

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**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) October 31, 2017**

**WESTAR ENERGY, INC.**

(Exact name of registrant as specified in its charter)

**KANSAS**

(State or other jurisdiction of incorporation or organization)

**1-3523**

(Commission File Number)

**48-0290150**

(IRS Employer Identification No.)

**818 South Kansas Avenue, Topeka, Kansas**

(Address of principal executive offices)

**66612**

(Zip Code)

Registrant's telephone number, including area code

**(785) 575-6300**

**Not Applicable**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## WESTAR ENERGY, INC.

### Item 2.02. Results of Operations and Financial Condition.

On October 31, 2017, we issued a press release announcing our earnings for the period ended September 30, 2017. A copy of our October 31, 2017 press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference. We are also including our 2017 Third Quarter Earnings package, which is attached hereto as Exhibit 99.2 and is incorporated herein by reference. The information furnished pursuant to this Item 2.02, including Exhibits 99.1 and 99.2, will not be incorporated by reference into any registration statement filed by us under the Securities Act of 1933, as amended (the "Securities Act"), unless specifically identified therein as being incorporated by reference.

### Item 7.01. Regulation FD Disclosure.

On October 31, 2017, we also released an investor presentation. A copy of that investor presentation is attached hereto as Exhibit 99.3. This information is also available to the public on our website, <http://www.WestarEnergy.com>. Investors should note that we announce material financial information in Securities and Exchange Commission ("SEC") filings and press releases, and on public conference calls. In accordance with SEC guidance, we may also use the Investor Relations section of our website to communicate with investors about us. It is possible that the financial and other information we post there could be deemed to be material information.

The information furnished pursuant to this Item 7.01, except for the portions included in Item 8.01 and Exhibit 99.4 as set forth below, will not be incorporated by reference into any registration statement filed by us under the Securities Act, unless specifically identified therein as being incorporated by reference.

### Item 8.01. Other Events.

As previously reported, on July 9, 2017 we entered into an Amended and Restated Agreement and Plan of Merger with Great Plains Energy Incorporated ("Great Plains Energy"), Monarch Energy Holding, Inc. ("Monarch Energy"), and King Energy, Inc., and for certain limited purposes, GP Star, Inc. The portions of the investor presentation that relate to our pending merger with Great Plains Energy are being filed herewith as Exhibit 99.4 in compliance with Rule 425 of the Securities Act.

### Item 9.01. Financial Statements and Exhibits.

Exhibit 99.1	<a href="#">Press Release dated October 31, 2017</a>
Exhibit 99.2	<a href="#">2017 Third Quarter Earnings Package</a>
Exhibit 99.3	<a href="#">Investor Update - October 31, 2017</a>
Exhibit 99.4	<a href="#">Merger Excerpts from Investor Update - October 31, 2017</a>

### Additional Information and Where to Find It

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any proxy, vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. In connection with the proposed transactions, Monarch Energy has filed with the SEC a Registration Statement on Form S-4 (Registration No. 333-220465), which was declared effective by the SEC. Great Plains Energy and Westar Energy have each filed a definitive joint proxy statement, which also constitutes a prospectus of Monarch Energy, each of which is publicly available, and Great Plains Energy, Westar Energy and Monarch Energy have filed and may file other documents regarding the proposed transactions with the SEC. Great Plains Energy and Westar Energy mailed the definitive joint proxy statement/prospectus in connection with the transactions to their respective shareholders on or around October 13, 2017. WE URGE INVESTORS TO READ THE REGISTRATION STATEMENT AND DEFINITIVE JOINT PROXY STATEMENT/PROSPECTUS AND THESE OTHER MATERIALS CAREFULLY BECAUSE THEY CONTAIN IMPORTANT INFORMATION ABOUT GREAT PLAINS ENERGY, WESTAR ENERGY, MONARCH ENERGY AND THE PROPOSED TRANSACTIONS.

Investors can obtain free copies of the Registration Statement and definitive joint proxy statement/prospectus and other documents filed by Monarch Energy, Great Plains Energy and Westar Energy with the SEC at <http://www.sec.gov>, the SEC's website. These documents filed by Great Plains Energy and Monarch Energy are also available free of charge from Great Plains Energy's website (<http://www.greatplainsenergy.com>) under the tab, "Investor Relations" and then under the heading "SEC Filings," or by contacting Great Plains Energy's Investor Relations Department at 1-800-245-5275. These documents filed by Westar Energy are also available free of charge from Westar Energy's website (<http://www.westarenergy.com>) under the tab "Investors" and then under the heading "SEC Filings," or by contacting Westar Energy's Investor Relations Department at 785-575-8227.

### **Participants in Proxy Solicitation**

Great Plains Energy, Westar Energy and their respective directors and certain of their executive officers and employees may be deemed, under SEC rules, to be participants in the solicitation of proxies from Great Plains Energy's and Westar Energy's shareholders with respect to the proposed transactions. Information regarding the officers and directors of Great Plains Energy is included in its definitive proxy statement for its 2017 annual meeting filed with the SEC on March 23, 2017. Information regarding the officers and directors of Westar Energy is included in its definitive proxy statement for its 2017 annual meeting filed with the SEC on September 14, 2017. Additional information regarding the identity of potential participants, and their direct or indirect interests, by securities, holdings or otherwise, is set forth in the Registration Statement and definitive joint proxy statement/prospectus and other materials filed with SEC in connection with the proposed merger. Free copies of these documents may be obtained as described in the paragraphs above.

### **Forward Looking Statements**

Certain matters discussed in this communication 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 "believe," "anticipate," "target," "expect," "pro forma," "estimate," "intend," "guidance" or words of similar meaning. Forward-looking statements describe future plans, objectives, expectations or goals. Although Westar Energy believes that its expectations are based on reasonable assumptions, all forward-looking statements involve risk and uncertainty. The factors that could cause actual results to differ materially from these forward-looking statements include those discussed herein as well as (1) those discussed in the company's Annual Report on Form 10-K for the year ended Dec. 31, 2016 (a) under the heading, "Forward-Looking Statements," (b) in ITEM 1. Business, (c) in ITEM 1A. Risk Factors, (d) in ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations, and (e) in ITEM 8. Financial Statements and Supplementary Data: Notes 3, 14 and 16; (2) those discussed in the company's Quarterly Reports on Form 10-Q filed on May 9, 2017, Aug. 8, 2017 and Oct. 31, 2017, (a) under the heading "Forward-Looking Statements," (b) in ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations, (c) in Part I, Financial Information, ITEM 1. Financial Statements: Notes 3, 11, 12 (in the Form 10-Q filed on May 9, 2017), and 13 (in the Form 10-Q filed on Aug. 8, 2017 and Oct. 31, 2017), and (d) ITEM 1A. Risk Factors; and (3) other factors discussed in the company's filings with the Securities and Exchange Commission. Any forward-looking statement speaks only as of the date such statement was made, and the company does not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement was made.

**SIGNATURE**

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 hereunto duly authorized.

WESTAR ENERGY, INC.

Date: October 31, 2017

By: /s/ Larry D. Irick

Name: Larry D. Irick

Title: Vice President, General Counsel and Corporate Secretary



## Westar Energy announces 3rd quarter 2017 results.

TOPEKA, Kan., Oct. 31, 2017 - Westar Energy, Inc. (NYSE:WR) today announced earnings of \$158 million, or \$1.11 per share, for the third quarter 2017 compared with earnings of \$155 million, or \$1.09 per share, for the third quarter 2016. Earnings for the nine months ended Sept. 30, 2017 were \$290 million, or \$2.03 per share, compared with \$293 million, or \$2.06 per share, for the same period in 2016.

Higher earnings per share for the third quarter were driven by lower income tax expense. Partially offsetting the lower income tax expense were lower residential and commercial sales due primarily to mild weather, a decrease in corporate-owned life insurance income, and an increase in depreciation related to Western Plains Wind Farm.

Lower earnings per share for the nine months ended Sept. 30, 2017 were driven by the effect of mild weather resulting in lower residential and commercial sales. Also contributing to lower earnings was a decrease in corporate-owned life insurance income and increased depreciation due to Western Plains Wind Farm. Partially offsetting lower sales was lower income tax expense.

### **Conference Call and Additional Company Information**

Westar Energy management will host a conference call Wednesday, Nov. 1 with the investment community at 10:00 a.m. ET (9:00 a.m. CT). Investors, media and the public may listen to the conference call by dialing (844) 646-4526, conference ID 96033428. A webcast of the live conference call will be available at [www.WestarEnergy.com](http://www.WestarEnergy.com).

Members of the media are invited to listen to the conference call and then contact Gina Penzig with any follow-up questions.

This earnings announcement, a package of detailed third-quarter financial information, the company's quarterly report on Form 10-Q for the period ended Sept. 30, 2017 and other filings the company has made with the Securities and Exchange Commission are available on the company's website at [www.WestarEnergy.com](http://www.WestarEnergy.com).

- 30 -

As Kansas' largest electric utility, Westar Energy, Inc. (NYSE:WR) provides customers the safe, reliable electricity needed to power their businesses and homes. We have 7,800 MW of electric generation capacity that includes renewables and traditional power sources with half the electricity supplied to our more than 700,000 customers from emissions free sources: nuclear, wind and solar, with a third coming from renewables. We are a leader in electric transmission in Kansas coordinating a network of lines and substations that supports one of the largest consolidations of wind energy in the nation. Our employees live, volunteer and work in the communities we serve.

For more information about Westar Energy, visit us on the Internet at <http://www.WestarEnergy.com>.

## Westar Energy announces 3rd quarter results

Forward-looking statements: Certain matters discussed in this news release 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 “believe,” “anticipate,” “target,” “expect,” “pro forma,” “estimate,” “intend,” “guidance” or words of similar meaning. Forward-looking statements describe future plans, objectives, expectations or goals. Although Westar Energy believes that its expectations are based on reasonable assumptions, all forward-looking statements involve risk and uncertainty. The factors that could cause actual results to differ materially from these forward-looking statements include those discussed herein as well as (1) those discussed in the company’s Annual Report on Form 10-K for the year ended Dec. 31, 2016 (a) under the heading, “Forward-Looking Statements,” (b) in ITEM 1. Business, (c) in ITEM 1A. Risk Factors, (d) in ITEM 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations, and (e) in ITEM 8. Financial Statements and Supplementary Data: Notes 3, 14 and 16; (2) those discussed in the company’s Quarterly Reports on Form 10-Q filed on May 9, 2017, Aug. 8, 2017 and Oct. 31, 2017, (a) under the heading “Forward-Looking Statements.” (b) in ITEM 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations, (c) in Part I, Financial Information, ITEM 1. Financial Statements: Notes 3, 11, 12 (in the Form 10-Q filed on May 9, 2017), and 13 (in the Form 10-Q filed on Aug. 8, 2017 and Oct. 31, 2017), and (d) ITEM 1A. Risk Factors; and (3) other factors discussed in the company’s filings with the Securities and Exchange Commission. Any forward-looking statement speaks only as of the date such statement was made, and the company does not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement was made.

### Media Contact:

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### Investor Contact:

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Director, Investor Relations  
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# Westar Energy announces 3rd quarter results

## Westar Energy, Inc. Condensed Consolidated Statements of Income (Unaudited)

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2017	2016	Change	% Change	2017	2016	Change	% Change
(Dollars In Thousands, Except Per Share Amounts)								
<b>REVENUES:</b>								
Residential	\$ 278,138	\$ 282,272	\$ (4,134)	(1.5)	\$ 642,449	\$ 664,400	\$ (21,951)	(3.3)
Commercial	219,414	218,377	1,037	0.5	557,232	572,247	(15,015)	(2.6)
Industrial	117,721	106,021	11,700	11.0	324,227	314,723	9,504	3.0
Other retail	149	7,883	(7,734)	(98.1)	(22,293)	(23,002)	709	3.1
Total Retail Revenues	615,422	614,553	869	0.1	1,501,615	1,528,368	(26,753)	(1.8)
Wholesale	102,113	86,421	15,692	18.2	242,524	220,520	22,004	10.0
Transmission	69,504	58,462	11,042	18.9	209,097	188,996	20,101	10.6
Other	7,288	5,218	2,070	39.7	22,986	17,668	5,318	30.1
Total Revenues	794,327	764,654	29,673	3.9	1,976,222	1,955,552	20,670	1.1
<b>OPERATING EXPENSES:</b>								
Fuel and purchased power	189,804	155,673	34,131	21.9	415,449	374,361	41,088	11.0
SPP network transmission costs	62,578	57,939	4,639	8.0	185,015	173,925	11,090	6.4
Operating and maintenance	79,856	86,758	(6,902)	(8.0)	248,211	250,135	(1,924)	(0.8)
Depreciation and amortization	94,668	84,972	9,696	11.4	277,322	252,838	24,484	9.7
Selling, general and administrative	65,630	60,582	5,048	8.3	182,367	192,762	(10,395)	(5.4)
Taxes other than income tax	41,815	48,154	(6,339)	(13.2)	126,421	145,529	(19,108)	(13.1)
Total Operating Expenses	534,351	494,078	40,273	8.2	1,434,785	1,389,550	45,235	3.3
INCOME FROM OPERATIONS	259,976	270,576	(10,600)	(3.9)	541,437	566,002	(24,565)	(4.3)
<b>OTHER INCOME (EXPENSE):</b>								
Investment earnings	2,593	2,619	(26)	(1.0)	8,384	6,916	1,468	21.2
Other income	3,849	13,353	(9,504)	(71.2)	5,672	26,212	(20,540)	(78.4)
Other expense	(6,493)	(5,887)	(606)	(10.3)	(14,457)	(14,338)	(119)	(0.8)
Total Other (Expense) Income	(51)	10,085	(10,136)	(100.5)	(401)	18,790	(19,191)	(102.1)
Interest expense	43,458	40,897	2,561	6.3	128,232	121,011	7,221	6.0
INCOME BEFORE INCOME TAXES	216,467	239,764	(23,297)	(9.7)	412,804	463,781	(50,977)	(11.0)
Income tax expense	55,743	81,211	(25,468)	(31.4)	112,559	160,376	(47,817)	(29.8)
NET INCOME	160,724	158,553	2,171	1.4	300,245	303,405	(3,160)	(1.0)
Less: Net income attributable to noncontrolling interests	2,418	3,833	(1,415)	(36.9)	10,213	10,760	(547)	(5.1)
NET INCOME ATTRIBUTABLE TO WESTAR ENERGY, INC.	\$ 158,306	\$ 154,720	\$ 3,586	2.3	\$ 290,032	\$ 292,645	\$ (2,613)	(0.9)
<b>BASIC AND DILUTED EARNINGS PER AVERAGE COMMON SHARE OUTSTANDING ATTRIBUTABLE TO WESTAR ENERGY, INC. (See 10-Q Note 2):</b>								
Basic earnings per common share	\$ 1.11	\$ 1.09	\$ 0.02	1.8	\$ 2.03	\$ 2.06	\$ (0.03)	(1.5)
Diluted earnings per common share	\$ 1.11	\$ 1.08	\$ 0.03	2.8	\$ 2.03	\$ 2.05	\$ (0.02)	(1.0)
<b>AVERAGE EQUIVALENT COMMON SHARES OUTSTANDING (in thousands):</b>								
Basic	142,473	142,091	382	0.3	142,459	142,039	420	0.3
Diluted	142,516	142,578	(62)	—	142,496	142,413	83	0.1
DIVIDENDS DECLARED PER COMMON SHARE	\$ 0.40	\$ 0.38	\$ 0.02	5.3	\$ 1.20	\$ 1.14	\$ 0.06	5.3
Effective income tax rate	26%	34%			27%	35%		

# Westar Energy, Inc.

## Third Quarter 2017 Earnings

Released October 31, 2017

<u>Contents</u>	<u>Page</u>
<a href="#">Condensed Consolidated Statements of Income</a>	<a href="#">1</a>
<a href="#">Condensed Consolidated Balance Sheets</a>	<a href="#">3</a>
<a href="#">Condensed Consolidated Statements of Cash Flows</a>	<a href="#">4</a>
<a href="#">Earnings Variances</a>	<a href="#">5</a>
<a href="#">Supplemental Data</a>	<a href="#">7</a>
<a href="#">Capitalization &amp; Long-Term Debt Table</a>	<a href="#">9</a>
<a href="#">GAAP to Non-GAAP Reconciliation</a>	<a href="#">10</a>

Cody VandeVelde  
Director Investor Relations  
785-575-8227  
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**NOTE:**

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended September 30, 2017 should be read in conjunction with this financial information. The enclosed statements have been prepared for the purpose of providing information concerning the Company and not in connection with any sale, offer for sale, or solicitation to buy any securities.



Westar Energy, Inc.  
Condensed Consolidated Statements of Income  
(Unaudited)

	Three Months Ended September 30,			
	2017	2016	Change	% Change
(Dollars in Thousands, Except Per Share Amounts)				
<b>REVENUES:</b>				
Residential	\$ 278,138	\$ 282,272	\$ (4,134)	(1.5)
Commercial	219,414	218,377	1,037	0.5
Industrial	117,721	106,021	11,700	11.0
Other retail	149	7,883	(7,734)	(98.1)
Total Retail Revenues	615,422	614,553	869	0.1
Wholesale	102,113	86,421	15,692	18.2
Transmission	69,504	58,462	11,042	18.9
Other	7,288	5,218	2,070	39.7
Total Revenues	794,327	764,654	29,673	3.9
<b>OPERATING EXPENSES:</b>				
Fuel and purchased power	189,804	155,673	34,131	21.9
SPP network transmission costs	62,578	57,939	4,639	8.0
Operating and maintenance	79,856	86,758	(6,902)	(8.0)
Depreciation and amortization	94,668	84,972	9,696	11.4
Selling, general and administrative	65,630	60,582	5,048	8.3
Taxes other than income tax	41,815	48,154	(6,339)	(13.2)
Total Operating Expenses	534,351	494,078	40,273	8.2
<b>INCOME FROM OPERATIONS</b>	<b>259,976</b>	<b>270,576</b>	<b>(10,600)</b>	<b>(3.9)</b>
<b>OTHER INCOME (EXPENSE):</b>				
Investment earnings	2,593	2,619	(26)	(1.0)
Other income	3,849	13,353	(9,504)	(71.2)
Other expense	(6,493)	(5,887)	(606)	(10.3)
Total Other (Expense) Income	(51)	10,085	(10,136)	(100.5)
Interest expense	43,458	40,897	2,561	6.3
<b>INCOME BEFORE INCOME TAXES</b>	<b>216,467</b>	<b>239,764</b>	<b>(23,297)</b>	<b>(9.7)</b>
Income tax expense	55,743	81,211	(25,468)	(31.4)
<b>NET INCOME</b>	<b>160,724</b>	<b>158,553</b>	<b>2,171</b>	<b>1.4</b>
Less: Net income attributable to noncontrolling interests	2,418	3,833	(1,415)	(36.9)
<b>NET INCOME ATTRIBUTABLE TO WESTAR ENERGY, INC.</b>	<b>\$ 158,306</b>	<b>\$ 154,720</b>	<b>\$ 3,586</b>	<b>2.3</b>
<b>BASIC AND DILUTED EARNINGS PER AVERAGE COMMON SHARE OUTSTANDING ATTRIBUTABLE TO WESTAR ENERGY, INC. (See 10-Q Note 2):</b>				
Basic earnings per common share	\$ 1.11	\$ 1.09	\$ 0.02	1.8
Diluted earnings per common share	\$ 1.11	\$ 1.08	\$ 0.03	2.8
<b>AVERAGE EQUIVALENT COMMON SHARES OUTSTANDING (in thousands):</b>				
Basic	142,473	142,091	382	0.3
Diluted	142,516	142,578	(62)	—
<b>DIVIDENDS DECLARED PER COMMON SHARE</b>	<b>\$ 0.40</b>	<b>\$ 0.38</b>	<b>\$ 0.02</b>	<b>5.3</b>
Effective income tax rate	26%	34%		

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended September 30, 2017 should be read in conjunction with this financial information.

Westar Energy, Inc.  
Condensed Consolidated Statements of Income  
(Unaudited)

	Nine Months Ended September 30,			
	2017	2016	Change	% Change
(Dollars in Thousands, Except Per Share Amounts)				
<b>REVENUES:</b>				
Residential	\$ 642,449	\$ 664,400	\$ (21,951)	(3.3)
Commercial	557,232	572,247	(15,015)	(2.6)
Industrial	324,227	314,723	9,504	3.0
Other retail	(22,293)	(23,002)	709	3.1
Total Retail Revenues	1,501,615	1,528,368	(26,753)	(1.8)
Wholesale	242,524	220,520	22,004	10.0
Transmission	209,097	188,996	20,101	10.6
Other	22,986	17,668	5,318	30.1
Total Revenues	1,976,222	1,955,552	20,670	1.1
<b>OPERATING EXPENSES:</b>				
Fuel and purchased power	415,449	374,361	41,088	11.0
SPP network transmission costs	185,015	173,925	11,090	6.4
Operating and maintenance	248,211	250,135	(1,924)	(0.8)
Depreciation and amortization	277,322	252,838	24,484	9.7
Selling, general and administrative	182,367	192,762	(10,395)	(5.4)
Taxes other than income tax	126,421	145,529	(19,108)	(13.1)
Total Operating Expenses	1,434,785	1,389,550	45,235	3.3
<b>INCOME FROM OPERATIONS</b>	<b>541,437</b>	<b>566,002</b>	<b>(24,565)</b>	<b>(4.3)</b>
<b>OTHER INCOME (EXPENSE):</b>				
Investment earnings	8,384	6,916	1,468	21.2
Other income	5,672	26,212	(20,540)	(78.4)
Other expense	(14,457)	(14,338)	(119)	(0.8)
Total Other (Expense) Income	(401)	18,790	(19,191)	(102.1)
Interest expense	128,232	121,011	7,221	6.0
<b>INCOME BEFORE INCOME TAXES</b>	<b>412,804</b>	<b>463,781</b>	<b>(50,977)</b>	<b>(11.0)</b>
Income tax expense	112,559	160,376	(47,817)	(29.8)
<b>NET INCOME</b>	<b>300,245</b>	<b>303,405</b>	<b>(3,160)</b>	<b>(1.0)</b>
Less: Net income attributable to noncontrolling interests	10,213	10,760	(547)	(5.1)
<b>NET INCOME ATTRIBUTABLE TO WESTAR ENERGY, INC.</b>	<b>\$ 290,032</b>	<b>\$ 292,645</b>	<b>\$ (2,613)</b>	<b>(0.9)</b>
<b>BASIC AND DILUTED EARNINGS PER AVERAGE COMMON SHARE OUTSTANDING ATTRIBUTABLE TO WESTAR ENERGY, INC. (See 10-Q Note 2):</b>				
Basic earnings per common share	\$ 2.03	\$ 2.06	\$ (0.03)	(1.5)
Diluted earnings per common share	\$ 2.03	\$ 2.05	\$ (0.02)	(1.0)
<b>AVERAGE EQUIVALENT COMMON SHARES OUTSTANDING (in thousands):</b>				
Basic	142,459	142,039	420	0.3
Diluted	142,496	142,413	83	0.1
<b>DIVIDENDS DECLARED PER COMMON SHARE</b>	<b>\$ 1.20</b>	<b>\$ 1.14</b>	<b>\$ 0.06</b>	<b>5.3</b>
Effective income tax rate	27%	35%		

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended September 30, 2017 should be read in conjunction with this financial information.

Westar Energy, Inc.  
Condensed Consolidated Balance Sheets  
(Dollars in Thousands, Except Par Values)  
(Unaudited)

	September 30, 2017	December 31, 2016
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 3,388	\$ 3,066
Accounts receivable, net of allowance for doubtful accounts of \$4,658 and \$6,667, respectively	308,275	288,579
Fuel inventory and supplies	285,074	300,125
Taxes receivable	—	13,000
Prepaid expenses	15,781	16,528
Regulatory assets	94,777	117,383
Other	25,754	29,701
Total Current Assets	733,049	768,382
PROPERTY, PLANT AND EQUIPMENT, NET	9,494,023	9,248,359
PROPERTY, PLANT AND EQUIPMENT OF VARIABLE INTEREST ENTITIES, NET	178,058	257,904
<b>OTHER ASSETS:</b>		
Regulatory assets	748,934	762,479
Nuclear decommissioning trust	229,927	200,122
Other	241,384	249,828
Total Other Assets	1,220,245	1,212,429
<b>TOTAL ASSETS</b>	<b>\$ 11,625,375</b>	<b>\$ 11,487,074</b>
<b>LIABILITIES AND EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Current maturities of long-term debt	\$ —	\$ 125,000
Current maturities of long-term debt of variable interest entities	28,534	26,842
Short-term debt	189,100	366,700
Accounts payable	147,933	220,522
Accrued dividends	53,770	52,885
Accrued taxes	114,317	85,729
Accrued interest	64,851	72,519
Regulatory liabilities	14,068	15,760
Other	74,273	81,236
Total Current Liabilities	686,846	1,047,193
<b>LONG-TERM LIABILITIES:</b>		
Long-term debt, net	3,686,852	3,388,670
Long-term debt of variable interest entities, net	81,433	111,209
Deferred income taxes	1,866,583	1,752,776
Unamortized investment tax credits	208,597	210,654
Regulatory liabilities	237,065	223,693
Accrued employee benefits	497,298	512,412
Asset retirement obligations	397,505	323,951
Other	84,296	83,326
Total Long-Term Liabilities	7,059,629	6,606,691
<b>COMMITMENTS AND CONTINGENCIES (See 10-Q Notes 11 and 13)</b>		
<b>EQUITY:</b>		
<b>Westar Energy, Inc. Shareholders' Equity:</b>		
Common stock, par value \$5 per share; authorized 275,000,000 shares; issued and outstanding 142,094,176 shares and 141,791,153 shares, respective to each date	710,471	708,956
Paid-in capital	2,022,072	2,018,317
Retained earnings	1,196,460	1,078,602
Total Westar Energy, Inc. Shareholders' Equity	3,929,003	3,805,875
Noncontrolling Interests	(50,103)	27,315
Total Equity	3,878,900	3,833,190
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 11,625,375</b>	<b>\$ 11,487,074</b>

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended September 30, 2017 should be read in conjunction with this financial information.

Westar Energy, Inc.  
Condensed Consolidated Statements of Cash Flows  
(In Thousands)  
(Unaudited)

	Nine Months Ended September 30,	
	2017	2016
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:</b>		
Net income	\$ 300,245	\$ 303,405
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	277,322	252,838
Amortization of nuclear fuel	24,150	22,518
Amortization of deferred regulatory gain from sale leaseback	(4,121)	(4,121)
Gain on lease modification	(3,500)	—
Amortization of corporate-owned life insurance	15,744	13,779
Non-cash compensation	6,777	7,025
Net deferred income taxes and credits	126,986	160,429
Allowance for equity funds used during construction	(1,094)	(7,894)
Changes in working capital items:		
Accounts receivable	(19,696)	(64,100)
Fuel inventory and supplies	15,515	11,680
Prepaid expenses and other current assets	61,287	(385)
Accounts payable	(10,044)	9,736
Accrued taxes	35,631	40,711
Other current liabilities	(108,503)	(61,879)
Changes in other assets	20,085	(4,377)
Changes in other liabilities	5,538	13,208
Cash Flows from Operating Activities	<u>742,322</u>	<u>692,573</u>
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:</b>		
Additions to property, plant and equipment	(564,622)	(821,936)
Purchase of securities - trusts	(15,262)	(43,252)
Sale of securities - trusts	15,896	44,326
Investment in corporate-owned life insurance	(13,875)	(14,648)
Proceeds from investment in corporate-owned life insurance	265	24,242
Investment in affiliated company	—	(655)
Other investing activities	(3,411)	(3,095)
Cash Flows used in Investing Activities	<u>(581,009)</u>	<u>(815,018)</u>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES:</b>		
Short-term debt, net	(177,732)	(67,402)
Proceeds from long-term debt	296,215	396,472
Proceeds from long-term debt of variable interest entities	—	162,048
Retirements of long-term debt	(125,000)	(50,000)
Retirements of long-term debt of variable interest entities	(26,840)	(190,357)
Repayment of capital leases	(2,592)	(2,327)
Borrowings against cash surrender value of corporate-owned life insurance	53,422	55,952
Repayment of borrowings against cash surrender value of corporate-owned life insurance	—	(22,921)
Issuance of common stock	659	2,003
Distributions to shareholders of noncontrolling interests	(5,760)	(2,551)
Cash dividends paid	(166,340)	(152,787)
Other financing activities	(7,023)	(4,979)
Cash Flows (used in) from Financing Activities	<u>(160,991)</u>	<u>123,151</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>322</b>	<b>706</b>
<b>CASH AND CASH EQUIVALENTS:</b>		
Beginning of period	3,066	3,231
End of period	<u>\$ 3,388</u>	<u>\$ 3,937</u>

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended September 30, 2017 should be read in conjunction with this financial information.

Westar Energy, Inc.  
3rd Quarter 2017 vs. 2016

Earnings Variances

	(\$ per share)	Change (Dollars in Thousands)	(\$ per share)
September 30, 2016 basic earnings attributable to common stock		\$ 154,720	\$ 1.09
<b>Favorable/(Unfavorable)</b>			
Gross Margin		(9,097)	A
Operating and maintenance		6,902	B
Depreciation and amortization		(9,696)	C
Selling, general and administrative		(5,048)	D
Taxes other than income tax		6,339	E
Other income (expense)		(10,136)	F
Interest expense		(2,561)	G
Income tax expense		25,468	H
Net income attributable to noncontrolling interests		1,415	
Change in shares outstanding	(0.01)		
September 30, 2017 basic earnings attributable to common stock		\$ 158,306	\$ 1.11

**Major factors influencing the period to period change in EPS -- Favorable/(Unfavorable)**

A Due primarily to lower residential and commercial sales primarily attributable to mild weather; partially offset by increase in industrial sales

B Due primarily to: decrease in distribution operations and maintenance expense due primarily to executing vegetation management strategy earlier in 2017 -- \$5.5M; decrease in nuclear operating and maintenance costs -- \$1.7M; decrease in steam generation operating and maintenance costs -- \$1.5; partially offset by higher operating expense due to start of Western Plains Wind Farm -- (\$2.4M)

C Due principally to property additions at Western Plains Wind Farm in March 2017

D Due primarily to: increase in merger-related expense -- (\$5.9M); partially offset by decrease in outside services -- \$1.8M

E Due primarily to decreased property tax amortization expense that is largely offset by decreased prices -- \$6.3M

F Due primarily to: lower COLI benefit -- (\$10.1M); a decrease in equity AFUDC -- (\$2.3M); partially offset by deconsolidation of the trust holding our 8% interest in JEC -- \$3.5M

G Due primarily to: a decrease in debt AFUDC -- (\$1.3M)

H Due primarily to a reduction in income tax expense from lower income before income tax -- \$9.2M, a favorable deferred tax true-up -- \$7.6M, and production tax credits from Western Plains Wind Farm - \$5.1M

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended September 30, 2017 should be read in conjunction with this financial information.

Westar Energy, Inc.  
YTD September 2017 vs. 2016

Earnings Variances

	(\$ per share)	Change (Dollars in Thousands)	(\$ per share)
September 30, 2016 basic earnings attributable to common stock	\$	292,645	\$ 2.06
<b>Favorable/(Unfavorable)</b>			
Gross Margin		(31,508)	A
Operating and maintenance		1,924	B
Depreciation and amortization		(24,484)	C
Selling, general and administrative		10,395	D
Taxes other than income tax		19,108	E
Other income (expense)		(19,191)	F
Interest expense		(7,221)	G
Income tax expense		47,817	H
Net income attributable to noncontrolling interests		547	
Change in shares outstanding	(0.01)		
September 30, 2017 basic earnings attributable to common stock	\$	290,032	\$ 2.03

**Major factors influencing the period to period change in EPS -- Favorable/(Unfavorable)**

A Due primarily to lower residential and commercial sales primarily attributable to mild weather; partially offset by increase in industrial sales

B Due primarily to: a decrease in nuclear operating and maintenance costs due primarily to receipt of proceeds from a legal settlement at Wolf Creek -- \$7.7M; decrease in distribution operating and maintenance costs -- \$1.8M; partially offset by higher operating expense due to start of Western Plains Wind Farm -- (\$6.3M); and higher operating and maintenance costs for steam generation -- (\$1.6M)

C Due principally to property additions at Western Plains Wind Farm in March 2017

D Due primarily to: a decrease in outside services -- \$5.0M; a decrease in employee benefit costs attributable partially to having fewer employees -- \$2.0M; and a decrease in merger-related expense -- \$1.2M

E Due primarily to decreased property tax amortization expense that is largely offset by decreased prices -- \$18.9M

F Due primarily to: lower COLI benefit -- (\$16.7M); a decrease in equity AFUDC -- (\$6.8M); partially offset by deconsolidation of the trust holding our 8% interest in JEC -- \$3.5

G Due primarily to: an increase in interest expense of long-term debt primarily from the issuances of FMBs during March 2017 -- (\$5.1M); and a decrease in debt AFUDC -- (\$2.9M)

H Due primarily to a reduction in income tax expense from lower income before income tax -- \$20.1M, production tax credits from Western Plains Wind Farm - \$16.6M, and a favorable deferred tax true-up -- \$7.6M

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended September 30, 2017 should be read in conjunction with this financial information.

Westar Energy, Inc.  
Revenue, Sales and Energy Supply

Supplemental Data

	Three Months Ended September 30,			
	2017	2016	Change	% Change
<b>Revenues</b>	(Dollars In Thousands)			
Residential	\$ 278,138	\$ 282,272	\$ (4,134)	(1.5)
Commercial	219,414	218,377	1,037	0.5
Industrial	117,721	106,021	11,700	11.0
Other retail	2,997	3,908	(911)	(23.3)
Provision for rate refunds	(2,848)	3,975	(6,823)	(171.6)
<b>Total Retail Revenues</b>	<b>615,422</b>	<b>614,553</b>	<b>869</b>	<b>0.1</b>
Tariff-based wholesale	67,601	70,923	(3,322)	(4.7)
Market-based wholesale	34,512	15,498	19,014	122.7
Transmission	69,504	58,462	11,042	18.9
Other	7,288	5,218	2,070	39.7
<b>Total Revenues</b>	<b>\$ 794,327</b>	<b>\$ 764,654</b>	<b>\$ 29,673</b>	<b>3.9</b>

<b>Electricity Sales</b>				
(Thousands of MWh)				
Residential	2,081	2,209	(128)	(5.8)
Commercial	2,156	2,230	(74)	(3.3)
Industrial	1,563	1,444	119	8.2
Other retail	12	19	(7)	(36.8)
<b>Total Retail</b>	<b>5,812</b>	<b>5,902</b>	<b>(90)</b>	<b>(1.5)</b>
Tariff-based wholesale	1,284	1,380	(96)	(7.0)
Market-based wholesale	1,844	1,009	835	82.8
<b>Total wholesale</b>	<b>3,128</b>	<b>2,389</b>	<b>739</b>	<b>30.9</b>
<b>Total Electricity Sales</b>	<b>8,940</b>	<b>8,291</b>	<b>649</b>	<b>7.8</b>

(Dollars per MWh)				
Total retail	\$ 105.89	\$ 104.13	\$ 1.76	1.7
Tariff-based wholesale	\$ 52.65	\$ 51.39	\$ 1.26	2.5
Market-based wholesale	\$ 18.72	\$ 15.36	\$ 3.36	21.9

<b>Fuel and Purchased Power</b>				
(Dollars In Thousands)				
Fuel used for generation	\$ 131,635	\$ 131,390	\$ 245	0.2
Purchased power	49,517	43,676	5,841	13.4
Subtotal	181,152	175,066	6,086	3.5
RECA recovery and other	8,652	(19,393)	28,045	144.6
<b>Total fuel and purchased power expense</b>	<b>\$ 189,804</b>	<b>\$ 155,673</b>	<b>\$ 34,131</b>	<b>21.9</b>

<b>Electricity Supply</b>				
(Thousands of MWh)				
Generated - Gas	633	631	2	0.3
Coal	4,959	5,254	(295)	(5.6)
Nuclear	1,244	840	404	48.1
Wind	294	84	210	250.0
<b>Subtotal electricity generated</b>	<b>7,130</b>	<b>6,809</b>	<b>321</b>	<b>4.7</b>
Purchased	1,956	1,673	283	16.9
<b>Total Electricity Supply</b>	<b>9,086</b>	<b>8,482</b>	<b>604</b>	<b>7.1</b>

(Dollars per MWh)				
Average cost of fuel used for generation	\$ 18.46	\$ 19.30	\$ (0.84)	(4.4)
Average cost of purchased power	\$ 25.32	\$ 26.11	\$ (0.79)	(3.0)
Average cost of fuel and purchased power	\$ 19.94	\$ 20.64	\$ (0.70)	(3.4)

<b>Degree Days</b>				
	2016/			
	2017	20 yr Avg	Change	% Change
<b>Cooling</b>				
Actual compared to last year	1,138	1,285	(147)	(11.4)
Actual compared to 20 year average	1,138	1,123	15	1.3
<b>Heating</b>				
Actual compared to last year	6	15	(9)	(60.0)
Actual compared to 20 year average	6	44	(38)	(86.4)





Westar Energy, Inc.  
Revenue, Sales and Energy Supply

Supplemental Data

	Nine Months Ended September 30,			
	2017	2016	Change	% Change
<b>Revenues</b>	(Dollars In Thousands)			
Residential	\$ 642,449	\$ 664,400	\$ (21,951)	(3.3)
Commercial	557,232	572,247	(15,015)	(2.6)
Industrial	324,227	314,723	9,504	3.0
Other retail	12,638	11,761	877	7.5
Provision for rate refunds	(34,931)	(34,763)	(168)	(0.5)
<b>Total Retail Revenues</b>	<b>1,501,615</b>	<b>1,528,368</b>	<b>(26,753)</b>	<b>(1.8)</b>
Tariff-based wholesale	178,154	186,203	(8,049)	(4.3)
Market-based wholesale	64,370	34,317	30,053	87.6
Transmission	209,097	188,996	20,101	10.6
Other	22,986	17,668	5,318	30.1
<b>Total Revenues</b>	<b>\$ 1,976,222</b>	<b>\$ 1,955,552</b>	<b>\$ 20,670</b>	<b>1.1</b>

Electricity Sales (Thousands of MWh)				
Residential	4,828	5,097	(269)	(5.3)
Commercial	5,588	5,763	(175)	(3.0)
Industrial	4,319	4,137	182	4.4
Other retail	56	60	(4)	(6.7)
<b>Total Retail</b>	<b>14,791</b>	<b>15,057</b>	<b>(266)</b>	<b>(1.8)</b>
Tariff-based wholesale	3,085	3,290	(205)	(6.2)
Market-based wholesale	4,527	2,670	1,857	69.6
<b>Total wholesale</b>	<b>7,612</b>	<b>5,960</b>	<b>1,652</b>	<b>27.7</b>
<b>Total Electricity Sales</b>	<b>22,403</b>	<b>21,017</b>	<b>1,386</b>	<b>6.6</b>

(Dollars per MWh)				
Total retail	\$ 101.52	\$ 101.51	\$ 0.01	—
Tariff-based wholesale	\$ 57.75	\$ 56.60	\$ 1.15	2.0
Market-based wholesale	\$ 14.22	\$ 12.85	\$ 1.37	10.7

Fuel and Purchased Power (Dollars In Thousands)				
Fuel used for generation	\$ 301,077	\$ 305,008	\$ (3,931)	(1.3)
Purchased power	135,784	116,577	19,207	16.5
Subtotal	436,861	421,585	15,276	3.6
RECA recovery and other	(21,412)	(47,224)	25,812	54.7
<b>Total fuel and purchased power expense</b>	<b>\$ 415,449</b>	<b>\$ 374,361</b>	<b>\$ 41,088</b>	<b>11.0</b>

Electricity Supply (Thousands of MWh)				
Generated - Gas	1,327	1,328	(1)	(0.1)
Coal	11,383	11,915	(532)	(4.5)
Nuclear	3,734	3,334	400	12.0
Wind	990	306	684	223.5
<b>Subtotal electricity generated</b>	<b>17,434</b>	<b>16,883</b>	<b>551</b>	<b>3.3</b>
Purchased	5,765	4,683	1,082	23.1
<b>Total Electricity Supply</b>	<b>23,199</b>	<b>21,566</b>	<b>1,633</b>	<b>7.6</b>

(Dollars per MWh)				
Average cost of fuel used for generation	\$ 17.27	\$ 18.07	\$ (0.80)	(4.4)
Average cost of purchased power	\$ 23.55	\$ 24.89	\$ (1.34)	(5.4)
Average cost of fuel and purchased power	\$ 18.83	\$ 19.55	\$ (0.72)	(3.7)

	2016/			
	2017	20 yr Avg	Change	% Change
<b>Cooling</b>				
Actual compared to last year	1,660	1,882	(222)	(11.8)
Actual compared to 20 year average	1,660	1,583	77	4.9
<b>Heating</b>				
Actual compared to last year	2,216	2,383	(167)	(7.0)
Actual compared to 20 year average	2,216	2,860	(644)	(22.5)



## Westar Energy, Inc.

### Capitalization

	September 30, 2017		December 31, 2016	
(Dollars in Thousands)				
Current maturities of long-term debt	\$	—	\$	125,000
Current maturities of long-term debt of VIEs		28,534		26,842
Long-term debt, net		3,686,852		3,388,670
Long-term debt of variable interest entities, net		81,433		111,209
<b>Total long-term debt</b>		<b>3,796,819</b>	<b>49.5 %</b>	<b>3,651,721</b>
Common equity		3,929,003	51.2 %	3,805,875
Noncontrolling interests		(50,103)	(0.7)%	27,315
<b>Total capitalization</b>	<b>\$</b>	<b>7,675,719</b>	<b>100.0 %</b>	<b>\$ 7,484,911</b>
				<b>100.0%</b>
GAAP Book value per share	\$	27.65	\$	26.84
Period end shares outstanding (in thousands)		142,094		141,791

### Outstanding Long-Term Debt

	CUSIP	September 30, 2017	December 31, 2016
(Dollars in Thousands)			
<b>Westar Energy:</b>			
<b>First Mortgage Bond series:</b>			
5.15% Series due January 2017	95709TAB6	\$ —	\$ 125,000
5.10% Series due July 2020	95709TAD2	250,000	250,000
3.25% Series due December 2025	95709TAL4	250,000	250,000
	95709TAN0	350,000	350,000
2.55% Series due June 2026		350,000	350,000
3.10% Series due April 2027	95709TAP5	300,000	—
4.125% Series due March 2042	95709TAH3	550,000	550,000
4.10% Series due April 2043	95709TAJ9	430,000	430,000
4.625% Series due September 2043	95709TAK6	250,000	250,000
4.25% Series due December 2045	95709TAM2	300,000	300,000
		<u>2,680,000</u>	<u>2,505,000</u>
<b>Pollution control bond series:</b>			
Variable series due April 2032 (Wamego)	933623BN9	30,500	30,500
Variable series due April 2032 (St Marys)	792609AF6	45,000	45,000
		<u>75,500</u>	<u>75,500</u>
<b>Total Westar Energy</b>		<u>2,755,500</u>	<u>2,580,500</u>
<b>KGE</b>			
<b>First mortgage bond series:</b>			
6.70% Series due June 2019	485260BL6	300,000	300,000
6.15% Series due May 2023	485260B@1	50,000	50,000
6.53% Series due December 2037	485260BJ1	175,000	175,000
6.64% Series due May 2038	485260B#9	100,000	100,000
4.30% Series due July 2044	485260BM4	250,000	250,000
		<u>875,000</u>	<u>875,000</u>
<b>Pollution control bond series:</b>			
Variable rate series due April 2027 (LaCygne)	502828AJ5	21,940	21,940
2.50% Series due June 2031	N/A	50,000	50,000
Variable rate series due April 2032 (St Marys)	792609AE9	14,500	14,500
Variable rate series due April 2032 (Wamego)	933623BM1	10,000	10,000
		<u>96,440</u>	<u>96,440</u>
<b>Total KGE</b>		<u>971,440</u>	<u>971,440</u>
<b>Total long-term debt</b>		<b>3,726,940</b>	<b>3,551,940</b>
Unamortized debt discount		(11,082)	(10,358)
Unamortized debt issuance expense		(29,006)	(27,912)
Long-term debt due within one year		—	(125,000)
<b>Total long-term debt, net</b>	<b>\$</b>	<b>3,686,852</b>	<b>\$ 3,388,670</b>

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended September 30, 2017 should be read in conjunction with this financial information.

Westar Energy, Inc.  
GAAP to Non-GAAP Reconciliation

Fuel and purchased power costs fluctuate with electricity sales and unit costs. As permitted by regulators, prices are adjusted to reflect changes in the costs of fuel and purchased power. Fuel and purchased power costs for wholesale customers are recovered at prevailing market prices or based on a predetermined formula with a price adjustment approved by FERC. As a result, changes in fuel and purchased power costs are offset in revenues with minimal impact on net income. For this reason, Westar management believes that gross margin is useful for understanding and analyzing changes in operating performance from one period to the next. Gross margin is calculated as total revenues, including transmission revenues, less the sum of fuel and purchased power costs and amounts billed by the SPP for network transmission costs (SPP NITS). Accordingly, gross margin reflects transmission revenues and costs on a net basis.

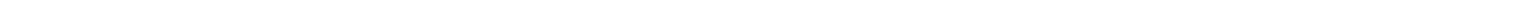
The calculations of gross margin for the three and nine months ended September 30, 2017 and 2016 are shown in the table below. The table also includes a reconciliation of gross margin to income from operations for both periods. Income from operations is the GAAP financial measure most directly comparable to gross margin.

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2017	2016	Change	2017	2016	Change
	(Dollars in Thousands)					
Revenues	\$ 794,327	\$ 764,654	\$ 29,673	\$ 1,976,222	\$ 1,955,552	\$ 20,670
Less: Fuel and purchased power expense	189,804	155,673	34,131	415,449	374,361	41,088
SPP network transmission costs	62,578	57,939	4,639	185,015	173,925	11,090
Gross margin	<u>\$ 541,945</u>	<u>\$ 551,042</u>	<u>\$ (9,097)</u>	<u>\$ 1,375,758</u>	<u>\$ 1,407,266</u>	<u>\$ (31,508)</u>
Income from operations	\$ 259,976	\$ 270,576	\$ (10,600)	\$ 541,437	\$ 566,002	\$ (24,565)
Plus: Operating and maintenance expense	79,856	86,758	(6,902)	248,211	250,135	(1,924)
Depreciation and amortization expense	94,668	84,972	9,696	277,322	252,838	24,484
Selling, general and administrative expense	65,630	60,582	5,048	182,367	192,762	(10,395)
Taxes other than income tax	41,815	48,154	(6,339)	126,421	145,529	(19,108)
Gross margin	<u>\$ 541,945</u>	<u>\$ 551,042</u>	<u>\$ (9,097)</u>	<u>\$ 1,375,758</u>	<u>\$ 1,407,266</u>	<u>\$ (31,508)</u>

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended September 30, 2017 should be read in conjunction with this financial information.

# Westar Energy

Investor Update – October 31, 2017



# Forward-Looking Disclosures

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# Company Update

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OCTOBER 31, 2017 INVESTOR UPDATE

3





# Recent Announcements & Focus

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## • Reported Q3 2017 EPS of \$1.11

- Compared to Q3 2016 EPS of \$1.09

## • Upcoming Rate Review

- Expect to file for general rate review in 1st quarter 2018

## • Merger with Great Plains Energy

- 100% stock-for-stock, tax-free exchange
- Westar: exchange 1 WR share for 1 share of new company stock
- Great Plains: exchange 1 GXP share for .5981 shares of new company stock
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- Immediate 15% WR dividend boost at closing
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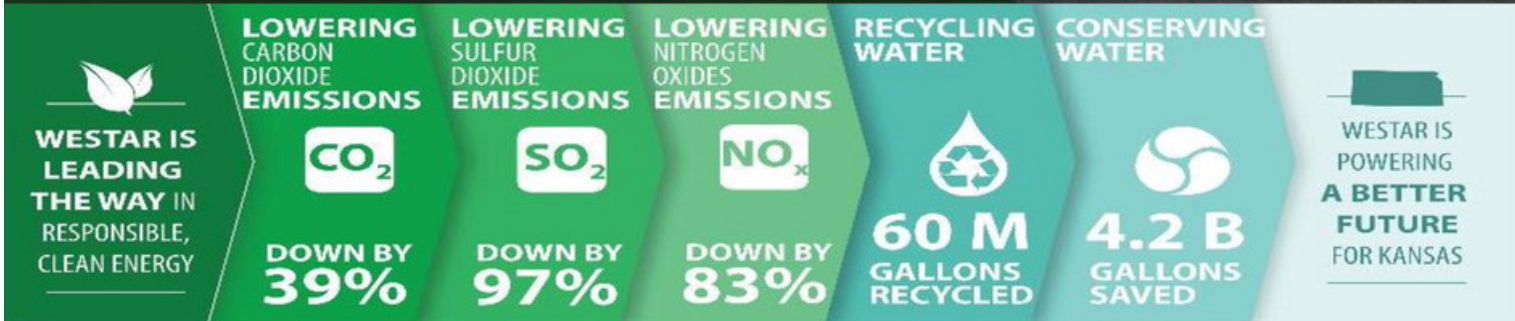


## • Continued focus on clean, affordable, reliable and safe power

# Clean Energy Leader



In 2017, more than half of retail sales will come from **emission-free sources** – renewables and nuclear power.



\* Emissions and water reduction change since 2005

# Earnings Update

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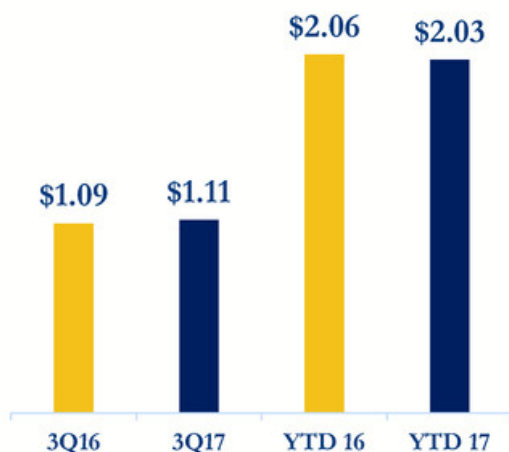
OCTOBER 31, 2017 INVESTOR UPDATE

6



# Year Over Year Earnings Variance

## EPS 2016 vs 2017



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### • Q3 Variance Drivers

- ↑ Lower income tax expense ~ \$25M
- ↑ Lower O&M ~ \$7M
- ↓ 11% decrease in CDD
- ↓ Higher depreciation expense ~ (\$10M)
- ↓ Decrease in COLI benefit ~ (\$10M)
- ↓ Increase in merger-related expenses ~ (\$6M)

### • YTD Variance Drivers

- ↓ 12% decrease in CDD
- ↓ Higher depreciation expense ~ (\$24M)
- ↓ Lower COLI benefit ~ (\$17M)
- ↓ Higher interest expense ~ (\$7M)
- ↑ Lower income tax expense ~ \$48M
- ↑ Lower property tax amortization expense ~ \$19M
- ↑ Lower O&M/SG&A ~ \$12M

# Additional Earnings Detail

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## • Merger Expenses

- 2016 – \$10.2M
- Q3 2017 – \$7.8M
- YTD 2017 – \$8.6M
- Expected total upon closing – \$40M to 45M

## • Weather EPS Estimate

- Q3 – \$0.05 unfavorable to 2016 – \$0.03 unfavorable to normal
- 2017 – \$0.09 unfavorable to 2016 – \$0.09 unfavorable to normal

## • COLI

- Actual:
  - Q3 – \$0M
  - 2017 – \$0M
- 2017 annual assumption – \$20M

## • Transmission Margin Increase

- 2017 annual assumption – \$18M

# Merger Update

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OCTOBER 31, 2017 INVESTOR UPDATE

9



# Merger Value

## • Expected stronger EPS growth

- New company EPS CAGR of 6-8%<sup>1</sup> vs WR stand-alone EPS CAGR of 4-6%<sup>2</sup>
- Merger savings – Improve “slope” of EPS growth
- Share buybacks – Upward “shift” of EPS growth

## • Immediate ≈15% dividend increase

- Not at expense of credit or payout ratio

## • Tax-free exchange

## • Structured to address regulatory order

## • Not as dependent on future ongoing rate relief

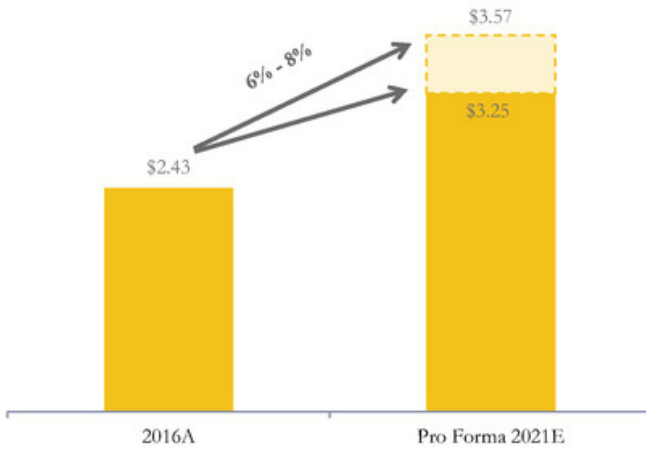


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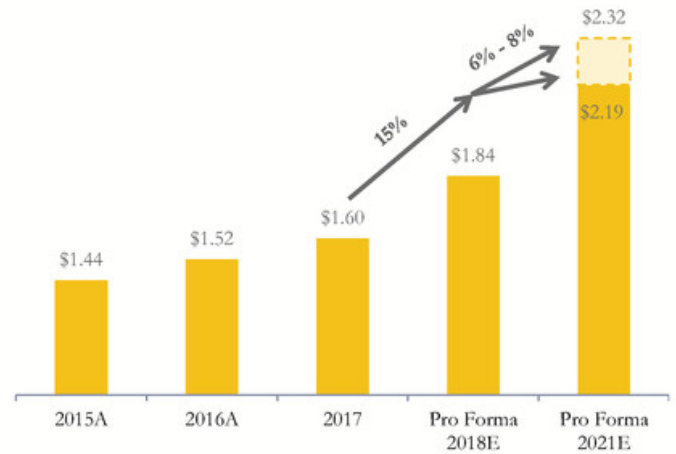
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# Strong Growth Targets

## Targeted EPS Growth 6-8%<sup>1</sup>



## Targeted Dividend Growth 6-8%<sup>1</sup>



<sup>1</sup>Indicated annual earnings per share and dividend per share are historical Westar Energy and targeted combined company.



# Merger Expected To Close In 1<sup>st</sup> Half 2018

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U.S. DOJ/FTC (HSR)	4Q17	4Q17 – 1Q18	
FCC	1Q18 – 2Q18	1Q18 – 2Q18	

# Merger Summary

<b>Transaction Structure</b>	<ul style="list-style-type: none"> <li>All stock merger of equals (100% stock-for-stock, tax-free exchange); combined equity value of ~\$14 billion</li> <li>New company to be jointly named prior to close</li> </ul>
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<b>Timing / Approvals</b>	<ul style="list-style-type: none"> <li>Expected to close first half 2018</li> <li>Shareholders, federal and state regulators</li> </ul>

# Additional Information

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## Additional Information and Where to Find It

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Filed by: Westar Energy, Inc.  
pursuant to Rule 425 under the Securities Act of 1933  
and deemed filed pursuant to Rule 14a-12  
under the Securities Exchange Act of 1934

Subject Company: Westar Energy, Inc.  
Commission File Number: 001-03523

Subject Company: Great Plains Energy Incorporated  
Commission File Number: 001-32206

Subject Company: Monarch Energy Holding, Inc.  
Commission File Number: 132-02816

{Merger Excerpts}

Date: October 31, 2017

# Westar Energy

## Investor Update – October 31, 2017



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# Merger Update

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OCTOBER 31, 2017 INVESTOR UPDATE

4





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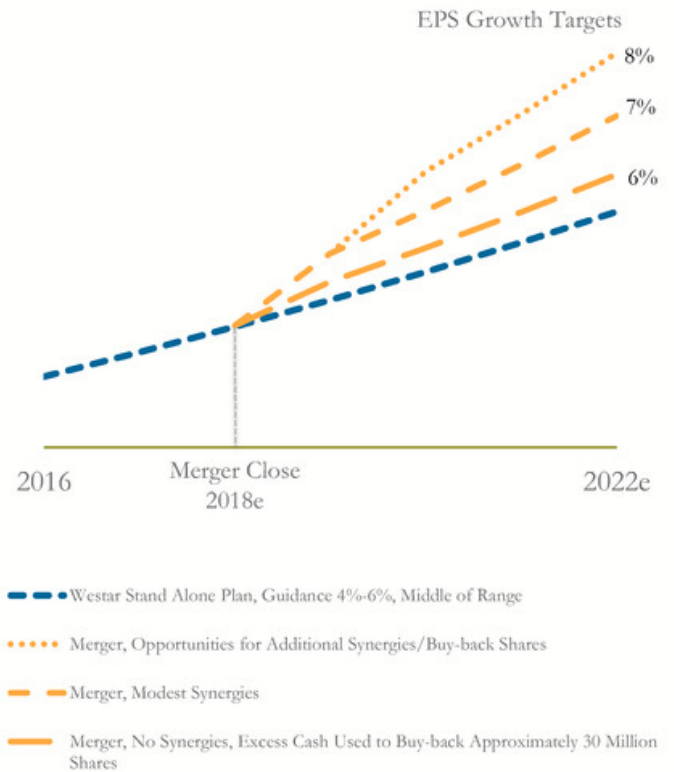
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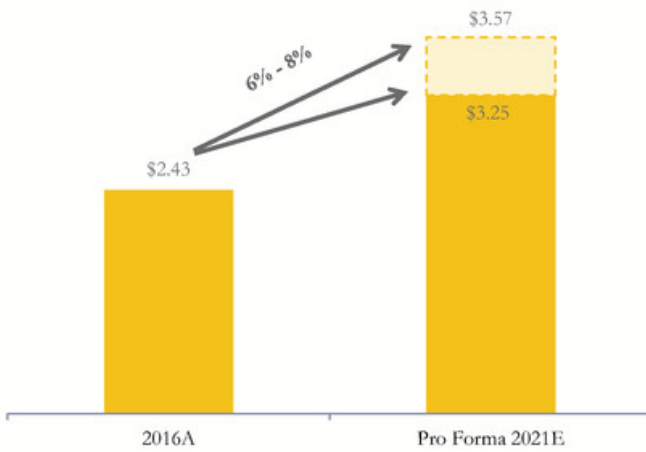


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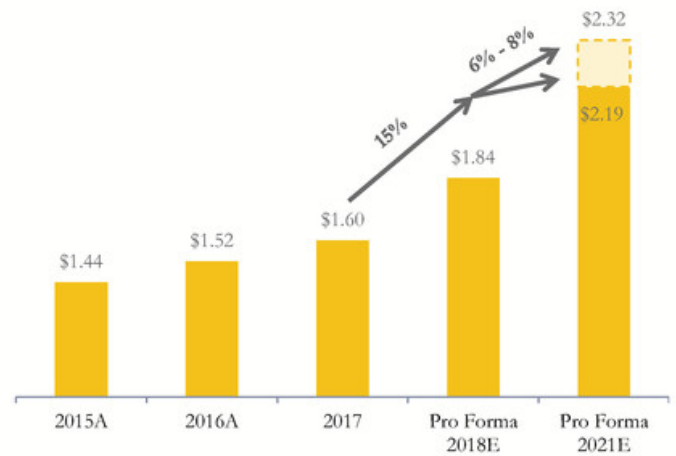
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