WEC Energy Group, Inc.

2020 First Quarter Earnings

Released May 4, 2020

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WEC Energy Group

News

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May 4, 2020

WEC Energy Group reports first-quarter results

MILWAUKEE – WEC Energy Group (NYSE: WEC) today reported net income of $452.5 million, or $1.43 per share, for the first quarter of 2020 – up from $420.1 million, or $1.33 per share, for the first quarter of 2019.

Consolidated revenues totaled $2.1 billion, down $268.8 million from last year's first quarter.

"We delivered another solid quarter, despite mild winter temperatures and an economic downturn that began in late March as businesses closed to slow the spread of COVID-19," said Gale Klappa, executive chairman. "In the months ahead, we will continue to focus on employee safety and on executing the fundamentals of our business – world-class reliability, customer satisfaction and financial discipline." He added, "Our team is experienced and resilient. I'm confident we'll shine through the challenges ahead."

For the quarter, natural gas deliveries in Wisconsin – excluding natural gas used for power generation – fell by 10.6 percent compared to the first quarter of 2019. On a weather-normal basis, natural gas deliveries were 1.1 percent lower.

Retail deliveries of electricity – excluding the iron ore mine in Michigan's Upper Peninsula – decreased by 3.4 percent in the first quarter of 2020 compared to the first quarter last year.

Residential electricity use declined by 4.6 percent. Electricity consumption by small commercial and industrial customers was 2.6 percent lower.

Electricity use by large commercial and industrial customers – excluding the iron ore mine – fell by 3.1 percent.

On a weather-normal basis, retail deliveries of electricity – excluding the iron ore mine – fell by 2 percent.

At the end of March, WEC Energy Group utilities were serving approximately 10,000 more electric and 12,000 more natural gas customers compared to the same time a year ago.

The company is reaffirming its earnings guidance for 2020 in the range of $3.71 to $3.75 per share.

Earnings per share listed in this news release are on a fully diluted basis.

Conference call

A conference call is scheduled for 1 p.m. Central time, Monday, May 4. The call will review 2020 first-quarter earnings and the company's outlook for the future.

All interested parties, including stockholders, news media and the general public, are invited to listen. Access the call at 877-683-2228 up to 15 minutes before it begins. The number for international callers is 647-689-5446. The conference ID is 7898148.

Conference call access also is available at wecenergygroup.com. Under 'Webcasts,' select 'Q1 Earnings.' In conjunction with this earnings announcement, WEC Energy Group will post on its website a package of detailed financial information on its first-quarter performance. The materials will be available at 6:30 a.m. Central time, Monday, May 4.

Replay

A replay will be available on the website and by phone. Access to the webcast replay will be available on the website about two hours after the call. Access to a phone replay also will be available approximately two hours after the call and remain accessible through May 18, 2020. Domestic callers should dial 800-585-8367. International callers should dial 416-621-4642. The replay conference ID is 7898148.

WEC Energy Group (NYSE: WEC), based in Milwaukee, is one of the nation's premier energy companies, serving 4.5 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, Minnesota Energy Resources and Upper Michigan Energy Resources. The company's other major subsidiary, We Power, designs, builds and owns electric generating plants.

WEC Energy Group (wecenergygroup.com) is a Fortune 500 company and a component of the S&P 500. The company has approximately 45,000 stockholders of record, 7,500 employees and $35 billion of assets.

Forward-looking statements

Certain statements contained in this press release are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements are based upon management's current expectations and are subject to risks and uncertainties that could cause our actual results to differ materially from those contemplated in the statements. Readers are cautioned not to place undue reliance on these statements. Forward-

looking statements include, among other things, statements concerning management's expectations and projections regarding earnings and future results. In some cases, forward-looking statements may be identified by reference to a future period or periods or by the use of forward-looking terminology such as "anticipates," "believes," "estimates," "expects," "forecasts," "guidance," "intends," "may," "objectives," "plans," "possible," "potential," "projects," "should," "targets," "will" or similar terms or variations of these terms.

Factors that could cause actual results to differ materially from those contemplated in any forward-looking statements include, but are not limited to: general economic conditions, including business and competitive conditions in the company's service territories; the impact of the COVID-19 pandemic; timing, resolution and impact of rate cases and other regulatory decisions; the company's ability to continue to successfully integrate the operations of its subsidiaries; availability of the company's generating facilities and/or distribution systems; unanticipated changes in fuel and purchased power costs; key personnel changes; varying weather conditions; continued industry restructuring and consolidation; continued advances in, and adoption of, new technologies that produce power or reduce power consumption; energy conservation efforts; the company's ability to successfully acquire and/or dispose of assets and projects; cyber-security threats and data security breaches; construction risks; equity and bond market fluctuations; changes in the company's and its subsidiaries' ability to access the capital markets; the impact of tax reform and any other legislative and regulatory changes, including changes to environmental standards; political developments; current and future litigation and regulatory investigations; changes in accounting standards; the financial performance of American Transmission Co. as well as projects in which the company's energy infrastructure business invests; the ability of the company to obtain additional generating capacity at competitive prices; goodwill and its possible impairment; and other factors described under the heading "Factors Affecting Results, Liquidity and Capital Resources" in Management's Discussion and Analysis of Financial Condition and Results of Operations and under the headings "Cautionary Statement Regarding Forward-Looking Information" and "Risk Factors" contained in the company's Form 10-K for the year ended Dec. 31, 2019, and in subsequent reports filed with the Securities and Exchange Commission. The company expressly disclaims any obligation to publicly update or revise any forward-looking information.

The global outbreak of COVID-19 is currently impacting countries, communities, supply chains and markets, and has caused many states, including those states in which we operate, to issue shelter-in-place orders. The extent to which the COVID-19 pandemic may affect us depends on factors beyond our knowledge or control. Therefore, we are currently unable to determine what impact the pandemic may ultimately have on our business plans and operations, liquidity, financial condition, and results of operations, but will continue to monitor COVID-19 developments.

Tables follow

WEC ENERGY GROUP, INC.

CONDENSED CONSOLIDATED INCOME STATEMENTS (Unaudited)	Three Months Ended March 31	
(in millions, except per share amounts)	**2020**	**2019**
Operating revenues	**$ 2,108.6**	$ 2,377.4
Operating expenses		
Cost of sales	**734.7**	1,009.6
Other operation and maintenance	**455.7**	550.6
Depreciation and amortization	**239.1**	226.4
Property and revenue taxes	**52.5**	48.0
Total operating expenses	**1,482.0**	1,834.6
Operating income	**626.6**	542.8
Equity in earnings of transmission affiliates	**39.8**	36.1
Other income, net	**5.6**	30.9
Interest expense	**129.4**	124.4
Other expense	**(84.0)**	(57.4)
Income before income taxes	**542.6**	485.4
Income tax expense	**90.0**	65.0
Net income	**452.6**	420.4
Preferred stock dividends of subsidiary	**0.3**	0.3
Net loss attributed to noncontrolling interests	**0.2**	—
Net income attributed to common shareholders	**$ 452.5**	$ 420.1
Earnings per share		
Basic	**$ 1.43**	$ 1.33
Diluted	**$ 1.43**	$ 1.33
Weighted average common shares outstanding		
Basic	**315.4**	315.5
Diluted	**316.7**	316.7
Dividends per share of common stock	**$ 0.6325**	$ 0.5900

CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited) *(in millions, except share and per share amounts)*	March 31, 2020	December 31, 2019
Assets		
Current assets		
Cash and cash equivalents	**$ 15.4**	$ 37.5
Accounts receivable and unbilled revenues, net of reserves of $164.8 and $140.0, respectively	**1,176.9**	1,176.5
Materials, supplies, and inventories	**391.1**	549.8
Prepayments	**200.0**	261.8
Other	**61.9**	68.0
Current assets	**1,845.3**	2,093.6
Long-term assets		
Property, plant, and equipment, net of accumulated depreciation and amortization of $9,042.3 and $8,878.7, respectively	**23,797.1**	23,620.1
Regulatory assets	**3,566.1**	3,506.7
Equity investment in transmission affiliates	**1,717.7**	1,720.8
Goodwill	**3,052.8**	3,052.8
Other	**853.2**	957.8
Long-term assets	**32,986.9**	32,858.2
Total assets	**$ 34,832.2**	$ 34,951.8
Liabilities and Equity		
Current liabilities		
Short-term debt	**$ 827.2**	$ 830.8
Current portion of long-term debt	**694.3**	693.2
Accounts payable	**597.9**	908.1
Accrued payroll and benefits	**128.6**	199.8
Amounts refundable to customers	**155.8**	87.6
Other	**443.9**	463.2
Current liabilities	**2,847.7**	3,182.7
Long-term liabilities		
Long-term debt	**11,194.7**	11,211.0
Deferred income taxes	**3,870.0**	3,769.3
Deferred revenue, net	**428.5**	497.1
Regulatory liabilities	**3,987.1**	3,992.8
Environmental remediation liabilities	**589.4**	589.2
Pension and OPEB obligations	**324.2**	326.2
Other	**1,106.0**	1,128.9
Long-term liabilities	**21,499.9**	21,514.5
Commitments and contingencies		
Common shareholders' equity		
Common stock – $0.01 par value; 325,000,000 shares authorized; 315,434,531 shares outstanding	**3.2**	3.2
Additional paid in capital	**4,167.3**	4,186.6
Retained earnings	**6,180.7**	5,927.7
Accumulated other comprehensive loss	**(7.1)**	(4.1)
Common shareholders' equity	**10,344.1**	10,113.4
Preferred stock of subsidiary	**30.4**	30.4
Noncontrolling interests	**110.1**	110.8
Total liabilities and equity	**$ 34,832.2**	$ 34,951.8

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)	Three Months Ended March 31	
(in millions)	**2020**	**2019**
Operating activities		
Net income	**$ 452.6**	$ 420.4
Reconciliation to cash provided by operating activities		
Depreciation and amortization	**239.1**	226.4
Deferred income taxes and investment tax credits, net	**92.1**	17.2
Contributions and payments related to pension and OPEB plans	**(3.7)**	(4.2)
Change in –		
Accounts receivable and unbilled revenues	**(3.5)**	(124.3)
Materials, supplies, and inventories	**158.7**	218.3
Other current assets	**65.4**	125.1
Accounts payable	**(250.1)**	(204.3)
Other current liabilities	**(27.7)**	54.6
Other, net	**(32.4)**	6.5
Net cash provided by operating activities	**690.5**	735.7
Investing activities		
Capital expenditures	**(496.1)**	(358.8)
Acquisition of Upstream Wind Energy LLC, net of cash and restricted cash acquired of $9.2	**—**	(268.2)
Capital contributions to transmission affiliates	**(3.0)**	(3.4)
Proceeds from the sale of assets	**1.3**	10.6
Proceeds from the sale of investments held in rabbi trust	**17.0**	0.1
Proceeds from cash surrender value of life insurance	**8.3**	8.5
Other, net	**9.5**	4.6
Net cash used in investing activities	**(463.0)**	(606.6)
Financing activities		
Exercise of stock options	**16.0**	32.6
Purchase of common stock	**(40.4)**	(70.7)
Dividends paid on common stock	**(199.5)**	(186.2)
Issuance of long-term debt	**—**	350.0
Retirement of long-term debt	**(14.0)**	(13.3)
Issuance of short-term loan	**340.0**	—
Change in other short-term debt	**(343.6)**	(294.9)
Other, net	**(2.6)**	(3.6)
Net cash used in financing activities	**(244.1)**	(186.1)
Net change in cash, cash equivalents, and restricted cash	**(16.6)**	(57.0)
Cash, cash equivalents, and restricted cash at beginning of period	**82.3**	146.1
Cash, cash equivalents, and restricted cash at end of period	**$ 65.7**	$ 89.1

INCOME STATEMENT IMPACT OF AMORTIZATION OF UNPROTECTED TAX BENEFITS AND FLOW THROUGH OF TAX REPAIRS

WEC Energy Group –

2020 First Quarter - The table below shows the first quarter 2020 income statement impact related to recognizing certain deferred tax benefits created as a result of the Tax Cuts and Jobs Act of 2017. In accordance with the rate order received from the Public Service Commission of Wisconsin in December 2019, our Wisconsin utilities are amortizing these unprotected deferred tax benefits over periods ranging from two to four years, to reduce near-term rate impacts to their customers. The decrease in income tax expense related to the amortization of the deferred tax benefits is offset by a decrease in revenue as the benefits are returned to customers, resulting in no impact on net income.

2019 First Quarter - The table below shows the first quarter 2019 income statement impact associated with the flow through of tax repairs, which began in the first quarter of 2018. In accordance with a settlement agreement with the Public Service Commission of Wisconsin, Wisconsin Electric was flowing through the tax benefit of its repair related deferred tax liabilities in 2018 and 2019, to maintain certain regulatory asset balances at their December 31, 2017 levels. The flow through treatment of the repair related deferred tax liabilities offset the negative income statement impact of holding the regulatory assets level, resulting in no change to net income.

	Three Months Ended March 31, 2020			Three Months Ended March 31, 2019		
(in millions)	**WEC Energy Group – Reported GAAP Amounts**	**Impact of Amortization of Unprotected Deferred Tax Benefits**	**WEC Energy Group (Excluding Unprotected Deferred Tax Benefits)**	**WEC Energy Group – Reported GAAP Amounts**	**Impact From 2019 Flow Through of Tax Repairs**	**WEC Energy Group (Excluding Tax Repairs)**
Operating revenues	**$ 2,108.6**	**$ 24.1**	**$ 2,132.7**	$ 2,377.4	$ 25.4	$ 2,402.8
Operating expenses						
Cost of sales	**734.7**	**—**	**734.7**	1,009.6	—	1,009.6
Other operation and maintenance	**455.7**	**—**	**455.7**	550.6	(15.3)	535.3
Depreciation and amortization	**239.1**	**—**	**239.1**	226.4	—	226.4
Property and revenue taxes	**52.5**	**—**	**52.5**	48.0	—	48.0
Total operating expenses	**1,482.0**	**—**	**1,482.0**	1,834.6	(15.3)	1,819.3
Operating income	**626.6**	**24.1**	**650.7**	542.8	40.7	583.5
Equity in earnings of transmission affiliates	**39.8**	**—**	**39.8**	36.1	—	36.1
Other income, net	**5.6**	**—**	**5.6**	30.9	—	30.9
Interest expense	**129.4**	**—**	**129.4**	124.4	—	124.4
Other expense	**(84.0)**	**—**	**(84.0)**	(57.4)	—	(57.4)
Income before income taxes	**542.6**	**24.1**	**566.7**	485.4	40.7	526.1
Income tax expense	**90.0**	**24.1**	**114.1**	65.0	40.7	105.7
Net income	**452.6**	**—**	**452.6**	420.4	—	420.4
Preferred stock dividends of subsidiary	**0.3**	**—**	**0.3**	0.3	—	0.3
Net loss attributed to noncontrolling interests	**0.2**	**—**	**0.2**	—	—	—
Net income attributed to common shareholders	**$ 452.5**	**$ —**	**$ 452.5**	$ 420.1	$ —	$ 420.1
Effective tax rate	**16.6%**		**20.1%**	13.4%		20.1%

FIRST QUARTER 2020 AND 2019 RESULTS — FACTORS AFFECTING EARNINGS

(in millions, except per share amounts)	2020	2019	Change B(W)	Change Related to 2019 Tax Repairs	Change Related to WE Power Lease	Remaining Change B(W)	Significant Factors
Operating income (loss) by segment							
Wisconsin	**$ 426.8**	$ 361.8	$ 65.0	$ 40.7	$ (0.7)	$ 25.0	
						20.5	Margin - Rate Impact*
						13.5	Margin - Fuel
						(41.2)	Margin - Weather
						18.7	O&M - Deferred Comp - Offset by Rabbi Trust
						22.3	All Other O&M
						(8.1)	Depreciation
						(0.7)	Other
						25.0	
Illinois	**161.6**	137.9	23.7	—	—	23.7	
						19.7	O&M - Net of Riders
						4.0	SMP and Other
						23.7	
Other States	**37.4**	41.5	(4.1)	—	—	(4.1)	Volumes - Weather
Energy Infrastructure	**91.5**	92.7	(1.2)	—	—	(1.2)	
Corporate and Other	**(4.2)**	(3.9)	(0.3)	—	—	(0.3)	
Reconciling Eliminations	**(86.5)**	(87.2)	0.7	—	0.7	—	
Operating income	**626.6**	542.8	83.8	40.7	—	43.1	
Equity in earnings of transmission affiliates	**39.8**	36.1	3.7	—	—	3.7	Capital Investment
Other income, net	**5.6**	30.9	(25.3)	—	—	(25.3)	Rabbi Trust Losses (Offset In O&M)
Interest expense	**129.4**	124.4	(5.0)	—	—	(5.0)	Borrowings to Fund Capital Projects
Other expense	**(84.0)**	(57.4)	(26.6)	—	—	(26.6)	
Income before income taxes	**542.6**	485.4	57.2	40.7	—	16.5	
Income tax expense	**90.0**	65.0	(25.0)	(40.7)	—	15.7	Unprotected Deferred Tax Benefits
Net income	**452.6**	420.4	32.2	—	—	32.2	
Preferred stock dividends of subsidiary	**0.3**	0.3	—	—	—	—	
Net loss attributed to noncontrolling interests	**0.2**	—	0.2	—	—	0.2	
Net income attributed to common shareholders	**$ 452.5**	$ 420.1	$ 32.4	$ —	$ —	$ 32.4	
Earnings per share - diluted	**$ 1.43**	$ 1.33	$ 0.10				
Weighted average common shares outstanding - diluted	**316.7**	316.7					

* Includes a $24.1 million decrease in operating income related to deferred tax benefits created as a result of the Tax Cuts and Jobs Act of 2017. In accordance with the rate order received from the Public Service Commission of Wisconsin in December 2019, our Wisconsin utilities are returning these unprotected deferred tax benefits to customers to reduce near-term rate impacts. There is an offsetting reduction to income tax expense.

FIRST QUARTER 2020 AND 2019 WEATHER AND VOLUMES Weather — Degree Days	2020	2019	Change
Wisconsin Gas and Wisconsin Electric [1]			
Heating (3,319 Normal)	**2,925**	3,483	(16.0)%
Wisconsin Public Service [2]			
Heating (3,704 Normal)	**3,368**	3,841	(12.3)%
Upper Michigan Energy Resources [3]			
Heating (4,018 Normal)	**3,673**	4,304	(14.7)%
Peoples Gas and North Shore Gas [4]			
Heating (3,224 Normal)	**2,793**	3,387	(17.5)%
Minnesota Energy Resources [5]			
Heating (3,988 Normal)	**3,745**	4,382	(14.5)%
Michigan Gas [5]			
Heating (3,230 Normal)	**2,833**	3,298	(14.1)%

[1] Normal degree days are based on a 20-year moving average of monthly temperatures from Mitchell International Airport in Milwaukee, Wisconsin.
[2] Normal degree days are based on a 20-year moving average of monthly temperatures from the Green Bay, Wisconsin weather station.
[3] Normal degree days are based on a 20-year moving average of monthly temperatures from the Iron Mountain, Michigan weather station.
[4] Normal degree days are based on a 12-year moving average of monthly temperatures from Chicago's O'Hare Airport.
[5] Normal degree days for Minnesota Energy Resources and Michigan Gas are based on a 20-year moving average and 15-year moving average, respectively, of monthly temperatures from various weather stations throughout their respective service territories.

WISCONSIN SEGMENT ELECTRIC UTILITY OPERATIONS – FIRST QUARTER	MWh		
(in thousands)	2020	2019	Change
Customer class			
Residential	**2,681.1**	2,810.7	(4.6)%
Small commercial and industrial *	**3,096.9**	3,181.1	(2.6)%
Large commercial and industrial *	**3,008.9**	3,086.8	(2.5)%
Other	**42.5**	45.0	(5.6)%
Total retail *	**8,829.4**	9,123.6	(3.2)%
Wholesale	**742.5**	843.7	(12.0)%
Resale	**1,996.4**	1,355.5	47.3 %
Total MWh sales *	**11,568.3**	11,322.8	2.2 %

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

GAS UTILITY OPERATIONS – FIRST QUARTER	Therms											
	2020				2019				Change			
(in millions)	Wisconsin	Illinois	Other States	Total	Wisconsin	Illinois	Other States	Total	Wisconsin	Illinois	Other States	Total
Customer class												
Residential	**492.4**	**380.4**	**142.0**	**1,014.8**	576.5	449.0	172.0	1,197.5	(14.6)%	(15.3)%	(17.4)%	(15.3)%
Commercial/industrial	**291.5**	**156.0**	**90.3**	**537.8**	338.1	174.9	111.0	624.0	(13.8)%	(10.8)%	(18.6)%	(13.8)%
Total retail	**783.9**	**536.4**	**232.3**	**1,552.6**	914.6	623.9	283.0	1,821.5	(14.3)%	(14.0)%	(17.9)%	(14.8)%
Transport	**428.6**	**329.2**	**259.2**	**1,017.0**	431.2	387.9	228.7	1,047.8	(0.6)%	(15.1)%	13.3 %	(2.9)%
Total therms sold	**1,212.5**	**865.6**	**491.5**	**2,569.6**	1,345.8	1,011.8	511.7	2,869.3	(9.9)%	(14.4)%	(3.9)%	(10.4)%

RETAIL ELECTRIC SALES VOLUME INFORMATION

FIRST QUARTER

DELIVERED ELECTRIC VOLUMES – TOTAL WISCONSIN SEGMENT	Three Months Ended March 31		Annual
	2020 Actual vs. 2019 Actual	2020 Normalized vs. 2019 Normalized [1], [2]	2020 Forecast vs. 2019 Normalized [1],[2],[3]
Residential	(4.6)%	(0.4)%	1.4 %
Small commercial/industrial	(2.6)%	(1.4)%	(4.6)%
Large commercial/industrial (ex. mine)	(3.1)%	(4.1)%	(10.5)%
Total large commercial/industrial	(2.5)%	(3.6)%	(11.9)%
Total retail sales volumes	(3.2)%	(1.9)%	(5.3)%
Total retail sales volumes (ex. mine)	(3.4)%	(2.0)%	(4.6)%

RETAIL NATURAL GAS SALES VOLUME INFORMATION

FIRST QUARTER

DELIVERED NATURAL GAS VOLUMES – TOTAL WISCONSIN SEGMENT	Three Months Ended March 31		Annual
	2020 Actual vs. 2019 Actual	2020 Normalized vs. 2019 Normalized [1], [2]	2020 Forecast vs. 2019 Normalized [1],[2],[3]
Residential	(14.6)%	(1.1)%	(0.1)%
Total commercial/industrial	(13.8)%	(2.2)%	(3.2)%
Total retail sales volumes	(14.3)%	(1.5)%	(1.3)%
Transport (w/o power generation)	(2.6)%	(0.2)%	(4.7)%
Total sales volumes (w/o power generation)	(10.6)%	(1.1)%	(2.7)%

[1] Normalized — 20 year average weather adjusted.

[2] Actual results may differ materially from these forecasts because of seasonal, economic, and other factors. An adjustment for leap year in 2020 is factored into these percentages.

[3] **Sales Forecast Update**

The 2020 forecasted sales volumes include our current assessment of the impacts of the COVID-19 pandemic. They reflect actual first quarter 2020 sales volumes, trends seen in April, and a projection for the remainder of the year. In April we have seen an increase in residential sales volumes as our residential customers continue to follow Wisconsin's "Safer at Home" order. We have also observed a decrease in the consumption of energy by some of our commercial and industrial customers as they are experiencing lower demand for their products and services, or have been prohibited from operating. Ultimately, the extent to which the COVID-19 pandemic may affect our sales depends on factors beyond our control, including the duration of Wisconsin's "Safer at Home" order and the demand for our commercial and industrial customers' products.

Our revised electric sales forecast assumes:

Residential: A second quarter increase of 4% trending to a 0.5% increase by year-end.

Small C&I: A second quarter reduction of 8% trending to a 3% reduction by year-end.

Large C&I (ex. mine): A second quarter reduction of 18% trending to a 7% reduction by year-end.

Total retail sales (ex. mine): Based on the assumptions above, we are forecasting total retail electric volumes — excluding the iron ore mine — to decrease by approximately 5% for the remaining nine months, compared to our original forecast.

WEC ENERGY GROUP, INC.

OTHER FINANCIAL INFORMATION
THREE MONTHS ENDED MARCH 31, 2020 AND 2019

EBIT and EBITDA	**2020**	**2019**
(in millions)	**Actual**	**Actual**
Net income attributed to common shareholders	**$ 452.5**	$ 420.1
Income tax expense	**90.0**	65.0
Interest expense	**129.4**	124.4
EBIT	**671.9**	609.5
Depreciation and amortization	**239.1**	226.4
EBITDA	**$ 911.0**	$ 835.9

Capitalization Structure	**March 31, 2020**	
(in millions)	**Actual**	**Adjusted***
Common shareholders' equity	**$ 10,344.1**	$ 10,594.1
Preferred stock of subsidiary	**30.4**	30.4
Long-term debt (including current portion)	**11,889.0**	11,639.0
Short-term debt	**827.2**	827.2
Total capitalization	**$ 23,090.7**	$ 23,090.7
Total debt	**$ 12,716.2**	$ 12,466.2
Ratio of debt to total capitalization	**55.1%**	54.0%

Capitalization Structure	**December 31, 2019**	
(in millions)	**Actual**	**Adjusted***
Common shareholders' equity	**$ 10,113.4**	$ 10,363.4
Preferred stock of subsidiary	**30.4**	30.4
Long-term debt (including current portion)	**11,904.2**	11,654.2
Short-term debt	**830.8**	830.8
Total capitalization	**$ 22,878.8**	$ 22,878.8
Total debt	**$ 12,735.0**	$ 12,485.0
Ratio of debt to total capitalization	**55.7%**	54.6%

* Included in long-term debt on our Consolidated Balance Sheets as of March 31, 2020 and December 31, 2019, is $500.0 million principal amount of WEC Energy Group's 2007 Junior Subordinated Notes due 2067. The adjusted presentation attributes $250.0 million of the Junior Notes to common shareholders' equity and $250.0 million to long-term debt, similar to how the majority of rating agencies treat them.

CREDIT RATINGS

	S & P	Moody's	Fitch
WEC Energy Group, Inc.			
Senior unsecured debt	BBB+	Baa1	BBB+
Commercial paper	A-2	P-2	F2
Junior subordinated notes	BBB	Baa2	BBB-
Wisconsin Electric			
Senior unsecured debt	A-	A2	A+
Commercial paper	A-2	P-1	F1
Wisconsin Public Service			
Senior unsecured debt	A-	A2	A+
Commercial paper	A-2	P-1	F1
Wisconsin Gas			
Senior unsecured debt	A	A3	A
Commercial paper	A-1	P-2	F2
Peoples Gas Light & Coke			
Senior secured debt	N/A	Aa3	A+
Commercial paper	A-2	P-1	F2
Elm Road Generating Station Supercritical, LLC			
Senior secured debt	A-	A2	A+
Integrys Holding, Inc.			
Senior unsecured debt	BBB+	Baa1	BBB+
Junior subordinated notes	BBB	Baa2	BBB-