INTEGRYS HOLDING, INC.

(A Wholly Owned Subsidiary of WEC Energy Group, Inc.)

FINANCIAL STATEMENTS

For the Quarter Ended March 31, 2023

INTEGRYS HOLDING, INC.

CONDENSED CONSOLIDATED INCOME STATEMENTS (Unaudited)	Three Months Ended March 31	
(in millions)	**2023**	**2022**
Operating revenues	**$ 1,341.1**	$ 1,401.9
Operating expenses		
Cost of sales	**625.8**	715.4
Other operation and maintenance	**246.4**	221.9
Depreciation and amortization	**123.9**	116.5
Property and revenue taxes	**32.5**	28.2
Total operating expenses	**1,028.6**	1,082.0
Operating income	**312.5**	319.9
Other income, net	**18.2**	11.6
Interest expense	**50.6**	41.1
Other expense	**(32.4)**	(29.5)
Income before income taxes	**280.1**	290.4
Income tax expense	**62.4**	73.3
Net income	**$ 217.7**	$ 217.1

INTEGRYS HOLDING, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited) *(in millions, except share and per share amounts)*	March 31 2023	December 31 2022
Assets		
Current assets		
Cash and cash equivalents	**$ 4.4**	$ 0.8
Accounts receivable and unbilled revenues, net of reserves of $136.1 and $129.0, respectively	**845.8**	939.0
Accounts receivable from related parties	**35.8**	60.4
Notes receivable from parent	**—**	115.0
Materials, supplies, and inventories	**248.0**	375.6
Prepaid taxes	**31.8**	53.6
Other prepayments	**11.5**	16.8
Collateral on deposit	**123.4**	67.3
Other	**20.7**	74.8
Current assets	**1,321.4**	1,703.3
Long-term assets		
Property, plant, and equipment, net of accumulated depreciation and amortization of $4,345.3 and $4,253.1, respectively	**12,195.9**	12,089.9
Regulatory assets	**1,237.2**	1,212.4
Goodwill	**635.8**	635.8
Pension and OPEB assets	**483.4**	474.1
Other	**183.7**	219.0
Long-term assets	**14,736.0**	14,631.2
Total assets	**$ 16,057.4**	$ 16,334.5
Liabilities and Equity		
Current liabilities		
Short-term debt	**$ 167.4**	$ 495.3
Notes payable to parent	**19.4**	—
Accounts payable	**305.4**	570.8
Accounts payable to related parties	**90.0**	113.4
Accrued taxes	**117.5**	80.8
Derivative liabilities	**83.2**	53.3
Amounts refundable to customers	**71.1**	54.1
Customer credit balances	**102.7**	131.6
Other	**187.3**	148.7
Current liabilities	**1,144.0**	1,648.0
Long-term liabilities		
Long-term debt	**4,669.7**	4,687.4
Deferred income taxes	**1,785.9**	1,757.9
Deferred ITCs	**107.2**	108.8
Regulatory liabilities	**1,344.8**	1,344.9
Environmental remediation liabilities	**437.7**	442.0
AROs	**348.2**	345.6
Other	**177.7**	175.6
Long-term liabilities	**8,871.2**	8,862.2
Commitments and contingencies		
Shareholder's equity		
Common stock – $0.01 par value; 10,000 shares authorized, 1,020 shares issued and outstanding	**—**	—
Additional paid in capital	**2,304.2**	2,303.9
Retained earnings	**3,743.1**	3,525.4
Accumulated other comprehensive loss	**(5.1)**	(5.0)
Shareholder's equity	**6,042.2**	5,824.3
Total liabilities and equity	**$ 16,057.4**	$ 16,334.5

INTEGRYS HOLDING, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)	Three Months Ended March 31	
(in millions)	**2023**	**2022**
Operating activities		
Net income	**$ 217.7**	$ 217.1
Reconciliation to cash provided by operating activities		
Depreciation and amortization	**123.9**	116.5
Deferred income taxes and investment tax credits, net	**17.2**	32.9
Change in –		
Accounts receivable and unbilled revenues, net	**118.0**	(98.8)
Materials, supplies, and inventories	**132.5**	160.0
Prepaid taxes	**21.8**	10.3
Amounts recoverable from customers	**25.8**	6.9
Collateral on deposit	**(56.1)**	1.4
Other current assets	**9.7**	6.3
Accounts payable	**(246.9)**	(145.3)
Temporary LIFO liquidation credit	**43.8**	130.7
Collateral received	**—**	89.8
Accrued taxes	**36.7**	48.7
Other current liabilities	**(17.2)**	24.3
Other, net	**(17.3)**	3.8
Net cash provided by operating activities	**409.6**	604.6
Investing activities		
Capital expenditures	**(203.2)**	(177.1)
Acquisition of Whitewater	**(38.0)**	—
Proceeds from the sale of assets	**—**	6.8
Proceeds from the sale of investments held in rabbi trust	**10.4**	15.4
Short-term notes receivable from parent, net	**115.0**	5.3
Other, net	**0.3**	2.4
Net cash used in investing activities	**(115.5)**	(147.2)
Financing activities		
Retirement of long-term debt	**(18.9)**	—
Change in short-term debt	**(327.9)**	(483.5)
Short-term debt to parent, net	**19.4**	30.0
Other, net	**0.2**	(0.4)
Net cash used in financing activities	**(327.2)**	(453.9)
Net change in cash, cash equivalents, and restricted cash	**(33.1)**	3.5
Cash, cash equivalents, and restricted cash at beginning of period	**88.7**	56.1
Cash, cash equivalents, and restricted cash at end of period	**$ 55.6**	$ 59.6
Supplemental cash flow information		
Cash paid for interest, net of amount capitalized	**$ 25.6**	$ 21.9
Cash paid for income taxes, net	**1.1**	1.1