stock	Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (net)
BALANCE DECEMBER 31, 1996, 64,625,259 shares.	$323,126	$739,433	$562,121	$ -
Net income.			41,032	
Cash dividends:				
Preferred and preference stock.			(1,230)	
Common stock, $0.525 per share.			(34,041)	
Issuance of 246,887 shares of common stock.	1,235	6,151		
BALANCE MARCH 31, 1997, 64,872,146 shares	324,361	745,584	567,882	-
Net income.			453,062	
Cash dividends:				
Preferred and preference stock.			(3,689)	
Common stock, $1.575 per share.			(102,768)	
Expenses on common stock		(5)		
Issuance of 537,457 shares of common stock.	2,687	14,974		
Net change in unrealized gain on equity securities (net of tax effect of $13,129)				12,119
BALANCE DECEMBER 31, 1997, 65,409,603 shares.	327,048	760,553	914,487	12,119
Net income.			30,468	
Cash dividends:				
Preferred and preference stock.			(1,230)	
Common stock, $0.535 per share.			(34,995)	
Net change in unrealized gain on equity securities (net of tax effect of $5,754).				8,711
BALANCE MARCH 31, 1998, 65,409,603 shares	$327,048	$760,553	$908,730	$ 20,830

The Notes to Consolidated Financial Statements are an integral part of these statements.

WESTERN RESOURCES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business: Western Resources, Inc. (the company) is a publicly traded holding company. The company's primary business activities are providing electric generation, transmission and distribution services to approximately 614,000 customers in Kansas; providing security alarm monitoring services to approximately 1.2 million customers located throughout the United States, providing natural gas transmission and distribution services to approximately 1.4 million customers in Oklahoma and Kansas through its investment in ONEOK Inc. (ONEOK) and investing in international power projects. Rate regulated electric service is provided by KPL, a division of the company and KGE, a wholly-owned subsidiary. Security services are provided by Protection One, Inc. (Protection One), a publicly-traded, approximately 82%-owned subsidiary.

Principles of Consolidation: The company's unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and in accordance with the instructions to Form 10-Q. Accordingly, certain information and footnote disclosures normally included in financial statements presented in accordance with generally accepted accounting principles have been condensed or omitted. These consolidated financial statements and notes should be read in conjunction with the financial statements and the notes included in the company's 1997 Annual Report on Form 10-K/A.

New Pronouncements: Effective January 1, 1998, the company adopted the provisions of Statement of Financial Accounting Standards No. 130, "Reporting Comprehensive Income" (SFAS 130). This statement establishes standards for reporting and display of comprehensive income and its components (revenues, expenses, gains and losses) in a full set of general-purpose financial statements.

Reclassifications: Certain amounts in prior years have been reclassified to conform with classifications used in the current year presentation.

2. MERGER AGREEMENT WITH KANSAS CITY POWER & LIGHT COMPANY

On February 7, 1997, the company signed a merger agreement with KCPL by which KCPL would be merged with and into the company in exchange for company stock. In December 1997, representatives of the company's financial advisor indicated that they believed it was unlikely that they would be in a position to issue a fairness opinion required for the merger on the basis of the previously announced terms.

On March 18, 1998, the company and KCPL agreed to a restructuring of their February 7, 1997, merger agreement which will result in the formation of Westar Energy, a new regulated electric utility company. Under the terms of the merger agreement, the electric utility operations of the company will be transferred to KGE, and KCPL and KGE will be merged into NKC, Inc., a subsidiary of the company. NKC, Inc. will be renamed Westar Energy. In addition, under the terms of the merger agreement, KCPL shareowners will receive $23.50 of company common stock per KCPL share, subject to a collar mechanism, and one share of Westar Energy common stock per KCPL share. Upon consummation of the combination, the company will own approximately 80.1% of the outstanding equity of Westar Energy and KCPL shareowners will own approximately 19.9%. As part of the combination, Westar Energy will assume all of the electric utility related assets and liabilities of the company, KCPL and KGE.

Westar Energy will assume $2.7 billion in debt, consisting of $1.9 billion of indebtedness for borrowed money of the company and KGE, and $800 million of debt of KCPL. Long-term debt of Western Resources and KGE was $2.1 billion at March 31, 1998. Under the terms of the merger agreement, it is intended that the company will be released from its obligations with respect to the company's debt to be assumed by Westar Energy.

Pursuant to the merger agreement, the company has agreed, among other things, to call for redemption all outstanding shares of its 4 1/2% Series Preferred Stock, par value $100 per share, 4 1/4% Series Preferred Stock, par value $100 per share, and 5% Series Preferred Stock, par value $100 per share.

Consummation of the merger is subject to customary conditions including obtaining the approval of the company's and KCPL's shareowners and various regulatory agencies. The company estimates the transaction to close by mid-1999, subject to receipt of all necessary approvals.

KCPL is a public utility company engaged in the generation, transmission, distribution, and sale of electricity to customers in western Missouri and eastern Kansas. The company, KCPL and KGE have joint interests in certain electric generating assets, including Wolf Creek.

On March 23, 1998 the company and KCPL filed a letter informing the FERC that it had signed a revised merger agreement, dated March 18, 1998. The company sent similar letters on March 24, 1998 to the Kansas Corporation Commission (KCC) and the Missouri Public Service Commission (MPSC). The company and KCPL will submit appropriate modifications to the merger filings at FERC, the KCC and the MPSC as soon as practicable.

At March 31, 1998, the company had deferred approximately $6 million related to the KCPL transaction. These costs will be included in the determination of total consideration upon consummation of the transaction.

3. INVESTMENT IN ONEOK, INC.

In November 1997, the company completed its strategic alliance with ONEOK. The company contributed substantially all of its regulated and non-regulated natural gas business to ONEOK in exchange for a 45% ownership interest in ONEOK. The company accounts for its common ownership of ONEOK in accordance with the equity method of accounting.

For additional information on the Strategic Alliance with ONEOK, see Note 4 of the company's 1997 Annual Report on Form 10-K/A.

4. INVESTMENT IN PROTECTION ONE, INC.

Effective January 1, 1998, Protection One acquired the stock of Network Holdings, Inc., the parent company of Network Multi-Family, from the company for approximately $180 million. Protection One borrowed money under a revolving credit agreement provided by Westar Capital, a subsidiary of the company, to purchase Network Multi-Family.

On March 2, 1998, Protection One acquired the assets comprising the monitored security alarm business of Multimedia Security Services, Inc. (Multimedia Security) for approximately $233 million in cash. Multimedia Security had approximately 140,000 subscribers concentrated primarily in California, Florida, Kansas, Oklahoma and Texas.

On March 17, 1998, Protection One acquired the stock of Comsec Narragansett Security, Inc. (Comsec) for approximately $45 million in cash and assumed approximately $15 million in debt. Comsec has approximately 30,000 subscribers located primarily in Connecticut, Maine, Massachusetts, and New Hampshire.

The acquisitions of Multimedia Security and Comsec have been accounted for as purchases. Preliminary allocations of the purchase price for each acquisition have been made based on the estimated fair value of the net assets acquired. These acquisitions do not materially affect the company's financial position or results of operations.

For additional information on the Investment in Protection One and the Security Alarm Monitoring Business, see Note 3 of the company's 1997 Annual Report on Form 10-K/A.

5. LEGAL PROCEEDINGS

On January 8, 1997, Innovative Business Systems, Ltd. (IBS) filed suit against the company and Westinghouse Electric Corporation (WEC), Westinghouse Security Systems, Inc. (WSS) and WestSec, Inc. (WestSec), a wholly-owned subsidiary of the company established to acquire the assets of WSS, in Dallas County, Texas district court (Cause No 97-00184) alleging, among other things, breach of contract by WEC and interference with contract against the company in connection with the sale by WEC of the assets of WSS to the company. IBS claims that WEC improperly transferred software owned by IBS to the company and that the company is not entitled to its use. The company has demanded WEC defend and indemnify it. WEC and the company have denied IBS' allegations and are vigorously defending against them. Management does not believe that the ultimate disposition of this matter will have a material adverse effect upon the company's overall financial condition or results of operations.

The Securities and Exchange Commission (SEC) has commenced a private investigation relating, among other things, to the timeliness and adequacy of disclosure filings with the SEC by the company with respect to securities of ADT Ltd. The company is cooperating with the SEC staff in the production of records relating to the investigation.

The company and its subsidiaries are involved in various other legal, environmental, and regulatory proceedings. Management believes that adequate provision has been made and accordingly believes that the ultimate dispositions of these matters will not have a material adverse effect upon the company's overall financial position or results of operations.

6. COMMITMENTS AND CONTINGENCIES

International Power Project Commitments: The company has ownership interests in international power generation projects under construction in Colombia and the Republic of Turkey and in existing power generation facilities in the People's Republic of China. In 1998, commitments are not expected to exceed $61 million. Currently, equity commitments beyond 1998 approximate $88 million.

Manufactured Gas Sites: The company has been associated with 15 former manufactured gas sites located in Kansas which may contain coal tar and other potentially harmful materials. The company and the Kansas Department of Health and Environment (KDHE) entered into a consent agreement governing all future work at the 15 sites. The terms of the consent agreement will allow the company to investigate these sites and set remediation priorities based upon the results of the investigations and risk analysis. At March 31, 1998, the costs incurred for preliminary site investigation and risk assessment have been minimal. In accordance with the terms of the strategic alliance with ONEOK, ownership of twelve of these sites and the responsibility for clean-up of these sites were transferred to ONEOK. The ONEOK agreement limits our future liability to an amount immaterial to the company's financial condition or results of operations. However, our share of ONEOK income could be adversely affected by these costs.

Affordable Housing Tax Credit Program (AHTC): At March 31, 1998, the company had invested approximately $40.6 million to purchase AHTC investments in limited partnerships. The company is committed to investing approximately $40.5 million more in AHTC investments by January 1, 2000.

For additional information on Commitments and Contingencies, see Note 7 of the company's 1997 Annual Report on Form 10-K/A.

7. INCOME TAXES

Total income tax expense included in the Consolidated Statements of Income reflects the Federal statutory rate of 35%. The Federal statutory rate produces effective income tax rates of 23.0% and 43.0% for the three and twelve month periods ended March 31, 1998 compared to 35.9% and 33.5% for the three and twelve month periods ended March 31, 1997. The effective income tax rates vary from the Federal statutory rate due to permanent differences, including dividend income, the amortization of investment tax credits, and accelerated amortization of certain deferred income taxes.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

INTRODUCTION

In Management's Discussion and Analysis we explain the general financial condition and the operating results for Western Resources, Inc. and its subsidiaries. We explain:

- What factors affect our business
- What our earnings and costs were for the three and twelve month periods ending March 31, 1998 and 1997
- Why these earnings and costs differed from period to period
- How our earnings and costs affect our overall financial condition
- Any other items that particularly affect our financial condition or earnings

The following Management's Discussion and Analysis of Financial Condition and Results of Operations updates the information provided in the 1997 Annual Report on Form 10-K/A and should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations in the company's 1997 Annual Report on Form 10-K/A.

FORWARD-LOOKING STATEMENTS: Certain matters discussed here and elsewhere in this Form 10-Q are "forward-looking statements." The Private Securities Litigation Reform Act of 1995 has established that these statements qualify for safe harbors from liability. Forward-looking statements may include words like we "believe," "anticipate," "expect" or words of similar meaning. Forward-looking statements describe our future plans, objectives, expectations or goals. Such statements address future events and conditions concerning capital expenditures, earnings, litigation, rate and other regulatory matters, possible corporate restructurings, mergers, acquisitions, dispositions, liquidity and capital resources, interest and dividend rates, environmental matters, changing weather, nuclear operations and accounting matters. What happens in each case could vary materially from what we expect because of such things as electric utility deregulation, including ongoing state and federal activities; future economic conditions; legislative developments; our regulatory and competitive markets; and other circumstances affecting anticipated operations, sales and costs.

FINANCIAL CONDITION

GENERAL: Sales, cost of sales, operating expenses, net income and basic earnings per share were significantly reduced for the three months ended March 31, 1998 due to the effects of restructuring our natural gas interests in the strategic alliance with ONEOK as of November 30, 1997. The restructuring reduced first quarter earnings by $0.22 per share when compared to prior year, which we anticipate will be made up by earnings from our ONEOK investment in the second and third quarters. Each quarter, earnings from our 45% ownership in ONEOK will be recorded in our other income section of our Consolidated Statements of Income. Our investment income stream is expected to fluctuate less each quarter without the seasonal swings typical of the natural gas distribution business.

For the three months ended March 31, 1998, sales decreased 39%, net income decreased 26% and basic earnings per share decreased 26%. Sales also decreased 10% for the twelve months ended March 31, 1998 due primarily to the transfer of our natural gas assets to ONEOK.

Net income increased $318 million and basic earnings per share increased $4.96 for the twelve months ended March 31, 1998 due to the pre-tax gain on the sale of the Tyco common stock of $864 million, or $7.97 of basic earnings per share, recorded in the third quarter of 1997. Partially offsetting this increase was the special non-recurring charge in December 1997 to expense $48 million of deferred KCPL Merger costs, the special non-recurring charge in December 1997 of approximately $40 million recorded by Protection One and our reduced electric rates implemented on February 1, 1997.

A quarterly dividend of $0.535 per share was declared in the first quarter of 1998, for an indicated annual rate of $2.14 per share. The book value per share was $30.84 at March 31, 1998, up from $30.79 at December 31, 1997. There were 65,409,603 and 64,807,081 average shares outstanding for the first quarter of 1998 and 1997.

OPERATING RESULTS

The following explains significant changes from prior year results in sales, cost of sales, operating expenses, other income (expense), interest expense, income taxes and preferred and preference dividends.

Energy sales, cost of sales and operating expenses have decreased significantly from prior year due to the transfer of our natural gas business assets to ONEOK Inc. as of November 30, 1997.

SALES: Energy sales include electric sales, power marketing sales, natural gas sales and other insignificant energy-related sales. Certain state regulatory commissions and the FERC authorize rates for our electric sales. Our energy sales vary with levels of energy deliveries. Changing weather affects the amount of energy our customers use. Very hot summers and very cold winters prompt more demand, especially among our residential customers. Mild weather reduces demand.

Many things will affect our future energy sales. They include:

- The weather
- Our electric rates
- Competitive forces
- Customer conservation efforts
- Wholesale demand
- The overall economy of our service area

Electric sales increased 13.8% for the three months ended March 31, 1998 because of revenues of $47 million from the expansion of power marketing activity in 1997. Our involvement in electric power marketing takes advantage of increased competitive opportunities in the wholesale electric utility industry. We are involved in both the marketing of electricity and risk management services to wholesale electric customers and the purchase of electricity for our retail customers. Our margin from power marketing activity is significantly less than our margins on other energy sales. Our power marketing activity has resulted in energy purchases and sales made in areas outside of our historical marketing territory. Through March 31, 1998, this additional power marketing activity has had an insignificant effect on operating income. This sales increase was partially offset by a 25.7% decrease in traditional wholesale sales and our reduced electric rates implemented February 1, 1997. Reduced electric rates lowered first quarter 1998 sales by an estimated $5 million.

Electric sales increased 5.9% for the twelve months ended March 31, 1998 because of $117 million included from our power marketing activity. This increase was partially offset by decreases in sales from all customer classes because of our reduced electric rates implemented February 1, 1997.

The following table reflects the increases in electric energy deliveries for retail customers for the three and twelve months ended March 31, 1998 from the comparable periods of 1997.

	3 Months ended	12 Months ended
Residential	1.7%	1.6%
Commercial	3.6%	3.0%
Industrial	2.9%	3.1%
Other	2.2%	1.2%
Total retail	2.7%	2.6%

For the three and twelve months ended March 31, 1998, natural gas sales have significantly decreased due to the transfer of our natural gas business assets to ONEOK on November 30, 1997.

Security alarm monitoring business sales increased $45 million for the three months ended March 31, 1998 and $157 million for the twelve months ended March 31, 1998. This increase is primarily because of our purchase of the assets of Westinghouse Security Systems on December 30, 1996, our acquisition of Network Multi-Family in September 1997, our acquisition of Protection One on November 24, 1997, and Protection One's acquisitions of Multimedia Security and Comsec in the first quarter of 1998.

COST OF SALES: Items included in energy cost of sales are fuel expense, purchased power expense (electricity we purchase from others for resale), power marketing expense and natural gas purchased. Items included in security alarm monitoring cost of sales are the cost of direct monitoring and the cost of installing security monitoring equipment that is not capitalized.

Energy business cost of sales were 64% lower for the three months ended March 31, 1998 and 18% lower for the twelve months ended March 31, 1998 primarily due to the transfer of our natural gas business assets to ONEOK on November 30, 1997. Partially offsetting these decreases was increased power marketing expense of $47 million and $118 million for the three and twelve month periods ending March 31, 1998.

Security alarm monitoring cost of sales increased 26% and 94% for the three and twelve month periods ending March 31, 1998. The increase is primarily a result of the purchase of the assets of Westinghouse Security Systems on December 30, 1996, our acquisition of Network Multi-Family in September 1997 and our acquisition of Protection One on November 24, 1997. Security alarm monitoring cost of sales also increased for the three months ended March 31, 1998 due to the addition of several service centers resulting from acquisition activity and additional installation activities from Protection One's first quarter acquisitions.

OPERATING EXPENSES

OPERATING AND MAINTENANCE EXPENSE: Total operating and maintenance expense decreased 18% for the three months ended March 31, 1998 due to the transfer of our natural gas business assets to ONEOK on November 30, 1997. Partially offsetting this decrease was increased operating and maintenance expense for our electric business. Operating and maintenance expense decreased three percent for the twelve months ended March 31, 1998.

DEPRECIATION AND AMORTIZATION EXPENSE: Depreciation and amortization expense increased two percent for the three months and 20% for the twelve months ending March 31, 1998. The increase for the twelve months is primarily attributable to the amortization of capitalized security alarm monitoring accounts and goodwill for our security alarm monitoring business.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSE: Selling, general and administrative expense has decreased 11% for the three months ended March 31, 1998 due to the transfer of our natural gas business assets to ONEOK Inc. as of November 30, 1997 and due to lower selling, general and administrative expense for our electric business. Partially offsetting these decreases was increased selling, general and administrative expense from Protection One due primarily to our purchase of the assets of Westinghouse Security Systems on December 30, 1996, our acquisition of Network Multi-Family in September 1997, our acquisition of Protection One on November 24, 1997 and Protection One's acquisitions of Multimedia Security and Comsec in the first quarter of 1998.

Higher security alarm monitoring business selling, general and administrative expense caused a 51% increase in total selling general and administrative expense for the twelve months ended March 31, 1998. The security alarm monitoring business increase is primarily because of security business acquisitions discussed in the previous paragraph. Partially offsetting this increase was decreased selling, general and administrative expense due to the transfer of our natural gas business assets to ONEOK as of November 30, 1997.

OTHER: Two additional items affected total operating expenses for the twelve months ended March 31, 1998. We recorded a special non-recurring charge in December 1997 to expense $48 million of deferred KCPL Merger costs.

Protection One recorded a special non-recurring charge of approximately $40 million in December 1997, to reflect the phase out of certain business activities which are no longer of continuing value to Protection One, to eliminate redundant facilities and activities and to bring all customers under the Protection One brand.

OTHER INCOME (EXPENSE)

Other income (expense) includes miscellaneous income and expenses not directly related to our operations. Other income increased approximately $13 million for the three months ended March 31, 1998. Other income for that quarter included investment earnings of approximately $15 million from our 45% ownership in ONEOK. Other income for the first quarter of 1997 included investment earnings of approximately $11 million primarily from our investment in ADT which was converted to Tyco stock and sold in the third quarter of 1997. The gain on the sale of Tyco common stock increased other income $864 million for the twelve months ended March 31, 1998.

INTEREST EXPENSE

Interest expense includes the interest we paid on outstanding debt. Interest expense increased two percent for the three months and 15% for the twelve months ended March 31, 1998. Interest recorded on long-term debt increased $32 million or 31% for the twelve months ended March 31, 1998 due to the issuance of $520 million in senior unsecured notes. A decline in short-term debt interest expense in the second half of 1997 partially offset the increase in long-term debt interest expense. We used the proceeds from the sale of Tyco common stock and the $520 million in senior unsecured notes to reduce our short-term debt balance.

INCOME TAXES

Income tax expense for the twelve months ended March 31, 1998 increased $282 million due to the gain from the sale of Tyco common stock. Partially offsetting this increase was lower operating income. Income taxes for the three months ended March 31, 1998 decreased $14 million or 60%.

PREFERRED AND PREFERENCE DIVIDENDS

Preferred and preference dividends decreased 61% for the twelve months ended March 31, 1998 because we redeemed all of our 8.50% preference stock due 2016 on July 1, 1996.

LIQUIDITY AND CAPITAL RESOURCES

As of March 31, 1998, we had $14 million in cash and cash equivalents. We consider highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Our cash and cash equivalents decreased $63 million from December 31, 1997, due to a decrease in cash held by Protection One. Protection One used its cash for security alarm monitoring business acquisitions. Other than operations, our primary source of short-term cash is from short-term bank loans, unsecured lines of credit and the sale of commercial paper. At March 31, 1998, we had approximately $462 million of short-term debt outstanding, of which $397 million was commercial paper. An additional $357 million of short-term debt was available from committed credit arrangements.

On April 1, 1998, we redeemed our 7.58% Preference Stock due 2007 at a premium, including dividends, for $53 million.

Net cash flows from operating activities increased $98 million due primarily to receivables associated with our natural gas business as part of the strategic alliance with ONEOK.

On April 17, 1998, Protection One filed with the SEC a shelf registration on Form S-3 related to $400 million of equity and/or debt securities to be issued by Protection One from time to time as determined by market conditions.

MERGERS AND ACQUISITIONS

MERGER AGREEMENT WITH KANSAS CITY POWER & LIGHT COMPANY: On February 7, 1997, the company signed a merger agreement with KCPL by which KCPL would be merged with and into the company in exchange for company stock. In December 1997, representatives of the company's financial advisor indicated that they believed it was unlikely that they would be in a position to issue a fairness opinion required for the merger on the basis of the previously announced terms.

On March 18, 1998, we and KCPL agreed to a restructuring of our February 7, 1997, merger agreement which will result in the formation of Westar Energy, a new regulated electric utility company. Under the terms of the merger agreement, our electric utility operations will be transferred to KGE, and KCPL and KGE will be merged into NKC, Inc., a subsidiary of the company. NKC, Inc. will be renamed Westar Energy. In addition, under the terms of the merger agreement, KCPL shareowners will receive $23.50 of Western Resources common stock per KCPL share, subject to a collar mechanism, and one share of Westar Energy common stock per KCPL share. Upon consummation of the combination, we will own approximately 80.1% of the outstanding equity of Westar Energy and KCPL shareowners will own approximately 19.9%. As part of the combination, Westar Energy will assume all of the electric utility related assets and liabilities of Western Resources, KCPL and KGE.

Westar Energy will assume $2.7 billion in debt, consisting of $1.9 billion of indebtedness for borrowed money of Western Resources and KGE, and $800 million of debt of KCPL. Long-term debt of Western Resources and KGE was $2.1 billion at March 31, 1998. Under the terms of the merger agreement, it is intended that we will be released from our obligations with respect to our debt to be assumed by Westar Energy.

Pursuant to the merger agreement, we have agreed, among other things, to call for redemption all outstanding shares of our 4 1/2% Series Preferred Stock, par value $100 per share, 4 1/4% Series Preferred Stock, par value $100 per share, and 5% Series Preferred Stock, par value $100 per share.

Consummation of the merger is subject to customary conditions including obtaining the approval of our and KCPL's shareowners and various regulatory agencies. We estimate the transaction to close by mid-1999, subject to receipt of all necessary approvals.

KCPL is a public utility company engaged in the generation, transmission, distribution, and sale of electricity to customers in western Missouri and eastern Kansas. We, KCPL and KGE have joint interests in certain electric generating assets, including Wolf Creek. Following the closing of the combination, Westar Energy is expected to have approximately one million electric utility customers in Kansas and Missouri, approximately $8.2 billion in assets and the ability to generate more than 8,000 megawatts of electricity.

On March 23, 1998 we and KCPL filed a letter informing the FERC that we had signed a revised merger agreement, dated March 18, 1998. We sent similar letters on March 24, 1998 to the KCC and the MPSC. We and KCPL will submit appropriate modifications to the merger filings at FERC, the KCC and the MPSC as soon as practicable.

SECURITY ALARM MONITORING BUSINESS PURCHASES: Effective January 1, 1998, Protection One acquired the stock of Network Holdings, Inc., the parent company of Network Multi-Family, from the company for approximately $180 million. Protection One borrowed money under a revolving credit agreement provided by Westar Capital, a subsidiary of the company, to purchase Network Multi-Family.

On March 2, 1998, Protection One acquired the assets comprising the monitored security alarm business of Multimedia Security for approximately $233 million in cash. Multimedia Security has approximately 140,000 subscribers concentrated primarily in California, Florida, Kansas, Oklahoma and Texas.

On March 17, 1998, Protection One acquired the stock of Comsec for approximately $45 million in cash and assumed approximately $15 million in debt. Comsec has approximately 30,000 subscribers located primarily in Connecticut, Maine, Massachusetts, and New Hampshire.

The acquisitions of Multimedia Security and Comsec have been accounted for as purchases. Preliminary allocations of the purchase price for each acquisition have been made based on the estimated fair value of the net assets acquired. These acquisitions do not materially impact the company's financial position or results of operations.

Item 3. Defaults Upon Senior Securities

None

Item 4. Submission of Matters to a Vote of Security Holders

None

Item 5. Other Information

None

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits:

Exhibit 3	-	Restated Articles of Incorporation of the company, as amended May 12, 1998 (filed electronically)
Exhibit 12	-	Computation of Ratio of Consolidated Earnings to Fixed Charges for 12 Months Ended March 31, 1998 (filed electronically)
Exhibit 27	-	Financial Data Schedule (filed electronically)

(b) Reports on Form 8-K:

Form 8-K filed January 5, 1998 - Press release regarding merger with Kansas City Power and Light Company.

Form 8-K filed March 23, 1998 - Amended and Restated Agreement and Plan of Merger between the company and KCPL, dated as of March 18, 1998.

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.

Western Resources, Inc.

Date	May 12, 1998	By	/s/ S. L. KITCHEN S. L. Kitchen, Executive Vice President and Chief Financial Officer
Date	May 12, 1998	By	/s/ JERRY D. COURINGTON Jerry D. Courington, Controller

CERTIFICATE OF AMENDMENT TO RESTATED ARTICLES OF INCORPORATION, AS AMENDED, OF WESTERN RESOURCES, INC.

We, David C. Wittig, President, and Richard D. Terrill, Secretary of Western Resources, Inc., a corporation organized and existing under the laws of the State of Kansas, do hereby certify that at a meeting of the Board of Directors of said corporation, the board adopted resolutions setting forth the following amendment to the Restated Articles of Incorporation and declaring its advisability:

Section D.1 of Article VI be deleted in its entirety and replaced with a new Section D.1 which will read as follows:

"D. PROVISIONS APPLICABLE TO ALL CAPITAL STOCK

1. Subject to the voting rights of the holders of the shares of Preferred Stock and of the holders of shares of Preference Stock as specifically provided in these Articles, every holder of capital stock of this Corporation shall have one vote for each such share held by such holder for the election of directors and upon all other matters requiring stockholder action; provided, however, that whenever, as provided in or pursuant to these Articles, the Preferred Stockholders or the Preference Stockholders are entitled to vote separately as a class for the election of certain directors and the Common Stockholders are entitled to vote separately as a class for the election of the remaining directors, each stockholder shall be entitled to vote only for the directors to be elected by the holders of the class of stock of which he is a holder."

We further certify that thereafter, pursuant to said resolution, and in accordance with the by-laws of the corporation and the laws of the State of Kansas, pursuant to notice and in accordance with the statutes of the State of Kansas, the shareholders at a meeting duly convened considered the proposed amendment.

We further certify that at the meeting a majority of common and preferred shares together entitled to vote, voted in favor of the proposed amendment.

We further certify that the amendment was duly adopted in accordance with the provision of K.S.A. 17-6602, as amended.

We further certify that the capital of said corporation will not be reduced under or by reason of said amendment.

IN WITNESS WHEREOF, we have hereunto set our hands and affixed the seal of said corporation the 12th day of May, 1998.

\s\ David C. Wittig
David C. Wittig
President

\s\ Richard D. Terrill
Richard D. Terrill
Secretary

State of Kansas)
) ss.
County of Shawnee)

Be it remembered that before me, a Notary Public in and for the aforesaid county and state, personally appeared David C. Wittig, President, and Richard D. Terrill, Secretary of the corporation named in this document, who are known to me to be same persons who executed the foregoing certificate and duly acknowledge that execution of the same this 12th day of May, 1998.

____
Notary Public

Exhibit 12

WESTERN RESOURCES, INC.
Computations of Ratio of Earnings to Fixed Charges and
Computations of Ratio of Earnings to Combined Fixed Charges
and Preferred and Preference Dividend Requirements
(Dollars in Thousands)

	Unaudited Twelve Months Ended March 31, 1998	Year Ended December 31, 1997	1996	1995	1994	1993
Net Income	$ 483,529	$ 494,094	$168,950	$181,676	$187,447	$177,370
Taxes on Income	364,883	378,645	86,102	83,392	99,951	78,755
Net Income Plus Taxes	848,412	872,739	255,052	265,068	287,398	256,125
Fixed Charges:						
Interest on Long-Term Debt	134,551	119,389	105,741	95,962	98,483	123,551
Interest on Other Indebtedness	41,514	55,761	34,685	27,487	20,139	19,255
Interest on Other Mandatorily Redeemable Securities	18,075	18,075	12,125	372	-	-
Interest on Corporate-owned Life Insurance Borrowings	38,901	36,167	35,151	32,325	26,932	16,252
Interest Applicable to Rentals	34,395	34,514	32,965	31,650	29,003	28,827
Total Fixed Charges	267,436	263,906	220,667	187,796	174,557	187,885
Preferred and Preference Dividend Requirements:						
Preferred and Preference Dividends	4,919	4,919	14,839	13,419	13,418	13,506
Income Tax Required	3,712	3,770	7,562	6,160	7,155	5,997
Total Preferred and Preference Dividend Requirements	8,631	8,689	22,401	19,579	20,573	19,503
Total Fixed Charges and Preferred and Preference Dividend Requirements	276,067	272,595	243,068	207,375	195,130	207,388
Earnings (1)	$1,115,848	$1,136,645	$475,719	$452,864	$461,955	$444,010
Ratio of Earnings to Fixed Charges	4.17	4.31	2.16	2.41	2.65	2.36
Ratio of Earnings to Combined Fixed Charges and Preferred and Preference Dividend Requirements	4.04	4.17	1.96	2.18	2.37	2.14

(1) Earnings are deemed to consist of net income to which has been added income taxes (including net deferred investment tax credit) and fixed charges. Fixed charges consist of all interest on indebtedness, amortization of debt discount and expense, and the portion of rental expense which represents an interest factor. Preferred and preference dividend requirements consist of an amount equal to the pre-tax earnings which would be required to meet dividend requirements on preferred and preference stock.

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE
BALANCE SHEET AT MARCH 31, 1998 AND THE STATEMENT OF INCOME AND THE STATEMENT
OF CASH FLOWS FOR THE THREE MONTHS ENDED MARCH 31, 1998 AND IS QUALIFIED IN
ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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