

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) August 4, 2015**

**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 August 4, 2015, we issued a press release announcing our earnings for the period ended June 30, 2015. A copy of our August 4, 2015 press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference. We are also including our 2015 Second 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 9.01. Financial Statements and Exhibits

- Exhibit 99.1 Press Release dated August 4, 2015
- Exhibit 99.2 2015 Second Quarter Earnings Package

**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: August 4, 2015

By: /s/ Larry D. Irick

Name: Larry D. Irick

Title: Vice President, General Counsel and Corporate Secretary

## EXHIBIT INDEX

<b>Exhibit Number</b>	<b>Description of Exhibit</b>
Exhibit 99.1	Press Release dated August 4, 2015
Exhibit 99.2	2015 Second Quarter Earnings Package



## Westar Energy announces 2nd quarter 2015 results.

TOPEKA, Kan., Aug. 4, 2015 - Westar Energy, Inc. (NYSE:WR) today announced earnings of \$64 million, or \$0.47 per share, for the second quarter 2015 compared with earnings of \$53 million, or \$0.41 per share, for the second quarter 2014. Earnings for the six months ended June 30, 2015 were \$115 million, or \$0.85 per share, compared with \$122 million, or \$0.95 per share, for the same period in 2014.

Higher net income for the three months ended June 30, 2015 was driven by lower operating and maintenance costs at the company's power plants and higher COLI income. The lower expenses and higher COLI income were offset by a decrease in retail sales due largely to mild weather compared with last year and a \$3 million estimated refund obligation for transmission revenue.

Lower net income for the six months ended June 30, 2015 reflects mild weather, which reduced both energy marketing margins and retail energy sales, and a \$9 million estimated refund obligation for transmission revenue. Lower operating expenses and receipt of COLI income partially offset the lower revenues.

### **Earnings Guidance**

The company affirmed its 2015 earnings guidance of \$2.18 to \$2.33 per share. The earnings guidance drivers are located under Supplemental Materials within the investor section of the company website at [www.WestarEnergy.com](http://www.WestarEnergy.com).

### **Conference Call and Additional Company Information**

Westar Energy management will host a conference call Wednesday, Aug. 5 with the investment community at 10:00 a.m. ET (9:00 a.m. CT). Investors, media and the public may listen to the conference call by dialing 800-884-5695, participant code 71187505. A webcast of the live conference call will be available at [www.WestarEnergy.com](http://www.WestarEnergy.com).

Members of the media are invited to listen to the conference call and then contact Gina Penzig with any follow-up questions.

This earnings announcement, a package of detailed second-quarter financial information, the company's quarterly report on Form 10-Q for the period ended June 30, 2015 and other filings the company has made with the Securities and Exchange Commission are available on the company's website at [www.WestarEnergy.com](http://www.WestarEnergy.com).

- 30 -

## Westar Energy announces 2nd quarter results

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 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>.

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, 2014 (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 Report on Form 10-Q filed Aug. 4, 2015, (a) under the heading "Forward-Looking Statements." (b) in ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) in Part I, Financial Information, ITEM 1. Financial Statements: Notes 10 and 12; 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.

### Media Contact:

Gina Penzig  
Media Relations Manager  
Phone: 785-575-8089  
[Gina.Penzig@westarenergy.com](mailto:Gina.Penzig@westarenergy.com)  
Media line: 888-613-0003

### Investor Contact:

Bruce Burns  
Director, Investor Relations  
Phone: 785-575-8227  
[Bruce.Burns@westarenergy.com](mailto:Bruce.Burns@westarenergy.com)

# Westar Energy announces 2nd quarter results

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

	Three Months Ended Jun. 30,				Six Months Ended Jun. 30,			
	2015	2014	Change	% Change	2015	2014	Change	% Change
(Dollars In Thousands, Except Per Share Amounts)								
<b>REVENUES:</b>								
Residential	\$ 173,677	\$ 175,671	\$ (1,994)	(1.1)	\$ 354,970	\$ 367,958	\$ (12,988)	(3.5)
Commercial	175,994	178,194	(2,200)	(1.2)	337,300	339,294	(1,994)	(0.6)
Industrial	103,151	106,984	(3,833)	(3.6)	199,630	201,480	(1,850)	(0.9)
Other retail	(7,660)	(3,033)	(4,627)	(152.6)	(7,122)	(11,557)	4,435	38.4
Total Retail Revenues	445,162	457,816	(12,654)	(2.8)	884,778	897,175	(12,397)	(1.4)
Wholesale	74,828	82,434	(7,606)	(9.2)	161,584	193,047	(31,463)	(16.3)
Transmission	61,295	63,700	(2,405)	(3.8)	119,880	125,166	(5,286)	(4.2)
Other	8,278	8,718	(440)	(5.0)	14,128	25,836	(11,708)	(45.3)
Total Revenues	589,563	612,668	(23,105)	(3.8)	1,180,370	1,241,224	(60,854)	(4.9)
<b>OPERATING EXPENSES:</b>								
Fuel and purchased power	140,080	164,779	(24,699)	(15.0)	295,561	338,618	(43,057)	(12.7)
SPP network transmission costs	57,352	55,533	1,819	3.3	114,164	107,491	6,673	6.2
Operating and maintenance	82,739	101,839	(19,100)	(18.8)	167,819	193,629	(25,810)	(13.3)
Depreciation and amortization	76,759	70,882	5,877	8.3	151,345	140,992	10,353	7.3
Selling, general and administrative	63,663	62,168	1,495	2.4	119,082	118,653	429	0.4
Taxes other than income tax	37,494	34,738	2,756	7.9	75,365	69,571	5,794	8.3
Total Operating Expenses	458,087	489,939	(31,852)	(6.5)	923,336	968,954	(45,618)	(4.7)
INCOME FROM OPERATIONS	131,476	122,729	8,747	7.1	257,034	272,270	(15,236)	(5.6)
<b>OTHER INCOME (EXPENSE):</b>								
Investment earnings	1,634	3,175	(1,541)	(48.5)	4,113	5,553	(1,440)	(25.9)
Other income	15,121	5,658	9,463	167.2	17,935	11,575	6,360	54.9
Other expense	(2,633)	(2,287)	(346)	(15.1)	(8,345)	(7,952)	(393)	(4.9)
Total Other Income	14,122	6,546	7,576	115.7	13,703	9,176	4,527	49.3
Interest expense	45,516	47,303	(1,787)	(3.8)	89,814	93,543	(3,729)	(4.0)
INCOME BEFORE INCOME TAXES	100,082	81,972	18,110	22.1	180,923	187,903	(6,980)	(3.7)
Income tax expense	33,839	26,150	7,689	29.4	61,517	61,111	406	0.7
NET INCOME	66,243	55,822	10,421	18.7	119,406	126,792	(7,386)	(5.8)
Less: Net income attributable to noncontrolling interests	2,533	2,349	184	7.8	4,716	4,365	351	8.0
NET INCOME ATTRIBUTABLE TO WESTAR ENERGY, INC.	\$ 63,710	\$ 53,473	\$ 10,237	19.1	\$ 114,690	\$ 122,427	\$ (7,737)	(6.3)
<b>BASIC AND DILUTED EARNINGS PER AVERAGE COMMON SHARE OUTSTANDING ATTRIBUTABLE TO WESTAR ENERGY, INC. (See 10-Q Note 2):</b>								
Basic earnings per common share	\$ 0.47	\$ 0.41	\$ 0.06	14.6	\$ 0.85	\$ 0.95	\$ (0.10)	(10.5)
Diluted earnings per common share	\$ 0.46	\$ 0.40	\$ 0.06	15.0	\$ 0.84	\$ 0.93	\$ (0.09)	(9.7)
<b>AVERAGE EQUIVALENT COMMON SHARES OUTSTANDING (in thousands):</b>								
Basic	135,939	129,363	6,576	5.1	134,177	129,185	4,992	3.9
Diluted	137,412	131,973	5,439	4.1	136,330	131,779	4,551	3.5
DIVIDENDS DECLARED PER COMMON SHARE	\$ 0.36	\$ 0.35	\$ 0.01	2.9	\$ 0.72	\$ 0.70	\$ 0.02	2.9
Effective income tax rate	33.81%	31.90%			34.00%	32.52%		





# Westar Energy, Inc.

## Second Quarter 2015 Earnings

Released August 4, 2015

<u>Contents</u>	<u>Page</u>
<a href="#">Condensed Consolidated Statements of Income</a>	<a href="#">1</a>
<a href="#">Condensed Consolidated Balance Sheets</a>	<a href="#">3</a>
<a href="#">Condensed Consolidated Statements of Cash Flows</a>	<a href="#">4</a>
<a href="#">Earnings Variances</a>	<a href="#">5</a>
<a href="#">Supplemental Data</a>	<a href="#">7</a>
<a href="#">Capitalization &amp; Long-Term Debt Table</a>	<a href="#">9</a>
<a href="#">GAAP to Non-GAAP Reconciliation</a>	<a href="#">10</a>

Bruce Burns  
Director Investor Relations  
785-575-8227  
bruce.burns@WestarEnergy.com

**NOTE:**

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended June 30, 2015 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 June 30,			
	2015	2014	Change	% Change
(Dollars in Thousands, Except Per Share Amounts)				
<b>REVENUES:</b>				
Residential	\$ 173,677	\$ 175,671	\$ (1,994)	(1.1)
Commercial	175,994	178,194	(2,200)	(1.2)
Industrial	103,151	106,984	(3,833)	(3.6)
Other retail	(7,660)	(3,033)	(4,627)	(152.6)
Total Retail Revenues	445,162	457,816	(12,654)	(2.8)
Wholesale	74,828	82,434	(7,606)	(9.2)
Transmission	61,295	63,700	(2,405)	(3.8)
Other	8,278	8,718	(440)	(5.0)
Total Revenues	589,563	612,668	(23,105)	(3.8)
<b>OPERATING EXPENSES:</b>				
Fuel and purchased power	140,080	164,779	(24,699)	(15.0)
SPP network transmission costs	57,352	55,533	1,819	3.3
Operating and maintenance	82,739	101,839	(19,100)	(18.8)
Depreciation and amortization	76,759	70,882	5,877	8.3
Selling, general and administrative	63,663	62,168	1,495	2.4
Taxes other than income tax	37,494	34,738	2,756	7.9
Total Operating Expenses	458,087	489,939	(31,852)	(6.5)
<b>INCOME FROM OPERATIONS</b>	<b>131,476</b>	<b>122,729</b>	<b>8,747</b>	<b>7.1</b>
<b>OTHER INCOME (EXPENSE):</b>				
Investment earnings	1,634	3,175	(1,541)	(48.5)
Other income	15,121	5,658	9,463	167.2
Other expense	(2,633)	(2,287)	(346)	(15.1)
Total Other Income	14,122	6,546	7,576	115.7
Interest expense	45,516	47,303	(1,787)	(3.8)
<b>INCOME BEFORE INCOME TAXES</b>	<b>100,082</b>	<b>81,972</b>	<b>18,110</b>	<b>22.1</b>
Income tax expense	33,839	26,150	7,689	29.4
<b>NET INCOME</b>	<b>66,243</b>	<b>55,822</b>	<b>10,421</b>	<b>18.7</b>
Less: Net income attributable to noncontrolling interests	2,533	2,349	184	7.8
<b>NET INCOME ATTRIBUTABLE TO WESTAR ENERGY, INC.</b>	<b>\$ 63,710</b>	<b>\$ 53,473</b>	<b>\$ 10,237</b>	<b>19.1</b>
<b>BASIC AND DILUTED EARNINGS PER AVERAGE COMMON SHARE OUTSTANDING ATTRIBUTABLE TO WESTAR ENERGY, INC. (See 10-Q Note 2):</b>				
Basic earnings per common share	\$ 0.47	\$ 0.41	\$ 0.06	14.6
Diluted earnings per common share	\$ 0.46	\$ 0.40	\$ 0.06	15.0
<b>AVERAGE EQUIVALENT COMMON SHARES OUTSTANDING (in thousands):</b>				
Basic	135,939	129,363	6,576	5.1
Diluted	137,412	131,973	5,439	4.1
<b>DIVIDENDS DECLARED PER COMMON SHARE</b>	<b>\$ 0.36</b>	<b>\$ 0.35</b>	<b>\$ 0.01</b>	<b>2.9</b>
Effective income tax rate	33.81%	31.90%		

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended June 30, 2015 should be read in conjunction with this financial information.

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

	Six Months Ended June 30,			
	2015	2014	Change	% Change
(Dollars in Thousands, Except Per Share Amounts)				
<b>REVENUES:</b>				
Residential	\$ 354,970	\$ 367,958	\$ (12,988)	(3.5)
Commercial	337,300	339,294	(1,994)	(0.6)
Industrial	199,630	201,480	(1,850)	(0.9)
Other retail	(7,122)	(11,557)	4,435	38.4
Total Retail Revenues	884,778	897,175	(12,397)	(1.4)
Wholesale	161,584	193,047	(31,463)	(16.3)
Transmission	119,880	125,166	(5,286)	(4.2)
Other	14,128	25,836	(11,708)	(45.3)
Total Revenues	1,180,370	1,241,224	(60,854)	(4.9)
<b>OPERATING EXPENSES:</b>				
Fuel and purchased power	295,561	338,618	(43,057)	(12.7)
SPP network transmission costs	114,164	107,491	6,673	6.2
Operating and maintenance	167,819	193,629	(25,810)	(13.3)
Depreciation and amortization	151,345	140,992	10,353	7.3
Selling, general and administrative	119,082	118,653	429	0.4
Taxes other than income tax	75,365	69,571	5,794	8.3
Total Operating Expenses	923,336	968,954	(45,618)	(4.7)
<b>INCOME FROM OPERATIONS</b>	<b>257,034</b>	<b>272,270</b>	<b>(15,236)</b>	<b>(5.6)</b>
<b>OTHER INCOME (EXPENSE):</b>				
Investment earnings	4,113	5,553	(1,440)	(25.9)
Other income	17,935	11,575	6,360	54.9
Other expense	(8,345)	(7,952)	(393)	(4.9)
Total Other Income	13,703	9,176	4,527	49.3
Interest expense	89,814	93,543	(3,729)	(4.0)
<b>INCOME BEFORE INCOME TAXES</b>	<b>180,923</b>	<b>187,903</b>	<b>(6,980)</b>	<b>(3.7)</b>
Income tax expense	61,517	61,111	406	0.7
<b>NET INCOME</b>	<b>119,406</b>	<b>126,792</b>	<b>(7,386)</b>	<b>(5.8)</b>
Less: Net income attributable to noncontrolling interests	4,716	4,365	351	8.0
<b>NET INCOME ATTRIBUTABLE TO WESTAR ENERGY, INC.</b>	<b>\$ 114,690</b>	<b>\$ 122,427</b>	<b>\$ (7,737)</b>	<b>(6.3)</b>
<b>BASIC AND DILUTED EARNINGS PER AVERAGE COMMON SHARE OUTSTANDING ATTRIBUTABLE TO WESTAR ENERGY, INC. (See 10-Q Note 2):</b>				
Basic earnings per common share	\$ 0.85	\$ 0.95	\$ (0.10)	(10.5)
Diluted earnings per common share	\$ 0.84	\$ 0.93	\$ (0.09)	(9.7)
<b>AVERAGE EQUIVALENT COMMON SHARES OUTSTANDING (in thousands):</b>				
Basic	134,177	129,185	4,992	3.9
Diluted	136,330	131,779	4,551	3.5
<b>DIVIDENDS DECLARED PER COMMON SHARE</b>	<b>\$ 0.72</b>	<b>\$ 0.70</b>	<b>\$ 0.02</b>	<b>2.9</b>
Effective income tax rate	34.00%	32.52%		

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended June 30, 2015 should be read in conjunction with this financial information.

Westar Energy, Inc.  
Condensed Consolidated Balance Sheets  
(Dollars in Thousands, Except Par Values)  
(Unaudited)

	June 30, 2015	December 31, 2014
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 2,266	\$ 4,556
Accounts receivable, net of allowance for doubtful accounts of \$4,569 and \$5,309, respectively	266,330	267,327
Fuel inventory and supplies	279,026	247,406
Deferred tax assets	20,073	29,636
Prepaid expenses	18,147	15,793
Regulatory assets	123,961	105,549
Other	43,729	30,655
Total Current Assets	<u>753,532</u>	<u>700,922</u>
PROPERTY, PLANT AND EQUIPMENT, NET	<u>8,340,478</u>	<u>8,162,908</u>
PROPERTY, PLANT AND EQUIPMENT OF VARIABLE INTEREST ENTITIES, NET	<u>273,406</u>	<u>278,573</u>
<b>OTHER ASSETS:</b>		
Regulatory assets	726,923	754,229
Nuclear decommissioning trust	191,934	185,016
Other	261,886	265,353
Total Other Assets	<u>1,180,743</u>	<u>1,204,598</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 10,548,159</u></u>	<u><u>\$ 10,347,001</u></u>
<b>LIABILITIES AND EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Current maturities of long-term debt of variable interest entities	\$ 28,315	\$ 27,933
Short-term debt	307,100	257,600
Accounts payable	185,307	219,351
Accrued dividends	49,736	44,971
Accrued taxes	87,792	74,356
Accrued interest	48,036	79,707
Regulatory liabilities	60,860	55,142
Other	77,779	90,571
Total Current Liabilities	<u>844,925</u>	<u>849,631</u>
<b>LONG-TERM LIABILITIES:</b>		
Long-term debt, net	3,091,655	3,215,539
Long-term debt of variable interest entities, net	138,173	166,565
Deferred income taxes	1,511,299	1,475,487
Unamortized investment tax credits	209,520	211,040
Regulatory liabilities	283,451	288,343
Accrued employee benefits	524,191	532,622
Asset retirement obligations	283,194	230,668
Other	77,287	75,799
Total Long-Term Liabilities	<u>6,118,770</u>	<u>6,196,063</u>
<b>COMMITMENTS AND CONTINGENCIES (See 10-Q Notes 10 and 12)</b>		
<b>EQUITY:</b>		
Westar Energy, Inc. Shareholders' Equity:		
Common stock, par value \$5 per share; authorized 275,000,000 shares; issued and outstanding 141,178,618 shares and 131,687,454 shares, respective to each date	705,893	658,437
Paid-in capital	1,997,661	1,781,120
Retained earnings	870,820	855,299
Total Westar Energy, Inc. Shareholders' Equity	<u>3,574,374</u>	<u>3,294,856</u>
Noncontrolling Interests	10,090	6,451
Total Equity	<u>3,584,464</u>	<u>3,301,307</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<u><u>\$ 10,548,159</u></u>	<u><u>\$ 10,347,001</u></u>

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended June 30, 2015 should be read in conjunction with this financial information.

Westar Energy, Inc.  
Condensed Consolidated Statements of Cash Flows  
(In Thousands)  
(Unaudited)

	Six Months Ended June 30,	
	2015	2014
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:</b>		
Net income	\$ 119,406	\$ 126,792
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	151,345	140,992
Amortization of nuclear fuel	10,085	10,304
Amortization of deferred regulatory gain from sale leaseback	(2,748)	(2,748)
Amortization of corporate-owned life insurance	9,042	8,712
Non-cash compensation	4,241	3,945
Net deferred income taxes and credits	54,740	58,097
Stock-based compensation excess tax benefits	(1,178)	544
Allowance for equity funds used during construction	(2,041)	(9,718)
Changes in working capital items:		
Accounts receivable	998	(10,586)
Fuel inventory and supplies	(31,307)	(16,248)
Prepaid expenses and other	(40,195)	(4,891)
Accounts payable	(2,873)	(16,199)
Accrued taxes	16,893	8,293
Other current liabilities	(65,908)	(32,477)
Changes in other assets	(9,712)	1,828
Changes in other liabilities	21,046	16,674
Cash Flows from Operating Activities	<u>231,834</u>	<u>283,314</u>
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:</b>		
Additions to property, plant and equipment	(334,905)	(427,124)
Purchase of securities - trusts	(9,980)	(4,410)
Sale of securities - trusts	10,263	5,552
Investment in corporate-owned life insurance	(14,845)	(15,903)
Proceeds from investment in corporate-owned life insurance	1,192	1,773
Investment in affiliated company	—	1,418
Other investing activities	(653)	(1,544)
Cash Flows used in Investing Activities	<u>(348,928)</u>	<u>(440,238)</u>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES:</b>		
Short-term debt, net	49,500	208,533
Proceeds from long-term debt	—	171,785
Retirements of long-term debt	(125,000)	(177,500)
Retirements of long-term debt of variable interest entities	(27,925)	(27,305)
Repayment of capital leases	(1,721)	(1,628)
Borrowings against cash surrender value of corporate-owned life insurance	56,622	56,577
Repayment of borrowings against cash surrender value of corporate-owned life insurance	(899)	(1,123)
Stock-based compensation excess tax benefits	1,178	(544)
Issuance of common stock	256,394	20,699
Distributions to shareholders of noncontrolling interests	(1,076)	—
Cash dividends paid	(89,035)	(84,419)
Other financing activities	(3,234)	(1,887)
Cash Flows from Financing Activities	<u>114,804</u>	<u>163,188</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<u>(2,290)</u>	<u>6,264</u>
<b>CASH AND CASH EQUIVALENTS:</b>		
Beginning of period	4,556	4,487
End of period	<u>\$ 2,266</u>	<u>\$ 10,751</u>

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended June 30, 2015 should be read in conjunction with this financial information.

Westar Energy, Inc.  
2nd Quarter 2015 vs. 2014

Earnings Variances

	Change		
	(\$ per share)	(Dollars in Thousands)	(\$ per share)
2014 basic earnings attributable to common stock	\$	53,473	\$ 0.41
<b>Favorable/(Unfavorable)</b>			
Retail		(12,654)	A
Wholesale		(7,606)	B
Transmission		(2,405)	C
Other revenues		(440)	
Fuel and purchased power		24,699	D
SPP network transmission costs		(1,819)	
Gross Margin		(225)	
Operating and maintenance		19,100	E
Depreciation and amortization		(5,877)	F
Selling, general and administrative		(1,495)	
Taxes other than income tax		(2,756)	G
Other income (expense)		7,576	H
Interest expense		1,787	
Income tax expense		(7,689)	I
Net income attributable to noncontrolling interests		(184)	
Change in shares outstanding	(0.02)		
2015 basic earnings attributable to common stock	\$	63,710	\$ 0.47

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

- A Due primarily to mild weather, CDD 3% lower than last year
- 
- B Due principally to a 11% decrease in average wholesale prices (see page 7 for changes by customer class)
- 
- C Due primarily to estimated refund obligation for transmission revenues -- (\$2.6M)
- 
- D Due primarily to a decrease in quantity and average price of purchased power
- 
- E Due primarily to: lower costs at coal-fired plants primarily due to planned outages -- \$11.3M; lower costs for scheduled outage at Wolf Creek in 2014 -- \$5.3M
- 
- F Due principally to property additions
- 
- G Due primarily to higher property tax expense that is largely offset by increased prices -- (\$3.0M)
- 
- H Due primarily to COLI benefits this year -- \$13.8M; partially offset by decrease in equity AFUDC -- (\$4.6M)
- 
- I 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 June 30, 2015 should be read in conjunction with this financial information.

Westar Energy, Inc.  
YTD June 2015 vs. 2014

Earnings Variances

	(\$ per share)	Change (Dollars in Thousands)	(\$ per share)
2014 basic earnings attributable to common stock		\$ 122,427	\$ 0.95
<b>Favorable/(Unfavorable)</b>			
Retail		(12,397)	A
Wholesale		(31,463)	B
Transmission		(5,286)	C
Other revenues		(11,708)	D
Fuel and purchased power		43,057	E
SPP network transmission costs		(6,673)	
Gross Margin		(24,470)	
Operating and maintenance		25,810	F
Depreciation and amortization		(10,353)	G
Selling, general and administrative		(429)	
Taxes other than income tax		(5,794)	H
Other income (expense)		4,527	I
Interest expense		3,729	
Income tax expense		(406)	
Net income attributable to noncontrolling interests		(351)	
Change in shares outstanding	(0.04)		
2015 basic earnings attributable to common stock		\$ 114,690	\$ 0.85

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

- A Due primarily to mild weather; partially offset by increased average retail prices (see page 8 for changes by customer class)
- 
- B Due to a 19% decrease in average wholesale prices (see page 8 for changes by customer class)
- 
- C Due primarily to estimated refund obligation for transmission revenues -- (\$8.6M)
- 
- D Due primarily to lower energy marketing margins reflecting 2014 favorable market conditions -- (\$13.1M)
- 
- E Due primarily to a 6% decrease in MWh generated, and a 31% decrease in the average cost of purchased MWWhs
- 
- F Due primarily to: lower costs at coal-fired plants primarily due to planned outages -- \$9.7M; lower costs at Wolf Creek principally the result of scheduled outage in 2014 -- \$10.9M
- 
- G Due principally to property additions
- 
- H Due primarily to higher property tax expense that is largely offset by increased prices -- (\$5.9M)
- 
- I Due primarily to COLI benefits this year -- \$13.8M; partially offset by decrease in equity AFUDC -- (\$7.7 M)
-

Westar Energy, Inc.  
Revenue, Sales and Energy Supply

Supplemental Data

	Three Months Ended June 30,			
	2015	2014	Change	% Change
<b>Revenues</b>	(Dollars In Thousands)			
Residential	\$ 173,677	\$ 175,671	\$ (1,994)	(1.1)
Commercial	175,994	178,194	(2,200)	(1.2)
Industrial	103,151	106,984	(3,833)	(3.6)
Other retail	3,503	3,521	(18)	(0.5)
Provision for rate refunds	(11,163)	(6,554)	(4,609)	(70.3)
Total Retail Revenues	445,162	457,816	(12,654)	(2.8)
Tariff-based wholesale	56,688	63,976	(7,288)	(11.4)
Market-based wholesale	18,140	18,458	(318)	(1.7)
Transmission	61,295	63,700	(2,405)	(3.8)
Other	8,278	8,718	(440)	(5.0)
Total Revenues	<u>\$ 589,563</u>	<u>\$ 612,668</u>	<u>\$ (23,105)</u>	(3.8)

<b>Electricity Sales</b>	(Thousands of MWh)			
Residential	1,386	1,416	(30)	(2.1)
Commercial	1,835	1,842	(7)	(0.4)
Industrial	1,408	1,447	(39)	(2.7)
Other retail	22	21	1	4.8
Total Retail	4,651	4,726	(75)	(1.6)
Tariff-based wholesale	1,097	1,191	(94)	(7.9)
Market-based wholesale	949	813	136	16.7
Total wholesale	2,046	2,004	42	2.1
Total Electricity Sales	<u>6,697</u>	<u>6,730</u>	<u>(33)</u>	(0.5)

	(Dollars per MWh)			
Total retail	\$ 95.71	\$ 96.87	\$ (1.16)	(1.2)
Tariff-based wholesale	\$ 51.68	\$ 53.72	\$ (2.04)	(3.8)
Market-based wholesale	\$ 19.11	\$ 22.70	\$ (3.59)	(15.8)

<b>Fuel and Purchased Power</b>	(Dollars In Thousands)			
Fuel used for generation	\$ 106,169	\$ 115,813	\$ (9,644)	(8.3)
Purchased power	33,514	59,071	(25,557)	(43.3)
Subtotal	139,683	174,884	(35,201)	(20.1)
RECA recovery and other	397	(10,105)	10,502	103.9
Total fuel and purchased power expense	<u>\$ 140,080</u>	<u>\$ 164,779</u>	<u>\$ (24,699)</u>	(15.0)

<b>Electricity Supply</b>	(Thousands of MWh)			
Generated - Gas	237	321	(84)	(26.2)
Coal	4,542	4,459	83	1.9
Nuclear	756	633	123	19.4
Wind	105	116	(11)	(9.5)
Subtotal electricity generated	5,640	5,529	111	2.0
Purchased	1,318	1,501	(183)	(12.2)
Total Electricity Supply	<u>6,958</u>	<u>7,030</u>	<u>(72)</u>	(1.0)

	(Dollars per MWh)			
Average cost of fuel used for generation	\$ 18.82	\$ 20.95	\$ (2.13)	(10.2)
Average cost of purchased power	\$ 25.43	\$ 39.35	\$ (13.92)	(35.4)
Average cost of fuel and purchased power	\$ 20.08	\$ 24.88	\$ (4.80)	(19.3)

<b>Degree Days</b>	2014/			
	2015	20 yr Avg	Change	% Change
Cooling				
Actual compared to last year	537	553	(16)	(2.9)



Actual compared to 20 year average	537	457	80	17.5
Heating				
Actual compared to last year	269	392	(123)	(31.4)
Actual compared to 20 year average	269	385	(116)	(30.1)

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended June 30, 2015 should be read in conjunction with this financial information.

Westar Energy, Inc.  
Revenue, Sales and Energy Supply

Supplemental Data

	Six Months Ended June 30,			
	2015	2014	Change	% Change
<b>Revenues</b>	(Dollars In Thousands)			
Residential	\$ 354,970	\$ 367,958	\$ (12,988)	(3.5)
Commercial	337,300	339,294	(1,994)	(0.6)
Industrial	199,630	201,480	(1,850)	(0.9)
Other retail	7,006	6,982	24	0.3
Provision for rate refunds	(14,128)	(18,539)	4,411	23.8
<b>Total Retail Revenues</b>	<b>884,778</b>	<b>897,175</b>	<b>(12,397)</b>	<b>(1.4)</b>
Tariff-based wholesale	117,023	131,870	(14,847)	(11.3)
Market-based wholesale	44,561	61,177	(16,616)	(27.2)
Transmission	119,880	125,166	(5,286)	(4.2)
Other	14,128	25,836	(11,708)	(45.3)
<b>Total Revenues</b>	<b>\$ 1,180,370</b>	<b>\$ 1,241,224</b>	<b>\$ (60,854)</b>	<b>(4.9)</b>
<b>Electricity Sales</b>	(Thousands of MWh)			
Residential	2,940	3,125	(185)	(5.9)
Commercial	3,567	3,602	(35)	(1.0)
Industrial	2,732	2,786	(54)	(1.9)
Other retail	41	42	(1)	(2.4)
<b>Total Retail</b>	<b>9,280</b>	<b>9,555</b>	<b>(275)</b>	<b>(2.9)</b>
Tariff-based wholesale	2,381	2,563	(182)	(7.1)
Market-based wholesale	2,236	1,918	318	16.6
<b>Total wholesale</b>	<b>4,617</b>	<b>4,481</b>	<b>136</b>	<b>3.0</b>
<b>Total Electricity Sales</b>	<b>13,897</b>	<b>14,036</b>	<b>(139)</b>	<b>(1.0)</b>
	(Dollars per MWh)			
Total retail	\$ 95.34	\$ 93.90	\$ 1.44	1.5
Tariff-based wholesale	\$ 49.15	\$ 51.45	\$ (2.30)	(4.5)
Market-based wholesale	\$ 19.93	\$ 31.90	\$ (11.97)	(37.5)
<b>Fuel and Purchased Power</b>	(Dollars In Thousands)			
Fuel used for generation	\$ 214,418	\$ 254,463	\$ (40,045)	(15.7)
Purchased power	79,041	98,522	(19,481)	(19.8)
<b>Subtotal</b>	<b>293,459</b>	<b>352,985</b>	<b>(59,526)</b>	<b>(16.9)</b>
RECA recovery and other	2,102	(14,367)	16,469	114.6
<b>Total fuel and purchased power expense</b>	<b>\$ 295,561</b>	<b>\$ 338,618</b>	<b>\$ (43,057)</b>	<b>(12.7)</b>
<b>Electricity Supply</b>	(Thousands of MWh)			
Generated - Gas	550	625	(75)	(12.0)
Coal	8,994	9,640	(646)	(6.7)
Nuclear	1,550	1,527	23	1.5
Wind	211	229	(18)	(7.9)
<b>Subtotal electricity generated</b>	<b>11,305</b>	<b>12,021</b>	<b>(716)</b>	<b>(6.0)</b>
Purchased	2,941	2,546	395	15.5
<b>Total Electricity Supply</b>	<b>14,246</b>	<b>14,567</b>	<b>(321)</b>	<b>(2.2)</b>
	(Dollars per MWh)			
Average cost of fuel used for generation	\$ 18.97	\$ 21.17	\$ (2.20)	(10.4)
Average cost of purchased power	\$ 26.88	\$ 38.70	\$ (11.82)	(30.5)
Average cost of fuel and purchased power	\$ 20.60	\$ 24.23	\$ (3.63)	(15.0)
<b>Degree Days</b>	2014/			
	2015	20 yr Avg	Change	% Change
Cooling				
Actual compared to last year	537	553	(16)	(2.9)

Actual compared to 20 year average	537	459	78	17.0
Heating				
Actual compared to last year	2,703	3,196	(493)	(15.4)
Actual compared to 20 year average	2,703	2,814	(111)	(3.9)

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended June 30, 2015 should be read in conjunction with this financial information.

## Westar Energy, Inc.

### Capitalization

	June 30, 2015	December 31, 2014
(Dollars in Thousands)		
Current maturities of long-term debt of VIEs	\$ 28,315	\$ 27,933
Long-term debt, net	3,091,655	3,215,539
Long-term debt of variable interest entities, net	138,173	166,565
Total long-term debt	3,258,143	3,410,037
	47.7%	50.8%
Common equity	3,574,374	3,294,856
	52.2%	49.1%
Noncontrolling interests	10,090	6,451
	0.1%	0.1%
Total capitalization	\$ 6,842,607	\$ 6,711,344
	100.0%	100.0%
GAAP Book value per share	\$ 25.32	\$ 25.02
Period end shares outstanding (in thousands)	141,179	131,687

### Outstanding Long-Term Debt

	CUSIP	June 30, 2015	December 31, 2014
(Dollars in Thousands)			
<b>Westar Energy:</b>			
<b>First Mortgage Bond series:</b>			
5.15% Series due January 2017	95709TAB6	125,000	125,000
8.625% Series due December 2018	95709TAG5	300,000	300,000
5.10% Series due July 2020	95709TAD2	250,000	250,000
5.95% Series due January 2035	95709TAC4	—	125,000
5.875% Series due July 2036	95709TAE0	150,000	150,000
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
		2,055,000	2,180,000
<b>Pollution control bond series:</b>			
Variable series due April 2032 (Wamego)	933623BN9	30,500	30,500
Variable series due April 2032 (St Marys)	792609AF6	45,000	45,000
		75,500	75,500
<b>Total Westar Energy</b>		2,130,500	2,255,500
<b>KGE</b>			
<b>First mortgage bond series:</b>			
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
4.3% Series due July 2044	485260BM4	250,000	250,000
		875,000	875,000
<b>Pollution control bond series:</b>			
Variable rate series due April 2027 (LaCygne)	502828AJ5	21,940	21,940
4.85% Series due June 2031	121825CB7	50,000	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
		96,440	96,440
<b>Total KGE</b>		971,440	971,440
<b>Total long-term debt</b>		3,101,940	3,226,940
Unamortized debt discount		(10,285)	(11,401)
<b>Total long-term debt, net</b>		\$ 3,091,655	\$ 3,215,539

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended June 30, 2015 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 six months ended June 30, 2015 and 2014 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 June 30,			Six Months Ended June 30,		
	2015	2014	Change	2015	2014	Change
	(Dollars in Thousands)					
Revenues	\$ 589,563	\$ 612,668	\$ (23,105)	\$ 1,180,370	\$ 1,241,224	\$ (60,854)
Less: Fuel and purchased power expense	140,080	164,779	(24,699)	295,561	338,618	(43,057)
SPP network transmission costs	57,352	55,533	1,819	114,164	107,491	6,673
Gross Margin	<u>\$ 392,131</u>	<u>\$ 392,356</u>	<u>\$ (225)</u>	<u>\$ 770,645</u>	<u>\$ 795,115</u>	<u>\$ (24,470)</u>
Gross margin	\$ 392,131	\$ 392,356	\$ (225)	\$ 770,645	\$ 795,115	\$ (24,470)
Less: Operating and maintenance expense	82,739	101,839	(19,100)	167,819	193,629	(25,810)
Depreciation and amortization expense	76,759	70,882	5,877	151,345	140,992	10,353
Selling, general and administrative expense	63,663	62,168	1,495	119,082	118,653	429
Taxes other than income tax	37,494	34,738	2,756	75,365	69,571	5,794
Income from operations	<u>\$ 131,476</u>	<u>\$ 122,729</u>	<u>\$ 8,747</u>	<u>\$ 257,034</u>	<u>\$ 272,270</u>	<u>\$ (15,236)</u>

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended June 30, 2015 should be read in conjunction with this financial information.