

WEC Energy Group, Inc.

2015 Year End Earnings

Released February 4, 2016

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Feb. 4, 2016

WEC Energy Group posts 2015 fourth quarter and full-year results

MILWAUKEE - WEC Energy Group, Inc. (NYSE: WEC) today recorded net income based on generally accepted accounting principles (GAAP) of \$179.3 million or 57 cents a share for the fourth quarter of 2015. WEC Energy Group was formed on June 29, 2015 when Wisconsin Energy completed the acquisition of Integrys.

Wisconsin Energy's stand-alone earnings for the fourth quarter, excluding Integrys earnings and acquisition costs, rose to 63 cents a share. In the corresponding quarter a year ago, Wisconsin Energy's stand-alone earnings, adjusted for acquisition costs, were 56 cents a share.

	<u>2015 Q4</u>	<u>2014 Q4</u>
WEC Energy Group GAAP EPS	\$0.57	\$0.53
Acquisition costs (post tax)	\$0.09	\$0.03
Integrys earnings	\$(0.25)	—
Impact of additional shares	\$0.22	—
Wisconsin Energy adjusted EPS	<u>\$0.63</u>	<u>\$0.56</u>

Consolidated revenue for the fourth quarter of 2015 totaled \$1.85 billion. Wisconsin Energy's stand-alone fourth quarter revenue, which excludes \$780 million of revenue from Integrys operations, was \$1.07 billion. This compares with Wisconsin Energy revenue of \$1.23 billion in the fourth quarter of 2014.

"We delivered solid results in the final quarter of 2015 despite record warmth that limited customer demand for heating throughout December," said Gale Klappa, chairman and chief executive.

Average daily temperatures in the fourth quarter were 26 percent warmer than during the fourth quarter of 2014.

For the full year 2015, WEC Energy Group reported net income based on generally accepted accounting principles of \$638.5 million or \$2.34 a share.

Wisconsin Energy's stand-alone earnings for the full year 2015, excluding Integrys earnings and acquisition costs, increased to \$2.73 a share. This compares to Wisconsin Energy's stand-alone earnings, adjusted for acquisition costs, of \$2.65 a share in 2014.

	<u>2015</u>	<u>2014</u>
WEC Energy Group GAAP EPS	\$2.34	\$2.59
Acquisition costs (post tax)	\$0.39	\$0.06
Integrys earnings	\$(0.47)	—
Impact of additional shares	\$0.47	—
Wisconsin Energy adjusted EPS	<u>\$2.73</u>	<u>\$2.65</u>

“Since the close of the acquisition, we’ve made significant progress in focusing our six operating utilities on world-class reliability, customer satisfaction, and financial discipline,” Klappa said.

“I’m very pleased with our execution and with our longer-term planning as we continue to deliver tangible benefits to our customers, to the communities we serve, and to the stockholders who count on us to create value,” Klappa added.

To facilitate comparison with 2014, the information on customer growth and electricity sales that follows reflects data for We Energies customers only.

At the end of 2015, We Energies was serving approximately 6,500 more electric customers and 8,500 more natural gas customers than a year ago.

Residential use of electricity in 2015 declined by 2.0 percent. Consumption of electricity by small commercial and industrial customers was essentially level with the previous year. Electricity use by large commercial and industrial customers -- excluding the iron ore mines in Michigan's Upper Peninsula -- was down by 0.4 percent.

On a weather normal basis, retail sales of electricity -- excluding the iron ore mines -- were down by 0.8 percent as compared to 2014 levels.

“In summary, 2015 was another year of achievement for WEC Energy Group,” Klappa noted. “Our We Energies subsidiary was named the most reliable utility in the Midwest for the fifth consecutive year -- extending our track record of network reliability and customer satisfaction.

“We completed the acquisition of Integrys in less than 53 weeks from the date of the announcement -- a major step that created the leading utility system in the Midwest, serving more than four million customers. And we delivered earnings and dividend growth that exceeded our projections,” he said.

Conference call

A conference call is scheduled for 1 p.m. Central time on Feb. 4, 2016. The presentation will review 2015 year-end earnings and will discuss the company's outlook.

All interested parties, including stockholders, news media and the general public, are invited to listen to the presentation. The conference call may be accessed by dialing 866-439-9410 up to 15 minutes before the call begins. International callers may dial 706-643-5658. The conference ID is 21365402.

Access also may be gained through the company's website (wecenergygroup.com). Select '4th quarter, year-end earnings' and then select 'Webcast.' In conjunction with this earnings announcement, WEC Energy Group will post on its website a package of detailed financial information on its fourth-quarter and year-end performance. The materials will be available at 6:30 a.m. Central time, Feb. 4.

Replay

A replay will be available on the website and by phone after the presentation. Access to the webcast replay will be available on the website about two hours after the presentation.

Access to a phone replay also will be available approximately two hours after the presentation and remain accessible through Feb. 17, 2016.

Domestic callers should dial 855-859-2056. International callers should dial 404-537-3406. The replay conference ID is 21365402.

Non-GAAP earnings measures

We have provided adjusted earnings (non-GAAP earnings) in this press release as a complement to, and not as an alternative to, reported earnings presented in accordance with GAAP. The adjusted stand-alone earnings of Wisconsin Energy exclude the results of operations of Integrys Energy Group and its subsidiaries and costs related to the acquisition of Integrys, as well as the additional WEC Energy Group shares of common stock that were issued as part of the acquisition. Costs related to the acquisition of Integrys are not indicative of the company's operating performance.

Institutional investors have informed management on several occasions that, for 2015, they are interested in, and focused on, the performance of legacy Wisconsin Energy and subsidiaries, excluding the impact of the Integrys acquisition. In addition, the earnings guidance and performance expectations previously provided by the company were based upon legacy Wisconsin Energy's operations. Therefore, we believe that the presentation of adjusted earnings is relevant and useful to investors. Management also used such measures internally to evaluate the company's performance for 2015.

WEC Energy Group (NYSE: WEC), based in Milwaukee, is one of the nation's premier energy companies, serving 4.4 million customers in Wisconsin, Illinois, Michigan and Minnesota.

The company's principal utilities are We Energies, Wisconsin Public Service, Peoples Gas, North Shore Gas, Michigan Gas Utilities, and Minnesota Energy Resources. The company's other major subsidiary, We Power, designs, builds and owns electric generating plants.

WEC Energy Group (wecenergygroup.com), a component of the S&P 500, has approximately \$29 billion of assets, 8,500 employees and 55,000 stockholders of record.

Tables follow

WEC ENERGY GROUP, INC.

CONSOLIDATED INCOME STATEMENTS (Unaudited)	Three Months Ended		Year Ended	
<i>(in millions, except per share amounts)</i>	December 31		December 31	
	2015	2014	2015	2014
Operating revenues	\$ 1,848.3	\$ 1,225.1	\$ 5,926.1	\$ 4,997.1
Operating expenses				
Cost of sales	682.6	523.5	2,240.1	2,259.4
Other operation and maintenance	555.7	331.6	1,709.3	1,112.4
Depreciation and amortization	179.2	96.2	561.8	391.4
Property and revenue taxes	50.6	30.3	164.4	121.8
Total operating expenses	1,468.1	981.6	4,675.6	3,885.0
Operating income	380.2	243.5	1,250.5	1,112.1
Equity in earnings of transmission affiliate	25.7	13.2	96.1	66.0
Other income, net	18.7	1.3	58.9	13.4
Interest expense	107.0	59.5	331.4	240.3
Other expense	(62.6)	(45.0)	(176.4)	(160.9)
Income before income taxes	317.6	198.5	1,074.1	951.2
Income tax expense	137.7	76.8	433.8	361.7
Net income	179.9	121.7	640.3	589.5
Preferred stock dividends of subsidiaries	0.6	0.3	1.8	1.2
Net income attributed to common shareholders	\$ 179.3	\$ 121.4	\$ 638.5	\$ 588.3
Earnings per share				
Basic	\$ 0.57	\$ 0.54	\$ 2.36	\$ 2.61
Diluted	\$ 0.57	\$ 0.53	\$ 2.34	\$ 2.59
Weighted average common shares outstanding				
Basic	315.7	225.5	271.1	225.6
Diluted	317.1	227.4	272.7	227.5
Dividends per share of common stock	\$ 0.46	\$ 0.39	\$ 1.74	\$ 1.56

WEC ENERGY GROUP, INC.

CONSOLIDATED BALANCE SHEETS (Unaudited) <i>(in millions, except share and per share amounts)</i>	December 31, 2015	December 31, 2014
Assets		
Property, plant, and equipment		
In service	\$ 26,249.5	\$ 15,509.0
Accumulated depreciation	(7,919.1)	(4,485.1)
	18,330.4	11,023.9
Construction work in progress	822.9	191.8
Leased facilities, net	36.4	42.0
Net property, plant, and equipment	19,189.7	11,257.7
Investments		
Equity investment in transmission affiliate	1,380.9	424.1
Other	85.8	32.8
Total investments	1,466.7	456.9
Current assets		
Cash and cash equivalents	49.8	61.9
Accounts receivable and unbilled revenues, net of reserves of \$113.3 and \$74.5, respectively	1,028.6	643.4
Materials, supplies, and inventories	687.0	400.6
Assets held for sale	96.8	—
Prepayments	285.8	148.2
Other	58.8	38.6
Total current assets	2,206.8	1,292.7
Deferred charges and other assets		
Regulatory assets	3,064.6	1,271.2
Goodwill	3,023.5	441.9
Other	403.9	184.6
Total deferred charges and other assets	6,492.0	1,897.7
Total assets	\$ 29,355.2	\$ 14,905.0
Capitalization and liabilities		
Capitalization		
Common stock – \$0.01 par value; 325,000,000 shares authorized; 315,683,496 and 225,517,339 shares outstanding, respectively	\$ 3.2	\$ 2.3
Additional paid in capital	4,347.2	300.1
Retained earnings	4,299.8	4,117.0
Accumulated other comprehensive income	4.6	0.3
Preferred stock of subsidiaries	30.4	30.4
Long-term debt	9,124.1	4,170.7
Total capitalization	17,809.3	8,620.8
Current liabilities		
Current portion of long-term debt	157.7	424.1
Short-term debt	1,095.0	617.6
Accounts payable	815.4	363.3
Accrued payroll and benefits	169.7	95.1
Other	471.2	168.6
Total current liabilities	2,709.0	1,668.7
Deferred credits and other liabilities		
Regulatory liabilities	1,392.2	830.6
Deferred income taxes	4,622.3	2,664.0
Deferred revenue, net	579.4	614.1
Pension and other postretirement benefit obligations	543.1	203.8
Environmental remediation	628.2	32.6
Other	1,071.7	270.4
Total deferred credits and other liabilities	8,836.9	4,615.5
Commitments and contingencies		
Total capitalization and liabilities	\$ 29,355.2	\$ 14,905.0

WEC ENERGY GROUP, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)	Year Ended	
	December 31	
<i>(in millions)</i>	2015	2014
Operating activities		
Net income	\$ 640.3	\$ 589.5
Reconciliation to cash provided by operating activities		
Depreciation and amortization	583.5	417.0
Deferred income taxes and investment tax credits, net	418.7	328.1
Contributions to pension and OPEB plans	(121.0)	(13.9)
Change in –		
Accounts receivable and unbilled revenues	84.0	80.7
Inventories	(69.4)	(71.2)
Other current assets	(27.2)	(13.9)
Accounts payable	(9.3)	23.7
Accrued taxes, net	35.7	(11.4)
Other current liabilities	(21.6)	(33.9)
Other, net	(220.1)	(95.8)
Net cash provided by operating activities	1,293.6	1,198.9
Investing activities		
Capital expenditures	(1,223.9)	(736.1)
Business acquisition, net of cash acquired of \$156.3	(1,329.9)	—
Investment in transmission affiliate	(8.7)	(13.1)
Proceeds from asset sales	28.9	13.9
Proceeds from cashout of corporate owned life insurance policies	17.3	—
Cost of removal, net of salvage	(42.3)	(25.1)
Other, net	41.1	3.6
Net cash used in investing activities	(2,517.5)	(756.8)
Financing activities		
Exercise of stock options	30.1	50.3
Purchase of common stock	(74.7)	(123.2)
Dividends paid on common stock	(455.4)	(352.0)
Redemption of preferred stock	(52.7)	—
Issuance of long-term debt	2,150.0	250.0
Retirement of long-term debt	(529.6)	(324.3)
Change in short-term debt	163.0	80.2
Other, net	(18.9)	12.8
Net cash provided by (used in) financing activities	1,211.8	(406.2)
Net change in cash and cash equivalents	(12.1)	35.9
Cash and cash equivalents at beginning of year	61.9	26.0
Cash and cash equivalents at end of year	\$ 49.8	\$ 61.9

WEC ENERGY GROUP, INC.

FOURTH QUARTER 2015 AND 2014 — GAAP TO ADJUSTED EARNINGS RECONCILIATION

Adjusted (non-GAAP) earnings for the quarters and years ended December 31, 2015 and 2014 exclude the operating results of the Integrys companies and impacts related to WEC Energy Group's acquisition of Integrys. These costs are included in reported GAAP earnings. Adjusted earnings per share amounts also exclude the additional shares issued as part of the acquisition of Integrys.

<i>(in millions, except earnings per share)</i>	Quarter Ended December 31, 2015			Quarter Ended December 31, 2014		
	Reported GAAP Amounts	Integrys and Acquisition Impacts	Adjusted (non-GAAP) Amounts - Legacy WEC	Reported GAAP Amounts	Integrys and Acquisition Impacts	Adjusted (non-GAAP) Amounts - Legacy WEC
Operating revenues	\$ 1,848.3	\$ (783.3)	\$ 1,065.0	\$ 1,225.1	\$ —	\$ 1,225.1
Operating income by segment						
Wisconsin (formerly Utility Energy)	210.7	(28.4)	182.3	163.9	(6.0)	157.9
Illinois	74.6	(74.6)	—	—	—	—
Other States	9.7	(9.7)	—	—	—	—
We Power (formerly Non-Utility Energy)	94.5	—	94.5	93.4	—	93.4
Corporate and other	(9.3)	8.7	(0.6)	(13.8)	11.1	(2.7)
Operating income	380.2	(104.0)	276.2	243.5	5.1	248.6
Equity in earnings of transmission affiliate	25.7	(19.1)	6.6	13.2	—	13.2
Other income, net	18.7	(14.0)	4.7	1.3	—	1.3
Interest expense	107.0	(45.0)	62.0	59.5	—	59.5
Other expense	(62.6)	11.9	(50.7)	(45.0)	—	(45.0)
Income before income taxes	317.6	(92.1)	225.5	198.5	5.1	203.6
Income tax expense	137.7	(56.3)	81.4	76.8	—	76.8
Net income	\$ 179.9	\$ (35.8)	\$ 144.1	\$ 121.7	\$ 5.1	\$ 126.8
Preferred stock dividends of subsidiaries	0.6	(0.3)	0.3	0.3	—	0.3
Net income attributed to common shareholders	\$ 179.3	\$ (35.5)	\$ 143.8	\$ 121.4	\$ 5.1	\$ 126.5
Earnings per share						
Basic	\$ 0.57	\$ 0.07	\$ 0.64	\$ 0.54	\$ 0.02	\$ 0.56
Diluted	\$ 0.57	\$ 0.06	\$ 0.63	\$ 0.53	\$ 0.03	\$ 0.56
Weighted average common shares outstanding						
Basic	315.7	(89.9)	225.8	225.5	—	225.5
Diluted	317.1	(89.9)	227.2	227.4	—	227.4

WEC ENERGY GROUP, INC.

FULL YEAR 2015 AND 2014 — GAAP TO ADJUSTED EARNINGS RECONCILIATION

<i>(in millions, except earnings per share)</i>	Year Ended December 31, 2015			Year Ended December 31, 2014		
	Reported GAAP Amounts	Integrys and Acquisition Impacts	Adjusted (non-GAAP) Amounts - Legacy WEC	Reported GAAP Amounts	Integrys and Acquisition Impacts	Adjusted (non-GAAP) Amounts - Legacy WEC
Operating revenues	\$ 5,926.1	\$ (1,416.8)	\$ 4,509.3	\$ 4,997.1	\$ —	\$ 4,997.1
Operating income by segment						
Wisconsin (formerly Utility Energy)	884.2	(116.5)	767.7	770.2	(6.0)	764.2
Illinois	78.1	(78.1)	—	—	—	—
Other States	6.0	(6.0)	—	—	—	—
We Power (formerly Non-Utility Energy)	373.4	—	373.4	368.0	—	368.0
Corporate and other	(91.2)	86.7	(4.5)	(26.1)	18.5	(7.6)
Operating Income	1,250.5	(113.9)	1,136.6	1,112.1	12.5	1,124.6
Equity in earnings of transmission affiliate	96.1	(41.6)	54.5	66.0	—	66.0
Other income, net	58.9	(21.2)	37.7	13.4	—	13.4
Interest expense	331.4	(89.1)	242.3	240.3	—	240.3
Other expense	(176.4)	26.3	(150.1)	(160.9)	—	(160.9)
Income before income taxes	1,074.1	(87.6)	986.5	951.2	12.5	963.7
Income tax expense	433.8	(69.4)	364.4	361.7	—	361.7
Net income	\$ 640.3	\$ (18.2)	\$ 622.1	\$ 589.5	\$ 12.5	\$ 602.0
Preferred stock dividends of subsidiaries	1.8	(0.6)	1.2	1.2	—	1.2
Net income attributed to common shareholders	\$ 638.5	\$ (17.6)	\$ 620.9	\$ 588.3	\$ 12.5	\$ 600.8
Earnings per share						
Basic	\$ 2.36	\$ 0.39	\$ 2.75	\$ 2.61	\$ 0.05	\$ 2.66
Diluted	\$ 2.34	\$ 0.39	\$ 2.73	\$ 2.59	\$ 0.06	\$ 2.65
Weighted average common shares outstanding						
Basic	271.1	(45.5)	225.6	225.6	—	225.6
Diluted	272.7	(45.5)	227.2	227.5	—	227.5

WEC ENERGY GROUP, INC.

FOURTH QUARTER 2015 AND 2014 RESULTS — FACTORS AFFECTING ADJUSTED EARNINGS				
<i>(in millions, except earnings per share)</i>	2015	2014	Significant Factors	B(W)
Adjusted operating income by segment				
Wisconsin (formerly Utility Energy)	\$ 182.3	\$ 157.9		\$ 24.4
			Weather	(37.5)
			Depreciation	(4.8)
			O&M and other	66.7
			Total Wisconsin	24.4
We Power (formerly Non-Utility Energy)	94.5	93.4		1.1
Corporate and other	(0.6)	(2.7)		2.1
Adjusted operating income	276.2	248.6		27.6
Equity in earnings of transmission affiliate	6.6	13.2	Change in ROE	(6.6)
Other income, net	4.7	1.3		3.4
Interest expense	62.0	59.5	Higher debt levels	(2.5)
Adjusted income before income taxes	225.5	203.6		21.9
Income tax expense	81.4	76.8		(4.6)
Adjusted net income	\$ 144.1	\$ 126.8		\$ 17.3
Preferred stock dividends of subsidiaries	0.3	0.3		—
Net income attributed to common shareholders	\$ 143.8	\$ 126.5		\$ 17.3
EPS - Adjusted (Diluted)	\$ 0.63	\$ 0.56		

WEC ENERGY GROUP, INC.

FULL YEAR 2015 AND 2014 — FACTORS AFFECTING ADJUSTED EARNINGS				
<i>(in millions, except earnings per share)</i>				
	2015	2014	Significant Factors	B(W)
Adjusted operating income by segment				
Wisconsin (formerly Utility Energy)	\$ 767.7	\$ 764.2		\$ 3.5
			Weather	(35.3)
			Depreciation	(16.8)
			Rate case matters	35.0
			Fuel recoveries	10.4
			O&M and other	10.2
			Total Wisconsin	3.5
We Power (formerly Non-Utility Energy)	373.4	368.0		5.4
Corporate and other	(4.5)	(7.6)		3.1
Adjusted operating income	1,136.6	1,124.6		12.0
Equity in earnings of transmission affiliate	54.5	66.0	Change in ROE	(11.5)
Other income, net	37.7	13.4	Asset sales	24.3
Interest expense	242.3	240.3		(2.0)
Adjusted income before income taxes	986.5	963.7		22.8
Income tax expense	364.4	361.7		(2.7)
Adjusted net income	\$ 622.1	\$ 602.0		\$ 20.1
Preferred stock dividends of subsidiaries	1.2	1.2		—
Net income attributed to common shareholders	\$ 620.9	\$ 600.8		\$ 20.1
EPS - Adjusted (Diluted)	\$ 2.73	\$ 2.65		

WE ENERGIES

FOURTH QUARTER 2015 AND 2014 WEATHER AND VOLUMES

Weather — Degree Days *	2015	2014	Change
Heating (2,309 normal)	1,784	2,432	(648)
Cooling (10 normal)	2	4	(2)

* As measured at Mitchell International Airport in Milwaukee, Wisconsin. Normal degree days are based upon a 20-year moving average.

ELECTRIC UTILITY OPERATIONS

<i>(in thousands)</i>	MWh		
	2015	2014	Change
Customer class			
Residential	1,820.5	1,969.2	(7.5)%
Small commercial/industrial	2,058.6	2,122.8	(3.0)%
Large commercial/industrial	2,273.5	1,764.7	28.8 %
Other — retail	40.8	41.1	(0.7)%
Total retail	6,193.4	5,897.8	5.0 %
Wholesale — other	261.8	422.8	(38.1)%
Resale — utilities	2,472.0	1,606.9	53.8 %
Total MWh sales	8,927.2	7,927.5	12.6 %
Electric Customer Choice *	62.2	615.9	(89.9)%

* Represents distribution sales for customers who have purchased power from an alternative electric supplier in Michigan.

GAS UTILITY OPERATIONS

<i>(in millions)</i>	Therms		
	2015	2014	Change
Customer class			
Residential	203.2	274.7	(26.0)%
Commercial/industrial	122.3	170.5	(28.3)%
Interruptible	4.1	5.6	(26.8)%
Total retail	329.6	450.8	(26.9)%
Transported natural gas	321.6	305.7	5.2 %
Total therms delivered	651.2	756.5	(13.9)%

WE ENERGIES

FULL YEAR 2015 AND 2014 WEATHER AND VOLUMES

Weather — Degree Days *	2015	2014	Change
Heating (6,659 normal)	6,468	7,616	(1,148)
Cooling (712 normal)	622	464	158

* As measured at Mitchell International Airport in Milwaukee, Wisconsin. Normal degree days are based upon a 20-year moving average.

ELECTRIC UTILITY OPERATIONS (in thousands)	MWh		
	2015	2014	Change
Customer class			
Residential	7,789.3	7,946.3	(2.0)%
Small commercial/industrial	8,797.0	8,805.1	(0.1)%
Large commercial/industrial	9,085.7	7,393.3	22.9 %
Other — retail	147.7	148.7	(0.7)%
Total retail	25,819.7	24,293.4	6.3 %
Wholesale — other	1,234.0	1,852.8	(33.4)%
Resale — utilities	8,577.7	6,497.9	32.0 %
Total MWh sales	35,631.4	32,644.1	9.2 %
Electric Customer Choice *	445.2	2,440.0	(81.8)%

* Represents distribution sales for customers who have purchased power from an alternative electric supplier in Michigan.

GAS UTILITY OPERATIONS (in million)	Therms		
	2015	2014	Change
Customer class			
Residential	780.0	911.5	(14.4)%
Commercial/industrial	455.9	553.1	(17.6)%
Interruptible	15.1	18.6	(18.8)%
Total retail	1,251.0	1,483.2	(15.7)%
Transported natural gas	1,256.3	1,087.5	15.5 %
Total therms delivered	2,507.3	2,570.7	(2.5)%

WE ENERGIES

RETAIL ELECTRIC SALES INFORMATION FOURTH QUARTER 2015 AND 2014

DELIVERED VOLUMES	Three Months Ended December 31	
	2015 Actual vs. 2014 Actual	2015 Normalized vs. 2014 Normalized ⁽¹⁾
Residential	(7.5)%	(0.6)%
Small commercial/industrial	(3.0)%	(0.4)%
Large commercial/industrial (ex. mines)	(0.4)%	(1.0)%
Total large commercial/industrial	(1.9)%	(2.3)%
Total retail sales	(4.0)%	(1.2)%
Retail (ex. mines)	(3.7)%	(0.7)%

ENERGY SALES	Three Months Ended December 31	
	2015 Actual vs. 2014 Actual	2015 Normalized vs. 2014 Normalized
Residential	(7.5)%	(0.6)%
Small commercial/industrial	(3.0)%	(0.4)%
Large commercial/industrial (ex. mines)	(0.7)%	(1.3)%
Total large commercial/industrial	28.8 %	28.2 %
Total retail sales	5.0 %	8.1 %
Retail (ex. mines)	(3.8)%	(0.8)%

⁽¹⁾ Normalized — 20 year average weather adjusted.

WE ENERGIES

RETAIL ELECTRIC SALES INFORMATION FULL YEAR 2015 AND 2014

DELIVERED VOLUMES	Years Ended December 31	
	2015 Actual vs. 2014 Actual	2015 Normalized vs. 2014 Normalized ⁽¹⁾
Residential	(2.0)%	(1.8)%
Small commercial/industrial	(0.1)%	0.2 %
Large commercial/industrial (ex. mines)	(0.4)%	(0.9)%
Total large commercial/industrial	(3.1)%	(3.4)%
Total retail sales	(1.8)%	(1.7)%
Retail (ex. mines)	(0.8)%	(0.8)%

ENERGY SALES	Years Ended December 31	
	2015 Actual vs. 2014 Actual	2015 Normalized vs. 2014 Normalized
Residential	(2.0)%	(1.8)%
Small commercial/industrial	(0.1)%	0.2 %
Large commercial/industrial (ex. mines)	(0.8)%	(1.2)%
Total large commercial/industrial	22.9 %	22.3 %
Total retail sales	6.3 %	6.2 %
Retail (ex. mines)	(0.9)%	(0.9)%

⁽¹⁾ Normalized — 20 year average weather adjusted.

WISCONSIN SEGMENT

(Includes full year 2015 electric sales information for Wisconsin Public Service Corporation ⁽¹⁾)

RETAIL ELECTRIC SALES INFORMATION FULL YEAR 2016 AND 2015

DELIVERED VOLUMES	2016 Budget vs. 2015 Normalized ^{(2); (3)}
Residential	(0.1)%
Small commercial/industrial	(0.3)%
Large commercial/industrial (ex. mines)	1.2 %
Total large commercial/industrial	1.1 %
Total retail sales	0.3 %
Retail (ex. mines)	0.3 %

⁽¹⁾ For comparative purposes, the above percentages include retail electric sales information for both Wisconsin Electric Power Company and Wisconsin Public Service Corporation for full year 2015. Because Integrys was acquired effective June 29, 2015, we are including normalized sales volumes for Wisconsin Public Service that were recognized prior to the acquisition and are not reflected in our 2015 financial statements.

⁽²⁾ Normalized — 20 year average weather adjusted.

⁽³⁾ Actual results may differ materially from these forecasts because of seasonal, economic and other factors.

WEC ENERGY GROUP, INC.

OTHER FINANCIAL INFORMATION
FULL YEAR 2015 AND 2014

EBIT and EBITDA <i>(in millions)</i>	2015	2014
	Actual	Actual
Net income attributed to common shareholders	\$ 638.5	\$ 588.3
Income tax expense	433.8	361.7
Interest expense	331.4	240.3
EBIT	1,403.7	1,190.3
Depreciation and amortization	583.5	417.0
EBITDA	\$ 1,987.2	\$ 1,607.3

Capitalization Structure <i>(in millions)</i>	December 31, 2015	
	Actual	Adjusted
Common equity	\$ 8,654.8	\$ 9,239.7
Preferred stock of subsidiary	30.4	30.4
Long-term debt (including current maturities)	9,281.8	8,696.9
Short-term debt	1,095.0	1,095.0
Total capitalization	\$ 19,062.0	\$ 19,062.0
Total debt	\$ 10,376.8	\$ 9,791.9
Ratio of debt to total capitalization	54.4%	51.4%

Adjusted: Included in Long-Term Debt is the \$1,169.8 million aggregate principal amount of WEC Energy Group's 2007 Series A Junior Subordinated Notes due 2067, Integrys Holding's 2006 6.11% Junior Subordinated Notes due 2066, and Integrys Holding's 2013 6.00% Junior Subordinated Notes due 2073 as these debt securities are reflected as Long-Term Debt on our Consolidated Balance Sheets. The adjusted presentation attributes \$584.9 million of the Junior Notes to Common Equity and \$584.9 million to Long-Term Debt.

CREDIT RATINGS *

	S & P	Moody's	Fitch
WEC Energy Group, Inc.			
Senior unsecured debt	BBB+	A3	BBB+
Commercial paper	A-2	P-2	F2
Junior subordinated notes	BBB	Baa1	BBB-
Wisconsin Electric			
Senior unsecured debt	A-	A1	A+
Commercial paper	A-2	P-1	F1
Wisconsin Public Service			
Senior unsecured debt	A-	A1	A+
Commercial paper	A-2	P-1	F1
Wisconsin Gas			
Senior unsecured debt	A	A1	A
Commercial paper	A-1	P-1	F1
Peoples Gas Light & Coke			
Senior secured Debt	N/A	Aa3	A+
Commercial paper	A-2	P-1	F1
North Shore Gas			
Senior secured debt	N/A	N/A	AA-
Elm Road Generating Station Supercritical, LLC			
Senior debt	A-	A1	A+
Integrys Holding, Inc.			
Senior unsecured debt	BBB+	A3	BBB+
Junior subordinated notes	BBB	Baa1	BBB-

* All ratings outlooks for the Companies are stable.