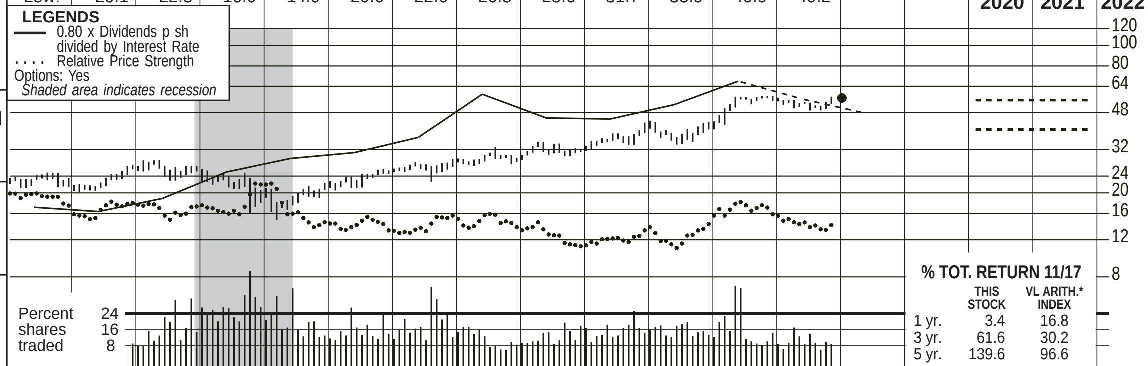
WESTAR ENERGY NYSE-WR

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	
56.39	22.5	(Trailing: 23.4; Median: 15.0)	1.11	2.8%	VALUE LINE

TIMELINESS – Suspended 6/10/16
SAFETY 2 Raised 4/1/05
TECHNICAL – Suspended 6/10/16
BETA .70 (1.00 = Market)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
High:	27.2	28.6	25.9	22.3	25.9	29.0	33.0	35.0	43.2	44.0	57.5	57.3
Low:	20.1	22.8	16.0	14.9	20.6	22.6	26.8	28.6	31.7	33.9	40.0	49.2



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	55	(Nil)	3%
Low	40	(-30%)	-4%

Insider Decisions

	F	M	A	M	J	J	A	S	O
to Buy	0	0	0	0	0	0	0	0	0
Options	8	0	0	0	0	6	0	0	0
to Sell	0	1	0	0	0	0	4	0	0

Institutional Decisions

	1Q2017	2Q2017	3Q2017
to Buy	186	130	164
to Sell	152	201	146
Hld's(000)	119511	118673	118474

% TOT. RETURN 11/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	3.4	16.8
3 yr.	61.6	30.2
5 yr.	139.6	96.6

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
31.20	24.77	20.06	17.02	18.23	18.37	18.09	16.98	17.04	18.34	17.27	17.88	18.48	19.76	17.40	18.07	***18.40***	***18.95***	**Revenues per sh**	***19.90***
5.32	4.77	3.77	3.12	3.28	3.94	3.77	3.14	3.59	4.24	3.97	4.30	4.41	4.55	4.26	4.83	***4.90***	***5.10***	**"Cash Flow" per sh**	***5.80***
d.58	1.00	1.48	1.17	1.55	1.88	1.84	1.31	1.28	1.80	1.79	2.15	2.27	2.35	2.09	2.43	***2.45***	***2.60***	**Earnings per sh A**	***3.25***
1.20	1.20	.87	.80	.92	.98	1.08	1.16	1.20	1.24	1.28	1.32	1.36	1.40	1.44	1.52	***1.60***	***1.68***	**Div'd Decl'd per sh B■†**	***1.92***
3.37	1.89	2.06	2.19	2.45	3.95	7.84	8.65	5.26	4.82	5.55	6.40	6.08	6.47	4.95	7.67	***5.65***	***6.50***	**Cap'l Spending per sh**	***7.45***
25.97	13.68	14.23	16.13	16.31	17.62	19.14	20.18	20.59	21.25	22.03	22.89	23.88	25.02	25.87	26.84	***28.05***	***28.35***	**Book Value per sh C**	***30.00***
70.08	71.51	72.84	86.03	86.84	87.39	95.46	108.31	109.07	112.13	125.70	126.50	128.25	131.69	141.35	141.79	***142.50***	***142.50***	**Common Shs Outst'g E**	***150.00***
- -	14.0	10.8	17.4	14.8	12.2	14.1	17.0	14.9	13.0	14.8	13.4	14.0	15.4	18.5	21.6	*Bold figures are*		**Avg Ann'l P/E Ratio**	***15.0***
- -	.76	.62	.92	.79	.66	.75	1.02	.99	.83	.93	.85	.79	.81	.93	1.13	*Value Line*		**Relative P/E Ratio**	***.95***
5.8%	8.6%	5.5%	3.9%	4.0%	4.3%	4.2%	5.2%	6.3%	5.3%	4.8%	4.6%	4.3%	3.9%	3.7%	2.9%	*estimates*		**Avg Ann'l Div'd Yield**	***3.9%***

CAPITAL STRUCTURE as of 9/30/17
Total Debt $3876.0 mill. **Due in 5 Yrs** $800 mill.
LT Debt $3686.9 mill. **LT Interest** $160.0 mill.
(LT interest earned: 4.1x)

Pension Assets 12/16 $658 mill. **Oblig.** $1.0 bill.

Pfd Stock None

Common Stock 142,094,176 shs.
MARKET CAP: $8.0 billion (Large Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
1726.8	1839.0	1858.2	2056.2	2171.0	2261.5	2370.7	2601.7	2459.2	2562.1	***2620***	***2700***	**Revenues ($mill)**	***2985***
168.4	136.8	141.3	203.9	214.0	275.1	292.5	313.3	291.9	346.6	***350***	***375***	**Net Profit ($mill)**	***490***
27.5%	24.8%	29.4%	29.0%	35.2%	30.9%	33.1%	31.9%	33.5%	33.8%	***34.0%***	***34.0%***	**Income Tax Rate**	***34.0%***
10.4%	- -	- -	- -	- -	- -	- -	- -	10.4%	10.0%	***10.0%***	***10.0%***	**AFUDC % to Net Profit**	***10.0%***
50.6%	49.8%	53.4%	53.6%	49.5%	51.2%	50.0%	50.0%	47.5%	47.9%	***50.0%***	***50.0%***	**Long-Term Debt Ratio**	***50.0%***
48.9%	49.7%	46.1%	46.0%	50.1%	48.8%	50.0%	50.0%	52.5%	52.1%	***50.0%***	***50.0%***	**Common Equity Ratio**	***50.0%***
3738.3	4400.1	4866.8	5180.9	5531.0	5938.2	6131.1	6596.2	6958.8	7305.8	***7200***	***7300***	**Total Capital ($mill)**	***7700***
4803.7	5533.5	5771.7	6309.5	6745.4	7335.7	7848.5	8441.5	8793.1	9506.3	***9750***	***9900***	**Net Plant ($mill)**	***10500***
5.8%	4.2%	4.4%	5.5%	5.3%	6.0%	6.1%	6.0%	5.3%	5.7%	***6.0%***	***6.0%***	**Return on Total Cap'l**	***7.0%***
9.1%	6.2%	6.2%	8.5%	7.7%	9.5%	9.6%	9.5%	8.0%	9.1%	***9.0%***	***9.5%***	**Return on Shr. Equity**	***11.0%***
9.2%	6.2%	6.3%	8.5%	7.7%	9.4%	9.6%	9.5%	8.0%	9.1%	***9.0%***	***9.5%***	**Return on Com Equity D**	***11.0%***
4.3%	1.2%	.8%	3.1%	2.7%	4.0%	4.2%	4.3%	2.9%	3.7%	***3.0%***	***3.5%***	**Retained to Com Eq**	***4.5%***
53%	80%	87%	63%	65%	57%	56%	55%	69%	63%	***65%***	***65%***	**All Div'ds to Net Prof**	***59%***

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	+1.5	-2.5	+3.5
Avg. Indust. Use (MWH)	5747	5654	5781
Avg. Indust. Revs. per KWH (¢)	6.72	6.68	6.77
Capacity at Peak (Mw)	6698	7187	7523
Peak Load, Summer (Mw)	5226	5167	5184
Annual Load Factor (%)	56.2	56.1	56.4
% Change Customers (yr-end)	+.2	+.2	+.3
Fixed Charge Cov. (%)	332	330	335

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	0.5%	1.0%	*2.5%*
"Cash Flow"	3.0%	3.0%	*4.5%*
Earnings	4.0%	7.0%	*6.0%*
Dividends	5.0%	3.0%	*5.0%*
Book Value	4.5%	4.0%	*4.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	628.6	612.7	764.0	596.4	2601.7
2015	590.8	589.6	732.8	546.0	2459.2
2016	569.5	621.4	764.7	606.5	2562.1
2017	572.6	609.3	794.3	***643.8***	***2620***
2018	***600***	***635***	***800***	***665***	***2700***

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.52	.40	1.10	.33	2.35
2015	.38	.46	.97	.28	2.09
2016	.46	.51	1.08	.38	2.43
2017	.42	.50	1.11	***.42***	***2.45***
2018	***.46***	***.52***	***1.19***	***.43***	***2.60***

Cal-endar	QUARTERLY DIVIDENDS PAID B■† Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.33	.34	.34	.34	1.35
2014	.34	.35	.35	.35	1.39
2015	.35	.36	.36	.36	1.43
2016	.38	.38	.38	.38	1.52
2017	.40	.40	.40	.40	

BUSINESS: Westar Energy, Inc., formerly Western Resources, is the parent of Kansas Gas & Electric Company. Westar supplies electricity to 700,000 customers mostly in Kansas. Electric revenue sources: residential and rural, 33%; commercial and business, 29%; industrial, 16%; other, 22%. The company sold its investment in ONEOK in 2003 and 85% ownership in Protection One in 2004. 2016 depreciation rate: 4.2%. Estimated plant age: 17 years. Fuels: coal, 43%; nuclear, 7%; gas, 32%; renewable, 18%. Has 2,254 employees. Chief Executive Officer and President: Mark A. Ruelle. Chairman: Charles Q. Chandler. Incorporated: Kansas. Address: 818 South Kansas Avenue, Topeka, Kansas 66612. Telephone: 785-575-6300. Internet: www.westarenergy.com.

The proposed merger of equals between Westar Energy and Great Plains Energy has taken some steps forward. Under the terms of the agreement, no premium would be paid and no cash would be exchanged with respect to either entity. A holding company would be created in which Westar stockholders receive one share for each of their current shares, and Great Plains stockholders receive 0.5981 shares for each share that they own. The tax-free transaction was recently approved by each company's stockholders and is expected to close by mid-2018, pending regulatory approval and other customary closing conditions.

We advise investors to hold their shares. The combined entity is targeting average annual earnings and dividend growth of 6%-8%. The companies also expect to save $550 million in the first five years upon completion of the deal, and $140 million to $170 million annually thereafter. If the transaction fails to win regulatory approval (unlikely in our view), Westar would receive a $190 million cash termination fee from GXP.

The pending merger is having a slight impact on earnings. Thus far in 2017, Westar has incurred $9 million in legal and operating expenses associated with the deal (slightly less than what we had been modeling). It expects that figure to climb to $45 million by the time the transaction closes in mid-2018. *Note that we have included this in our earnings presentation.* For full-year 2017 and 2018, our share-net projections remain unchanged at $2.45 and $2.60, respectively.

The new company expects to set its initial dividend at a level that maintains the current payout for GXP shareholders. This would mean an increase of about 15% for WR stockholders.

Management provided an update on some of the other regulatory proceedings. Westar expects to file a general rate case for its main utility subsidiary in the first quarter of 2018, rather than at the end of this year. We think it will ask for an increase of 6%-10%. The company also plans to submit new wind farm proposals to KCC regulators in the coming months.

This issue's Timeliness rank remains suspended due to the pending merger.

Daniel Henigson *December 15, 2017*

(A) EPS diluted from 2010 onward. Excl. nonrecur. gains (losses): '01, 27¢; '02, ($12.06); '03, 77¢; '08, 39¢; '11, 14¢. Earnings may not sum due to rounding. Next earnings report due mid-February.
(B) Div'ds paid in early Jan., April, July, and Oct. ■ Div'd reinvest. plan avail. † Shareholder invest. plan avail. **(C)** Incl. reg. assets. In 2016: $5.38/sh. **(D)** Rate base determined: fair value; Rate allowed on common equity in '16: 10.0%; earned on avg. com. eq., '16: 9.0%. Regul. Clim.: Avg. **(E)** In mill.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	75
Earnings Predictability	90