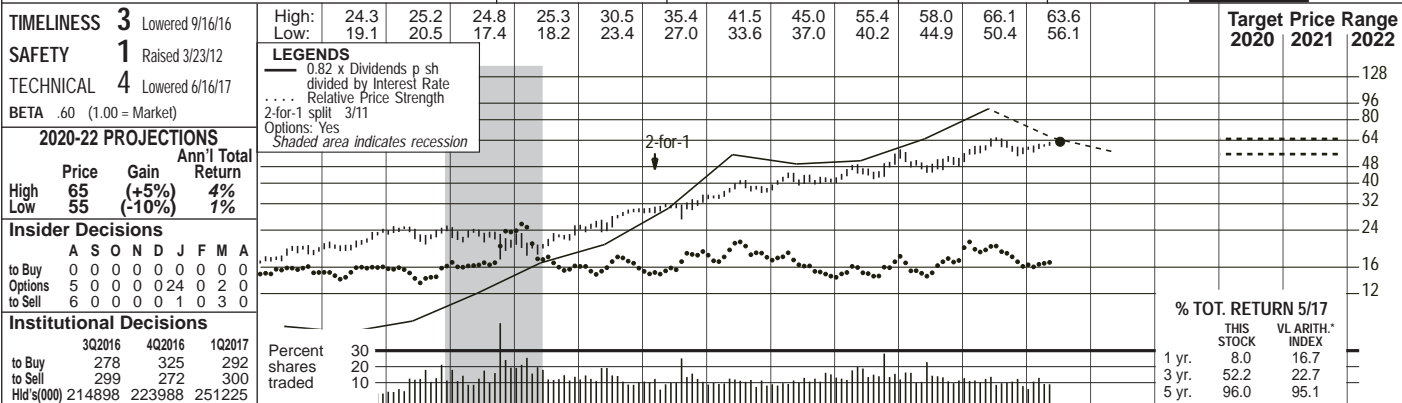


WEC ENERGY GROUP NYSE-WEC

RECENT PRICE **62.84** P/E RATIO **20.3** (Trailing: 21.1; Median: 16.0) RELATIVE P/E RATIO **1.03** DIV'D YLD **3.4%** VALUE LINE



2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
17.02	16.10	17.12	14.66	16.31	17.08	18.12	18.95	17.65	17.98	19.46	18.54	20.00	22.16	18.77	23.68	24.25	25.20	Revenues per sh	28.25
2.72	2.84	2.86	2.58	2.89	2.90	2.98	2.95	3.11	3.30	3.68	4.01	4.33	4.47	3.87	5.39	5.60	5.85	"Cash Flow" per sh	6.75
.92	1.16	1.13	.93	1.28	1.32	1.42	1.52	1.60	1.92	2.18	2.35	2.51	2.59	2.34	2.96	3.10	3.25	Earnings per sh ^A	3.75
4.0	4.0	4.0	4.2	4.4	4.6	.50	.54	.68	.80	1.04	1.20	1.45	1.56	1.74	1.98	2.08	2.18	Div'd Decl'd per sh ^B	2.50
3.01	2.54	2.95	2.85	3.40	4.17	5.28	4.86	3.50	3.41	3.60	3.09	3.04	3.26	4.01	4.51	7.00	6.30	Cap'l Spending per sh	5.75
8.91	9.22	9.96	10.65	11.46	12.35	13.25	14.27	15.26	16.26	17.20	18.05	18.73	19.60	27.42	28.29	29.30	30.30	Book Value per sh ^C	33.75
230.84	232.06	236.85	233.97	233.96	233.94	233.89	233.84	233.82	233.77	230.49	229.04	225.96	225.52	315.68	315.62	315.65	315.65	Common Shs Outst'g ^D	315.65
12.1	10.5	12.4	17.5	14.5	16.0	16.5	14.8	13.3	14.0	14.2	15.8	16.5	17.7	21.3	19.9	18.25	19.40	Avg Ann'l P/E Ratio	16.0
.62	.57	.71	.92	.77	.86	.88	.89	.89	.89	.89	1.01	.93	.93	1.07	1.06	1.07	1.06	Relative P/E Ratio	1.00
3.6%	3.3%	2.8%	2.6%	2.4%	2.2%	2.1%	2.4%	3.2%	3.0%	3.3%	3.2%	3.5%	3.4%	3.5%	3.4%	3.5%	3.4%	Avg Ann'l Div'd Yield	4.2%

CAPITAL STRUCTURE as of 3/31/17		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	20-22
Total Debt	\$9972.0 mill. Due in 5 Yrs	4237.8	4431.0	4127.9	4202.5	4486.4	4246.4	4519.0	4997.1	5926.1	7472.3	7650	7950	Revenues (\$mill)	8900					
LT Debt	\$9143.6 mill. LT Interest \$461.8 mill.	337.7	359.8	378.4	455.6	514.0	547.5	578.6	589.5	640.3	940.2	980	1025	Net Profit (\$mill)	1180					
Incl.	\$29.6 mill. capitalized leases. (LT interest earned: 4.7x)	39.1%	37.6%	36.5%	35.4%	33.9%	35.9%	36.9%	38.0%	40.4%	37.6%	37.5%	37.5%	Income Tax Rate	38.0%					
Leases, Uncapitalized	Annual rentals \$9.9 mill. Pension Assets-12/16 \$2709.2 mill.	23.8%	27.2%	25.0%	18.6%	16.8%	9.4%	4.5%	1.3%	4.5%	3.8%	4.0%	3.0%	AFUDC % to Net Profit	3.0%					
Oblig	\$3058.8 mill.	50.3%	54.8%	51.9%	50.6%	53.6%	51.7%	50.6%	48.5%	51.2%	50.5%	49.5%	50.5%	Long-Term Debt Ratio	48.5%					
Pfd Stock	\$30.4 mill. Pfd Div'd \$1.2 mill.	49.2%	44.8%	47.7%	49.0%	46.0%	48.0%	49.1%	51.2%	48.6%	49.3%	50.0%	49.5%	Common Equity Ratio	51.0%					
260,000 shs.	3.60%, \$100 par, callable. \$101;	6302.1	7442.0	7473.1	7764.5	8608.0	8619.3	8626.6	8636.5	17809	18118	18425	19400	Total Capital (\$mill)	20775					
44,498 shs.	6%, \$100 par.	7681.2	8517.0	9070.5	9601.5	10160	10572	10907	11258	19190	19916	21350	22500	Net Plant (\$mill)	25550					
Common Stock	315,579,222 shs.	7.0%	6.3%	6.4%	7.5%	7.5%	7.9%	8.1%	8.1%	4.5%	6.3%	6.5%	6.5%	Return on Total Cap'l	7.0%					
MARKET CAP: \$20 billion (Large Cap)		10.8%	10.7%	10.5%	11.9%	12.9%	13.1%	13.6%	13.2%	7.4%	10.5%	10.5%	10.5%	Return on Shr. Equity	11.0%					
ELECTRIC OPERATING STATISTICS		10.9%	10.7%	10.6%	12.0%	12.9%	13.2%	13.6%	13.3%	7.4%	10.5%	10.5%	10.5%	Return on Com Equity ^E	11.0%					
% Change Retail Sales (KWH)		7.1%	7.0%	6.2%	7.0%	6.8%	6.5%	5.9%	5.3%	2.1%	3.5%	3.5%	3.5%	Retained to Com Eq	3.5%					
Avg. Indust. Use (MWH)		35%	35%	42%	41%	47%	51%	57%	60%	71%	67%	67%	67%	All Div'ds to Net Prof	67%					
Avg. Lg. C&I Revs. per KWH (¢)																				
Capacity at Peak (Mw)																				
Peak Load, Summer (Mw)																				
Annual Load Factor (%)																				
% Change Customers (yr-end)																				

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., 2.8 mill. gas. Acq'd Integrys Energy 6/15. Sold Point Beach nuclear plant in '07. Elec. rev. breakdown: residential, 35%; small commercial & industrial, 31%; large commercial & industrial, 21%; other, 13%. Generating sources: coal, 52%; gas, 16%; renewables, 3%; purchased, 29%. Fuel costs: 35% of revs. '16 reported deprec. rates (utility): 2.3%-3.3%. Has 8,200 employees. Chairman: Gale E. Klappa. President & CEO: Allen L. Leverett. Inc.: Wisconsin. Address: 231 W. Michigan St., P.O. Box 1331, Milwaukee, WI 53201. Tel.: 414-221-2345. Internet: www.wecenergygroup.com.

WEC Energy Group's utilities in Wisconsin are awaiting a ruling on a regulatory settlement. The agreement, if approved by the Wisconsin commission, would freeze electric and gas rates through 2019. Wisconsin Public Service would adopt an earnings-sharing mechanism that is already in place for WEC's other utilities in the state. Any earnings up to half a percentage point above the allowed return on equity would be shared evenly between the utility and its customers; anything above that would be passed through to customers. The benefit to the company is that its utilities in the state would be able to retain the benefits of cost reductions. This already happened in the first quarter of 2017, when effective expense management helped offset the effects of a milder-than-usual winter. **We estimate that earnings will rise 5% this year and next.** This is the low end of WEC's annual target of 5%-7%. The utilities in Wisconsin should benefit from cost reductions, and Peoples Gas in Chicago has an accelerated main replacement program, in which the utility receives a current return on this spending (estimated at \$300 million in 2017). Our 2017 profit estimate is within management's guidance of \$3.06-\$3.12 a share. **WEC's electric utility in the upper peninsula of Michigan is seeking a certificate of need to build a gas-fired power plant.** This would cost an estimated \$275 million and would be completed in 2019. Half of the 180-megawatt facility's costs would be recovered in rates, the other half from a large industrial customer via a 20-year contract. Once the plant is on line, the company would retire an old coal-fired plant. The Michigan commission's decision is expected in October. **The company is awaiting approval for a gas storage acquisition.** WEC would pay \$230 million for a facility in Michigan. This would provide a return on investment similar to that of a utility. **This high-quality stock has a yield that is about average for a utility.** The equity is suitable for conservative utility investors. However, like most utility issues, the recent price is within our 2020-2022 Target Price Range. Accordingly, 3- to 5-year total return potential is low. *Paul E. Debbas, CFA June 16, 2017*

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	1695	1044	1033	1225	4997.1
2015	1388	991	1699	1848	5926.1
2016	2195	1602	1712	1963	7472.3
2017	2304	1650	1700	1996	7650
2018	2400	1700	1750	2100	7950

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.91	.58	.56	.53	2.59
2015	.86	.35	.58	.57	2.34
2016	1.09	.57	.68	.61	2.96
2017	1.12	.58	.75	.65	3.10
2018	1.15	.62	.80	.68	3.25

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.34	.34	.382	.383	1.45
2014	.39	.39	.39	.39	1.56
2015	.422	.422	.44	.457	1.74
2016	.495	.495	.495	.495	1.98
2017	.52	.52			

(A) Diluted EPS. Excl. gains on disc. ops.: '04, '77; '05, 2c; '06, 2c; '09, 2c; '10, 1c; '11, 6c. '14-'16 EPS sum due to rounding or chng. in shs. Next egs. report due early Aug. (B) Div's paid in early Mar., June, Sept. & Dec. ■ Div'd reinv. avail. (C) Incl. intang. In '16: \$19.44/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%-10.3%; in IL in '15: 9.05%; in MN in '16: 9.11%; in MI in '16: 9.9%; earned on avg. com. eq., '16: 10.6%. Regul. Climate: WI, Above Avg.; IL, Below Avg.; MN & MI, Avg. Company's Financial Strength A+ Stock's Price Stability 95 Price Growth Persistence 85 Earnings Predictability 85