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Subject Company: Western Resources, Inc.  
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On March 29, 2000, Western Resources, Inc., a Kansas corporation,  
issued the following:

Exhibit No.

- (a) Press release
- (b) Script for Year-End Analyst Conference Call
- (c) Investor Presentation

[LOGO] Western Resources  
making life a little easier

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WESTERN RESOURCES ANNOUNCES SEPARATION,  
REPORTS 1999 RESULTS,  
ANNOUNCES DIVIDEND POLICY

TOPEKA, Kansas, March 29, 2000 (6:30 a.m. CST) -- Western Resources (NYSE:WR) announced today that it will separate its electric utility business, to be called Westar Energy, from its non-electric business, which will be renamed later and until then referred to as "Westar Capital." Both companies will be public entities. The separation is expected to be accomplished by means of a voluntary exchange offer and is expected to be completed prior to year-end 2000.

"We believe that Westar Energy, as a pure-play electric company, will unlock the value associated with our electric assets by providing shareholders an investment opportunity exclusively in our electric utility operations," said David C. Wittig, Western Resources chairman of the board, president and chief executive officer.

"While the businesses of the total company are strong, they have different growth, financial, and business profiles and are evaluated differently by investors," said Wittig. "Many of our shareholders have wanted greater definition to the business, specifically a desire to have the company return to its core business as strictly an electric utility. This strategy gives our shareholders a choice of which business they wish to own, and gives the financial community a

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clearer understanding of where the company's value lies. In fact, this is very similar to the structure we would have built had the KCPL transaction been completed."

Westar Energy will consist of two electric utilities, KPL and KGE, that provide electric service to approximately 628,000 customers in Kansas. The non-electric company, Westar Capital, will consist of the company's approximate 85% ownership interest in Protection One (NYSE:POI), a monitored security company; its approximate 45% ownership interest in ONEOK Inc. (NYSE:OKE), a Tulsa-based natural gas company; its 100% ownership interest in Protection One Europe; its 40% ownership in Paradigm Direct LLC, a direct marketing company; and other investments.

The exchange offer will provide Western Resources shareholders with the opportunity to exchange some or all of their Western Resources common stock for shares in Westar Capital. The terms of the offer, including the exchange rate, will be determined and announced on commencement of the offer, expected to be in the third quarter of 2000. The offer of shares in Westar Capital will be made only by means of a prospectus.

Western Resources believes, without giving assurances, that the separate companies will have per share market values above Western Resources' current stock price levels. The exchange is expected to be a one-for-one exchange with between 29 and 37 million shares exchanged for Westar Capital. Any shares not subscribed will be held for possible later distribution or sale.

Upon completion of the transaction, Westar Energy intends to raise approximately \$300 million of equity. Proceeds will be used to repay debt.

"For the investor seeking the profile and income of a utility investment, and the opportunity for a growing dividend, Westar Energy will have two solidly performing electric

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utilities located in solid markets," said Wittig. "Investors in the non-electric business, Westar Capital, will be able to evaluate and realize a different risk/reward potential under this structure, one more focused on growth and capital appreciation. The new corporate structure will allow the management team of each business to focus its energies and abilities on maximizing the potential and value of its assets."

For example, in the non-electric business area, Wittig said that Protection One announced today that customer attrition for the fourth quarter 1999 had improved and Protection One expects attrition to be lower in the first quarter 2000 than the fourth quarter 1999. Protection One also has made significant progress in the last six months to enhance customer service, retain customers and reduce debt.

#### Management Team

Wittig, 44, will serve as the chairman of the board, president and chief executive officer of Westar Capital and will be the chairman of Westar Energy. The balance of the management teams will be announced at a later date. Each company will remain headquartered in Topeka, Kansas. Customers of KPL, KGE and Protection One should see no changes as a result of this transaction.

#### Bond Ratings

The rating agencies previously indicated that they were reviewing Western Resources' debt ratings with negative implications. With this announcement, the company expects the rating agencies to take action, but has a goal of maintaining an investment grade rating on its senior secured debt.

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1999 Earnings

Western Resources also announced today that operating earnings in its electric utility business were \$147 million, or \$2.19 per share for 1999, versus \$133 million, or \$2.03 per share for 1998.

For 1999, total operating earnings were \$99 million, or \$1.48 per share, as compared with \$127 million, or \$1.94 per share for 1998. Total operating earnings for 1999 include a \$0.57 per share contribution from the company's equity interest in ONEOK, a (\$0.71) loss from Protection One, and a \$(0.57) loss associated with interest charges and other costs.

Net income for 1999 was \$11.3 million, or \$0.17 per share, versus \$44.2 million or \$0.67 per share for 1998. Net income for 1999 includes one-time and non-recurring charges associated with the marking to market of certain investments, the write-off of the company's KCPL merger-related costs and adoption of an accelerated amortization method at Protection One. The company has been liquidating its investment portfolio in non-strategic businesses. Gains resulting from the sale of these and other investments are approximately \$100 million pre-tax, which will be reflected in the first quarter 2000.

(For complete details, see the attached Statement of Operations and Consolidated Balance Sheets for the quarters and years ended December 31, 1999 and 1998 for Western Resources. Also see the 1999 results announcement of Protection One released today.)

Dividend Action

Separately, Western Resources announced today that it will adopt a policy of an annual cash dividend of \$1.20 per share effective with the anticipated dividend in July 2000. The \$1.20

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annual dividend also is anticipated to be the annual dividend for Westar Energy. The non-electric company, Westar Capital, does not anticipate paying a dividend.

#### New Western Resources Board Members

The company also announced today that Owen F. Leonard, president, KL Industries, Inc., Saddle Brook, New Jersey, and John C. Nettels, Jr., partner, Morrison & Hecker, L.L.P., Attorneys, Wichita, Kansas, have been elected to the Western Resources board of directors.

Prior to joining KL Industries, Leonard served as chief financial officer of The Pullman Company, was treasurer of Wheelabrator-Frye, Inc., and served as a manager at Arthur Andersen & Co. Leonard received his bachelors of business administration degree in accounting from Iona College. He also serves as chairman of the board of OMX, Inc.

Nettels, who has been a partner at Morrison & Hecker since 1994, joined the law firm in 1985. He received his bachelor's of arts degree and his law degree from The University of Kansas. He has served on the Protection One board of directors and is active in the Wichita Chamber of Commerce and the University of Kansas Chancellor's Club.

In other board-related news, the company announced that David H. Hughes, retired vice chairman, Hallmark Cards, Inc., retired from the Western Resources board. Hughes had served on the company's board of directors since 1988.

"We continue to be fortunate to have such strong, solid and capable board members," said Wittig. "David Hughes has seen a lot of change during his tenure and has been a strong participant in guiding the direction and strategy of this company. He always has put the interests

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of shareholders first in his decision making. We wish him happiness and health in his well-deserved retirement.

"I also am pleased to welcome Owen and John to our board and know they will provide valuable insight as we continue to move the company forward and build shareholder value," Wittig said.

#### Annual Meeting Set

The company announced that its 2000 annual meeting of shareholders will be June 15 at the Topeka Performing Arts Center, 214 S.E. 8th Street, Topeka, Kansas. Shareholders of record on April 26 may attend and vote at the meeting.

In addition, the company announced that its 1999 annual report to shareholders will be mailed on or about April 15, 2000. The mailing of the company's annual report has been delayed as a result of delays in finalizing Protection One's year-end financials.

A copy of the company's Form 10-K is available on the Securities and Exchange Commission's Edgar System, the company's internet site at [www.wr.com](http://www.wr.com), or, prior to mailing of the annual report, may be obtained by shareholders from the company by contacting the company's investor relations department at (785) 575-1898.

The exchange offer of Westar Capital shares for Western Resources shares has not yet commenced. This press release does not constitute an offer to sell or exchange any securities. Any offer will be made pursuant to a registration statement and a tender offer statement to be filed with the Securities and Exchange Commission. Western Resources shareholders are urged to read the registration statement, and the tender offer statement when they are available because

they will contain important information relating to the offer. A prospectus relating to the offer will be disseminated to all Western Resources shareholders. Shareholders will also be able to obtain the registration statement, the tender offer statement and other filed documents for free at the Internet website maintained by the Securities and Exchange Commission at <http://www.sec.gov>. In addition, Western Resources will make the filed documents

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available for free to Western Resources shareholders.

Western Resources (NYSE: WR) is a consumer services company with interests in monitored services and energy. The company has total assets of more than \$8 billion, including security company holdings through ownership of Protection One (NYSE: POI), which has more than 1.4 million security customers in 48 states. Its utilities, KPL and KGE, provide electric service to approximately 628,000 customers in Kansas. Through its ownership in ONEOK Inc. (NYSE: OKE), a Tulsa-based natural gas company, Western Resources has a 45 percent interest in the eighth largest natural gas distribution company in the nation, serving more than 1.4 million customers. For more information about Western Resources and its operating companies, visit us on the Internet at <http://www.wr.com>.

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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 we "believe", "anticipate," "expect" or words of similar meaning. Forward-looking statements describe our future plans, objectives, expectations, or goals. Such statements address future events and conditions concerning capital expenditures, earnings, litigation, rate and other regulatory matters, the outcome of Protection One accounting issues being reviewed by the SEC staff, possible corporate restructurings, mergers, acquisitions, dispositions, liquidity and capital resources, interest and dividend rates, environmental matters, changing weather, nuclear operations, ability to enter new markets successfully and capitalize on growth opportunities in nonregulated businesses, events in foreign markets in which investments have been made, and accounting matters. Our actual results may differ materially from those discussed here. See the company's and Protection One's 1999 Annual Report on Form 10-K, and current reports on Form 8-K for further discussion of factors affecting the company's and Protection One's performance. Western Resources disclaims any obligation to update any forward-looking statements as a result of developments occurring after the date of this news release.



FOURTH QUARTER REPORT  
WESTERN RESOURCES, INC.

|   | Quarter Ended December 31, |                  | Year Ended December 31, |                  |
|---|----------------------------|------------------|-------------------------|------------------|
|   | 1999                       | 1998             | 1999                    | 1998             |
| 1. Sales  | \$ 450,436,000             | \$ 487,008,000   | \$ 2,036,158,000        | \$ 2,034,054,000 |
| 2. Net Income   | \$ (75,787,000)            | \$ (84,484,000)  | \$ 12,459,000           | \$ 47,756,000    |
| 3. Earnings Available<br>for Common Stock             | \$ (76,070,000)            | \$ (84,768,000)  | \$ 11,330,000           | \$ 44,165,000    |
| 4. Average Common Shares<br>Outstanding               | 68,012,000                 | 65,870,000       | 67,080,000              | 65,634,000       |
| 5. Basic Earnings per<br>Average Share<br>Outstanding | \$ (1.12)                  | \$ (1.29)        | \$ 0.17                 | \$ 0.67          |
| 6. EBITDA   | \$ 28,158,000              | \$ 5,067,000     | \$ 668,464,000          | \$ 567,515,000   |
| 7. Net Utility Plant<br>(after depreciation)          | \$ 3,826,438,000           | \$ 3,752,493,000 |                         |                  |

## 1999 PER SHARE RESULTS

WESTERN RESOURCES, INC.

| Year Ended December 31,  | Earnings(1) |         | Adj. Earnings(2) |         | Cash Flow(3) |         |
|--|-------------|---------|------------------|---------|--------------|---------|
|  | 1999        | 1998    | 1999             | 1998    | 1999         | 1998    |
| Utility(4)   | \$ 2.19     | \$ 2.03 | \$ 2.49          | \$ 2.34 | \$ 4.68      | \$ 4.48 |
| ONEOK  | 0.57        | 0.56    | 0.57             | 0.57    | 0.54         | 0.53    |
| Protection One   | (0.71)      | (0.18)  | (0.34)           | 0.13    | 0.00         | 0.00    |
| Other (Net of Interest on<br>Unallocated Debt)                 | (0.57)      | (0.47)  | (0.55)           | (0.46)  | (0.55)       | (0.44)  |
| Earnings Before Non-Operating<br>COLI and Non-Recurring Events | \$ 1.48     | \$ 1.94 | \$ 2.17          | \$ 2.58 | \$ 4.67      | \$ 4.57 |
| Western Resources -  |             |         |                  |         |              |         |
| Non-Operating COLI   | (0.09)      | 0.18    | (0.09)           | 0.18    | (0.09)       | 0.18    |
| Non-Recurring Events   | (0.88)      | (1.60)  | (0.88)           | (1.60)  | (1.08)       | (1.60)  |
| Protection One -   |             |         |                  |         |              |         |
| Increased Amortization Expense                                 | (0.32)      | 0.00    | (0.32)           | 0.00    | 0.00         | 0.00    |
| Non-Recurring Events   | (0.02)      | 0.15    | (0.02)           | 0.15    | 0.00         | 0.00    |
| Total Earnings per Share                                       | \$ 0.17     | \$ 0.67 | \$ 0.86          | \$ 1.31 | \$ 3.50      | \$ 3.15 |

(1) Line of business reporting does not reflect intercompany eliminations

(2) Earnings + goodwill amortization.

(3) Earnings + utility depreciation and amortization + ONEOK dividends.

(4) Interest expense is allocated on \$1.9 billion of debt.

Year-End Earnings  
Analyst Conference Call

7:30 a.m. CST  
Wednesday, March 29, 2000

Suggested Remarks for  
David C. Wittig,  
Bill Moore  
and Jim Martin

JAM: Good morning . . . I'm Jim Martin.

We appreciate your interest in discussing Western Resources' year-end earnings and corporate structure changes we have in mind to unlock the value of our company's assets.

Joining us on the call this morning from Western Resources are . . .

- . David Wittig, chairman, president and CEO; and,
- . Bill Moore, executive vice president and chief financial officer.

[Pause]

Before we begin, I'd like to remind you that certain matters discussed in our remarks today 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 we "believe", "anticipate," "expect" or words of similar meaning. Forward-looking statements describe our future plans, objectives, expectations, or goals and includes the financial estimates and assumptions referred to later.

Such statements address future events and conditions concerning capital expenditures, earnings, litigation, rate and other regulatory matters, achievement of anticipated cost savings, possible corporate restructurings, mergers, acquisitions, dispositions, liquidity and capital resources, interest and dividend rates, environmental matters, changing weather, nuclear operations, ability to enter new markets successfully and

capitalize on growth opportunities in nonregulated businesses, events in foreign markets in which investments have been made, and accounting matters.

Our actual results may differ materially from those discussed here. See the company's and Protection One's 1999 Annual Report on Form 10-K and current reports on Form 8-K for further discussion of factors affecting the company's and Protection One's performance.

Western Resources disclaims any obligation to update any forward-looking statements as a result of developments occurring after the date of this teleconference.

As always, we welcome your questions at the conclusion of our remarks today, but please be aware that we have only one hour scheduled for this conference call.

With that said, I'd like to turn the call over to David Wittig.  
David . . .

[Pause]

DCW: Thanks, Jim.

Earlier this morning, we announced our plans to separate Western Resources into two publicly traded entities, Westar Energy -- which will contain our current regulated electric utility property and Westar Capital -- which will include our non-electric businesses, including our ownership in Protection One, ONEOK, Paradigm Direct, Protection One Europe and other assets.

We also announced our dividend strategy and released fourth quarter and year-end '99 earnings.

We'd like to talk about these developments and discuss our plans for 2000 and beyond. We'll take your questions at the conclusion of our remarks.

[Pause]

First, let's talk about the restructuring.

Our goal in creating two separate companies is to unlock the value of our electric utility asset and give the marketplace an opportunity to invest in the "pure-play" electric utility and/or the non-electric business investment, offering a different risk/reward potential.

We recognize that while the assets of the total company are strong, they have different growth, financial, and business profiles and are evaluated differently by investors. We believe our restructuring gives the financial community and shareholders a clearer understanding of where the value lies and how to value our assets in the market.

[Pause]



Westar Energy, the regulated ELECTRIC COMPANY, will be comprised of two electric utilities, KPL and KGE, that provide electric service to approximately 628,000 customers in Kansas. The non-electric business, which will be renamed later and referred to today as Westar Capital, will be comprised of the approximate 85% ownership interest in Protection One; our 45% ownership interest in ONEOK, Inc.; Protection One Europe; Paradigm Direct and other investments.

Some of our shareholders have expressed a desire for the company to be structured in a way to provide greater focus on a line of business, specifically a desire to have the company return to its core business as strictly an electric utility. A very similar structure would have been created had the KCPL transaction been completed.

For investors seeking the profile and income of a utility investment, and the opportunity for a growing dividend, Westar Energy will be comprised of two solidly performing electric utilities located in stable markets.

Investors in Westar Capital, the non-electric business, will share in the growth potential of the company, which will have strong cash flow as a result of the ONEOK ownership position, and the opportunity for growth in the business of Protection One. The transaction is expected to be completed prior to year-end 2000.

Now, I'd like to recap the year. Let's start with . . .  
Electric business highlights:

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. Wholesale electricity sales were up more than 16 percent in 1999 over 1998.

- . Power marketing activities added \$0.18 per share to 1999 earnings.
- . Regarding power generation, we added 147 megawatts of peaking generation, with additional purchases from the City of McPherson facilities and the reactivation of a natural gas steam unit at our Neosho plant near Parsons, Kansas.
- . Through construction of three new natural-gas units at KGE's Gordon Evans Energy Center, and our partnership with Empire District Electric in the State Line Plant near Joplin, we plan to add 148 megawatts in 2000, and another 350 megawatts in 2001. We should be well prepared to handle our native load, peak demands and take advantage of power marketing opportunities.

Let's move to our natural gas investment:

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. In 1999, we completed the second full year of our ONEOK investment. ONEOK increased their annual common dividend by \$0.04 cents in 1999, which in turn increased our preferred dividend by \$0.06 cents per share.

. Though their plans to combine with Southwest Gas have been called off, ONEOK continues to grow their company through acquisitions on the unregulated side of their company. Notably, their recent agreements to acquire significant storage, transmission, gathering and processing assets in the mid-continent region from Dynegy, Inc and Kinder Morgan, Inc.

Moving to our monitored services investment -- Protection One . . .

- . On an earnings per share basis, Protection One did not achieve their goals in 1999. Changes in the customer account amortization rates required us to record larger losses for Protection One on Western's statements despite the fact that these charges have no cash impact on Western.
- . Protection One continues to move aggressively to turn its results around. Protection One has enhanced customer service and retention of customers. Attrition for the fourth quarter 1999 improved to 14.7% on an annualized basis and Protection One expects attrition to be lower in the first quarter 2000.
- . Earlier this month, Western Resources purchased the Continental European (CET) and United Kingdom

operations, collectively the "European operations," and certain other assets of Protection One for \$244 million.

- . Under the agreement, Western Resources paid approximately \$183 million in cash and transferred to Protection One debt securities with a market value of approximately \$61 million. Cash proceeds from the transaction were used to reduce the outstanding balance owed to Western Resources on Protection One's revolving credit facility.
- . In addition, the companies finalized an amendment to the credit facility for Protection One which reduced the facility to \$115 million, down from \$250 million.
- . Regarding the growth model for Protection One, they have reduced the reliance on the more expensive dealer model, one that added customers at an average of 35 MRR at its peak. The new model now focuses on

dealers who are paid a lower multiple, internal sales growth in selected markets and Paradigm Direct. Through these channels, Protection One is adding customers at a lower multiple.

Regarding our dividend policy . . .

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. Our board of directors has authorized the adoption of a policy of annual cash dividends on common stock of \$1.20 per share effective with the anticipated dividend payment in July 2000. This is a decrease from our current \$2.14 annual cash dividend on common stock.

. The \$1.20 annual dividend also is anticipated to be the annual dividend policy for the electric utility -- Westar Energy -- following the restructuring.

[Pause]

DCW: Let's turn now to 1999 earnings. For those details, I'd like to turn it over to Bill Moore. Bill . . .

WBM: Thanks, David.

Total operating earnings for 1999 were \$99 million, or \$1.48 per share, as compared with \$127 million, or \$1.94 per share in 1998.

Reported earnings for 1999 were \$11.3 million or \$0.17 per share, versus \$44.2 million or \$0.67 per share for 1998. Earnings for 1999 include one-time costs associated with the company's merger-related activities, marking investments to market, and adoption of an accelerated method to amortize customer accounts at Protection One.

[Pause]



In reviewing the year's financial results, it is easier if the earnings are separated by lines of business and between ongoing operations and non-recurring income.

Let's start with ELECTRIC RESULTS:

The 1999 earnings for the electric business were \$147 million or \$2.19 per share.

The electric earnings were hindered by milder-than-normal weather, which was more than offset by our wholesale marketing activities and outstanding performance by our generating units.

1999 electric EBITDA was \$501 million with operating cash flow of approximately \$314 million or \$4.68 per share. (Operating cash flow defined as earnings + utility depreciation + goodwill amortization.)

Adjusted earnings (defined as earnings plus goodwill) were \$167.1 million or \$2.49 per share.

Moving to the NATURAL GAS segment:

The 1999 earnings for our ONEOK investment were \$38 million or \$0.57 per share.

Cash flow for 1999 amounted to \$36 million, or \$0.54 per share.

Regarding our MONITORED SERVICES investment:

Our share of 1999 earnings from our monitored services operations were \$(47.9) million or \$(0.71) per Western share.

EBITDA in this business was \$207 million in 1999.

[Pause]

Regarding unallocated debt and other . . .

Interest cost on unallocated debt net of other was \$0.57 per share. The interest costs on unallocated debt represent interest on our consolidated debt which is not allocated to either electric operations nor to Protection One.

Non-recurring items were \$(1.31) per share in 1999. These items include a \$(0.69) per share loss in marking to market certain investments; \$(0.16) per share for costs associated with the company's KCPL merger-related activities, and \$(0.32) per share for a change in amortization at Protection One.

I should point out, however, that the company has been liquidating non-strategic holdings and expects to

have approximately \$100 million in pre-tax gains in the first quarter 2000.

[Pause]

Now. . . I'd like to offer you a description of the restructuring transaction we announced this morning . . .

As you have heard, by the end of this year, we anticipate closing a transaction that splits the existing company into two separate publicly traded entities. We are not commencing an exchange offer today. The offer will be made later this year by a prospectus, which will contain important information that Western Resources shareholders will need to make a decision.

Western Resources anticipates filing a registration statement with the SEC to register the Westar Capital shares. Upon this registration statement going effective

and the exchange offer commencing, which we expect to be 3 to 4 months after filing, Western Resources shareholders will have a choice.

They can:

- 1) either submit some or all shares in exchange for shares in the non-electric company; or,
- 2) not submit their shares and remain electric utility shareholders.

The exchange rate is expected to be one-for-one and will finally be set at the time of the commencement of the offer. Our goal is to have the exchange offer completed by year-end 2000. No shareholder vote approval is required.

It is our goal to have between approximately 29 million and 37 million shares of Western Resources stock submitted for exchange into shares of Westar Capital.

[Pause]

WBM: Let me explain further the make-up of the two new entities. The non-electric company will include the company's 85% ownership in Protection One, the company's 45% ownership in ONEOK, the European security business, ownership in Paradigm Direct, and nonregulated generating assets.

Finally, the non-electric company will have a warrant to purchase up to 19.9% of the outstanding Westar Energy common stock. The exercise price will be equal to the estimated trading value of Westar Energy at the time the exchange offer commences. The implied valuation of the warrant is \$30-\$40 million.

[Pause]

Westar Energy, the ELECTRIC COMPANY, on the other hand, will own the regulated electric assets currently comprised of our KPL division and our KGE subsidiary.

The annual common dividend, which was just announced to be \$1.20 commencing with the July 2000 dividend, is anticipated to remain the same upon completion of the exchange offer. The consolidated debt of Westar Energy is expected to be reduced from \$3.9 billion to approximately \$3.0 billion.

Upon completion of the transaction, the electric company intends to issue approximately \$300 million in equity.

Finally, with regard to the TAX CONSEQUENCES:

There are no tax implications for shareholders who do not participate in the exchange offer. Shareholders who choose to participate in the exchange offer will have a gain or loss depending on the original cost of their Western Resources shares. Shareholders should consult their tax advisor for their specific situation.

With that as a framework, I'll turn it back over to Jim . .

[Pause]

JAM: I want to remind you that the exchange offer of Westar Capital shares for Western Resources shares has not yet commenced. This analyst call does not constitute an offer to sell or exchange any securities. Any offer will be made pursuant to a registration statement and a tender offer statement to be filed with the SEC. Western Resources shareholders are urged to read the registration statement, and the tender offer statement when they are available because they will contain important information relating to the offer. A prospectus relating to the offer will be disseminated to all Western Resources shareholders. Shareholders will also be able to obtain the registration statement, the tender offer statement and other filed



documents for free at the Internet website maintained by the SEC at  
<http://www.sec.gov>. In addition, Western Resources will make the filed documents  
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available for free to Western Resources shareholders.

With that... we're open to your questions.

[Question and Answer Session]

DCW: This concludes our call.

If we at Western Resources can offer any follow-up on our phone call  
this morning, please contact Jim Martin at (785) 575-6549. Or to listen to a  
play-back of this call, dial 303-590-3000 -- reservation number 695235 --  
through April 5, 2000.

Unlocking Shareholder Value

March 30, 2000

Western Resources

[LOGO] Western Resources

Disclaimer

The exchange offer of Westar Capital shares for Western Resources shares has not yet commenced. This presentation does not constitute an offer to sell or exchange any securities. Any offer will be made pursuant to a registration statement and a tender offer statement to be filed with the Securities and Exchange Commission. Western Resources shareholders are urged to read the registration statement, and the tender offer statement when they are available because they will contain important information relating to the offer. A prospectus relating to the offer will be disseminated to all Western Resources shareholders. Shareholders will also be able to obtain the registration statement, the tender offer statement and other filed documents for free at the Internet website maintained by the Securities and Exchange Commission at <http://www.sec.gov>. In addition, Western Resources will make the filed documents  
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available for free to Western Resources shareholders.

## Unlocking Shareholder Value

- o Significant trading discount exists in Western Resources' stock
- o Discount likely to persist
  - Protection One Earnings continue to depress consolidated EPS
  - Continuing holding company discount
- o Separation of the Utility (Westar Energy) and non-electric utility assets (Westar Capital) will allow the market to more accurately value these separate companies
- o Following proposed transaction, goal is to maintain investment grade senior secured credit rating

## Unlocking Shareholder Value

- o Western Resources will be split into two publicly traded entities through a non pro rata exchange offer
  - Westar Energy - Pure play electric utility consisting of KPL and KGE
  - Westar Capital - Consists of Protection One, ONEOK, Paradigm Direct, Protection One Europe and other assets.
- o Advantages
  - Unlocks value by creating a pure play Electric Utility
  - Allows investors to invest in Westar Capital, 2nd largest residential provider of monitored security and 45% owner of ONEOK

## Valuation Assumptions

### o Exchange offer

- Split is expected to be achieved through a non pro rata exchange offer
- Up to approximately 37 million shares of Westar Capital will be offered to the shareholders with a minimum of approximately 29 million shares outstanding, subject to the terms in the final exchange offer. If the offer is undersubscribed, Westar Energy will hold the shares below approximately 29 million for possible later distribution or sale.
- Partial disposition of Protection One through issuance of \$15 million preferred stock to third party
- Westar Energy issues approximately \$300 million in equity, following close of transaction

### o Westar Energy grants Warrant to Westar Capital

- In conjunction with the exchange offer, Westar Capital receives warrant to acquire 19.9% of the common stock of Westar Energy. The Warrant expires in 12 years. The exercise price will be equal to the estimated trading value of Westar Energy at the time the exchange offer commences. The implied valuation of the Warrant is \$30 - \$40 million.

## Key Execution Mechanics

| Pre Separation   | Separation  | Post Separation   |
|--|---|---|
| <ul style="list-style-type: none"><li>o Organization of Westar Capital</li><li>o Partial disposition of Protection One provides tax shelter</li><li>o Westar Energy grants Westar Capital Warrant to purchase Westar Energy shares post-separation</li></ul> | <ul style="list-style-type: none"><li>o Westar Capital distributed to current Western Resources shareholders in exchange for WR shares<ul style="list-style-type: none"><li>- Exchange is non-pro rata; shareholders choose whether to participate</li><li>- Shareholders likely will treat receipt of Westar Capital stock as capital gain or loss for tax purposes</li><li>- EPS accretion for Utility shareholders</li></ul></li></ul> | <ul style="list-style-type: none"><li>o Westar Capital<ul style="list-style-type: none"><li>- New company with Protection One, ONEOK, Paradigm Direct, Protection One Europe and Other Investments</li></ul></li><li>o Westar Energy<ul style="list-style-type: none"><li>- Electric utility assets</li><li>- Issuance of approximately \$300 million of equity</li></ul></li></ul> |

Current Western Resources Valuation

| Western Resources          | Value per<br>WR Share (1) |
|----------------------------|---------------------------|
| -----                      | -----                     |
| Westar Energy (2)          | \$26.06                   |
| ONEOK (3)                  | 9.43                      |
| Protection One (3)         | 2.48                      |
| Protection One Europe (4)  | 3.33                      |
| Other Investments (5)      | 4.27                      |
| Debt (6)                   | (16.27)                   |
| -----                      | -----                     |
| Value per WR Share         | \$29.30                   |
| Current WR Stock Price (3) | \$16.75                   |
| Current Price Discount     | 42.83%                    |

(1) Shares outstanding at Western Resources of 67.6 million.

(2) Calculated using earnings of \$2.19 per share times S&P average multiple of 11.9.

(3) Market prices as of 3/24/00. ONEOK value includes \$4.87 premium for preferred shares.

(4) Cost basis of \$225 million.

(5) Other Investments include marketable securities (net of tax), unregulated generation, Paradigm and interest due from Protection One.

(6) Assumes \$1.1 billion in debt.



New Westar Energy Pro Forma Fact Sheet

Westar Energy (dollars in millions, except per share amount)

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|                                       |          |
|---------------------------------------|----------|
| Electric Customers                    | 628,000  |
| Generation 12/31/99                   | 5,458 MW |
| 12/31/99 Assets                       | \$4,674  |
| 1999 Revenues                         | \$1,429  |
| 1999 EBITDA                           | \$501    |
| Pro Forma 1999 Net Income to Common   | \$85     |
| Pro Forma 12/31/99 Debt               | \$3,000  |
| Anticipated Common Dividend per Share | \$1.20   |

New Westar Energy -Pro Forma Valuation \*

(dollars in millions, except per share amounts)

| Westar Energy Valuation           | Assumes Minimum<br>Subscription Level | Assumes Maximum<br>Subscription Level |
|-----------------------------------|---------------------------------------|---------------------------------------|
| 1999 Pro Forma Net Income         | \$147.00                              | \$147.00                              |
| Interest on Unallocated Debt (1)  | (\$54.45)                             | (\$54.45)                             |
| Other Pro Forma Adjustments       | (\$8.05)                              | (\$8.05)                              |
| Net Income                        | \$84.50                               | \$84.50                               |
| Shares Outstanding - millions (2) | 38.6                                  | 30.6                                  |
| EPS                               | \$2.19                                | \$2.76                                |
|                                   | =====                                 | =====                                 |
| Anticipated Dividend              | \$1.20                                | \$1.20                                |

(1) Unallocated Debt of \$1.1 billion.

(2) Minimum subscription assumes 38.6 million shares of Westar Energy and 29 million shares of Westar Capital. Maximum subscription assumes 30.6 million shares of Westar Energy and 37 million shares of Westar Capital. Assumes 1:1 exchange ratio.

\* Excludes issuance of approximately \$300 million of equity.

New Westar Energy -Pro-Forma Valuation \*

| Average Industry Multiples |                |      | Westar Energy Implied Stock Price (1)    |  |
|----------------------------|----------------|------|--|--|
|                            |                |      | Minimum<br>Subscription<br>EPS of \$2.19 | Maximum<br>Subscription<br>EPS of \$2.76 |
| S&P Electric Index         | P/E            | 11.9 | \$26.05                                  | \$32.86                                  |
|                            | Dividend Yield | 6.2% | \$19.35                                  | \$19.35                                  |
| Everen Index               | P/E            | 12.7 | \$27.80                                  | \$35.07                                  |
|                            | Dividend Yield | 5.8% | \$20.69                                  | \$20.69                                  |
| Philadelphia Index         | P/E            | 13.0 | \$28.46                                  | \$35.90                                  |
|                            | Dividend Yield | 5.9% | \$20.34                                  | \$20.34                                  |
| P/E Average                |                | 12.5 |  |  |
| Average Yield              |                | 6.0% |  |  |
| Average Stock Price        |                |      | \$23.78                                  | \$27.37                                  |

(1) Based on 1999 Pro Forma Net Income for Westar Energy

\* Excludes issuance of approximately \$300 million of equity. Index averages as of 3/24/00.

Westar Capital Pro Forma Fact Sheet

(dollars in millions)

|                       | Assets (1) | EBITDA (3) |
|-----------------------|------------|------------|
|                       | -----      | -----      |
| Protection One        | \$167.7    | \$165.0    |
| Protection One Europe | \$225.0    | \$42.7     |
|                       | -----      | -----      |
| Total                 | \$392.7    | \$207.7    |

|                                    | Assets (2) | Net Income (4) |
|------------------------------------|------------|----------------|
|                                    | -----      | -----          |
| ONEOK                              | \$637.5    | \$37.6         |
| Paradigm Direct                    | 35.4       | 0.8            |
| Unregulated Generation             | 84.7       | 6.3            |
| Marketable Securities (net of tax) | 111.8      | 9.8            |
| Due from Protection One            | 56.9       | 2.8            |
| Value of Warrant                   | 35.0       | -              |
|                                    | -----      | -----          |
| Total                              | \$961.3    | \$57.3         |

(1) Protection One calculated using 3/24/00 market price. Protection One Europe calculated using 3/1/00 purchase price.

(2) ONEOK calculated using 3/24/00 market price, includes \$4.87 premium on preferred shares. Paradigm, unregulated generation, amount due from Protection One and marketable securities calculated using 12/31/99 book value. Warrant valuation based upon binomial valuation method.

(3) EBITDA calculated using 1999 results.

(4) Net Income calculated using 1999 results.

Westar Capital - Pro Forma Asset Valuation

(dollars in millions, except per share amounts)

| Westar Capital Valuation           | Assumes Minimum<br>Subscription Level | Assumes Maximum<br>Subscription Level |
|------------------------------------|---------------------------------------|---------------------------------------|
| Protection One (1)                 | \$167.7                               | \$167.7                               |
| ONEOK (1)                          | 637.5                                 | 637.5                                 |
| Unregulated Generation             | 84.7                                  | 84.7                                  |
| Paradigm                           | 35.4                                  | 35.4                                  |
| Protection One Europe              | 225.0                                 | 225.0                                 |
| Marketable Securities (net of tax) | 111.8                                 | 111.8                                 |
| Due from Protection One            | 56.9                                  | 56.9                                  |
| Value of Warrant (2)               | 35.0                                  | 35.0                                  |
| Net Assets                         | \$1,354.0                             | \$1,354.0                             |
| Shares Outstanding (3)             | 29.0                                  | 37.0                                  |
| Theoretical Stock Price            | \$46.69                               | \$36.59                               |
| Holding Company Discount           |                                       |                                       |
|                                    | 30%                                   | \$32.68                               |
|                                    | 40%                                   | \$28.01                               |
|                                    | 50%                                   | \$23.34                               |

(1) Based on Market Prices as of 3/24/00. ONEOK value includes \$4.87 premium for preferred shares.

(2) Warrant valuation based upon binomial valuation method.

(3) Minimum subscription assumes 29 million shares of Westar Capital and 38.6 million shares of Westar Energy. Maximum subscription assumes 37 million shares of Westar Capital and 30.6 million shares of Westar Energy.

## Forward-Looking Statements

Forward-Looking Statements: Certain matters discussed in this presentation 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 we "believe", "anticipate," "expect" or words of similar meaning. Forward-looking statements describe our future plans, objectives, expectations, or goals. Such statements address future events and conditions concerning capital expenditures, earnings, litigation, rate and other regulatory matters, achievement of anticipated cost savings, possible corporate restructurings, mergers, acquisitions, dispositions, liquidity and capital resources, interest and dividend rates, environmental matters, changing weather, nuclear operations, ability to enter new markets successfully and capitalize on growth opportunities in nonregulated businesses, events in foreign markets in which investments have been made, and accounting matters. Our actual results may differ materially from those discussed here. See the company's and Protection One's 1999 Annual Reports on Form 10-K and quarterly reports on Forms 10-Q and current reports on Form 8-K for further discussion of factors affecting the company's and Protection One's performance. Western Resources disclaims any obligation to update any forward-looking statements as a result of developments occurring after the date of this presentation.