

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) November 1, 2016

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))

WESTAR ENERGY, INC.

Item 2.02. Results of Operations and Financial Condition.

On November 1, 2016, we issued a press release announcing our earnings for the period ended September 30, 2016. A copy of our November 1, 2016 press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference. We are also including our 2016 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, unless specifically identified therein as being incorporated by reference.

Item 7.01. Regulation FD Disclosure

On November 1, 2016, we also released an investor presentation. A copy of that investor presentation is attached hereto as Exhibit 99.3 and is 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 filings, press releases and public conference calls. In accordance with Securities and Exchange Commission 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, including information on our website, will not be incorporated by reference into any registration statement filed by us under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated by reference.

Item 9.01. Financial Statements and Exhibits.

Exhibit 99.1	Press Release dated November 1, 2016
Exhibit 99.2	2016 Third Quarter Earnings Package
Exhibit 99.3	Investor Update dated November 1, 2016

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: November 1, 2016

By: /s/ Larry D. Irick

Name: Larry D. Irick

Title: Vice President, General Counsel and Corporate Secretary

EXHIBIT INDEX

Exhibit Number	Description of Exhibit
Exhibit 99.1	Press Release dated November 1, 2016
Exhibit 99.2	2016 Third Quarter Earnings Package
Exhibit 99.3	Investor Update dated November 1, 2016



Westar Energy announces 3rd quarter 2016 results.

TOPEKA, Kan., Nov. 1, 2016 - Westar Energy, Inc. (NYSE:WR) today announced earnings of \$155 million, or \$1.09 per share, for the third quarter 2016 compared with earnings of \$138 million, or \$0.97 per share, for the third quarter 2015. Earnings for the nine months ended Sept. 30, 2016 were \$293 million, or \$2.06 per share, compared with \$253 million, or \$1.84 per share, for the same period in 2015.

Higher net income for the third quarter, compared with last year, was driven by better cost recovery through recent rate adjustments and an increase in corporate-owned life insurance income. The higher revenue was partially offset by a Southwest Power Pool assessment and higher expenses due to improving long-term grid reliability.

Net income for the nine months ended September 30, 2016 also increased primarily from better cost recovery and lower interest expense. The higher revenue was partially offset by merger related-expenses and the Southwest Power Pool assessment.

Earnings Guidance

The company affirmed its 2016 earnings guidance of \$2.38 to \$2.53 per share with a bias towards the upper end of the range. The earnings guidance drivers are located under Supplemental Materials within the investor section of the company website at www.WestarEnergy.com.

Additional Information

Due to the pending transaction with Great Plains Energy, Westar Energy will no longer host a quarterly webcast and conference call. Investors may continue to contact our Investor Relations Department at (785) 575-8227.

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, 2016 and other filings the company has made with the Securities and Exchange Commission are available on the company's website at www.WestarEnergy.com.

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Westar Energy, Inc. (NYSE: WR) is Kansas' largest electric utility. For more than a century, we have provided Kansans the safe, reliable electricity needed to power their businesses and homes. Every day our team of professionals takes on projects to generate and deliver electricity, protect the environment and provide excellent service to our nearly 700,000 customers. Westar has 7,200 MW of electric generation capacity fueled by coal, uranium, natural gas, wind and landfill gas. We are also a leader in

Westar Energy announces 3rd quarter results

electric transmission in Kansas. Our innovative customer service programs include mobile-enabled customer care, digital meters and paving the way for electric vehicle adoption. 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 is on Facebook: www.Facebook.com/westarenergy and Twitter: www.Twitter.com/WestarEnergy.

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, 2015 (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 13 and 15; (2) those discussed in the company’s Quarterly Reports on Form 10-Q filed on Aug. 2, 2016 and Nov. 1, 2016, (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 and 12, 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.

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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,			
	2016	2015	Change	% Change	2016	2015	Change	% Change
(Dollars In Thousands, Except Per Share Amounts)								
REVENUES:								
Residential	\$ 282,272	\$ 255,804	\$ 26,468	10.3	\$ 664,400	\$ 610,775	\$ 53,625	8.8
Commercial	218,377	213,461	4,916	2.3	572,247	550,761	21,486	3.9
Industrial	106,021	105,307	714	0.7	314,723	304,937	9,786	3.2
Other retail	7,883	1,620	6,263	386.6	(23,002)	(5,503)	(17,499)	(318.0)
Total Retail Revenues	614,553	576,192	38,361	6.7	1,528,368	1,460,970	67,398	4.6
Wholesale	86,421	87,918	(1,497)	(1.7)	220,520	249,502	(28,982)	(11.6)
Transmission	58,462	61,190	(2,728)	(4.5)	188,996	181,070	7,926	4.4
Other	5,218	7,529	(2,311)	(30.7)	17,668	21,657	(3,989)	(18.4)
Total Revenues	764,654	732,829	31,825	4.3	1,955,552	1,913,199	42,353	2.2
OPERATING EXPENSES:								
Fuel and purchased power	155,673	163,943	(8,270)	(5.0)	374,361	459,504	(85,143)	(18.5)
SPP network transmission costs	57,939	57,487	452	0.8	173,925	171,651	2,274	1.3
Operating and maintenance	86,758	80,444	6,314	7.8	250,135	248,263	1,872	0.8
Depreciation and amortization	84,972	77,184	7,788	10.1	252,838	228,529	24,309	10.6
Selling, general and administrative	60,582	60,485	97	0.2	192,762	179,567	13,195	7.3
Taxes other than income tax	48,154	37,682	10,472	27.8	145,529	113,047	32,482	28.7
Total Operating Expenses	494,078	477,225	16,853	3.5	1,389,550	1,400,561	(11,011)	(0.8)
INCOME FROM OPERATIONS	270,576	255,604	14,972	5.9	566,002	512,638	53,364	10.4
OTHER INCOME (EXPENSE):								
Investment earnings	2,619	314	2,305	734.1	6,916	4,427	2,489	56.2
Other income	13,353	637	12,716	nm	26,212	18,572	7,640	41.1
Other expense	(5,887)	(5,392)	(495)	(9.2)	(14,338)	(13,737)	(601)	(4.4)
Total Other Income (Expense)	10,085	(4,441)	14,526	327.1	18,790	9,262	9,528	102.9
Interest expense	40,897	44,306	(3,409)	(7.7)	121,011	134,120	(13,109)	(9.8)
INCOME BEFORE INCOME TAXES	239,764	206,857	32,907	15.9	463,781	387,780	76,001	19.6
Income tax expense	81,211	66,293	14,918	22.5	160,376	127,810	32,566	25.5
NET INCOME	158,553	140,564	17,989	12.8	303,405	259,970	43,435	16.7
Less: Net income attributable to noncontrolling interests	3,833	2,561	1,272	49.7	10,760	7,277	3,483	47.9
NET INCOME ATTRIBUTABLE TO WESTAR ENERGY, INC.	\$ 154,720	\$ 138,003	\$ 16,717	12.1	\$ 292,645	\$ 252,693	\$ 39,952	15.8
BASIC AND DILUTED EARNINGS PER AVERAGE COMMON SHARE OUTSTANDING ATTRIBUTABLE TO WESTAR ENERGY, INC. (See 10-Q Note 2):								
Basic earnings per common share	\$ 1.09	\$ 0.97	\$ 0.12	12.4	\$ 2.06	\$ 1.84	\$ 0.22	12.0
Diluted earnings per common share	\$ 1.08	\$ 0.97	\$ 0.11	11.3	\$ 2.05	\$ 1.82	\$ 0.23	12.6
AVERAGE EQUIVALENT COMMON SHARES OUTSTANDING (in thousands):								
Basic	142,091	141,623	468	0.3	142,039	136,686	5,353	3.9
Diluted	142,578	141,838	740	0.5	142,413	138,182	4,231	3.1
DIVIDENDS DECLARED PER COMMON SHARE								
	\$ 0.38	\$ 0.36	\$ 0.02	5.6	\$ 1.14	\$ 1.08	\$ 0.06	5.6
Effective income tax rate	34%	32%			35%	33%		
nm - not meaningful								

Westar Energy, Inc.

Third Quarter 2016 Earnings

Released November 1, 2016

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Cody VandeVelde
Director Investor Relations
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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, 2016 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,			
	2016	2015	Change	% Change
(Dollars in Thousands, Except Per Share Amounts)				
REVENUES:				
Residential	\$ 282,272	\$ 255,804	\$ 26,468	10.3
Commercial	218,377	213,461	4,916	2.3
Industrial	106,021	105,307	714	0.7
Other retail	7,883	1,620	6,263	386.6
Total Retail Revenues	614,553	576,192	38,361	6.7
Wholesale	86,421	87,918	(1,497)	(1.7)
Transmission	58,462	61,190	(2,728)	(4.5)
Other	5,218	7,529	(2,311)	(30.7)
Total Revenues	764,654	732,829	31,825	4.3
OPERATING EXPENSES:				
Fuel and purchased power	155,673	163,943	(8,270)	(5.0)
SPP network transmission costs	57,939	57,487	452	0.8
Operating and maintenance	86,758	80,444	6,314	7.8
Depreciation and amortization	84,972	77,184	7,788	10.1
Selling, general and administrative	60,582	60,485	97	0.2
Taxes other than income tax	48,154	37,682	10,472	27.8
Total Operating Expenses	494,078	477,225	16,853	3.5
INCOME FROM OPERATIONS	270,576	255,604	14,972	5.9
OTHER INCOME (EXPENSE):				
Investment earnings	2,619	314	2,305	734.1
Other income	13,353	637	12,716	nm
Other expense	(5,887)	(5,392)	(495)	(9.2)
Total Other Income (Expense)	10,085	(4,441)	14,526	327.1
Interest expense	40,897	44,306	(3,409)	(7.7)
INCOME BEFORE INCOME TAXES	239,764	206,857	32,907	15.9
Income tax expense	81,211	66,293	14,918	22.5
NET INCOME	158,553	140,564	17,989	12.8
Less: Net income attributable to noncontrolling interests	3,833	2,561	1,272	49.7
NET INCOME ATTRIBUTABLE TO WESTAR ENERGY, INC.	\$ 154,720	\$ 138,003	\$ 16,717	12.1
BASIC AND DILUTED EARNINGS PER AVERAGE COMMON SHARE OUTSTANDING ATTRIBUTABLE TO WESTAR ENERGY, INC. (See 10-Q Note 2):				
Basic earnings per common share	\$ 1.09	\$ 0.97	\$ 0.12	12.4
Diluted earnings per common share	\$ 1.08	\$ 0.97	\$ 0.11	11.3
AVERAGE EQUIVALENT COMMON SHARES OUTSTANDING (in thousands):				
Basic	142,091	141,623	468	0.3
Diluted	142,578	141,838	740	0.5
DIVIDENDS DECLARED PER COMMON SHARE	\$ 0.38	\$ 0.36	\$ 0.02	5.6
Effective income tax rate	34%	32%		

nm - not meaningful

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended September 30, 2016 should be read in conjunction with this financial information.

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

	Nine Months Ended September 30,			
	2016	2015	Change	% Change
(Dollars in Thousands, Except Per Share Amounts)				
REVENUES:				
Residential	\$ 664,400	\$ 610,775	\$ 53,625	8.8
Commercial	572,247	550,761	21,486	3.9
Industrial	314,723	304,937	9,786	3.2
Other retail	(23,002)	(5,503)	(17,499)	(318.0)
Total Retail Revenues	1,528,368	1,460,970	67,398	4.6
Wholesale	220,520	249,502	(28,982)	(11.6)
Transmission	188,996	181,070	7,926	4.4
Other	17,668	21,657	(3,989)	(18.4)
Total Revenues	1,955,552	1,913,199	42,353	2.2
OPERATING EXPENSES:				
Fuel and purchased power	374,361	459,504	(85,143)	(18.5)
SPP network transmission costs	173,925	171,651	2,274	1.3
Operating and maintenance	250,135	248,263	1,872	0.8
Depreciation and amortization	252,838	228,529	24,309	10.6
Selling, general and administrative	192,762	179,567	13,195	7.3
Taxes other than income tax	145,529	113,047	32,482	28.7
Total Operating Expenses	1,389,550	1,400,561	(11,011)	(0.8)
INCOME FROM OPERATIONS	566,002	512,638	53,364	10.4
OTHER INCOME (EXPENSE):				
Investment earnings	6,916	4,427	2,489	56.2
Other income	26,212	18,572	7,640	41.1
Other expense	(14,338)	(13,737)	(601)	(4.4)
Total Other Income (Expense)	18,790	9,262	9,528	102.9
Interest expense	121,011	134,120	(13,109)	(9.8)
INCOME BEFORE INCOME TAXES	463,781	387,780	76,001	19.6
Income tax expense	160,376	127,810	32,566	25.5
NET INCOME	303,405	259,970	43,435	16.7
Less: Net income attributable to noncontrolling interests	10,760	7,277	3,483	47.9
NET INCOME ATTRIBUTABLE TO WESTAR ENERGY, INC.	\$ 292,645	\$ 252,693	\$ 39,952	15.8
BASIC AND DILUTED EARNINGS PER AVERAGE COMMON SHARE OUTSTANDING ATTRIBUTABLE TO WESTAR ENERGY, INC. (See 10-Q Note 2):				
Basic earnings per common share	\$ 2.06	\$ 1.84	\$ 0.22	12.0
Diluted earnings per common share	\$ 2.05	\$ 1.82	\$ 0.23	12.6
AVERAGE EQUIVALENT COMMON SHARES OUTSTANDING (in thousands):				
Basic	142,039	136,686	5,353	3.9
Diluted	142,413	138,182	4,231	3.1
DIVIDENDS DECLARED PER COMMON SHARE	\$ 1.14	\$ 1.08	\$ 0.06	5.6
Effective income tax rate	35%	33%		

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended September 30, 2016 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, 2016	December 31, 2015
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 3,937	\$ 3,231
Accounts receivable, net of allowance for doubtful accounts of \$4,175 and \$5,294, respectively	322,386	258,286
Fuel inventory and supplies	290,080	301,294
Prepaid expenses	15,625	16,864
Regulatory assets	91,999	109,606
Other	38,276	27,860
Total Current Assets	<u>762,303</u>	<u>717,141</u>
PROPERTY, PLANT AND EQUIPMENT, NET	9,038,197	8,524,902
PROPERTY, PLANT AND EQUIPMENT OF VARIABLE INTEREST ENTITIES, NET	<u>260,488</u>	<u>268,239</u>
OTHER ASSETS:		
Regulatory assets	731,859	751,312
Nuclear decommissioning trust	198,796	184,057
Other	252,775	260,015
Total Other Assets	<u>1,183,430</u>	<u>1,195,384</u>
TOTAL ASSETS	<u>\$ 11,244,418</u>	<u>\$ 10,705,666</u>
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Current maturities of long-term debt	\$ 125,000	\$ —
Current maturities of long-term debt of variable interest entities	26,842	28,309
Short-term debt	182,900	250,300
Accounts payable	228,046	220,969
Accrued dividends	52,822	49,829
Accrued taxes	119,938	83,773
Accrued interest	61,833	71,426
Regulatory liabilities	22,547	25,697
Other	97,100	106,632
Total Current Liabilities	<u>917,028</u>	<u>836,935</u>
LONG-TERM LIABILITIES:		
Long-term debt, net	3,388,221	3,163,950
Long-term debt of variable interest entities, net	111,218	138,097
Deferred income taxes	1,737,359	1,591,430
Unamortized investment tax credits	207,595	209,763
Regulatory liabilities	243,754	267,114
Accrued employee benefits	445,442	462,304
Asset retirement obligations	283,941	275,285
Other	85,442	88,825
Total Long-Term Liabilities	<u>6,502,972</u>	<u>6,196,768</u>
COMMITMENTS AND CONTINGENCIES (See 10-Q Notes 4, 11 and 12)		
EQUITY:		
Westar Energy, Inc. Shareholders' Equity:		
Common stock, par value \$5 per share; authorized 275,000,000 shares; issued and outstanding 141,743,883 shares and 141,353,426 shares, respective to each date	708,719	706,767
Paid-in capital	2,013,449	2,004,124
Retained earnings	1,078,799	945,830
Total Westar Energy, Inc. Shareholders' Equity	<u>3,800,967</u>	<u>3,656,721</u>
Noncontrolling Interests	23,451	15,242
Total Equity	<u>3,824,418</u>	<u>3,671,963</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 11,244,418</u>	<u>\$ 10,705,666</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, 2016 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,	
	2016	2015
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:		
Net income	\$ 303,405	\$ 259,970
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	252,838	228,529
Amortization of nuclear fuel	22,518	18,528
Amortization of deferred regulatory gain from sale leaseback	(4,121)	(4,121)
Amortization of corporate-owned life insurance	13,779	15,309
Non-cash compensation	7,025	6,280
Net deferred income taxes and credits	160,429	126,602
Allowance for equity funds used during construction	(7,894)	(2,034)
Changes in working capital items:		
Accounts receivable	(64,100)	(21,437)
Fuel inventory and supplies	11,680	(28,814)
Prepaid expenses and other	(385)	(22,742)
Accounts payable	9,736	(4,979)
Accrued taxes	40,711	51,867
Other current liabilities	(61,879)	(66,000)
Changes in other assets	(4,377)	1,394
Changes in other liabilities	13,208	26,512
Cash Flows from Operating Activities	<u>692,573</u>	<u>584,864</u>
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:		
Additions to property, plant and equipment	(821,936)	(486,515)
Purchase of securities - trusts	(43,252)	(20,752)
Sale of securities - trusts	44,326	20,957
Investment in corporate-owned life insurance	(14,648)	(14,845)
Proceeds from investment in corporate-owned life insurance	24,242	65,962
Investment in affiliated company	(655)	—
Other investing activities	(3,095)	(781)
Cash Flows used in Investing Activities	<u>(815,018)</u>	<u>(435,974)</u>
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES:		
Short-term debt, net	(67,402)	46,000
Proceeds from long-term debt	396,472	—
Proceeds from long-term debt of variable interest entities	162,048	—
Retirements of long-term debt	(50,000)	(275,000)
Retirements of long-term debt of variable interest entities	(190,357)	(27,933)
Repayment of capital leases	(2,327)	(1,759)
Borrowings against cash surrender value of corporate-owned life insurance	55,952	57,726
Repayment of borrowings against cash surrender value of corporate-owned life insurance	(22,921)	(63,894)
Issuance of common stock	2,003	257,169
Distributions to shareholders of noncontrolling interests	(2,551)	(1,076)
Cash dividends paid	(152,787)	(137,616)
Other financing activities	(4,979)	(3,234)
Cash Flows from (used in) Financing Activities	<u>123,151</u>	<u>(149,617)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	706	(727)
CASH AND CASH EQUIVALENTS:		
Beginning of period	3,231	4,556
End of period	<u>\$ 3,937</u>	<u>\$ 3,829</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, 2016 should be read in conjunction with this financial information.

Westar Energy, Inc.
3rd Quarter 2016 vs. 2015

Earnings Variances

	(\$ per share)	Change (Dollars in Thousands)	(\$ per share)
September 30, 2015 basic earnings attributable to common stock		\$ 138,003	\$ 0.97
Favorable/(Unfavorable)			
Gross Margin		39,643	A
Operating and maintenance		(6,314)	B
Depreciation and amortization		(7,788)	C
Selling, general and administrative		(97)	
Taxes other than income tax		(10,472)	D
Other income (expense)		14,526	E
Interest expense		3,409	F
Income tax expense		(14,918)	G
Net income attributable to noncontrolling interests		(1,272)	
Change in shares outstanding	—		
September 30, 2016 basic earnings attributable to common stock		\$ 154,720	\$ 1.09

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

A Due primarily to: general rate case increase of \$78.0M (annual); and estimated annual transmission margin increase of \$19.1M, which includes an SPP assessment of \$(7.0M)

B Due primarily to: higher distribution operating and maintenance expense partially due to improving long-term reliability in 2016 -- (\$3.9M); higher operating and maintenance costs at coal fired plants due primarily to scheduled outages -- (\$2.4M); partially offset by decrease in operating and maintenance expenses resulting from power plant retirements in late 2015 -- \$4.2M

C Due principally to property additions

D Due primarily to higher property tax expense that is largely offset by increased prices -- (\$10.6M)

E Due primarily to: higher COLI benefit -- \$10.4M; and an increase in equity AFUDC -- \$2.7M

F Due primarily to: increase in debt AFUDC -- \$2.1M; and decrease in interest expense of long-term debt of VIEs due to refinancing -- \$1.5M

G Due primarily to higher income before income taxes

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended September 30, 2016 should be read in conjunction with this financial information.

Westar Energy, Inc.
YTD September 2016 vs. 2015

Earnings Variances

	(\$ per share)	Change (Dollars in Thousands)	(\$ per share)
September 30, 2015 basic earnings attributable to common stock	\$	252,693	\$ 1.84
Favorable/(Unfavorable)			
Gross Margin		125,222	A
Operating and maintenance		(1,872)	
Depreciation and amortization		(24,309)	B
Selling, general and administrative		(13,195)	C
Taxes other than income tax		(32,482)	D
Other income (expense)		9,528	E
Interest expense		13,109	F
Income tax expense		(32,566)	G
Net income attributable to noncontrolling interests		(3,483)	
Change in shares outstanding	(0.07)		
September 30, 2016 basic earnings attributable to common stock	\$	292,645	\$ 2.06

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

A Due primarily to: general rate case increase of \$78.0M (annual); estimated annual transmission margin increase of \$19.1M which includes an SPP assessment of \$(7.0M)

B Due principally to property additions

C Due primarily to: merger-related expenses -- (\$9.8M); increase in outside services related principally to technology services -- (\$4.2M); partially offset by decrease in employee benefit costs -- \$4.5M

D Due primarily to higher property tax expense that is largely offset by increased prices -- (\$33.4M)

E Due primarily to: an increase in equity AFUDC -- \$5.9M; and higher COLI benefit -- \$3.1M

F Due primarily to: decrease in interest expense of long-term debt due to refinancing -- \$6.5M; decrease in interest expense of long-term debt of VIEs due to refinancing -- \$4.1M; and increase in debt AFUDC -- \$3.8M

G Due primarily to higher income before income taxes

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended September 30, 2016 should be read in conjunction with this financial information.

Westar Energy, Inc.
Revenue, Sales and Energy Supply

Supplemental Data

	Three Months Ended September 30,			
	2016	2015	Change	% Change
Revenues	(Dollars In Thousands)			
Residential	\$ 282,272	\$ 255,804	\$ 26,468	10.3
Commercial	218,377	213,461	4,916	2.3
Industrial	106,021	105,307	714	0.7
Other retail	3,908	3,430	478	13.9
Provision for rate refunds	3,975	(1,810)	5,785	319.6
Total Retail Revenues	614,553	576,192	38,361	6.7
Tariff-based wholesale	70,923	70,501	422	0.6
Market-based wholesale	15,498	17,417	(1,919)	(11.0)
Transmission	58,462	61,190	(2,728)	(4.5)
Other	5,218	7,529	(2,311)	(30.7)
Total Revenues	\$ 764,654	\$ 732,829	\$ 31,825	4.3

Electricity Sales	(Thousands of MWh)			
Residential	2,209	2,168	41	1.9
Commercial	2,230	2,221	9	0.4
Industrial	1,444	1,463	(19)	(1.3)
Other retail	19	21	(2)	(9.5)
Total Retail	5,902	5,873	29	0.5
Tariff-based wholesale	1,380	1,337	43	3.2
Market-based wholesale	1,009	863	146	16.9
Total wholesale	2,389	2,200	189	8.6
Total Electricity Sales	8,291	8,073	218	2.7

	(Dollars per MWh)			
Total retail	\$ 104.13	\$ 98.11	\$ 6.02	6.1
Tariff-based wholesale	\$ 51.39	\$ 52.73	\$ (1.34)	(2.5)
Market-based wholesale	\$ 15.36	\$ 20.18	\$ (4.82)	(23.9)

Fuel and Purchased Power	(Dollars In Thousands)			
Fuel used for generation	\$ 131,390	\$ 132,272	\$ (882)	(0.7)
Purchased power	43,676	36,960	6,716	18.2
Subtotal	175,066	169,232	5,834	3.4
RECA recovery and other	(19,393)	(5,289)	(14,104)	(266.7)
Total fuel and purchased power expense	\$ 155,673	\$ 163,943	\$ (8,270)	(5.0)

Electricity Supply	(Thousands of MWh)			
Generated - Gas	631	571	60	10.5
Coal	5,254	5,220	34	0.7
Nuclear	840	1,240	(400)	(32.3)
Wind	84	90	(6)	(6.7)
Subtotal electricity generated	6,809	7,121	(312)	(4.4)
Purchased	1,673	1,201	472	39.3
Total Electricity Supply	8,482	8,322	160	1.9

	(Dollars per MWh)			
Average cost of fuel used for generation	\$ 19.30	\$ 18.57	\$ 0.73	3.9
Average cost of purchased power	\$ 26.11	\$ 30.77	\$ (4.66)	(15.1)
Average cost of fuel and purchased power	\$ 20.64	\$ 20.34	\$ 0.30	1.5

Degree Days	2015/			
	2016	20 yr Avg	Change	% Change
Cooling				
Actual compared to last year	1,285	1,205	80	6.6
Actual compared to 20 year average	1,285	1,123	162	14.4
Heating				
Actual compared to last year	15	4	11	275.0
Actual compared to 20 year average	15	44	(29)	(65.9)

Westar Energy, Inc.
Revenue, Sales and Energy Supply

Supplemental Data

Nine Months Ended September 30,

	Nine Months Ended September 30,			
	2016	2015	Change	% Change
Revenues	(Dollars In Thousands)			
Residential	\$ 664,400	\$ 610,775	\$ 53,625	8.8
Commercial	572,247	550,761	21,486	3.9
Industrial	314,723	304,937	9,786	3.2
Other retail	11,761	10,436	1,325	12.7
Provision for rate refunds	(34,763)	(15,939)	(18,824)	(118.1)
Total Retail Revenues	1,528,368	1,460,970	67,398	4.6
Tariff-based wholesale	186,203	187,524	(1,321)	(0.7)
Market-based wholesale	34,317	61,978	(27,661)	(44.6)
Transmission	188,996	181,070	7,926	4.4
Other	17,668	21,657	(3,989)	(18.4)
Total Revenues	\$ 1,955,552	\$ 1,913,199	\$ 42,353	2.2

Electricity Sales				
(Thousands of MWh)				
Residential	5,097	5,108	(11)	(0.2)
Commercial	5,763	5,787	(24)	(0.4)
Industrial	4,137	4,195	(58)	(1.4)
Other retail	60	63	(3)	(4.8)
Total Retail	15,057	15,153	(96)	(0.6)
Tariff-based wholesale	3,290	3,718	(428)	(11.5)
Market-based wholesale	2,670	3,099	(429)	(13.8)
Total wholesale	5,960	6,817	(857)	(12.6)
Total Electricity Sales	21,017	21,970	(953)	(4.3)

(Dollars per MWh)				
Total retail	\$ 101.51	\$ 96.41	\$ 5.10	5.3
Tariff-based wholesale	\$ 56.60	\$ 50.44	\$ 6.16	12.2
Market-based wholesale	\$ 12.85	\$ 20.00	\$ (7.15)	(35.8)

Fuel and Purchased Power				
(Dollars In Thousands)				
Fuel used for generation	\$ 305,008	\$ 346,689	\$ (41,681)	(12.0)
Purchased power	116,577	116,002	575	0.5
Subtotal	421,585	462,691	(41,106)	(8.9)
RECA recovery and other	(47,224)	(3,187)	(44,037)	nm
Total fuel and purchased power expense	\$ 374,361	\$ 459,504	\$ (85,143)	(18.5)

Electricity Supply				
(Thousands of MWh)				
Generated - Gas	1,328	1,121	207	18.5
Coal	11,915	14,213	(2,298)	(16.2)
Nuclear	3,334	2,790	544	19.5
Wind	306	301	5	1.7
Subtotal electricity generated	16,883	18,425	(1,542)	(8.4)
Purchased	4,683	4,142	541	13.1
Total Electricity Supply	21,566	22,567	(1,001)	(4.4)

(Dollars per MWh)				
Average cost of fuel used for generation	\$ 18.07	\$ 18.82	\$ (0.75)	(4.0)
Average cost of purchased power	\$ 24.89	\$ 28.01	\$ (3.12)	(11.1)
Average cost of fuel and purchased power	\$ 19.55	\$ 20.50	\$ (0.95)	(4.6)

Degree Days				
	2015/			
	2016	20 yr Avg	Change	% Change
Cooling				
Actual compared to last year	1,882	1,744	138	7.9
Actual compared to 20 year average	1,882	1,583	299	18.9
Heating				
Actual compared to last year	2,382	2,707	(325)	(12.0)
Actual compared to 20 year average	2,382	2,859	(477)	(16.7)

nm - not meaningful

Westar Energy, Inc.

Capitalization

	September 30, 2016		December 31, 2015	
(Dollars in Thousands)				
Current maturities of long-term debt	\$ 125,000		\$ —	
Current maturities of long-term debt of VIEs	26,842		28,309	
Long-term debt, net	3,388,221		3,163,950	
Long-term debt of variable interest entities, net	111,218		138,097	
Total long-term debt	3,651,281	48.9%	3,330,356	47.6%
Common equity	3,800,967	50.8%	3,656,721	52.2%
Noncontrolling interests	23,451	0.3%	15,242	0.2%
Total capitalization	\$ 7,475,699	100.0%	\$ 7,002,319	100.0%
GAAP Book value per share	\$ 26.82		\$ 25.87	
Period end shares outstanding (in thousands)	141,744		141,353	

Outstanding Long-Term Debt

	CUSIP	September 30, 2016	December 31, 2015
(Dollars in Thousands)			
Westar Energy:			
First Mortgage Bond series:			
5.15% Series due January 2017	95709TAB6	\$ 125,000	\$ 125,000
5.10% Series due July 2020	95709TAD2	250,000	250,000
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
3.25% Series due December 2025	95709TAL4	250,000	250,000
4.25% Series due December 2045	95709TAM2	300,000	300,000
2.55% Series due July 2026	95709TAN0	350,000	—
		<u>2,505,000</u>	<u>2,155,000</u>
Pollution control bond series:			
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>
Total Westar Energy		<u>2,580,500</u>	<u>2,230,500</u>
KGE			
First mortgage bond series:			
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>
Pollution control bond series:			
Variable rate series due April 2027 (LaCygne)	502828AJ5	21,940	21,940
4.85% Series due June 2031	121825CB7	—	50,000
2.50% Series due June 2031	N/A	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>
Total KGE		<u>971,440</u>	<u>971,440</u>
Total long-term debt		3,551,940	3,201,940
Unamortized debt discount		(10,491)	(10,374)
Unamortized debt issuance expense		(28,228)	(27,616)
Long-term debt due within one year		(125,000)	—
Total long-term debt, net		<u>\$ 3,388,221</u>	<u>\$ 3,163,950</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, 2016 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.

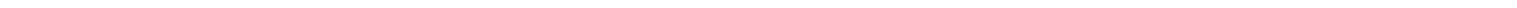
The calculations of gross margin for the three and nine months ended September 30, 2016 and 2015 are shown in the table below. The table also includes a reconciliation of gross margin to income from operations for both periods. Income from operations is the GAAP financial measure most directly comparable to gross margin.

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2016	2015	Change	2016	2015	Change
	(Dollars in Thousands)					
Revenues	\$ 764,654	\$ 732,829	\$ 31,825	\$ 1,955,552	\$ 1,913,199	\$ 42,353
Less: Fuel and purchased power expense	155,673	163,943	(8,270)	374,361	459,504	(85,143)
SPP network transmission costs	57,939	57,487	452	173,925	171,651	2,274
Gross Margin	<u>\$ 551,042</u>	<u>\$ 511,399</u>	<u>\$ 39,643</u>	<u>\$ 1,407,266</u>	<u>\$ 1,282,044</u>	<u>\$ 125,222</u>
Gross margin	\$ 551,042	\$ 511,399	\$ 39,643	\$ 1,407,266	\$ 1,282,044	\$ 125,222
Less: Operating and maintenance expense	86,758	80,444	6,314	250,135	248,263	1,872
Depreciation and amortization expense	84,972	77,184	7,788	252,838	228,529	24,309
Selling, general and administrative expense	60,582	60,485	97	192,762	179,567	13,195
Taxes other than income tax	48,154	37,682	10,472	145,529	113,047	32,482
Income from operations	<u>\$ 270,576</u>	<u>\$ 255,604</u>	<u>\$ 14,972</u>	<u>\$ 566,002</u>	<u>\$ 512,638</u>	<u>\$ 53,364</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, 2016 should be read in conjunction with this financial information.

Westar Energy

Investor Update – November 1, 2016

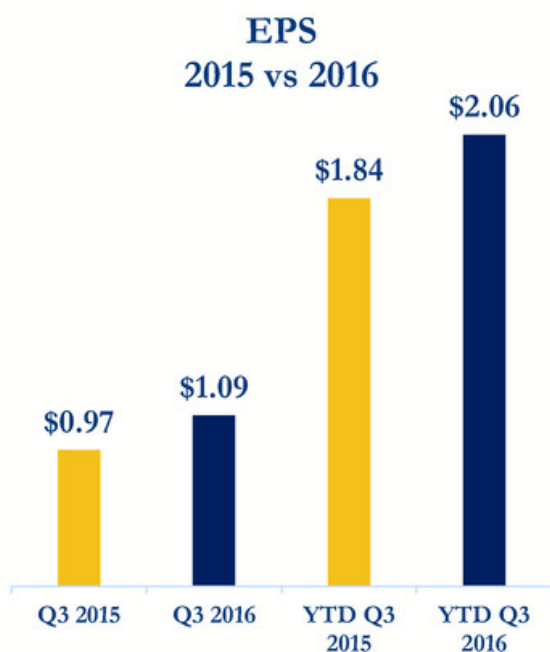


Forward-Looking Disclosures

Forward Looking Statements

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, 2015 (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 13 and 15; (2) those discussed in the company's Quarterly Reports on Form 10-Q filed on Aug. 2, 2016 and Nov. 1, 2016, (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 and 12, 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.

Year Over Year Earnings Variance



• Q3 Earnings Variance Drivers

- ↑ **Gross Margin**
 Higher revenues from regulatory rate review
 SPP Assessment – (\$7M)
- ↑ **Higher COLI – \$10M**
- ↓ **Higher distribution O&M for improving long-term grid reliability – (\$4M)**

• YTD Q3 Variance Drivers

- ↑ **Gross Margin**
 Higher revenues from regulatory rate review
 SPP Assessment – (\$7M)
- ↑ **Lower interest expense – \$13M**
- ↓ **Merger expenses – (\$10M)**

Full Earnings Package is available under Supplemental Materials within the investor section of the company website at www.WestarEnergy.com.

Additional Earnings Detail

• Merger Related Expenses

- Q3 -- \$1.9M
- YTD Q3 -- \$9.8M

• Weather Estimate

- Q3 -- \$0.01 /share weather compared to 2015 -- \$0.02/share compared to normal
- YTD Q3 -- (\$0.03)/share weather compared to 2015 -- (\$0.01)/share compared to normal

• COLI

- Q3 -- \$10.2M
- YTD Q3 -- \$16.7M
- Will record at least an additional \$4.7M of COLI in Q4

• Sales

- ~50% of industrial decline is due to chemical and oil sector down both for the year and quarter
 - Top 3 customers of sector showed 2.5% growth in the Q3
- Construction & pet products sectors are up for the quarter and year

• Reaffirm 2016 Guidance \$2.38 - \$2.53, with a bias towards the upper end

- O&M/SGA guidance driver does not include the merger related expenses for the year

Status of Approval Process

Approval Process			
Stakeholder	Filing	Approval	Add'l Info
KCC	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Docket No. 16-KCPE-593-ACQ
MPSC			Settlement w/ Staff & OPC reached awaiting MPSC approval (Case No. EE-2017-0113)
FERC	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Docket No. EC16-146
NRC	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Docket No. 50-482
SEC	<input checked="" type="checkbox"/>		Declared effective August 19, 2016
HSR Act	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Early termination of HSR waiting period
DOJ			Voluntary antitrust inquiry closed 10/21/16
FCC	<input type="checkbox"/>	<input type="checkbox"/>	
GXP Shareholders		<input checked="" type="checkbox"/>	Shareholders Approved - September 26, 2016 ≈92% of votes cast approved
WR Shareholders		<input checked="" type="checkbox"/>	Shareholders Approved - September 26, 2016 ≈96% of votes cast approved

Timeline of Approval Process

