
**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) February 23, 2012

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))
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Item 2.02. Results of Operations and Financial Condition

On February 23, 2012, we issued a press release announcing our earnings for the period ended December 31, 2011. A copy of our February 23, 2012 press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference. We are also including our 2011 Fourth Quarter and Year-End 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.

We are furnishing our 2012 Earnings Guidance summary, which is attached hereto as Exhibit 99.3 and is incorporated herein by reference. This information is available to the public on our website, <http://www.WestarEnergy.com>. The information furnished pursuant to this Item 7.01, including Exhibit 99.3, 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 February 23, 2012
Exhibit 99.2	2011 Fourth Quarter and Year-End Earnings package
Exhibit 99.3	2012 Earnings Guidance

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.

Date: February 23, 2012

Westar Energy, Inc.

By: /s/ Larry D. Irick
Name: Larry D. Irick
Title: Vice President, General Counsel and
Corporate Secretary

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
Exhibit 99.1	Press Release dated February 23, 2012
Exhibit 99.2	2011 Fourth Quarter and Year-End Earnings package
Exhibit 99.3	2012 Earnings Guidance



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WESTAR ENERGY ANNOUNCES 2011 RESULTS

Board declares 33 cent quarterly dividend

TOPEKA, Kan., Feb 23, 2012 — Westar Energy, Inc. (NYSE:WR) today announced earnings for 2011 were \$229 million, or \$1.95 per share, compared with \$203 million, or \$1.81 per share, for 2010. Earnings for 2011 include the benefits of reversing previously recorded accruals and a gain on the sale of a non-utility investment. Absent these two items, 2011 ongoing earnings per share were unchanged from the prior year. Earnings were \$19 million, or \$0.16 per share, for the fourth quarter 2011 compared with earnings of \$5 million, or \$0.04 per share, for the fourth quarter 2010.

Following is a reconciliation of GAAP to ongoing (non-GAAP) earnings per share:

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2011	2010	Change	2011	2010	Change
Basic earnings per share	\$ 0.16	\$ 0.04	\$ 0.12	\$ 1.95	\$ 1.81	\$ 0.14
Less adjustments for:						
Reversal of accruals related to legal settlements (a)	—	—	—	0.08	—	0.08
Gain on sale of non-utility investment	—	—	—	0.06	—	0.06
Ongoing (non-GAAP) earnings per share	<u>\$ 0.16</u>	<u>\$ 0.04</u>	<u>\$ 0.12</u>	<u>\$ 1.81</u>	<u>\$ 1.81</u>	<u>\$ (0.00)</u>

(a) Per share amounts adjusted for income tax and legal expenses related to legal settlements

The primary drivers for the \$10 million increase in full year 2011 ongoing net income was an increase in revenues offset somewhat by increased operating expenses. The increased operating expenses include higher network transmission costs, higher maintenance and

regulatory compliance costs at the Wolf Creek generating station, increased property taxes, increased tree trimming expense and higher depreciation expense. Ongoing earnings per share were unchanged from 2010 because the company issued additional shares to fund its investment in utility infrastructure.

The primary drivers for increased net income for the fourth quarter 2011 compared with the same period in 2010 were reduced operating and maintenance expenses lower compensation expense and reduced legal expenses.

Reconciliation of GAAP to ongoing (non-GAAP) net income:

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2011	2010	Change	2011	2010	Change
	(Dollars in Millions)			(Dollars in Millions)		
Net Income attributable to common stock	\$ 19.3	\$ 4.9	\$ 14.4	\$ 229.3	\$ 202.9	\$ 26.4
Less adjustments for:						
Reversal of accruals related to legal settlements (a)	—	—	—	8.9	—	8.9
Gain on sale of non-utility investment	—	—	—	7.2	—	7.2
Ongoing (non-GAAP) net income	<u>\$ 19.3</u>	<u>\$ 4.9</u>	<u>\$ 14.4</u>	<u>\$ 213.2</u>	<u>\$ 202.9</u>	<u>\$ 10.3</u>

(a) Adjusted for income taxes and legal expenses related to legal settlement

Earnings Guidance

The company issued earnings guidance for 2012 of \$1.85 to \$2.00 per share. The company has posted to its website a summary of factors it considers to be principal drivers and adjustments used in arriving at earnings guidance. The summary is located under Supplemental Materials within the Investors section of the company website at www.WestarEnergy.com.

Dividend Increase

The Board of Directors today declared a quarterly dividend of 33 cents per share payable Apr. 2, 2012 on the company's common stock. The new dividend reflects a 3 percent increase over the company's previous quarterly dividend of 32 cents per share, and results in an indicated annual rate of \$1.32 per share.

The board also declared regular quarterly dividends on the company's 4.25 percent, 4.5 percent and 5 percent series preferred stocks payable Apr. 1, 2012.

The dividends are payable to shareholders of record as of Mar. 9, 2012.

Conference Call and Additional Company Information

Westar Energy management will host a conference call Friday, Feb. 24 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 800-638-4817, participant code 56020630. A webcast of the live conference call will be available at 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, supplemental materials with detailed fourth quarter and year end 2011 financial information, the company's annual report on Form 10-K for the period ended Dec. 31, 2011 and other filings the company has made with the Securities and Exchange Commission are available on the company's website at www.WestarEnergy.com.

Westar Energy, Inc. (NYSE: WR) is the largest electric utility in Kansas, providing electric service to about 688,000 customers in the state. Westar Energy has about 7,100 megawatts of electric generating resources and operates and coordinates more than 34,000 miles of electric distribution and transmission lines.

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, 2011 (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; and (2) 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.

Attachment 1

WESTAR ENERGY, INC.
CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2011	2010	Change	2011	2010	Change
Retail	\$349,953	\$332,524	\$ 17,429	\$1,636,931	\$1,538,785	\$ 98,146
Wholesale	89,752	78,804	10,948	346,948	334,669	12,279
Transmission	39,158	36,016	3,142	154,569	144,513	10,056
Other	7,365	9,379	(2,014)	32,543	38,204	(5,661)
Total Revenues	486,228	\$456,723	29,505	2,170,991	2,056,171	114,820
Fuel and purchased power	144,096	124,568	19,528	630,793	583,361	47,432
Operating and maintenance	145,323	150,825	(5,502)	557,752	520,409	37,343
Depreciation and amortization	71,771	69,982	1,789	285,322	271,937	13,385
Selling, general and administrative	52,463	63,108	(10,645)	184,695	207,607	(22,912)
Total Operating Expenses	413,653	408,483	5,170	1,658,562	1,583,314	75,248
Income from Operations	72,575	48,240	24,335	512,429	472,857	39,572
Other income (expense)	(958)	(358)	(600)	(445)	(4,260)	3,815
Interest expense	41,779	43,080	(1,301)	172,460	174,941	(2,481)
Income tax expense (benefit)	8,532	(1,748)	10,280	103,344	85,032	18,312
Net Income	21,306	6,550	14,756	236,180	208,624	27,556
Less: Net income attributable to noncontrolling interests	1,729	1,389	340	5,941	4,728	1,213
Net income attributable to Westar Energy	19,577	5,161	14,416	230,239	203,896	26,343
Preferred dividends	242	242	—	970	970	—
Net Income Attributable to Common Stock	\$ 19,335	\$ 4,919	\$ 14,416	\$ 229,269	\$ 202,926	\$ 26,343
Earnings per common share, basic	\$ 0.16	\$ 0.04	\$ 0.12	\$ 1.95	\$ 1.81	\$ 0.14
Average equivalent common shares outstanding	121,880	112,348	9,532	116,891	111,629	5,262
Dividend declared per share	\$ 0.32	\$ 0.31	\$ 0.01	\$ 1.28	\$ 1.24	\$ 0.04

Westar Energy, Inc
Fourth Quarter and Year-end 2011 Earnings
Released February 23, 2012

Contents

	<u>Page</u>
Consolidated statements of income	1
Consolidated balance sheets	3
Consolidated statements of cash flows	4
Earnings variances	5
Supplemental data	7
Capitalization & Long-term Debt Table	9
GAAP to Non-GAAP reconciliation	10
Supplemental slides	11

Bruce Burns
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NOTE:

The Notes to the Condensed Consolidated Financial Statements in the company's Annual Report on Form 10-K for the period ended December 31, 2011 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.
Consolidated Statements of Income
(Unaudited)

	Three Months Ended December 31,			
	2011	2010	Change	% Change
(In Thousands, Except Per Share Amounts)				
REVENUES:				
Residential	\$ 136,604	\$ 130,957	\$ 5,647	4.3
Commercial	134,175	128,170	6,005	4.7
Industrial	79,379	75,637	3,742	4.9
Other retail	(205)	(2,240)	2,035	90.8
Total Retail Revenues	349,953	332,524	17,429	5.2
Wholesale	89,752	78,804	10,948	13.9
Transmission	39,158	36,016	3,142	8.7
Other	7,365	9,379	(2,014)	(21.5)
Total Revenues	486,228	456,723	29,505	6.5
OPERATING EXPENSES:				
Fuel and purchased power	144,096	124,568	19,528	15.7
Operating and maintenance	145,323	150,825	(5,502)	(3.6)
Depreciation and amortization	71,771	69,982	1,789	2.6
Selling, general and administrative	52,463	63,108	(10,645)	(16.9)
Total Operating Expenses	413,653	408,483	5,170	1.3
INCOME FROM OPERATIONS	72,575	48,240	24,335	50.4
OTHER INCOME (EXPENSE):				
Investment income	3,046	2,676	370	13.8
Other income	441	1,577	(1,136)	(72.0)
Other expense	(4,445)	(4,611)	166	3.6
Total Other Expense	(958)	(358)	(600)	(167.6)
Interest expense	41,779	43,080	(1,301)	(3.0)
INCOME BEFORE INCOME TAXES	29,838	4,802	25,036	521.4
Income tax expense (benefit)	8,532	(1,748)	10,280	588.1
NET INCOME	21,306	6,550	14,756	225.3
Less: Net income attributable to noncontrolling interests	1,729	1,389	340	24.5
NET INCOME ATTRIBUTABLE TO WESTAR ENERGY	19,577	5,161	14,416	279.3
Preferred dividends	242	242	—	—
NET INCOME ATTRIBUTABLE TO COMMON STOCK	\$ 19,335	\$ 4,919	\$ 14,416	293.1
Earnings per common share, basic	\$ 0.16	\$ 0.04	\$ 0.12	300.0
Average equivalent common shares outstanding (in thousands)	121,880	112,348	9,532	8.5
DIVIDENDS DECLARED PER COMMON SHARE	\$ 0.32	\$ 0.31	\$ 0.01	3.2
Effective income tax rate	28.59%	-36.40%		

The Notes to the Condensed Consolidated Financial Statements in the company's Annual Report on Form 10-K for the period ended December 31, 2011 should be read in conjunction with this financial information.

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

	Twelve Months Ended December 31,			
	2011	2010	Change	%Change
(In Thousands, Except Per Share Amounts)				
REVENUES:				
Residential	\$ 693,388	\$ 661,177	\$ 32,211	4.9
Commercial	604,626	572,062	32,564	5.7
Industrial	347,881	318,249	29,632	9.3
Other retail	(8,964)	(12,703)	3,739	29.4
Total Retail Revenues	1,636,931	1,538,785	98,146	6.4
Wholesale	346,948	334,669	12,279	3.7
Transmission	154,569	144,513	10,056	7.0
Other	32,543	38,204	(5,661)	(14.8)
Total Revenues	<u>2,170,991</u>	<u>2,056,171</u>	<u>114,820</u>	5.6
OPERATING EXPENSES:				
Fuel and purchased power	630,793	583,361	47,432	8.1
Operating and maintenance	557,752	520,409	37,343	7.2
Depreciation and amortization	285,322	271,937	13,385	4.9
Selling, general and administrative	184,695	207,607	(22,912)	(11.0)
Total Operating Expenses	<u>1,658,562</u>	<u>1,583,314</u>	<u>75,248</u>	4.8
INCOME FROM OPERATIONS	<u>512,429</u>	<u>472,857</u>	<u>39,572</u>	8.4
OTHER INCOME (EXPENSE):				
Investment income	9,301	7,026	2,275	32.4
Other income	8,652	5,369	3,283	61.1
Other expense	(18,398)	(16,655)	(1,743)	(10.5)
Total Other Expense	<u>(445)</u>	<u>(4,260)</u>	<u>3,815</u>	89.6
Interest expense	172,460	174,941	(2,481)	(1.4)
INCOME BEFORE INCOME TAXES	339,524	293,656	45,868	15.6
Income tax expense	103,344	85,032	18,312	21.5
NET INCOME	236,180	208,624	27,556	13.2
Less: Net income attributable to noncontrolling interests	5,941	4,728	1,213	25.7
NET INCOME ATTRIBUTABLE TO WESTAR ENERGY	230,239	203,896	26,343	12.9
Preferred dividends	970	970	—	—
NET INCOME ATTRIBUTABLE TO COMMON STOCK	<u>\$ 229,269</u>	<u>\$ 202,926</u>	<u>\$ 26,343</u>	13.0
Earnings per common share, basic	<u>\$ 1.95</u>	<u>\$ 1.81</u>	<u>\$ 0.14</u>	7.7
Average equivalent common shares outstanding (in thousands)	116,891	111,629	5,262	4.7
DIVIDENDS DECLARED PER COMMON SHARE	\$ 1.28	\$ 1.24	\$ 0.04	3.2
Effective income tax rate	30.44%	28.96%		

The Notes to the Condensed Consolidated Financial Statements in the company's Annual Report on Form 10-K for the period ended December 31, 2011 should be read in conjunction with this financial information.

Westar Energy, Inc.
Consolidated Balance Sheets
(Dollars in Thousands, except par values)
(Unaudited)

	December 31, 2011	December 31, 2010
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 3,539	\$ 928
Accounts receivable, net	226,428	227,700
Fuel inventory and supplies	229,118	206,867
Energy marketing contracts	8,180	13,005
Taxes receivable	5,334	16,679
Deferred tax assets	394	30,248
Prepaid expenses	13,078	12,413
Regulatory assets	123,818	73,480
Other	23,696	20,289
Total Current Assets	<u>633,585</u>	<u>601,609</u>
PROPERTY, PLANT AND EQUIPMENT, NET	<u>6,411,922</u>	<u>5,964,439</u>
PROPERTY, PLANT AND EQUIPMENT OF VARIABLE INTEREST ENTITIES, NET	<u>333,494</u>	<u>345,037</u>
OTHER ASSETS:		
Regulatory assets	922,272	787,585
Nuclear decommissioning trust	130,270	126,990
Other	251,308	253,978
Total Other Assets	<u>1,303,850</u>	<u>1,168,553</u>
TOTAL ASSETS	<u>\$ 8,682,851</u>	<u>\$ 8,079,638</u>
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Current maturities of long-term debt	\$ —	\$ 61
Current maturities of long-term debt of variable interest entities	28,114	30,155
Short-term debt	286,300	226,700
Accounts payable	187,428	187,954
Accrued taxes	52,451	45,534
Energy marketing contracts	6,353	9,670
Accrued interest	77,437	77,771
Regulatory liabilities	40,857	33,779
Other	148,347	171,222
Total Current Liabilities	<u>827,287</u>	<u>782,846</u>
LONG-TERM LIABILITIES:		
Long-term debt, net	2,491,109	2,490,871
Long-term debt of variable interest entities, net	249,283	278,162
Deferred income taxes	1,110,463	1,102,625
Unamortized investment tax credits	164,175	101,345
Regulatory liabilities	230,530	233,295
Accrued employee benefits	592,617	483,769
Asset retirement obligations	142,508	125,999
Other	74,138	66,888
Total Long-Term Liabilities	<u>5,054,823</u>	<u>4,882,954</u>
COMMITMENTS AND CONTINGENCIES (See Notes 13 & 15 in Form 10-K)	—	3,465
TEMPORARY EQUITY		
EQUITY:		
Westar Energy Shareholders' Equity:		
Cumulative preferred stock, par value \$100 per share; authorized 600,000 shares; issued and outstanding 214,363 shares	21,436	21,436
Common stock, par value \$5 per share; authorized 275,000,000 and 150,000,000 shares, respectively; issued and outstanding 125,698,396 and 112,128,068 shares, respectively	628,492	560,640
Paid-in capital	1,639,503	1,398,580
Retained earnings	501,216	423,647
Total Westar Energy Shareholders' Equity	<u>2,790,647</u>	<u>2,404,303</u>
Noncontrolling Interests	10,094	6,070
Total Equity	<u>2,800,741</u>	<u>2,410,373</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 8,682,851</u>	<u>\$ 8,079,638</u>

The Notes to the Condensed Consolidated Financial Statements in the company's Annual Report on Form 10-K for the period ended December 31, 2011 should be read in conjunction with this financial information.

Westar Energy, Inc.
Consolidated Statements of Cash Flows
(Dollars in Thousands)
(Unaudited)

	Twelve Months Ended December 31,	
	2011	2010
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:		
Net income	\$ 236,180	\$ 208,624
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	285,322	271,937
Amortization of nuclear fuel	21,151	25,089
Amortization of deferred regulatory gain from sale-leaseback	(5,495)	(5,495)
Amortization of corporate-owned life insurance	25,650	20,650
Non-cash compensation	8,422	11,373
Net changes in energy marketing assets and liabilities	926	(1,284)
Net deferred income taxes and credits	111,723	120,169
Stock based compensation excess tax benefits	(1,180)	(641)
Allowance for equity funds used during construction	(5,550)	(3,104)
Gain on sale of non-utility investment	(7,246)	—
Gain on settlement of contractual obligations with former officers	(22,039)	—
Changes in working capital items:		
Accounts receivable	(1,638)	(11,434)
Fuel inventory and supplies	(21,485)	(12,266)
Prepaid expenses and other	(50,138)	8,475
Accounts payable	3,008	30,330
Accrued taxes	18,633	27,565
Other current liabilities	(107,012)	(80,660)
Changes in other assets	(10,167)	(42,544)
Changes in other liabilities	(16,369)	40,918
Cash flows from operating activities	<u>462,696</u>	<u>607,702</u>
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:		
Additions to property, plant and equipment	(697,451)	(540,076)
Purchase of securities within trusts	(49,737)	(192,350)
Sale of securities within trusts	47,534	191,603
Investment in corporate-owned life insurance	(19,214)	(19,162)
Proceeds from investment in corporate-owned life insurance	1,295	2,204
Proceeds from federal grant	8,561	3,180
Investment in affiliated company	(1,943)	(280)
Proceeds from sale of non-utility investment	9,246	—
Investment in non-utility investments	(3,656)	—
Other investing activities	3,849	(1,164)
Cash flows used in investing activities	<u>(701,516)</u>	<u>(556,045)</u>
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES:		
Short-term debt, net	54,081	(16,060)
Retirements of long-term debt	(371)	(1,695)
Retirements of long-term debt of variable interest entities	(30,159)	(28,610)
Repayment of capital leases	(2,233)	(2,981)
Borrowings against cash surrender value of corporate-owned life insurance	67,562	74,134
Repayment of borrowings against cash surrender value of corporate-owned life insurance	(3,421)	(3,430)
Stock based compensation excess tax benefits	1,180	641
Issuance of common stock	294,942	54,651
Distributions to shareholders of noncontrolling interests	(1,917)	(2,093)
Cash dividends paid	(138,233)	(129,146)
Cash flows from (used in) financing activities	<u>241,431</u>	<u>(54,589)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,611	(2,932)
CASH AND CASH EQUIVALENTS:		
Beginning of period	928	3,860
End of period	<u>\$ 3,539</u>	<u>\$ 928</u>

The Notes to the Condensed Consolidated Financial Statements in the company's Annual Report on Form 10-K for the period ended December 31, 2011 should be read in conjunction with this financial information.

Westar Energy, Inc.
4th Quarter 2011 vs. 2010

Earnings Variances

	(\$ per share)	Change (Dollars in thousands)	
2010 earnings attributable to common stock	\$ 0.04	\$ 4,919	
		<i>Favorable / (Unfavorable)</i>	
Retail		17,429	A
Wholesale		10,948	B
Transmission		3,142	
Other revenues		(2,014)	
Fuel and purchased power		(19,528)	C
SPP network transmission costs		(3,838)	
Gross Margin		6,139	
Operating and maintenance w/o SPP NITS		9,340	D
Depreciation and amortization		(1,789)	E
Selling, general and administrative		10,645	F
Other income (expense)		(600)	
Interest expense		1,301	
Income tax expense		(10,280)	
Net income attributable to noncontrolling interests		(340)	
Change in shares outstanding	(0.01)		
2011 earnings attributable to common stock	\$ 0.16	\$ 19,335	

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

- A Due principally to price increases; MWh increased 0.4 percent (see page 7 for changes by customer class)
- B Due to increase in demand; MWh increased 26 percent (see page 7 for changes by customer class)
- C Increased electricity generated at higher average unit cost for fuel and purchased power
- D Due principally to: reduced maintenance expense for distribution system, primarily tree trimming — \$5.2M; reduced maintenance expense and outages at power plants — \$5.2M
- E Higher plant balances associated with additions at power plants, including air quality controls equipment
- F Decrease due principally to: reduced variable compensation related to performance against operational and financial targets - \$6.4M; reduced legal costs — \$2.3M

The Notes to the Condensed Consolidated Financial Statements in the company's Annual Report on Form 10-K for the period ended December 31, 2011 should be read in conjunction with this financial information.

Earnings Variances

	(\$ per share)	Change (Dollars in thousands)	
2010 earnings attributable to common stock	\$ 1.81	\$ 202,926	
		<i>Favorable / (Unfavorable)</i>	
Retail		98,146	A
Wholesale		12,279	B
Transmission		10,056	
Other revenues		(5,661)	
Fuel and purchased power		(47,432)	C
SPP network transmission costs		(15,715)	
Gross Margin		51,673	
Operating and maintenance w/o SPP NITS		(21,628)	D
Depreciation and amortization		(13,385)	E
Selling, general and administrative		22,912	F
Other income (expense)		3,815	G
Interest expense		2,481	
Income tax expense		(18,312)	
Net income attributable to noncontrolling interests		(1,213)	
Change in shares outstanding	(0.10)		
2011 earnings attributable to common stock	\$ 1.95	\$ 229,269	

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

- A Due principally to price increases; MWh increased 1 percent (see page 8 for changes by customer class)
- B Due principally to higher average market prices; MWh decreased 6 percent reflecting less availability of generation for wholesale sales (see page 8 for changes by customer class)
- C Increase due principally to higher average unit cost of generation which more than offset a decrease in electricity generated
- D Increase due principally to: increase in property tax expense (which is largely offset in revenues via property tax surcharge) — (\$7M); increased amortization of Wolf Creek refuel and maintenance outage cost — (\$8M); higher regulatory compliance costs at Wolf Creek — (\$5M); recording in 2010 a reduction in liability for cost associated with sale of assets many years ago — (\$5M); increased maintenance of distribution system, primarily tree trimming — (\$1.4M); and a decrease in expenses for completed storm amortizations — \$8M
- E Higher plant balances associated with additions of transmission facilities and at power plants, including air quality controls equipment
- F Decrease due principally to: reversal of accrued liabilities related to legal settlements — \$22M; reduced variable compensation related to performance against operational and financial targets — \$7.1M; increased amortization of deferred energy efficiency expenses (which is largely offset with retail revenue increase) — (\$3.6M); and higher legal expenses related to the legal settlements — (\$3.2M)
- G Increase is due primarily to: recording a gain on sale of non—utility investment — \$7.2M; increase in equity AFUDC — \$2.4M; recording a gain on sale of No. 6 fuel oil — \$1.2M; and recording a smaller mark-to-market gain on investments in a trust to fund retirement benefits — (\$4M)

The Notes to the Condensed Consolidated Financial statements in the company's Annual report on Form 10-K for the period ended December 31, 2011 should be read in conjunction with this financial information.

Westar Energy, Inc
Revenue, Sales and Energy Supply

Supplemental Data

	Three Months Ended December 31,			
	2011	2010	Change	% Change
(Dollars In Thousands)				
Revenues				
Residential	\$ 136,604	\$ 130,957	\$ 5,647	4.3
Commercial	134,175	128,170	6,005	4.7
Industrial	79,379	75,637	3,742	4.9
Other retail	3,046	2,985	61	2.0
Provision for rate refunds	(3,251)	(5,225)	1,974	37.8
Total Retail Revenues	349,953	332,524	17,429	5.2
Tariff-based wholesale	60,218	62,260	(2,042)	(3.3)
Market-based wholesale	29,534	16,544	12,990	78.5
Transmission	39,158	36,016	3,142	8.7
Other	7,365	9,379	(2,014)	(21.5)
Total Revenues	\$486,228	\$456,723	\$29,505	6.5

(Thousands of MWh)				
Electricity Sales				
Residential	1,407	1,394	13	0.9
Commercial	1,748	1,726	22	1.3
Industrial	1,285	1,303	(18)	(1.4)
Other retail	22	22	—	—
Total Retail	4,462	4,445	17	0.4
Tariff-based wholesale	1,393	1,346	47	3.5
Market-based wholesale	1,015	563	452	80.3
Total wholesale	2,408	1,909	499	26.1
Total Electricity Sales	6,870	6,354	516	8.1

(Dollars per MWh)				
Total retail	\$ 78.43	\$ 74.81	\$ 3.62	4.8
Tariff-based wholesale	\$ 43.23	\$ 46.26	\$ (3.03)	(6.5)
Market-based wholesale	\$ 29.10	\$ 29.39	\$ (0.29)	(1.0)

(Dollars In Thousands)				
Fuel and Purchased Power				
Fuel used for generation	\$ 119,413	\$ 103,614	\$ 15,799	15.2
Purchased power	18,566	19,694	(1,128)	(5.7)
Subtotal	137,979	123,308	14,671	11.9
RECA recovery and other	6,117	1,260	4,857	385.5
Total fuel and purchased power expense	\$144,096	\$124,568	\$19,528	15.7

(Thousands of MWh)				
Electricity Supply				
Generated - Gas/oil	82	240	(158)	(65.8)
Coal	5,198	4,800	398	8.3
Nuclear	1,248	966	282	29.2
Wind	128	117	11	9.4
Subtotal electricity generated	6,656	6,123	533	8.7
Purchased	565	616	(51)	(8.3)
Total Electricity Supply	7,221	6,739	482	7.2

(Dollars per MWh)				
Average cost of fuel used for generation	\$ 17.94	\$ 16.92	\$ 1.02	6.0
Average cost of purchased power	\$ 32.86	\$ 31.97	\$ 0.89	2.8
Average cost of fuel and purchased power	\$ 19.11	\$ 18.30	\$ 0.81	4.4

	2011	2010 /		% Change
		20 yr Avg	Change	
Degree Days				
Cooling				
Actual compared to last year	52	27	25	92.6
Actual compared to 20 year average	52	39	13	33.3
Heating				
Actual compared to last year	1,692	1,715	(23)	(1.3)
Actual compared to 20 year average	1,692	1,808	(116)	(6.4)

Westar Energy, Inc
Revenue, Sales and Energy Supply

Supplemental Data

	Twelve Months Ended December 31,			
	2011	2010	Change	% Change
(Dollars In Thousands)				
Revenues				
Residential	\$ 693,388	\$ 661,177	\$ 32,211	4.9
Commercial	604,626	572,062	32,564	5.7
Industrial	347,881	318,249	29,632	9.3
Other retail	12,252	11,961	291	2.4
Provision for rate refunds	(21,216)	(24,664)	3,448	14.0
Total Retail Revenues	<u>1,636,931</u>	<u>1,538,785</u>	<u>98,146</u>	<u>6.4</u>
Tariff-based wholesale	265,360	246,195	19,165	7.8
Market-based wholesale	81,588	88,474	(6,886)	(7.8)
Transmission	154,569	144,513	10,056	7.0
Other	32,543	38,204	(5,661)	(14.8)
Total Revenues	<u>\$2,170,991</u>	<u>\$2,056,171</u>	<u>\$114,820</u>	<u>5.6</u>

	(Thousands of MWh)			
	Electricity Sales			
Residential	6,986	6,957	29	0.4
Commercial	7,573	7,519	54	0.7
Industrial	5,589	5,468	121	2.2
Other retail	88	89	(1)	(1.1)
Total Retail	<u>20,236</u>	<u>20,033</u>	<u>203</u>	<u>1.0</u>
Tariff-based wholesale	5,883	6,074	(191)	(3.1)
Market-based wholesale	2,332	2,638	(306)	(11.6)
Total wholesale	<u>8,215</u>	<u>8,712</u>	<u>(497)</u>	<u>(5.7)</u>
Total Electricity Sales	<u>28,451</u>	<u>28,745</u>	<u>(294)</u>	<u>(1.0)</u>

	(Dollars per MWh)			
	Total retail			
Total retail	\$ 80.89	\$ 76.81	\$ 4.08	5.3
Tariff-based wholesale	\$ 45.11	\$ 40.53	\$ 4.58	11.3
Market-based wholesale	\$ 34.99	\$ 33.54	\$ 1.45	4.3

	(Dollars In Thousands)			
	Fuel and Purchased Power			
Fuel used for generation	\$ 556,771	\$ 513,710	\$ 43,061	8.4
Purchased power	91,851	79,492	12,359	15.5
Subtotal	<u>648,622</u>	<u>593,202</u>	<u>55,420</u>	<u>9.3</u>
RECA recovery and other	(17,829)	(9,841)	(7,988)	(81.2)
Total fuel and purchased power expense	<u>\$ 630,793</u>	<u>\$ 583,361</u>	<u>\$ 47,432</u>	<u>8.1</u>

	(Thousands of MWh)			
	Electricity Supply			
Generated - Gas/oil	2,305	1,922	383	19.9
Coal	21,184	21,440	(256)	(1.2)
Nuclear	3,440	4,491	(1,051)	(23.4)
Wind	454	453	1	0.2
Subtotal electricity generated	<u>27,383</u>	<u>28,306</u>	<u>(923)</u>	<u>(3.3)</u>
Purchased	2,680	2,194	486	22.2
Total Electricity Supply	<u>30,063</u>	<u>30,500</u>	<u>(437)</u>	<u>(1.4)</u>

	(Dollars per MWh)			
	Average cost of fuel used for generation			
Average cost of fuel used for generation	\$ 20.33	\$ 18.15	\$ 2.18	12.0
Average cost of purchased power	\$ 34.27	\$ 36.23	\$ (1.96)	(5.4)
Average cost of fuel and purchased power	\$ 21.58	\$ 19.45	\$ 2.13	11.0

	2011	2010 / 20 yr Avg	Change	% Change
Cooling				
Actual compared to last year	2,119	1,975	144	7.3
Actual compared to 20 year average	2,119	1,624	495	30.5
Heating				
Actual compared to last year	4,800	4,712	88	1.9
Actual compared to 20 year average	4,800	4,668	132	2.8

Westar Energy, Inc.

Capitalization

	December 31, 2011		December 31, 2010	
	(Dollars in Thousands)			
Current maturities of long-term debt	\$ —		\$ 61	
Current maturities of long-term debt of VIEs	28,114		30,155	
Long-term debt, net	2,491,109		2,490,871	
Long-term debt of variable interest entities, net	249,283		278,162	
Total debt	2,768,506	49.7%	2,799,249	53.7%
Preferred	21,436	0.4%	21,436	0.4%
Common equity	2,769,211	49.7%	2,382,867	45.8%
Noncontrolling interests	10,094	0.2%	6,070	0.1%
Total capitalization	<u>\$5,569,247</u>	100.0%	<u>\$5,209,622</u>	100.0%
GAAP Book value per share	\$ 22.03		\$ 21.25	
Period end shares outstanding (in thousands)	125,698		112,128	

Outstanding long-term debt table

	CUSIP	December 31, 2011	December 31, 2010
		(Dollars in Thousands)	
Westar Energy:			
First Mortgage Bond series:			
6.00% Series due July 2014	95709TAA8	\$ 250,000	\$ 250,000
5.15% Series due January 2017	95709TAB6	125,000	125,000
5.95% Series due January 2035	95709TAC4	125,000	125,000
5.10% Series due July 2020	95709TAD2	250,000	250,000
5.875% Series due July 2036	95709TAE0	150,000	150,000
6.10% Series due May 2047	95709T704	150,000	150,000
8.625% Series due December 2018	95709TAG5	300,000	300,000
		<u>1,350,000</u>	<u>1,350,000</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
5.0% Series due February 2033 (Wamego)	933623BQ2	57,245	57,530
		<u>132,745</u>	<u>133,030</u>
Other long-term debt:			
4.36% Equipment financing loan due 2011		—	61
		<u>—</u>	<u>61</u>
Total Westar Energy		<u>1,482,745</u>	<u>1,483,091</u>
KGE			
First mortgage bond series:			
6.53% Series due December 2037	485260BJ1	175,000	175,000
6.15% Series due May 2023	485260B@1	50,000	50,000
6.64%Series due May 2038	485260B#9	100,000	100,000
6.70%Series due June 2019	U24448AB5	300,000	300,000
		<u>625,000</u>	<u>625,000</u>
Pollution control bond series:			
5.3% Series due June 2031	121825BW2	108,600	108,600
5.3% Series due June 2031	933623BR0	18,900	18,900
4.85% Series due June 2031	121825CB7	50,000	50,000
5.10% Series due March 2023	502828AH9	13,318	13,343
Variable rate series due April 2027 (LaCygne)	502828AJ5	21,940	21,940
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
5.6% Series due June 2031	121825CD3	50,000	50,000
6.0% Series due June 2031	121825CE1	50,000	50,000
5.0% Series due June 2031	121825CF8	50,000	50,000
		<u>387,258</u>	<u>387,283</u>
Total KGE		<u>1,012,258</u>	<u>1,012,283</u>
Total long-term debt		<u>2,495,003</u>	<u>2,495,374</u>
Unamortized debt discount		(3,894)	(4,442)
Long-term debt due within one year		—	(61)
Total long-term debt, net		<u>\$2,491,109</u>	<u>\$2,490,871</u>

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 fuel and purchased power costs, and accordingly changes to these costs have a minimal impact on net income. For this reason, Westar management believes that gross margin is a useful measure for understanding changes in operating performance from one period to the next. Gross margin is calculated as total revenues less the sum of fuel and purchased power costs and SPP network transmission costs. SPP network transmission costs are included as a component of gross margin because these costs reflect the costs of providing network transmission service, and a significant component of transmission revenue is recognized when providing this service.

Operating and maintenance expense includes SPP network transmission costs (SPP NITS). The SPP network transmission costs are included in gross margin for the reasons shown above, and are therefore excluded from operating and maintenance expense w/o SPP NITS used to reconcile earnings from the comparable prior year period to the earnings for the current period. Westar management believes this measurement is useful for understanding changes in operating performance from one period to the next. Operating and maintenance expense w/o SPP NITS is calculated by subtracting the SPP network transmission costs from operating and maintenance expense.

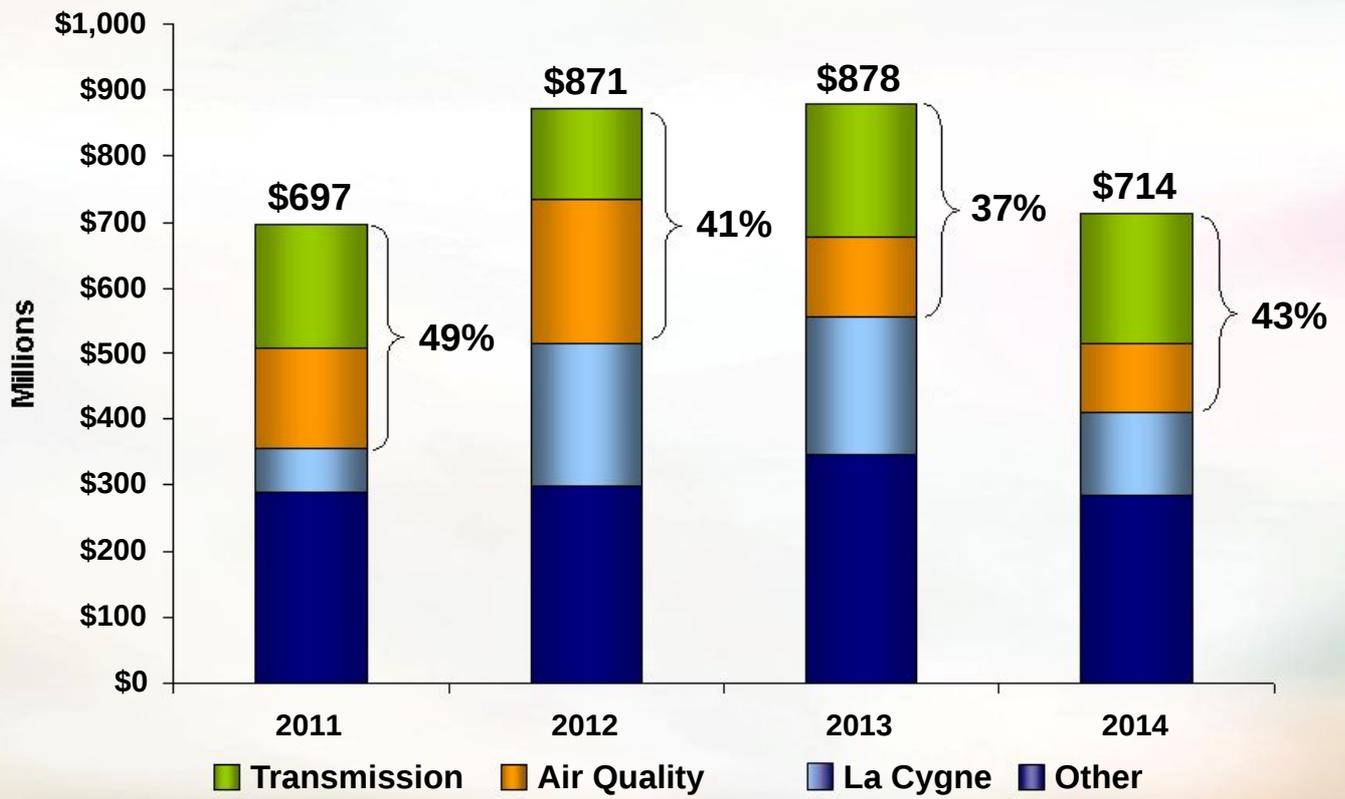
The calculations of gross margin and operating and maintenance expense w/o SPP NITS for the three and twelve months ended December 31, 2011 and 2010 are shown in the table below. The table also includes a reconciliation of gross margin to income from operations for both periods. Income from operations is the GAAP financial measure most directly comparable to gross margin. Operating and maintenance expense is the GAAP financial measure most directly comparable to operating and maintenance expense w/o SPP NITS.

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2011	2010	Change	2011	2010	Change
	(Dollars In Thousands)			(Dollars In Thousands)		
Revenues						
Residential	\$ 136,604	\$ 130,957	\$ 5,647	\$ 693,388	\$ 661,177	\$ 32,211
Commercial	134,175	128,170	6,005	604,626	572,062	32,564
Industrial	79,379	75,637	3,742	347,881	318,249	29,632
Other retail	(205)	(2,240)	2,035	(8,964)	(12,703)	3,739
Total Retail Revenues	349,953	332,524	17,429	1,636,931	1,538,785	98,146
Wholesale	89,752	78,804	10,948	346,948	334,669	12,279
Transmission	39,158	36,016	3,142	154,569	144,513	10,056
Other	7,365	9,379	(2,014)	32,543	38,204	(5,661)
Total Revenues	486,228	456,723	29,505	2,170,991	2,056,171	114,820
Less: Fuel and purchased power expense	144,096	124,568	19,528	630,793	583,361	47,432
SPP network transmission costs	33,541	29,703	3,838	132,164	116,449	15,715
Gross Margin	<u>\$ 308,591</u>	<u>\$ 302,452</u>	<u>\$ 6,139</u>	<u>\$ 1,408,034</u>	<u>\$ 1,356,361</u>	<u>\$ 51,673</u>
Gross margin	\$ 308,591	\$ 302,452	\$ 6,139	\$ 1,408,034	\$ 1,356,361	\$ 51,673
Add: SPP network transmission costs	33,541	29,703	3,838	132,164	116,449	15,715
Less: Operating and maintenance expense	145,323	150,825	(5,502)	557,752	520,409	37,343
Depreciation and amortization expense	71,771	69,982	1,789	285,322	271,937	13,385
Selling, general and administrative expense	52,463	63,108	(10,645)	184,695	207,607	(22,912)
Income from operations	<u>\$ 72,575</u>	<u>\$ 48,240</u>	<u>\$ 24,335</u>	<u>\$ 512,429</u>	<u>\$ 472,857</u>	<u>\$ 39,572</u>
Operating and maintenance expense	\$ 145,323	\$ 150,825	\$ (5,502)	\$ 557,752	\$ 520,409	\$ 37,343
Less: SPP Network transmission costs	33,541	29,703	3,838	132,164	116,449	15,715
Operating and maintenance expense w/o SPP NITS	<u>\$ 111,782</u>	<u>\$ 121,122</u>	<u>\$ (9,340)</u>	<u>\$ 425,588</u>	<u>\$ 403,960</u>	<u>\$ 21,628</u>
			-7.7%			5.4%
Operating and maintenance expense w/o SPP NITS	\$ 111,782	\$ 121,122	\$ (9,340)	\$ 425,588	\$ 403,960	\$ 21,628
Selling, general and administrative expense	52,463	63,108	(10,645)	184,695	207,607	(22,912)
O&M and SGA w/o SPP NITS	164,245	184,230	(19,985)	610,283	611,567	(1,284)
			-10.8%			-0.2%
Reversal of accrual as result of legal settlements		\$ —	\$ —	\$ (22,039)	\$ —	\$ (22,039)
Legal expenses related to settlements		—	—	7,812		7,812
Settlement reversal and exclude legal expense		—	—	(14,227)	—	(14,227)
Adjusted O&M & SGA	<u>\$ 164,245</u>	<u>\$ 184,230</u>	<u>\$ (19,985)</u>	<u>\$ 624,510</u>	<u>\$ 611,567</u>	<u>\$ 12,943</u>
			-10.8%			2.1%

Capital Expenditure Forecast 2012 - 2014

	Actual 2011	Forecast 2012	Forecast 2013	Forecast 2014	Forecast 2012 - 2014	Method of Cost Recovery
Generation replacements and other	\$ 132.8	\$ 159.8	\$ 172.3	\$ 164.6	\$ 496.7	GRC
Westar environmental	153.4	219.3	121.7	107.4	448.4	ECRR
La Cygne environmental	66.5	215.9	208.9	123.7	548.5	GRC
Nuclear Fuel	18.5	21.9	44.2	20.6	86.7	RECA
Transmission	188.8	136.5	200.7	197.4	534.6	FERC / TDC
Distribution						
New customers, replacements & other	95.9	92.8	106.7	88.1	287.6	GRC
Smart grid (a)	17.9	3.7			3.7	GRC
Other	23.6	21.5	23.6	12.1	57.2	GRC
Total	\$ 697.4	\$ 871.4	\$ 878.1	\$ 713.9	\$2,463.4	
(a) net of DOE matching grant						
Prairie Wind Transmission joint venture	\$ 2.0	\$ 2.1	\$ 28.0	\$ 2.6	\$ 32.7	
Not included in the table are Westar's planned investment in Prairie Wind Transmission joint venture						

Capital Expenditure Forecast 2012 - 2014





2012 Earnings Guidance

2012 earnings per share range \$1.85 - \$2.00

Key assumptions for 2012:

- KCC approval of Stipulation & Agreement (S&A) in 2011 rate review
 - Annual retail revenue increase ≈\$50 million, effective May
 - o Includes reset of tariff-based credit in retail rates
- ≈1% growth in weather adjusted total retail sales
- Transmission revenue increase ≈\$25 million effective January
 - Companion retail TDC to be effective April
- Combined O&M and SG&A, excluding SPP transmission expense and 2011 legal settlement, increase ≈7% (increase ≈2% without S&A expense items):
 - O&M expense, excl. SPP transmission expense, increase ≈4%
 - Excludes ≈\$34 million increase for SPP transmission expense
 - Includes ≈\$7 million increase for tree trimming per S&A
 - SG&A expense increase ≈14%
 - 2011 adjusted for effects of legal fees and settlement regarding arbitration
 - Includes ≈\$22 million increase for pension expense per S&A
- ≈\$10 million decrease in depreciation and amortization expense including effects of S&A
- Annual adjustment to Environmental Cost Recovery Rider ≈\$15 million effective June 1
- Includes ≈\$14 million of actuarially-assumed COLI proceeds
- ≈\$7 million increase in equity AFUDC
- Effective tax rate of approximately 29-31%
- Debt used for 2012 external funding needs

The effects of the key assumptions are not necessarily independent of one another, and the combination of effects can cause individual impacts smaller or larger than the ranges indicated.

Forward-looking statements: Certain matters discussed in this document 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 “assumption,” “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, 2011 (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; and (2) 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.