



Jeff Keebler, President and Chief Executive Officer, and Gary Wolter, Chairman

MGE Energy dividend increase is largest in 30 years

The MGE Energy Board of Directors recently increased the regular quarterly dividend rate by nearly 5% to \$0.3225 per share on the company's common stock.

This increase, which is the largest in the last 30 years, raises the annual dividend rate by 6 cents from \$1.23 per share to \$1.29 per share.

MGE Energy has increased shareholder dividend payouts annually for 42 consecutive years.

Compared to combination utility holding companies nationwide, MGE Energy is one of only four to increase its dividend for 42 or more consecutive years. No other Wisconsin utility holding company can match our history of dividend increases.

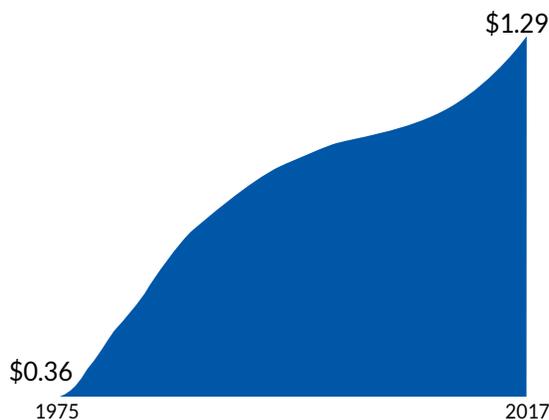
The financial publisher Mergent consistently ranks MGE Energy as a "Dividend Achiever."

MGE Energy has a history of disciplined financial management and building shareholder value over the long term. The company has paid dividends for more than 100 consecutive years.

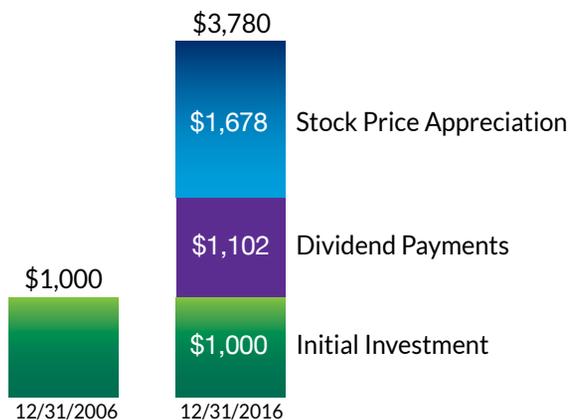
Dividends are part of the total value we provide to shareholders. Taking a 10-year view of MGE Energy's annual total return, a \$1,000 investment at the end of 2006 grew to \$3,780 by the close of 2016 with reinvested dividends.

MGE Energy's financial strength positions us well for future investments in our core business. Our regulated utility, Madison Gas and Electric (MGE), has the highest credit rating in the nation for combination utilities from both Moody's and Standard & Poor's.

MGEE Annual Dividend Rate



MGEE 10-Year Cumulative Total Return



Visit mgeenergy.com

Environmental performance: Learn how MGE has reduced carbon dioxide emissions since 2005 and about our plans for a cleaner, more sustainable future at mgeenergy.com.

MGE has decreased carbon dioxide emissions by 21% and most regulated air emissions by 90% or more since 2005. Our Energy 2030 framework sets our direction to continue reducing carbon intensities and increasing renewable energy.

Financial performance: Stay current on our stock and dividend performance at mgeenergy.com. Our website includes the current stock price and interactive graphs. We offer the latest in dividend news and a dividend calculator.

A decade of top electric reliability

MGE has ranked in the top three utilities in the country for the fewest outages per customer in each of the last 10 years—including 2007, 2013 and 2015 when MGE was ranked No. 1, according to an annual nationwide utility industry survey. The survey includes more than 90 electric utilities.

For 2016, MGE's electric service reliability was ranked No. 2 in the nation for the fewest number of outages per customer.

"We are investing in new technology, constantly upgrading our electric system and working hard to keep the lights on for the homes and businesses we serve," said Craig Fenrick, Executive Vice President - Energy Operations.

Madison a top city for tech growth

A global real estate services firm lists Madison, Wis., as a tech hotspot. Wisconsin's capital city is on the firm's recent top 10 list, joining tech giants such as Silicon Valley.

Cushman & Wakefield, with 300 offices in more than 70 countries, writes that Madison's mix of home-grown talent, a growing start-up community, the University of Wisconsin and its quality of life create one of the hottest markets for tech development.

The firm's "Tech Cities 1.0" report mentions StartingBlock Madison, a hub for entrepreneurship now under construction in downtown Madison's Capitol East District. (See photo at right.) The building, known as the Spark, will house StartingBlock, which will provide entrepreneurs the flexible space, business resources and collaborative atmosphere to grow their ideas and their companies.

The Capitol East District, including East Washington Avenue, is a prime location for StartingBlock Madison. The urban corridor is expected to undergo more than \$350 million in redevelopment by 2020.

MGE Energy supports our service area's entrepreneurial growth and economic development through resources and expertise. The MGE Foundation, MGE Energy's charitable arm, has contributed \$150,000 toward the StartingBlock project.



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- Stock price
- Online account access
- Stock purchase plan
- Company news
- Dividends and earnings

Inside View

The *Inside View* is published periodically to provide investors with information about MGE Energy. MGE Energy's primary asset, Madison Gas and Electric, provides highly reliable gas and electric service and promotes economic development in south-central and western Wisconsin.