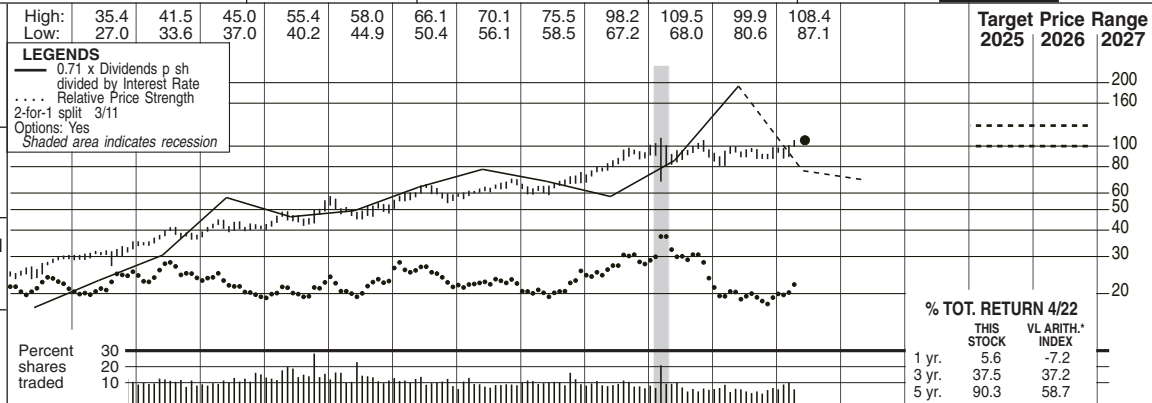


WEC ENERGY GROUP NYSE-WEC

RECENT PRICE **106.53** P/E RATIO **24.2** (Trailing: 24.8 Median: 20.0) RELATIVE P/E RATIO **1.45** DIV'D YLD **2.8%** VALUE LINE

TIMELINESS 3 Raised 1/7/22
SAFETY 1 Raised 3/23/12
TECHNICAL 3 Raised 4/23/22
BETA .80 (1.00 = Market)



18-Month Target Price Range
Low-High Midpoint (% to Mid)
 \$94-\$134 \$114 (5%)

2025-27 PROJECTIONS
 High Price Gain Ann'l Total Return
 Low 100 (+15%) 7%
 125 (-5%) 2%

Institutional Decisions
 3Q2021 4Q2021 1Q2022
 to Buy 366 473 441
 to Sell 387 362 380
 Hlds(000) 236130 237652 233922

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	© VALUE LINE PUB. LLC	25-27
17.08	18.12	18.95	17.65	17.98	19.46	18.54	20.00	22.16	18.77	23.68	24.24	24.34	23.85	22.96	26.36	28.20	29.30	Revenues per sh	33.00
2.90	2.98	2.95	3.11	3.30	3.68	4.01	4.33	4.47	3.87	5.39	5.69	6.04	6.53	6.90	7.53	8.05	8.55	"Cash Flow" per sh	10.25
1.32	1.42	1.52	1.60	1.92	2.18	2.35	2.51	2.59	2.34	2.96	3.14	3.34	3.58	3.79	4.11	4.40	4.70	Earnings per sh ^A	5.50
.46	.50	.54	.68	.80	1.04	1.20	1.45	1.56	1.74	1.98	2.08	2.21	2.36	2.53	2.71	2.91	3.11	Div'd Decl'd per sh ^B	3.80
4.17	5.28	4.86	3.50	3.41	3.60	3.09	3.04	3.26	4.01	4.51	6.21	6.71	7.17	7.10	7.14	9.35	9.30	Cap'l Spending per sh	9.25
12.35	13.25	14.27	15.26	16.26	17.20	18.05	18.73	19.60	27.42	28.29	29.98	31.02	32.06	33.19	34.60	35.90	37.35	Book Value per sh ^C	42.00
233.94	233.89	233.84	233.82	233.77	230.49	229.04	225.96	225.52	315.68	315.62	315.57	315.52	315.43	315.43	315.43	315.43	315.43	Common Shs Outst'g ^D	315.43
16.0	16.5	14.8	13.3	14.0	14.2	15.8	16.5	17.7	21.3	19.9	20.0	19.6	23.5	24.9	22.3	20.5	20.5	Avg Ann'l P/E Ratio	20.5
.86	.88	.89	.89	.89	.89	1.01	.93	.93	1.07	1.04	1.01	1.06	1.25	1.28	1.19	1.15	1.15	Relative P/E Ratio	1.15
2.2%	2.1%	2.4%	3.2%	3.0%	3.3%	3.2%	3.5%	3.4%	3.5%	3.4%	3.3%	3.4%	2.8%	2.7%	3.0%	3.4%	3.4%	Avg Ann'l Div'd Yield	3.4%

CAPITAL STRUCTURE as of 3/31/22
 Total Debt \$15128 mill. Due in 5 Yrs \$4611.7 mill.
 LT Debt \$13514 mill. LT Interest \$452.7 mill.
 Incl. \$12.1 mill. finance leases.
 (LT interest earned: 4.4x)
Leases, Uncapitalized Annual rentals \$6.8 mill.
Pension Assets-12/21 \$3328.9 mill.
 Oblig \$3136.6 mill.
Pfd Stock \$30.4 mill. Pfd Div'd \$1.2 mill.
 260,000 shs. 3.60%, \$100 par, callable \$101;
 44,498 shs. 6%, \$100 par.
Common Stock 315,434,531 shs.

MARKET CAP: \$34 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2019	2020	2021
% Change Retail Sales (KWH)	-2.5	-2.6	+3.4
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Lg. C&I Revs. per KWH (¢)	7.25	6.61	7.51
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+6	+7	+2

Fixed Charge Cov. (%) 300 338 357

ANNUAL RATES Past 10 Yrs. Past 5 Yrs. Est'd '19-'21 of change (per sh)

	10 Yrs.	5 Yrs.	Est'd '19-'21
Revenues	3.0%	2.5%	5.0%
"Cash Flow"	7.5%	9.0%	6.5%
Earnings	7.5%	8.0%	6.0%
Dividends	11.5%	7.5%	7.0%
Book Value	7.5%	6.0%	4.0%

QUARTERLY REVENUES (\$ mill.)

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2019	2377	1590	1608	1947	7523.1
2020	2108	1548	1651	1933	7241.7
2021	2691	1676	1746	2201	8316.0
2022	2908	1800	1892	2300	8900
2023	3000	1875	1925	2450	9250

EARNINGS PER SHARE ^A

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2019	1.33	.74	.74	.77	3.58
2020	1.43	.76	.84	.76	3.79
2021	1.61	.87	.92	.71	4.11
2022	1.79	.84	.97	.80	4.40
2023	1.80	.95	1.05	.90	4.70

QUARTERLY DIVIDENDS PAID ^B

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2018	.5525	.5525	.5525	.5525	2.21
2019	.59	.59	.59	.59	2.36
2020	.6325	.6325	.6325	.6325	2.53
2021	.6775	.6775	.6775	.6775	2.71
2022	.7275	.7275			

BUSINESS: WEC Energy Group, Inc. (formerly Wisconsin Energy) is a holding company for utilities that provide electric, gas & steam service in WI & gas service in IL, MN, & MI. Customers: 1.6 mill. elec., 2.9 mill. gas. Acq'd Integrys Energy 6/15. Sold Point Beach nuclear plant in '07. Electric revenue breakdown: residential, 39%; small commercial & industrial, 32%; large commercial & industrial,

WEC Energy's utilities in Wisconsin have filed general rate cases. The utilities are seeking electric increases totaling \$334.4 million, gas hikes totaling \$141.1 million, and a steam increase of \$3.3 million. The utilities want to maintain their allowed returns on equity of 10.0% (except for Wisconsin Gas' 10.2%) and raise their common-equity ratio from 52.5% to 53.0%. The company is seeking to recover capital investments. It also wants to ask for higher rates in 2024, under certain circumstances. New tariffs are expected to take effect at the start of 2023.

We raised our 2022 earnings estimate by \$0.05 a share, to \$4.40. First-quarter earnings exceeded our \$1.70-a-share estimate thanks in part to favorable weather conditions. Upon reporting March-period results in early May, WEC Energy raised its earnings target by \$0.05 a share, to \$4.34-\$4.38. We are comfortable being slightly above this range given the company's track record of exceeding its guidance. The profit growth that is likely is being driven by rate relief (including concurrent recovery of \$280 million-\$300 million of gas-main replacements for Peoples Gas in

Chicago), modest volume growth, and increased income from WEC Energy's non-utility renewable-energy projects. A 190-megawatt wind farm began operating in December of 2021, and two more projects (with a total capacity of 550 mw) are expected to attain commercial operation in the second half of 2022. One of these has experienced some delays, however.

WEC Energy's goal for annual earnings growth is 6%-7%. The aforementioned factors should continue to lift the company's earning power. We boosted our 2023 earnings estimate by a nickel a share, to \$4.70. This would provide an increase of 7% above our 2022 estimate.

The utility is building two liquefied natural gas facilities in Wisconsin. These are expected to come on line in 2023 and 2024 at a cost of \$370 million. This will help maintain reliability.

The dividend yield is a cut below the utility average. This reflects the company's consistency and predictability. The Safety rank is 1 (Highest), too. But total returns don't stand out for the next 18 months or the 3- to 5-year period.

(A) Diluted EPS. Excl. gain on discontinued ops.: '11, 6¢; nonrecurring gain: '17, 65¢. Next earnings report due early August. (B) Div'ds paid in early Mar., June, Sept. & Dec. ■ Div'd reinvestment plan avail. (C) Incl. intang. In '21: \$20.03/sh. (D) In mill., adj. for split. (E) Rate base: Net orig. cost. Rates all'd on com. eq. in WI in '15: 10.0%-10.2%; in IL in '21: 9.67%; in MN in '19: 9.7%; in MI in '22: 9.85%; earned on avg. com. eq., '21: 12.2%. Regulatory Climate: WI, Above Average; IL, Below Average; MN & MI, Average.

Company's Financial Strength A+
Stock's Price Stability 60
Price Growth Persistence 95
Earnings Predictability 100

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