



Jeff Keebler, Chairman of the Board, President and Chief Executive Officer

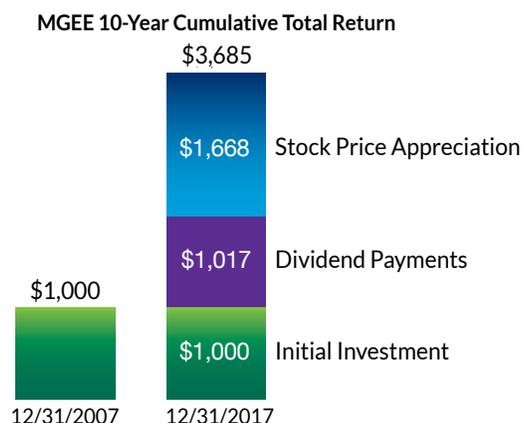
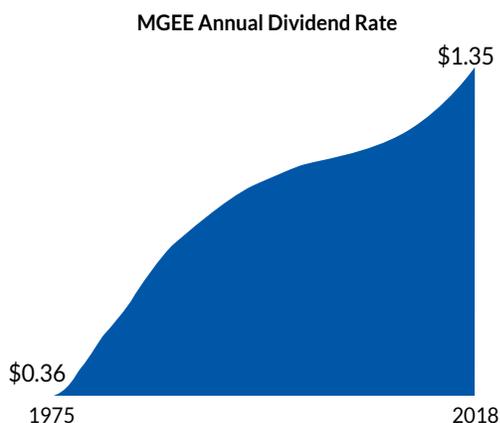
MGE Energy marks 43rd consecutive dividend increase

In August, the board of directors of MGE Energy, Inc., increased the regular quarterly dividend rate by nearly 5% to \$0.3375 per share on the outstanding shares of the company’s common stock. This raises the annual dividend rate by 6 cents from \$1.29 per share to \$1.35 per share.

MGE Energy has increased its dividend annually for the past 43 years and has paid cash dividends for more than 100 years. Compared to combination utility holding companies nationwide, MGE Energy is one of only four to increase its

dividend for 43 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.”

Taking a 10-year view of MGE Energy’s annual total return, a \$1,000 investment at the end of 2007 grew to \$3,685 by the close of 2017 with reinvested dividends. Dividends are part of the total value we provide to shareholders and reflect our confidence in our business strategy.



Jeff Keebler becomes chairman

On October 1, 2018, President and CEO Jeff Keebler became chairman of the boards of directors of MGE Energy and MGE as determined by board members earlier this year. Keebler replaces Gary Wolter who informed board members in January 2018 of his intention to step down as chairman. Wolter, who served as chairman since February 2002,

remains a member of both boards.

This change is consistent with the board’s management succession plan to provide a transition period following the change in MGE Energy’s and MGE’s President and CEO from Wolter to Keebler, which became effective in March 2017.



Renewable energy projects move forward

In October, MGE announced plans to partner with Dane County to build up to 8 megawatts (MW) of solar on county-owned land near Dane County Regional Airport, which serves south-central Wisconsin. The proposed project is the first announced under MGE's innovative Renewable Energy Rider. The program gives MGE the ability to partner with large customers to tailor a renewable energy solution to meet their needs. The project builds upon MGE's long-standing partnership with Dane County under which MGE purchases electricity generated at the county landfill and from a manure digester.

Shared Solar expansion

MGE is seeking to expand its successful Shared Solar program. The community solar program launched in January 2017 with a 500-kilowatt array in partnership with the City of Middleton. MGE plans to propose building a second solar installation. If approved by regulators, the array would deliver locally generated clean energy to subscribing customers. To join the waiting list for the program, visit mge.com/sharedsolar.

New solar projects

The Shared Solar expansion is in addition to MGE's plans for 100 MW of new solar from two Wisconsin projects. MGE, in partnership with Wisconsin Public Service, applied in late May for approval of the two solar projects—Badger Hollow in Iowa County and Two Creeks in Manitowoc and Kewaunee counties. Combined, the utilities would own a total of 300 MW. If approved by the end of 2018, construction is expected to begin by spring 2019.

Saratoga construction on schedule

MGE's 66-MW Saratoga wind farm in Howard County, Iowa, is taking shape with turbines and other components beginning to arrive in late August. Saratoga is expected online by early 2019, delivering enough clean energy to power about 47,000 households.



Construction in mid-September at MGE's Saratoga wind farm in Howard County, Iowa

Sustainability the focus of reporting tool

MGE is participating in the Edison Electric Institute's (EEI) environmental, social, governance and sustainability-related reporting template. The voluntary, industry-specific template will provide MGE Energy investors current and concise data and information on our portfolio, emissions, capital expenditures and other matters. The tool advances further transparency and disclosure in company operations and governance.

"MGE has ambitious carbon reduction goals and is advancing a more sustainable future through renewable generation, the electrification of transportation and increased engagement with our customers around energy efficiency. This reporting template is one more way for us to share relevant information with our investors," said Chairman, President and CEO Jeff Keebler.

EEI members represent all U.S. investor-owned electric companies. Visit mgeenergy.com/environment to access the template and MGE's 2018 Environmental and Sustainability Report.

MGE ranked number one for electric reliability

MGE is a national leader in electric reliability. For 2017, MGE's electric service reliability is ranked No. 1 in the country for both the fewest number of outages and shortest duration of outages per customer, according to an annual survey of more than 80 electric utilities nationwide.

MGE has ranked in the top 3 utilities nationwide for the fewest number of outages in each of the last 11 years, according to the annual survey. In addition to 2017, MGE ranked number one nationwide for the fewest outages in 2007, 2013 and 2015.

MGE is committed to growing its use of renewable energy while maintaining top-ranked reliability for our customers.

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- Stock price
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- 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.