SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q/A

(Mark One)

X QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2000

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission File Number 1-3523

WESTERN RESOURCES, INC.
(Exact Name of Registrant as Specified in Its Charter)

KANSAS	48-0290150
(State or Other Jurisdiction of Incorporation or Organization)	(Employer Identification No.)

818 KANSAS AVENUE, TOPEKA, KANSAS	66612
(Address of Principal Executive Offices)	(Zip Code)

Registrant's Telephone Number Including Area Code (785) 575-6300

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at August 10, 2000
Common Stock, $5.00 par value	69,348,909

WESTERN RESOURCES, INC.
INDEX

FORWARD-LOOKING STATEMENTS

Certain matters discussed in this Form 10-Q/A are "forward-looking statements." The Private Securities Litigation Reform Act of 1995 has established that these statements qualify for safe harbors from liability. Forward-looking statements may include words like we "believe," "anticipate," "expect" or words of similar meaning. Forward-looking statements describe our future plans, objectives, expectations, or goals. Such statements address future events and conditions concerning capital expenditures, earnings, liquidity and capital resources, litigation, rate and other regulatory matters, possible corporate restructurings, mergers, acquisitions, dispositions, compliance with debt covenants, interest and dividends, Protection One's financial condition and its impact on our consolidated results, environmental matters, changing weather, nuclear operations, ability to enter new markets successfully and capitalize on growth opportunities in non-regulated businesses, events in foreign markets in which investments have been made, accounting matters, and the overall economy of our service area. What happens in each case could vary materially from what we expect because of such things as electric utility deregulation, ongoing municipal, state and federal activities, such as the Wichita municipalization proceedings; future economic conditions; legislative and regulatory developments; regulatory and competitive markets; and other circumstances affecting anticipated operations, sales and costs.

RESTATEMENT

Following extensive conversations between Protection One and the Staff of the SEC which have been previously disclosed, we have restated our Consolidated Financial Statements as of December 31, 1999, 1998 and 1997 and for the years then ended and for each of the periods ended March 31, June 30, and September 30, 2000, to reflect restatements undertaken by Protection One. These restatements primarily relate to the amortization of customer accounts acquired and amounts allocated to obligations assumed in the Westinghouse Security Systems (WSS) acquisition.

In addition to the restatement, we have adopted Staff Accounting Bulletin (SAB) 101 in the fourth quarter of 2000, effective January 1, 2000. This change in accounting principle is unrelated to the restatement. A description of the adjustments which comprise the restatement and the impact of the change in accounting principle are disclosed in Note 2 of the Consolidated Financial Statements filed with this Form 10-Q/A.

For the purpose of this Form 10-Q/A, we have amended and restated in its entirety the Form 10-Q for the three and six months ended June 30, 2000, filed on August 14, 2000. In order to preserve the nature and the character of the disclosures as of August 14, 2000, the date on which the original Form 10-Q for the periods ended June 30, 2000, was signed, no attempt has been made in this Form 10-Q/A to modify or update such disclosures except as required to reflect the results of the restatement and adoption of SAB 101.

WESTERN RESOURCES, INC.
CONSOLIDATED BALANCE SHEETS
(Dollars in Thousands)
(Unaudited)

	June 30, 2000	December 31, 1999 (Restated)
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 6,643	$ 12,444
Restricted cash	19,472	14,558
Accounts receivable (net)	245,031	229,200
Inventories and supplies (net)	117,954	112,392
Marketable securities	5,182	177,128
Prepaid expenses and other	63,453	57,246
Total Current Assets	457,735	602,968
PROPERTY, PLANT AND EQUIPMENT (NET)	3,966,205	3,889,444
OTHER ASSETS:		
Restricted cash	36,535	-
Investment in ONEOK	589,758	590,109
Customer accounts (net)	1,060,881	1,131,932
Goodwill (net)	1,027,641	1,057,041
Regulatory assets	373,776	366,004
Other	452,058	352,394
Total Other Assets	3,540,649	3,497,480
TOTAL ASSETS	$7,964,589	$7,989,892
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current maturities of long-term debt	$ 45,687	$ 111,667
Short-term debt	209,000	705,421
Accounts payable	146,393	132,834
Accrued liabilities	202,740	226,786
Accrued income taxes	56,866	40,328
Deferred security revenues	73,861	61,148
Other	119,204	73,011
Total Current Liabilities	853,751	1,351,195
LONG-TERM LIABILITIES:		
Long-term debt (net)	3,317,672	2,883,066
Western Resources obligated mandatorily redeemable preferred securities of subsidiary trusts holding solely company subordinated debentures	220,000	220,000
Deferred income taxes and investment tax credits	983,302	976,135
Minority interests	193,895	192,734
Deferred gain from sale-leaseback	192,208	198,123
Other	295,207	279,451
Total Long-term Liabilities	5,202,284	4,749,509
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY:		
Cumulative preferred stock	24,858	24,858
Common stock, par value $5 per share, authorized 150,000,000 shares, outstanding 68,910,419 and 67,401,657 shares, respectively	344,568	341,508
Paid-in capital	826,524	820,945
Retained earnings	714,588	679,880
Accumulated other comprehensive income (net)	(1,934)	37,788
Treasury stock, at cost, 3,214 and 900,000 shares, respectively	(50)	(15,791)
Total Shareholders' Equity	1,908,554	1,889,188
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$7,964,589	$7,989,892

The Notes to Consolidated Financial Statements are an integral part of these statements.

WESTERN RESOURCES, INC.
CONSOLIDATED STATEMENTS OF INCOME
(Dollars in Thousands, Except Per Share Amounts)
(Unaudited)

	Three Months Ended June 30, 2000	Three Months Ended June 30, 1999
		(Restated)
SALES:		
Energy	$ 418,691	$ 325,341
Security	127,916	150,801
Total Sales	546,607	476,142
COST OF SALES:		
Energy	172,963	109,853
Security	41,755	41,882
Total Cost of Sales	214,718	151,735
GROSS PROFIT	331,889	324,407
OPERATING EXPENSES:		
Operating and maintenance expense	82,651	89,397
Depreciation and amortization	108,099	88,164
Selling, general and administrative expense	76,916	75,018
Write-off international development activities	-	(4,930)
Total Operating Expenses	267,666	247,649
INCOME FROM OPERATIONS	64,223	76,758
OTHER INCOME (EXPENSE):		
Investment earnings	32,857	15,876
Minority interests	1,059	1,289
Other	896	(358)
Total Other Income (Expense)	34,812	16,807
EARNINGS BEFORE INTEREST AND TAXES	99,035	93,565
INTEREST EXPENSE:		
Interest expense on long-term debt	48,966	60,519
Interest expense on short-term debt and other	23,346	12,979
Total Interest Expense	72,312	73,498
EARNINGS BEFORE INCOME TAXES	26,723	20,067
INCOME TAXES	3,158	2,345
NET INCOME BEFORE EXTRAORDINARY GAIN	23,565	17,722
EXTRAORDINARY GAIN, NET OF TAX	17,347	-
NET INCOME	40,912	17,722
PREFERRED DIVIDENDS	282	282
EARNINGS AVAILABLE FOR COMMON STOCK	$ 40,630	$ 17,440
AVERAGE COMMON SHARES OUTSTANDING	68,731,435	66,639,224
BASIC EARNINGS PER AVERAGE COMMON SHARE OUTSTANDING:		
Earnings available for common stock before extraordinary gain	$ 0.34	$ 0.26
Extraordinary gain	0.25	-
EARNINGS AVAILABLE FOR COMMON STOCK	$ 0.59	$ 0.26
DIVIDENDS DECLARED PER COMMON SHARE	$ .30	$ .535

The Notes to Consolidated Financial Statements are an integral part of these statements.

WESTERN RESOURCES, INC.
CONSOLIDATED STATEMENTS OF INCOME
(Dollars in Thousands, Except Per Share Amounts)
(Unaudited)

	Six Months Ended June 30, 2000	Six Months Ended June 30, 1999 (Restated)
SALES:		
Energy	$ 753,521	$ 637,376
Security	274,786	299,348
Total Sales	1,028,307	936,724
COST OF SALES:		
Energy	300,588	216,506
Security	89,069	83,156
Total Cost of Sales	389,657	299,662
GROSS PROFIT	638,650	637,062
OPERATING EXPENSES:		
Operating and maintenance expense	168,293	168,479
Depreciation and amortization	215,878	173,330
Selling, general and administrative expense	162,397	146,886
Write-off international development activities	-	(4,930)
Total Operating Expenses	546,568	483,765
INCOME FROM OPERATIONS	92,082	153,297
OTHER INCOME (EXPENSE):		
Investment earnings	150,925	37,444
Minority interests	676	2,130
Other	1,410	545
Total Other Income (Expense)	153,011	40,119
EARNINGS BEFORE INTEREST AND TAXES	245,093	193,416
INTEREST EXPENSE:		
Interest expense on long-term debt	100,408	119,290
Interest expense on short-term debt and other	41,930	25,008
Total Interest Expense	142,338	144,298
EARNINGS BEFORE INCOME TAXES	102,755	49,118
INCOME TAXES	39,389	11,416
NET INCOME BEFORE EXTRAORDINARY GAIN AND ACCOUNTING CHANGE	63,366	37,702
EXTRAORDINARY GAIN, NET OF TAX	35,839	-
CUMULATIVE EFFECT OF ACCOUNTING CHANGE, NET OF TAX	(3,810)	-
NET INCOME	95,395	37,702
PREFERRED DIVIDENDS	564	564
EARNINGS AVAILABLE FOR COMMON STOCK	$ 94,831	$ 37,138
AVERAGE COMMON SHARES OUTSTANDING	68,232,780	66,365,731
BASIC EARNINGS PER AVERAGE COMMON SHARE OUTSTANDING:		
Earnings available for common stock before extraordinary gain and accounting change	$ 0.92	$ 0.56
Extraordinary gain	0.53	-
Cumulative effect of accounting change	(0.06)	-
EARNINGS AVAILABLE FOR COMMON STOCK	$ 1.39	$ 0.56

DIVIDENDS DECLARED PER COMMON SHARE	$ 0.835	$ 1.07

The Notes to Consolidated Financial Statements are an integral part of these statements.

WESTERN RESOURCES, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Dollars in Thousands)
(Unaudited)

	Three Months Ended June 30, 2000	Three Months Ended June 30, 1999 (Restated)
NET INCOME	$40,912	$17,722
OTHER COMPREHENSIVE INCOME (LOSS), BEFORE TAX:		
Unrealized holding (losses)/gains on marketable securities arising during the period	(1,353)	6,215
Less: Reclassification adjustment for (gains)/losses included in net income	(17,369)	140
Unrealized (losses)/gain on marketable securities (net)	(18,722)	6,355
Unrealized (loss) on currency translation	(1,338)	(439)
Other comprehensive (loss) income, before tax	(20,060)	5,916
INCOME TAX BENEFIT/(EXPENSE)	11,315	(2,350)
OTHER COMPREHENSIVE (LOSS)/INCOME, NET OF TAX	(8,745)	3,566
COMPREHENSIVE INCOME	$32,167	$21,288

	Six Months Ended June 30, 2000	Six Months Ended June 30, 1999 (Restated)
NET INCOME	$ 95,395	$37,702
OTHER COMPREHENSIVE INCOME (LOSS), BEFORE TAX:		
Unrealized holding gains/(losses) on marketable securities arising during the period	44,863	(15,167)
Less: Reclassification adjustment for (gains)/losses included in net income	(115,629)	140
Unrealized loss on marketable securities (net)	(70,766)	(15,027)
Unrealized (loss) on currency translation	(624)	(1,541)
Other comprehensive (loss), before tax	(71,390)	(16,568)
INCOME TAX BENEFIT	31,668	6,663
OTHER COMPREHENSIVE (LOSS), NET OF TAX	(39,722)	(9,905)
COMPREHENSIVE INCOME	$55,673	$27,797

The Notes to Consolidated Financial Statements are an integral part of these statements.

WESTERN RESOURCES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in Thousands)
(Unaudited)

	Six Months Ended June 30, 2000	Six Months Ended June 30, 1999 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 95,395	$ 37,702
Adjustments to reconcile net income to net cash provided by operating activities:		
Extraordinary gain	(35,839)	-
Cumulative effect of accounting change	3,810	-
Depreciation and amortization	215,878	173,330
Amortization of gain on sale-leaseback	(5,915)	(5,915)
Equity in earnings from investments	(7,200)	(6,492)
Gain on sale of marketable securities	(115,629)	-
Minority interests	(676)	(2,130)
Accretion of discount note interest	(5,981)	(3,345)
Write-off international development activities	-	(4,930)
Change in restricted cash	(50,440)	-
Changes in working capital items:		
Accounts receivable (net)	(14,257)	(6,329)
Inventories and supplies	(5,562)	(16,128)
Prepaid expenses and other	(7,781)	(27,122)
Accounts payable	13,559	(6,107)
Accrued liabilities	(24,046)	(12,786)
Accrued income taxes	16,538	456
Deferred revenue	148	6,218
Other	(4,045)	(11,116)
Changes in other assets and liabilities	(2,125)	(5,984)
Net cash flows from operating activities	65,832	109,322
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:		
Additions to property, plant and equipment (net)	(170,357)	(88,619)
Customer account acquisitions	-	(154,571)
Security alarm monitoring acquisitions, net of cash acquired	(20,943)	(20,722)
Purchases of marketable securities	-	(11,999)
Proceeds from sale of marketable securities	217,062	21,699
Investment in Paradigm	-	(32,009)
Other investments (net)	5,589	(9,342)
Net cash flows from (used in) investing activities	31,351	(295,563)
CASH FLOWS (USED IN) FROM FINANCING ACTIVITIES:		
Short-term debt (net)	(496,421)	109,918
Proceeds of long-term debt	606,087	136,479
Retirements of long-term debt	(176,343)	(178)
Issuance of common stock issued (net)	8,639	18,497
Cash dividends paid	(57,606)	(71,496)
Reissuance of treasury stock	21,847	-
Acquisition of treasury stock	(9,187)	-
Net cash flows (used in) from financing activities	(102,984)	193,220
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(5,801)	6,979
CASH AND CASH EQUIVALENTS:		
Beginning of the period	12,444	16,394
End of the period	$ 6,643	$ 23,373
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
CASH PAID FOR:		
Interest on financing activities (net of amount capitalized	$ 179,660	$ 152,311
Income taxes	3,793	831

The Notes to Consolidated Financial Statements are an integral part of these statements.

WESTERN RESOURCES, INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(Dollars in Thousands)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2000	1999	2000	1999
		(Restated)		(Restated)
CUMULATIVE PREFERRED STOCK:				
Par value $100 per share, authorized 600,000 shares, outstanding -				
4 1/2% Series, 138,576 shares. .	$ 13,858	$ 13,858	$ 13,858	$ 13,858
4 1/4% Series, 60,000 shares . .	6,000	6,000	6,000	6,000
5% Series, 50,000 shares	5,000	5,000	5,000	5,000
Beginning balance.	24,858	24,858	24,858	24,858
Redemption of preferred stock. . .	-	-	-	-
Ending balance	24,858	24,858	24,858	24,858
COMMON STOCK:				
Beginning balance.	344,568	330,768	341,508	329,548
Issuance of common stock	-	5,076	3,060	6,296
Ending balance	344,568	335,844	344,568	335,844
PAID-IN-CAPITAL:				
Beginning balance.	823,645	779,809	820,945	775,337
Issuance on common stock	2,879	22,051	5,579	26,523
Ending balance	826,524	801,860	826,524	801,860
RETAINED EARNINGS:				
Beginning balance.	696,479	794,938	679,880	810,617
Net income	40,912	17,722	95,395	37,702
Dividends on preferred stock . . .	(282)	(282)	(564)	(564)
Dividends on common stock.	(20,651)	(35,555)	(57,042)	(70,932)
Issuance of treasury stock	(1,870)	-	(3,081)	-
Ending balance	714,588	776,823	714,588	776,823
ACCUMULATED OTHER COMPREHENSIVE INCOME (NET):				
Beginning balance.	6,811	(3,963)	37,788	9,508
Unrealized (loss)/gain on equity securities.	(18,722)	6,355	(70,766)	(15,027)
Unrealized (loss) on currency translation	(1,338)	(439)	(624)	(1,541)
Income tax benefit/(expense) . . .	11,315	(2,350)	31,668	6,663
Ending balance	(1,934)	(397)	(1,934)	(397)
TREASURY STOCK:				
Beginning balance.	(14,373)	-	(15,791)	-
Issuance of treasury stock	14,323	-	24,928	-
Purchase of treasury stock	-	-	(9,187)	-
Ending balance	(50)	-	(50)	-
TOTAL SHAREHOLDERS' EQUITY	$1,908,554	$1,938,988	$1,908,554	$1,938,988

The Notes to Consolidated Financial Statements are an integral part of these statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business: Western Resources, Inc. (the company) is a publicly-traded, consumer services company. The company's primary business activities are providing electric generation, transmission and distribution services to approximately 634,000 customers in Kansas and providing monitored services to approximately 1.6 million customers in North America, the United Kingdom and continental Europe. Rate regulated electric service is provided by KPL, a division of the company, and Kansas Gas and Electric Company (KGE), a wholly-owned subsidiary. Monitored services in North America are provided by Protection One, Inc. (Protection One), a publicly-traded, approximately 85%-owned subsidiary. Monitored services in the United Kingdom and continental Europe are provided by Protection One International, Inc. and Protection One UK, Plc. (collectively referred to as Protection One Europe) which are 100% owned by the company. In addition, through the company's 45% ownership interest in ONEOK, Inc. (ONEOK), natural gas transmission and distribution services are provided to approximately 1.4 million customers in Oklahoma and Kansas. The company's investments in Protection One, Protection One Europe and ONEOK are owned by Westar Capital, Inc. (Westar Capital), a wholly-owned subsidiary.

Principles of Consolidation: The company's unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information and in accordance with the instructions to Form 10-Q. Accordingly, certain information and footnote disclosures normally included in financial statements presented in accordance with GAAP have been condensed or omitted. These consolidated financial statements and notes should be read in conjunction with the Consolidated Financial Statements and the notes included in the company's 1999 Annual Report on Form 10-K/A-2.

In management's opinion, all adjustments, consisting only of normal recurring adjustments considered necessary for a fair presentation of the financial statements, have been included. The results of operations for the three and six months ended June 30, 2000, are not necessarily indicative of the results to be expected for the full year.

New Pronouncements: In June 1998, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities" (SFAS 133). SFAS 133, as amended, is effective for fiscal years beginning after June 15, 2000. SFAS 133 cannot be applied retroactively. The company is currently evaluating commodity contracts and financial instruments to determine what, if any, effect adopting SFAS 133 might have on its financial statements. The company has not yet quantified all effects of adopting SFAS 133 on its financial statements; however, SFAS 133 could increase volatility in earnings and other comprehensive income. The company plans to adopt SFAS 133 as of January 1, 2001.

Goodwill: Goodwill represents the excess of the purchase price over the fair value of net assets acquired. Protection One historically amortized goodwill on a straight-line basis over 40 years. In the first quarter of 2000, Protection One re-evaluated the original assumptions and rationale utilized in the establishment of the estimated useful life of goodwill. Protection One concluded that due to continued losses, increased levels of attrition experienced in 1999 and other factors, the estimated useful life of goodwill should be reduced from 40 years to 20 years. As of January 1, 2000, the remaining goodwill, net of accumulated amortization, is being amortized over its remaining useful life based on a 20-year life. Protection One Europe made a similar change. Based on Protection One's and Protection One Europe's existing account bases at January 1, 2000, the company anticipates that this will result in an increase in aggregate annual goodwill amortization of approximately $32.6 million.

The change in estimate resulted in additional goodwill amortization for the three months ended June 30, 2000, of approximately $8.4 million. The resulting reduction to net income was $6.7 million. For the six months ended June 30, 2000, the resulting additional goodwill amortization was $16.5 million, resulting in a reduction to net income of $13.0 million.

Restricted Cash: The company's restricted cash consists primarily of cash held in escrow pursuant to the terms of a pre-paid capacity and transmission agreement, certain letters of credit and one of Protection One's 1998 acquisitions.

Reclassifications: Certain amounts in prior years have been reclassified to conform with classifications used in the current year presentation.

2. RESTATEMENT OF FINANCIAL STATEMENTS

Restatement Adjustments: Following extensive conversations between Protection One and the staff of the SEC, which have previously been disclosed, the company has restated its Consolidated Financial Statements as of December 31, 1999, 1998 and 1997 and for the years then ended to reflect restatements undertaken by Protection One. The company has also restated its interim financial statements included in this Form 10-Q/A. This restatement primarily relates to the amortization of customer accounts acquired and amounts allocated to obligations assumed in the Westinghouse Security Systems (WSS) acquisition. A description of the principal adjustments which comprise the restatement are as follows:

The first adjustment reflects a change in the historical amortization expense recorded for customer accounts acquired in the WSS acquisition. The life of the acquired WSS customers was initially estimated at ten years. Straight-line amortization had originally been implemented. With the restatement, an eight-year estimated life and an accelerated amortization method will be used for customers acquired from the WSS acquisition as of the acquisition date.

The second adjustment reverses a special charge of $12.75 million for excess customer attrition that was recorded in the fourth quarter of 1997. This charge had been recorded for attrition experienced in the WSS customer account base in 1997.

The third adjustment reduces a repurchase obligation (SAMCO contract financing) to more closely match the estimated fair value of the obligation to the estimated fair value of WSS customer accounts on a per account basis. This change in valuation has the effect of reducing the obligation and goodwill and eliminating $14.8 million of a non-recurring $16.3 million pre-tax gain that was reported in 1998 when this obligation was repaid.

The fourth adjustment reduces goodwill as a result of a purchase price adjustment related to the WSS acquisition. Goodwill has been reduced by the amount of the claim of $33.8 million. A receivable had not originally been recorded for this claim. The change was made to establish this receivable which reduces recorded goodwill. The company entered into a comprehensive settlement agreement with Westinghouse in November 2000 and received $37.5 million.

Accounting Change: The company adopted Staff Accounting Bulletin (SAB) 101 in the fourth quarter of 2000. The impact of this accounting change requires the company to defer certain installation revenues and expenses incurred by Protection One Europe. Deferral of these revenues and costs has been made when installation revenues have been received and on-going security service is provided. The deferred revenues will be amortized over the estimated life of customer accounts. Prior to the adoption of SAB 101, installation revenues and related expenses were recognized upon completion of the installation.

The cumulative impact of changing this accounting principle for activity through January 1, 2000, is approximately $3.8 million (net of tax) and has been recorded in the first quarter of 2000 as a cumulative effect of change in accounting principle.

The current year impact of SAB 101 for the quarters ended March 31, June 30, and September 30, 2000, is a reduction to net income of $0.7 million, $0.9 million and $0.9 million, respectively, and an increase to deferred revenue of approximately $2.1 million, $2.3 million, and $2.0 million, respectively. The adjustment for this change in accounting method is unrelated to the other restatement adjustments described above and results solely from the requirements of SAB 101.

A summary of the significant effects of these items has been reflected in the appropriate quarterly results as follows:

	As Previously Reported		Restatement Adjustments		Accounting Change		As Restated	
	Amount	Per Share Amounts	Amount	Per Share Amounts	Amount	Per Share Amounts	Amount	Per Share Amounts
	(Dollars in thousands, except for per share amounts)							
Net income before extraordinary gain and accounting change								
For the six months ended:								
June 30, 2000.	$ 66,516	$ 0.97	$ (1,552)	$ (0.02)	$(1,598)	$ (0.03)	$ 63,366	$ 0.92
June 30, 1999.	39,236	0.58	(1,534)	(0.02)	-	-	37,702	0.56
Earnings available for common stock								
For the six months ended:								
June 30, 2000	$101,791	$ 1.49	$ (1,552)	$ (0.02)	$(5,408)	$ (0.08)	$ 94,831	$ 1.39
June 30, 1999	38,672	0.58	(1,534)	(0.02)	-	-	37,138	0.56
Net income before extraordinary gain and accounting change								
For the three months ended:								
June 30, 2000.	$ 25,192	$ 0.36	$ (777)	$ (0.01)	$ (850)	$ (0.01)	$ 23,565	$ 0.34
June 30, 1999.	18,489	0.27	(767)	(0.01)	-	-	17,722	0.26
Earnings available for common stock								
For the three months ended:								
June 30, 2000	$ 42,257	$ 0.61	$ (777)	$ (0.01)	$ (850)	$ (0.01)	$ 40,630	$ 0.59
June 30, 1999	18,207	0.27	(767)	(0.01)	-	-	17,440	0.26

Prior to the restatement, during the third quarter of 1999 Protection One changed its amortization method for its customer account intangible assets from a straight-line to an accelerated method to more closely match future amortization cost with the estimated revenue stream from these assets. The effect of the change in accounting principle increased amortization expense reported in the third quarter of 1999 by $47 million. The change in the WSS customer account amortization method restates the results of 1997, 1998 and 1999 and thereby reduces the cumulative charge recorded in the third quarter of 1999.

See the company's Form 10-Q/A for the period ended September 30, 2000, for a more detailed break-down of the restatement items for the interim periods restated in 2000.

3. CORPORATE RESTRUCTURING AND STRATEGIC ALTERNATIVES

On March 28, 2000, the company's board of directors approved the separation of its electric and non-electric utility businesses. On May 18, 2000, the company announced that its board of directors had authorized management to explore strategic alternatives for the company's electric utility operations which consist of KPL and KGE. The company's management currently expects to identify a strategic partner for the electric utility operations prior to year end. The impact of these transactions on the company's financial position and operating results cannot be determined until the final terms and timing of the transactions are determined. The company can give no assurance as to whether or when the separation or the strategic transaction may occur.

4. DIVIDEND POLICY

The company's board of directors reviews the company's dividend policy from time to time. Among the factors the board of directors considers in determining the company's dividend policy are earnings, cash flows, capitalization ratios, competition, financial loan covenants and regulatory conditions. In March 2000, the company announced a new dividend policy of a quarterly dividend of $0.30 per share, or $1.20 per share on an annual basis as, and when, declared by the board of directors. On July 3, 2000, the second quarter dividend was paid at the rate of $0.30 per common share.

5. DEBT

On April 28, 2000, the company filed a shelf registration statement with the SEC to register $500 million of first mortgage bonds. The registration statement became effective May 8, 2000. The proceeds of the sale of the securities, if and when issued, would be used to pay off a new term loan before they would be available for other purposes as required by the term loan agreement.

On June 28, 2000, the company entered into a $600 million, multi-year term loan that replaced two revolving credit facilities which matured on June 30, 2000. The proceeds of the term loan were used to retire short term debt. The term loan is secured by first mortgage bonds of the company and KGE and has a maturity date of March 17, 2003.

Maturities of the term loan through March 17, 2003, are as follows:

Year	Principal Amount (Dollars in Thousands)
2000	$ 3,000
2001	6,000
2002	6,000
2003	585,000

The terms of the loan contain requirements for maintaining certain consolidated leverage ratios, interest coverage ratios and consolidated debt to capital ratios. The company is in compliance with all of these requirements.

Interest on the term loan is payable on the expiration date of each borrowing under the facility or quarterly if the term of the borrowing is greater than three months. The weighted average interest rate, including fees, on the term loan is currently 10.35%.

The company also has an arrangement with certain banks to provide a revolving credit facility on a committed basis totaling $500 million. The facility is secured by first mortgage bonds of the company and KGE and expires on March 17, 2003.

For additional information on financial arrangements, see Note 13 to Consolidated Financial Statements.

6. GAIN ON EXTINGUISHMENT OF DEBT

In the second quarter of 2000, Westar Capital purchased $45.1 million face value of Protection One bonds in the open market. These debt securities were transferred to Protection One in exchange for cash and the settlement of certain intercompany payables and receivables. Protection One also purchased $24.5 million face value of its bonds on the open market in the second quarter of 2000. An extraordinary gain of $17.3 million, net of tax of $9.3 million, was recognized on these retirements.

7. MARKETABLE SECURITIES

During the second quarter of 2000, the company sold the remaining portion of its investment in a gas compression company and realized a gain of $17.4 million.

8. INCOME TAXES

The company has recorded income tax benefits for the interim periods using the effective tax rate method. Under this method, the company computes the tax related to year-to-date income, except for significant unusual or extraordinary items, at an estimated annual effective tax rate. The company individually computes and recognizes, when the transaction occurs, income tax related to significant unusual or extraordinary items, such as the gain on marketable securities recorded in 2000. The company anticipates an effective annual tax rate of 30.9% based on the effective tax rate method described above. The company's effective income tax rates for the three and six month periods ended June 30, 2000, were 11.8% and 38.3% compared to 11.7% and 23.2% for the three and six month periods ended June 30, 1999.

The difference between the company's effective tax rate and the statutory rate is primarily attributable to a change in estimate of the annual expected effective tax rate for 2000 and due to various other factors. These factors include the tax benefit of excluding from taxable income, in accordance with IRS rules, 70% of the dividends received from ONEOK, the generation and utilization of tax credits from Affordable Housing investments, the amortization of prior years' investment tax credits, the amortization of non-deductible goodwill, the tax benefits from corporate-owned life insurance and the deduction for state income taxes.

9. RATE MATTERS AND REGULATION

City of Wichita Proceeding: In December 1999, the City Council of Wichita, Kansas, authorized the hiring of an outside consultant to determine the feasibility of creating a municipal electric utility to replace KGE as the supplier of electricity in Wichita. In 1999, KGE's rates were 5% below the national average for retail customers and the average rates charged to retail customers in territories served by our KPL division were 19% lower than KGE's rates. Customers within the Wichita metropolitan area account for approximately 25% of our total energy sales. KGE has an exclusive franchise with the City of Wichita to provide retail electric service that expires March 2002. Under Kansas law, KGE will continue to have the exclusive right to serve the customers in Wichita following the expiration of the franchise, assuming the system is not municipalized. See also "FERC Proceedings" below regarding a complaint filed with the Federal Energy Regulatory Commission (FERC) against us by the City of Wichita.

KCC Proceeding: On March 16, 2000, the Kansas Industrial Consumers (KIC), an organization of commercial and industrial users of electricity in Kansas, filed a complaint with the Kansas Corporation Commission (KCC) requesting an investigation of Western Resources' and KGE's rates. The KIC alleges that these rates are not based on current costs. Western Resources, KGE and the KCC staff reached an agreement on August 8, 2000, for Western Resources and KGE to file a rate case on or before November 25, 2000. As a result, on August 8, 2000, Western Resources, KGE and the KCC Staff filed a motion with the KCC to approve the agreement and requested an order disposing of the KIC complaint.

FERC Proceeding: In September 1999, the City of Wichita filed a complaint with the Federal Energy Regulatory Commission (FERC) against the company, alleging improper affiliate transactions between KPL and KGE. The City of Wichita is asking that the FERC equalize the generation costs between KPL and KGE, in addition to other matters. The FERC has issued an order setting this matter for hearing and has referred the case to a settlement judge. The hearing has been suspended pending settlement discussions between the parties. These settlement talks continue with additional discussions scheduled to be held before the settlement judge in early September 2000. The company believes that the City of Wichita's complaint is without merit and intends to defend against it vigorously.

1O. LEGAL PROCEEDINGS

The Securities and Exchange Commission (SEC) commenced a private investigation in 1997 relating to, among other things, the timeliness and adequacy of disclosure filings with the SEC by the company with respect to securities of ADT Ltd. The company is cooperating with the SEC staff in this investigation.

The company, its subsidiary Westar Capital, Protection One, its subsidiary Protection One Alarm Monitoring, Inc. (Monitoring), and certain present and former officers and directors of Protection One are defendants in a purported class action litigation pending in the United States District Court for the Central District of California, "Ronald Cats, et al., v. Protection One, Inc., et. al.", No. CV 99-3755 DT (RCx). Pursuant to an Order dated August 2, 1999, four pending purported class actions were consolidated into a single action. In March 2000, plaintiffs filed a Second Consolidated Amended Class Action Complaint (the Amended Complaint). Plaintiffs purport to bring the action on behalf of a class consisting of all purchasers of publicly traded securities of Protection One, including common stock and notes, during the period of February 10, 1998, through November 12, 1999. The Amended Complaint asserts claims under Section 11 of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 against Protection One, Monitoring, and certain present and former officers and directors of Protection One based on allegations that various statements concerning Protection One's financial results and operations for 1997 and 1998 were false and misleading and not in compliance with Generally Accepted Accounting Principles. Plaintiffs allege, among other things, that former employees of Protection One have reported that Protection One lacked adequate internal accounting controls and that certain accounting information was unsupported or manipulated by management in order to avoid disclosure of accurate information. The Amended Complaint further asserts claims against the company and Westar Capital as controlling persons under Sections 11 and 15 of the Securities Act of 1933 and Sections 10(b) and 20(a) of the Securities Exchange Act of 1934. A claim is also asserted under Section 11 of the Securities Act of 1933 against Protection One's auditor, Arthur Andersen LLP. The Amended Complaint seeks an unspecified amount of compensatory damages and an award of fees and expenses, including attorneys' fees. On June 12, 2000, the company, Protection One and the other defendants filed motions to dismiss in part the Amended Complaint. These motions are currently pending. The company and Protection One believe that all the claims asserted in the Amended Complaint are without merit and intend to defend against them vigorously. The company and Protection One cannot currently predict the impact of this litigation which could be material.

The company and its subsidiaries are involved in various other legal, environmental and regulatory proceedings. Management believes that adequate provision has been made and accordingly believes that the ultimate disposition of such matters will not have a material adverse effect upon the company's overall financial position or results of operations. See also Note 9 for discussion of regulatory proceedings.

11. COMMITMENTS AND CONTINGENCIES

Manufactured Gas Sites: The company has been associated with 15 former manufactured gas sites located in Kansas which may contain coal tar and other potentially harmful materials. The company and the Kansas Department of Health and Environment (KDHE) entered into a consent agreement governing all future work at the 15 sites. The terms of the consent agreement will allow the company to investigate these sites and set remediation priorities based upon the results of the investigations and risk analysis. At June 30, 2000, the costs incurred for preliminary site investigation and risk assessment have been minimal. In accordance with the terms of the strategic alliance with ONEOK, ownership of twelve of these sites and the responsibility for clean-up of these sites were transferred to ONEOK. The ONEOK agreement limits the company's future liability associated with these sites to an immaterial amount. The company's investment earnings from ONEOK, as recorded in investment earnings on the accompanying Consolidated Income Statements, could be impacted by these costs if insurance and rate allowances do not cover these potential contingencies.

Split Dollar Life Insurance Program: Obligations under the company's split dollar life insurance program can increase and decrease based on the company's total return to shareholders and payments to plan participants. The related liability decreased approximately $12.8 million for the six month period ended June 30, 2000, as a result of payments under the plan.

Decommissioning: On September 1, 1999, Wolf Creek submitted the 1999 Decommissioning Cost Study to the KCC for approval. The KCC approved the 1999 Decommissioning Cost Study on April 26, 2000. Based on the study, the company's share of Wolf Creek's decommissioning costs, under the immediate dismantlement method, is estimated to be approximately $631 million during the period 2025 through 2034, or approximately $221 million in 1999 dollars. These costs were calculated using an assumed inflation rate of 3.6% over the remaining service life from 1999 of 26 years. On May 26, 2000, the company filed an application with the KCC requesting approval of the funding of the company's decommissioning trust on this basis.

For additional information on Commitments and Contingencies, see Note 13 to Consolidated Financial Statements in the company's 1999 Annual Report on Form 10-K/A-2.

12. SEGMENTS OF BUSINESS

The company has segmented its business based on differences in products and services, production processes, and management responsibility. Based on this approach, the company has identified four reportable segments: Fossil Generation, Nuclear Generation, Power Delivery and Monitored Services.

Our electric utility business is comprised of Fossil Generation, Nuclear Generation and Power Delivery. Fossil Generation produces power for sale internally to the Power Delivery segment and externally to wholesale customers. A component of our Fossil Generation segment is power marketing which attempts to minimize market fluctuation risk, enhance system reliability and optimize usage of our power plant assets. Nuclear Generation represents the company's 47% ownership in the Wolf Creek nuclear generating facility. This segment has only internal sales because it provides all of its power to its co-owners. The Power Delivery segment consists of the transmission and distribution of power to the company's retail customers in Kansas and the customer service provided to these customers. Monitored Services represents the company's security alarm monitoring business in North America, the United Kingdom and continental Europe. Other represents the company's non-utility operations and natural gas investment.

The accounting policies of the segments are substantially the same as those described in the summary of significant accounting policies in the company's 1999 Annual Report on Form 10-K/A-2. The company evaluates segment performance based on earnings before interest and taxes.

Three Months Ended June 30, 2000:

	Fossil Generation	Nuclear Generation	Power Delivery	Monitored Services	(1)Other	Eliminating/ Reconciling Items	Total
			(Dollars in Thousands)				
				Restated Note 2	Restated Note 2		Restated Note 2
External sales. . .	$ 157,509	$ -	$ 260,820	$ 127,916	$ 353	$ 9	$ 546,607
Internal sales. . .	135,433	29,313	70,533	-	-	(235,279)	-
Earnings before interest and taxes	65,489	(2,858)	29,555	(21,959)	32,365	(3,557)	99,035
Interest expense. .							72,312
Earnings before income taxes . . .							26,723

Three Months Ended June 30, 1999:

	Fossil Generation	Nuclear Generation	Power Delivery	Monitored Services	(2)Other	Eliminating/ Reconciling Items	Total
			(Dollars in Thousands)				
				Restated Note 2	Restated Note 2		Restated Note 2
External sales. . .	$ 78,140	$ -	$ 246,881	$ 150,801	$ 323	$ (3)	$ 476,142
Internal sales. . .	137,724	20,598	70,269	-	-	(228,591)	-
Earnings before interest and taxes	46,696	(11,114)	23,842	12,579	23,650	(2,088)	93,565
Interest expense. .							73,498
Earnings before income taxes . . .							20,067

Six Months Ended June 30, 2000:

	Fossil Generation	Nuclear Generation	Power Delivery	Monitored Services	(3)Other	Eliminating/ Reconciling Items	Total
			(Dollars in Thousands)				
				Restated Note 2	Restated Note 2		Restated Note 2
External sales. . .	$ 258,273	$ -	$ 494,551	$ 274,786	$ 686	$ 11	$1,028,307
Internal sales. . .	263,825	58,793	137,903	-	-	(460,521)	-
Earnings before interest and taxes	110,841	(8,204)	42,012	(41,683)	148,742	(6,615)	245,093
Interest expense. .							142,338
Earnings before income taxes . . .							102,755

Six Months Ended June 30, 1999:

	Fossil Generation	Nuclear Generation	Power Delivery	Monitored Services	(4)Other	Eliminating/ Reconciling Items	Total
			(Dollars in Thousands)				
				Restated Note 2	Restated Note 2		Restated Note 2
External sales. . .	$ 157,502	$ -	$ 479,220	$ 299,348	$ 654	$ -	$ 936,724
Internal sales. . .	263,385	49,816	139,649	-	-	(452,850)	-
Earnings before interest and taxes	93,921	(15,339)	39,473	28,726	51,602	(4,967)	193,416
Interest expense. .							144,298
Earnings before income taxes . . .							49,118

(1) Earnings before interest and taxes includes investment earnings of $32.9 million.
(2) Earnings before interest and taxes includes investment earnings of $15.9 million.
(3) Earnings before interest and taxes includes investment earnings of $150.9 million.
(4) Earnings before interest and taxes includes investment earnings of $37.4 million.

13. SUBSEQUENT EVENTS

On July 28, 2000, the company and KGE entered into an agreement to sell, on an ongoing basis, all of their accounts receivable arising from the sale of electricity to WR Receivables Corporation, a special purpose entity wholly owned by the company. The agreement expires on July 26, 2001, and is annually renewable upon agreement by both parties. The special purpose entity has sold and, subject to certain conditions, may from time to time sell, up to $125 million (and upon request, subject to certain conditions, up to $175 million) of an undivided fractional ownership interest in the pool of receivables to a third-party, multi-seller receivables funding entity affiliated with a lender. Proceeds of approximately $115 million were received on the date of sale.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

INTRODUCTION

The following Management's Discussion and Analysis of Financial Condition and Results of Operations updates the information provided in the 1999 Annual Reports on Form 10-K/A-2 and should be read in conjunction with those reports. In this section we discuss the general financial condition and operating results for Western Resources, Inc. (the company) and its subsidiaries. We explain:

- What factors impact our business
- What our earnings and costs were for the three and six months ending June 30, 2000, and 1999
- Why these earnings and costs differed from period to period
- How our earnings and costs affect our overall financial condition
- Any other items that particularly affect our financial condition or earnings.

SUMMARY OF SIGNIFICANT ITEMS

Corporate Restructuring and Strategic Alternatives

On March 28, 2000, our board of directors approved the separation of our electric and non-electric utility businesses. On May 18, 2000, we announced that our board of directors had authorized management to explore strategic alternatives for our electric utility operations which consist of KPL and KGE. Our management currently expects to identify a strategic partner for our electric utility operations prior to year end. The impact of these transactions on our financial position and operating results cannot be determined until the final terms and timing of the transactions are determined. We can give no assurance as to whether or when the separation or the strategic transaction may occur.

Gain on Extinguishment of Debt

In the second quarter of 2000, Westar Capital purchased $45.1 million face value of Protection One bonds in the open market. These debt securities were transferred to Protection One in exchange for cash and the settlement of certain intercompany payables and receivables. Protection One also purchased $24.5 million face value of its bonds on the open market in the second quarter of 2000. An extraordinary gain of $17.3 million, net of tax of $9.3 million, was recognized on these retirements.

Marketable Securities

During the second quarter of 2000, we sold the remaining portion of our investment in a gas compression company and realized a gain of $17.4 million.

Monitored Services Change in Estimate of Useful Life of Goodwill

In the first quarter of 2000, Protection One re-evaluated the original assumptions and rationale utilized in the establishment of the estimated useful life of goodwill. Protection One concluded that due to continued losses, increased levels of attrition experienced in 1999 and other factors, the estimated useful life of goodwill should be reduced from 40 years to 20 years. As of January 1, 2000, the remaining goodwill, net of accumulated amortization, is being amortized over its remaining useful life based on a 20-year life. Protection One International, Inc. and Protection One UK, Plc. (collectively referred to as Protection One Europe) made a similar change. Based on Protection One's and Protection One Europe's existing account bases at January 1, 2000, we anticipate that this will result in an increase in aggregate annual goodwill amortization of approximately $32.6 million.

The change in estimate resulted in additional goodwill amortization for the three months ended June 30, 2000, of approximately $8.4 million. The resulting reduction to net income was $6.7 million. For the six months ended June 30, 2000, the resulting additional goodwill amortization was $16.5 million, resulting in a reduction to net income of $13.0 million.

OPERATING RESULTS

Western Resources Consolidated

Our business is segmented based on differences in products and services, production processes, and management responsibility. Based on this approach, we have identified four reportable segments: Fossil Generation, Nuclear Generation, Power Delivery and Monitored Services. We also have other non-utility operations and our ONEOK investment that are discussed in "Other Results" below when changes are material.

Our electric utility business is comprised of Fossil Generation, Nuclear Generation and Power Delivery. Fossil Generation produces power for sale internally to the Power Delivery segment and externally to wholesale customers. A component of our Fossil Generation segment is power marketing which attempts to minimize market fluctuation risk, enhance system reliability and optimize usage of our power plant assets. Nuclear Generation represents our 47% ownership in the Wolf Creek nuclear generating facility. This segment has only internal sales because it provides all of its power to its co-owners. The Power Delivery segment consists of the transmission and distribution of power to our retail customers in Kansas and the customer service provided to these customers. Monitored Services represents our security alarm monitoring business in North America, the United Kingdom and continental Europe.

Basic earnings per share were $0.59 for the three months ended June 30, 2000, compared to $0.26 for the three months ended June 30, 1999. Basic earnings per share were $1.39 for the six months ended June 30, 2000, compared to $0.56 for the six months ended June 30, 1999. These significant increases are primarily attributable to increased investment earnings from the sale of our investments in a gas compression company and other marketable securities, the extraordinary gain on the retirement of Protection One bonds, and improved electric operations. Partially offsetting these increases were accounting changes and operating losses from our monitored services segment and the impact of SAB 101. See "Monitored Services" below for further discussion of these factors and their overall impact.

Overview of Utility Operations

The following table reflects the increases/(decreases) in electric sales volumes, excluding power marketing, for the three and six months ended June 30, 2000, from the comparable periods of 1999.

Three Months Ended June 30,

	2000	1999	% Change
	(Thousands of Megawatthours)		
Residential.	1,370	1,210	13.3%
Commercial	1,548	1,492	3.8%
Industrial	1,475	1,423	3.7%
Other.	27	27	- %
Total retail . . .	4,420	4,152	6.5%
Wholesale.	1,581	1,298	21.8%
Total.	6,001	5,450	10.1%

Six Months Ended June 30,

	2000	1999	% Change
	(Thousands of Megawatthours)		
Residential.	2,593	2,411	7.6%
Commercial	2,967	2,885	2.8%
Industrial	2,851	2,788	2.3%
Other.	54	54	- %
Total retail . . .	8,465	8,138	4.0%
Wholesale.	3,254	2,495	30.4%
Total.	11,719	10,633	10.2%

Three Months Ended June 30, 2000, Compared to Three Months Ended June 30, 1999: Utility operating sales increased $93.3 million, from $325.0 million to $418.3 million, primarily due to higher retail and wholesale sales volumes and higher power marketing sales. Partially offsetting the increase in sales were higher cost of sales of $63.1 million. The higher cost of sales was due to higher power marketing expense, increased purchased power expense and higher fuel expense incurred to meet the demand for more electricity. Income from operations increased $30.6 million and earnings before interest and taxes (EBIT) increased $32.8 million primarily as a result of increased utility sales.

Six Months Ended June 30, 2000, Compared to Six Months Ended June 30, 1999: Utility operating sales increased $116.1 million, from $636.7 million to $752.8 million. Partially offsetting the increase in sales were higher cost of sales of $84.0 million. The higher cost of sales was due to higher power marketing expense, increased purchased power expense and higher fuel expense incurred to meet the demand for more electricity. Income from operations increased $23.0 million and EBIT increased $26.6 million primarily as a result of the increased utility sales.

Business Segments - Utility Operations: The following table reflects key information for our electric utility business segments:

	Three Months Ended June 30, 2000	Three Months Ended June 30, 1999	Six Months Ended June 30, 2000	Six Months Ended June 30, 1999
	(Dollars in Thousands)			
Fossil Generation:				
External sales.	$157,509	$ 78,140	$258,273	$157,502
Internal sales.	135,433	137,724	263,825	263,385
EBIT.	65,489	46,696	110,841	93,921
Nuclear Generation: (1)				
Internal sales.	$ 29,313	$ 20,598	$ 58,793	$ 49,816
EBIT.	(2,858)	(11,114)	(8,204)	(15,339)
Power Delivery:				
External sales.	$260,820	$246,881	$494,551	$479,220
Internal sales.	70,533	70,269	137,903	139,649
EBIT.	29,555	23,842	42,012	39,473

(1) Our 47% share of Wolf Creek's operating results.

Fossil Generation

Three Months Ended June 30, 2000, Compared to Three Months Ended June 30, 1999: Fossil Generation's external sales consist of the power produced and purchased for sale to wholesale customers. External sales increased $79.4 million primarily due to power marketing sales which were $64.5 million, or 158%, higher. We had more wholesale market opportunities because we now have a larger trading operation which has increased our involvement in the market. Our involvement in the wholesale market varies from quarter to quarter based on current marketing opportunities and availability of generation.

Also contributing to the higher external sales were 22% higher wholesale sales volumes. The increase in wholesale sales was caused primarily by our increased involvement in the wholesale market, the availability of our generating units and increased generating capacity. In June 2000, we added additional peaking capacity by placing two 74 MW combustion turbine generators into operation which allowed us to better meet increased demand for electricity.

Fossil Generation's internal sales consist of the power produced for sale to Power Delivery. The internal transfer price for these sales is based on an assumed competitive market price for capacity and energy.

Electric cost of sales were $63.1 million higher primarily due to higher power marketing expense of $54.3 million, a 150% increase. The remaining increase in electric cost of sales is due to higher fossil fuel expense and higher purchased power expense used to meet the demand for more electricity.

Six Months Ended June 30, 2000, Compared to Six Months Ended June 30, 1999: External sales increased $100.8 million primarily due to power marketing sales which were $58.7 million, or 66%, higher. We had more wholesale market opportunities because we now have a larger trading operation which has increased our involvement in the market.

Also contributing to the higher external sales were higher wholesale and system hedging sales. Wholesale sales volumes were 30% higher primarily because of our increased involvement in the wholesale market, the availability of our generating units and the new generation capacity as discussed above.

At certain times, we enter into transactions to reduce exposure relative to the volatility of cash market prices. System hedging sales and cost of sales represent the settlement of such transactions. These hedging transactions resulted in a loss of approximately $0.7 million for the six months ended June 30, 2000.

Electric cost of sales were $84 million higher primarily due to higher power marketing expense of $46.6 million, a 56% increase. In addition, we had higher purchased power expense of $23 million, or 262%, primarily due to an increased number of system hedging transactions. We incurred an increase in fossil fuel expense of $14.5 million, or 12%, to meet the demand for more electricity.

Nuclear Generation

Nuclear Generation has only internal sales because it provides all of its power to its co-owners: KGE, Kansas City Power and Light Company, and Kansas Electric Power Cooperative, Inc. Internal sales are priced at the internal transfer price that Nuclear Generation charges to Power Delivery. EBIT is negative because internal sales are less than Wolf Creek's costs.

Internal sales and EBIT improved for the three and six months ended June 30, 2000, compared to the same periods in 1999 because Wolf Creek has had no outages for the six months ended June 30, 2000. During the second quarter of 1999, Wolf Creek had a 36-day scheduled refueling and maintenance outage.

Wolf Creek has a scheduled refueling and maintenance outage approximately every 18 months. During an outage, Wolf Creek produces no power. The next outage is scheduled in September 2000. At that time, internal sales, EBIT and nuclear fuel expense are expected to decrease.

Power Delivery

The Power Delivery segment's external sales consist of the transmission and distribution of power to our electric customers and the customer service provided to them. Internal sales consist of the intra-segment transfer price charged to Fossil Generation and Nuclear Generation for the use of the distribution lines and transformers.

Three Months Ended June 30, 2000, Compared to Three Months Ended June 30, 1999: External sales increased $14.0 million, or 6%. Our service territory had 28% more cooling degree days which resulted in a 13% increase in residential sales volumes. EBIT increased $5.7 million also due to higher retail sales volumes.

Six Months Ended June 30, 2000, Compared to Six Months Ended June 30, 1999: External sales increased $15.3 million, or 3%. We experienced an 8% increase in residential sales volumes due to a 28% increase in cooling degree days. EBIT increased $2.5 million also due to higher retail sales volumes.

Monitored Services

Protection One and Protection One Europe comprise our monitored services business. The results discussed below reflect monitored services on a stand-alone basis. These results do not take into consideration Protection One's minority interest of approximately 15% at June 30, 2000, and June 30, 1999.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2000	1999	2000	1999
	(Dollars in Thousands) Restated - Note 2			
External sales.	$127,916	$150,801	$274,786	$299,348
EBIT.	(21,959)	12,579	(41,683)	28,726

Three Months Ended June 30, 2000, Compared to Three Months Ended June 30, 1999: Sales decreased by $22.9 million primarily due to a decline in Protection One's customer base. Our monitored services segment had a net decrease of 91,000 customers from June 30, 1999 to June 30, 2000. The decrease in customers is primarily attributable to the significant decrease in the number of accounts being purchased by Protection One from dealers which has not yet been offset by growth from other customer acquisition strategies. In addition to the decrease in sales related to the decline in customer base, Protection One issued more customer credits during the period.

Protection One does not expect its customer acquisitions to replace all accounts lost through attrition at least through the remainder of 2000. Accordingly, Protection One's total customer base is likely to decline based upon historical rates of attrition which is likely to result in declining revenues. Protection One's current focus remains on the completion of its current infrastructure projects, the development of cost effective marketing programs and the generation of positive cash flow, all of which Protection One believes will build the foundation for future growth.

EBIT decreased $34.5 million primarily due to lower sales and higher depreciation and amortization expense.

Depreciation and amortization expense increased $17.0 million due to the change in customer amortization method from a ten-year straight line method to a ten-year declining balance method for most accounts, the change to an eight-year declining balance method for the Westinghouse accounts, and the change in estimate of the useful life of goodwill from 40 years to 20 years. Additionally, Protection One's depreciation expense increased due to accelerated depreciation of the general ledger and accounts receivable systems installed in 1999. Protection One has decided to move to another general ledger and accounts receivable system in 2000. See Note 2 of the Notes to Consolidated Financial Statements for a discussion of the restatement of our financial statements.

Six Months Ended June 30, 2000, Compared to Six Months Ended June 30, 1999: Sales decreased $24.6 million primarily due to a decline in Protection One's customer base and the issuance of more customer credits as discussed above.

EBIT decreased $70.4 million due to lower sales, higher cost of sales, higher depreciation and amortization expense and higher selling, general and administrative expenses.

Cost of sales increased $5.9 million due to increased compensation costs for additional personnel hired to improve the level of customer service at Protection One's monitoring stations, an increase in the cost of parts and materials, and increased telecom and vehicle costs.

Depreciation and amortization expense increased $37.1 million primarily due to the change in customer amortization method from a ten-year straight line method to a ten-year declining balance method for most accounts, the change to an eight-year declining balance method for the Westinghouse accounts, and the change in estimate of useful life of goodwill from 40 years to 20 years. Additionally, Protection One's depreciation expense increased due to accelerated depreciation of the general ledger and accounts receivable systems installed in 1999. Protection One has decided to move to another general ledger and accounts receivable system in 2000. See Note 2 of the Notes to Consolidated Financial Statements for a discussion of the restatement of our financial statements.

Selling, general and administrative expenses increased $6.4 million primarily due to an increase in Protection One's bad debt and collection expenses as a result of an increased focus on collecting aged trade receivables. Protection One also had an increase in subcontract expense which was primarily for outside information technology support for the installation of new financial and monitoring software that began in November 1999.

OTHER RESULTS

We have other sources of income and expense not directly related to our operations, as outlined below.

Other Income (Expenses)

Three Months Ended June 30, 2000, Compared to Three Months Ended June 30, 1999: The increase in other income is primarily related to a $17.4 million gain on the sale of our remaining investment in a gas compression company.

Six Months Ended June 30, 2000, Compared to Six Months Ended June 30, 1999: The increase in other income is primarily related to a $91.1 million gain on the sale of our remaining investment in a gas compression company and a $24.5 million gain on the sale of other marketable securities.

Interest Expense

Three Months Ended June 30, 2000, Compared to Three Months Ended June 30, 1999: We reduced long-term debt during 1999 and during the first and second quarter of 2000 causing long-term debt interest expense to decrease by $10.2 million. We retired $125 million of first mortgage bonds during 1999 and we repurchased and retired $224.9 million face value of Protection One bonds in the fourth quarter of 1999 and during the first and second quarters of 2000. On June 28, 2000, we entered into a $600 million, multi-year term loan that increased our long-term debt balance. For more information on this new term loan, see the Liquidity and Capital Resources section below.

Short-term debt interest expense was $10.4 million higher due to increased short-term borrowings under our credit facilities.

Six Months Ended June 3O, 2OOO, Compared to Six Months Ended June 3O, 1999: Our long-term debt interest expense decreased by $17.6 million because of reduced long-term debt as discussed above.

Short-term debt interest expense was $16.9 million higher due to increased short-term borrowings under our credit facilities.

Income Taxes

We have recorded income tax benefits for the interim periods using the effective tax rate method. Under this method, we compute the tax related to year-to-date income, except for significant unusual or extraordinary items, at an estimated annual effective tax rate. We individually compute and recognize, when the transaction occurs, income tax related to significant unusual or extraordinary items, such as the gain on marketable securities recorded in 2000. We anticipate an effective annual tax rate of 30.9% based on the effective tax rate method described above. Our effective income tax rates for the three and six months ended June 30, 2000, were 11.8% and 38.3% compared to 11.7% and 23.2% for the three and six months ended June 30, 1999.

The difference between our effective tax rate and the statutory rate is primarily attributable to a change in estimate of the annual expected effective tax rate for 2000 and various other factors. These factors include the tax benefit of excluding from taxable income, in accordance with IRS rules, 70% of the dividends received from ONEOK, the generation and utilization of tax credits from Affordable Housing investments, the amortization of prior years' investment tax credits, the amortization of non-deductible goodwill, the tax benefits from corporate-owned life insurance and the deduction for state income taxes.

LIQUIDITY AND CAPITAL RESOURCES

The following discussion explains significant factors in liquidity and capital resources at June 30, 2000.

We had $6.6 million in cash and cash equivalents. We consider cash equivalents to be highly liquid debt instruments purchased with a maturity of three months or less. We also had $19.5 million of restricted cash classified as a current asset. The current asset portion of our restricted cash consists primarily of cash held in escrow as required by certain letters of credit and the terms of one of Protection One's 1998 acquisitions. In addition, we had $36.5 million of restricted cash classified as a long-term asset which consists primarily of cash held in escrow required by the terms of a pre-paid capacity and transmission agreement.

Current maturities of long-term debt were $45.7 million. Short-term debt outstanding was approximately $209.0 million.

On April 28, 2000, we filed a shelf registration statement with the SEC to register $500 million of first mortgage bonds. The registration statement became effective May 8, 2000. The proceeds of the sale of the securities, if and when issued, would be used to pay off a new term loan before they would be available for other purposes as required by our term loan agreement.

On June 28, 2000, we entered into a $600 million, multi-year term loan that replaced two revolving credit facilities which matured on June 30, 2000. The proceeds of the term loan were used to retire short term debt. The term loan is secured by first mortgage bonds of the company and KGE and has a maturity date of March 17, 2003.

Maturities of the term loan through March 17, 2003, are as follows:

Year	Principal Amount (Dollars in Thousands)
2000	$ 3,000
2001	6,000
2002	6,000
2003	585,000

The terms of the loan contain requirements for maintaining certain consolidated leverage ratios, interest coverage ratios and consolidated debt to capital ratios. The company is in compliance with all of these requirements.

Interest on the term loan is payable on the expiration date of each borrowing under the facility or quarterly if the term of the borrowing is greater than three months. The weighted average interest rate, including fees, on the term loan is currently 10.35%.

The company also has an arrangement with certain banks to provide a revolving credit facility on a committed basis totaling $500 million. The facility is secured by first mortgage bonds of the company and KGE and expires on March 17, 2003.

On July 28, 2000, we and KGE entered into an agreement to sell, on an ongoing basis, all of our accounts receivable arising from the sale of electricity to WR Receivables Corporation, a special purpose entity wholly owned by the company. The agreement expires on July 26, 2001, and is annually renewable upon agreement by both parties. The special purpose entity has sold and, subject to certain conditions, may from time to time sell, up to $125 million (and upon request, subject to certain conditions, up to $175 million) of an undivided fractional ownership interest in the pool of receivables to a third-party, multi-seller receivables funding entity affiliated with a lender. Proceeds of approximately $115 million were received on the date of sale.

Cash Flows from Operating Activities

Cash provided by operations decreased approximately $44 million primarily due to income taxes paid on the gain on the sale of marketable securities in 2000.

Cash Flows from (used in) Investing Activities

Investing activities provided net cash flow of $31 million in the first six months of 2000. The proceeds on sale of marketable securities of approximately $217 million was offset by $170 million of capital additions which included costs associated with two new combustion turbine generators which were placed in service in June 2000.

Investing activities used net cash flow of $296 million in the first six months of 1999 due primarily to Protection One's use of approximately $175 million for customer account and security alarm business acquisitions.

Cash Flows (used in) from Financing Activities

We had a net use of cash for financing activities totaling $103 million in the first six months of 2000 due primarily to net payments on short-term and long-term debt. In June 2000, we received $600 million of proceeds on a multi-year term loan, which was used to replace two revolving credit facilities, which matured at the end of the second quarter. The proceeds from the sale of marketable securities was also used to reduce short-term debt, to retire $75 million in current maturities of first mortgage bonds and to purchase and retire Protection One bonds.

We had net cash provided from financing activities totaling $193 million in the first six months of 1999 due primarily to proceeds of short-term and long-term debt of $246 million.

Debt Repurchase Plan

We may from time to time purchase our and Protection One's debt and equity securities in the open market or through negotiated transactions. The timing and terms of purchases, and the amount of debt actually purchased, will be determined by the company based on market conditions and other factors.

Dividend Policy

Our board of directors reviews our dividend policy from time to time. Among the factors the board of directors considers in determining our dividend policy are earnings, cash flows, capitalization ratios, competition, financial loan covenants and regulatory conditions. In March 2000, we announced a new dividend policy of a quarterly dividend of $0.30 per share, or $1.20 per share on an annual basis as, and when, declared by the board of directors. On July 3, 2000, the second quarter dividend was paid at the rate of $0.30 per common share.

OTHER INFORMATION

Electric Utility

City of Wichita Proceeding: In December 1999, the City Council of Wichita, Kansas, authorized the hiring of an outside consultant to determine the feasibility of creating a municipal electric utility to replace KGE as the supplier of electricity in Wichita. In 1999, KGE's rates were 5% below the national average for retail customers and the average rates charged to retail customers in territories served by our KPL division were 19% lower than KGE's rates. Customers within the Wichita metropolitan area account for approximately 25% of our total energy sales. KGE has an exclusive franchise with the City of Wichita to provide retail electric service that expires March 2002. Under Kansas law, KGE will continue to have the exclusive right to serve the customers in Wichita following the expiration of the franchise, assuming the system is not municipalized. See also "FERC Proceedings" below regarding a complaint filed with the Federal Energy Regulatory Commission (FERC) against us by the City of Wichita.

KCC Proceeding: On March 16, 2000, the Kansas Industrial Consumers (KIC), an organization of commercial and industrial users of electricity in Kansas, filed a complaint with the Kansas Corporation Commission (KCC) requesting an investigation of Western Resources' and KGE's rates. The KIC alleges that these rates are not based on current costs. Western Resources, KGE and the KCC staff reached an agreement on August 8, 2000, for Western Resources and KGE to file a rate case on or before November 25, 2000. As a result, on August 8, 2000, we, KGE and the KCC Staff filed a motion with the KCC to approve the agreement and requested an order disposing of the KIC complaint.

FERC Proceeding: In September 1999, the City of Wichita filed a complaint with the FERC against us, alleging improper affiliate transactions between KPL and KGE. The City of Wichita is asking that the FERC equalize the generation costs between KPL and KGE, in addition to other matters. The FERC has issued an order setting this matter for hearing and has referred the case to a settlement judge. The hearing has been suspended pending settlement discussions between the parties. These settlement talks continue with additional discussions scheduled to be held before the settlement judge in early September 2000. We believe that the City of Wichita's complaint is without merit and intend to defend against it vigorously.

Nuclear Decommissioning: On September 1, 1999, Wolf Creek submitted the 1999 Decommissioning Cost Study to the KCC for approval. The KCC approved the 1999 Decommissioning Cost Study on April 26, 2000. Based on the study, our share of Wolf Creek's decommissioning costs, under the immediate dismantlement method, is estimated to be approximately $631 million during the period 2025 through 2034, or approximately $221 million in 1999 dollars. These costs were calculated using an assumed inflation rate of 3.6% over the remaining service life from 1999 of 26 years. On May 26, 2000, we filed an application with the KCC requesting approval of the funding of our decommissioning trust on this basis.

Monitored Services Business

Attrition: Customer attrition for our monitored services business is summarized below:

	Customer Account Attrition			
	June 30, 2000		June 30, 1999	
	Annualized Second Quarter	Trailing Twelve Month	Annualized Second Quarter	Trailing Twelve Month
North America	14.2%	15.5%	15.9%	11.9%
Europe (a).	8.9%	10.1%	8.7%	(a)
Multifamily	16.1%	9.9%	9.7%	5.9%

(a) European operations were acquired in 1998.

Protection One experienced high levels of attrition for North America in 1999 with quarterly annualized attrition reaching peak levels of 15.9%, 19.1% and 16.3% in the second, third and fourth quarters. The quarterly annualized attrition rate for North America in the first quarter of 2000 was 11.9% as compared to 11.2% in the first quarter of 1999. The quarterly annualized attrition rate for North America in the second quarter of 2000 increased to 14.2% from 11.9% in the first quarter, but decreased from the 1999 second quarter attrition rate of 15.9%. Protection One's management believes the general decline in attrition for North America from the peak levels in 1999 is a result of efforts to improve customer service and collections of outstanding accounts. The increase in the attrition rate for Multifamily in the second quarter of 2000 is due to nonpayment of approximately 7,000 customers related to one developer. Had these accounts not attrited, the annualized quarterly attrition for Multifamily would have been approximately 7.2% and the twelve months trailing attrition percentage for Multifamily would have been approximately 7.5%. Protection One is pursuing contractual remedies for the nonpayment of these accounts.

Our monitored services segment had a net decrease of 91,000 customers from June 30, 1999 to June 30, 2000. The decrease in customers is primarily attributable to the significant decrease in the number of accounts being purchased by Protection One from dealers which has not yet been offset by purchases from other customer acquisition strategies.

Protection One does not expect its customer acquisitions to replace all accounts lost through attrition at least through the remainder of 2000. Accordingly, Protection One's total customer base is likely to decline based upon historical rates of attrition which is likely to result in declining revenues. Protection One's current focus remains on the completion of its current infrastructure projects, the development of cost effective marketing programs and the generation of positive cash flow, all of which Protection One believes will build the foundation for future growth.

Market Risk

During the six months ended June 30, 2000, our balance in marketable securities declined approximately $171.9 million from December 31, 1999, due to the sale of a significant portion of our marketable security portfolio.

The value of our marketable security portfolio has declined significantly and we do not expect to be materially impacted by changes in the market prices of our remaining investments. We have not experienced any other significant changes in our exposure to market risk since December 31, 1999.

New Pronouncements

In June 1998, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities" (SFAS 133). SFAS 133, as amended, is effective for fiscal years beginning after June 15, 2000. SFAS 133 cannot be applied retroactively. We are currently evaluating commodity contracts and financial instruments to determine what, if any, effect adopting SFAS 133 might have on our financial statements. We have not yet quantified all effects of adopting SFAS 133 on our financial statements; however, SFAS 133 could increase volatility in earnings and other comprehensive income. We plan to adopt SFAS 133 as of January 1, 2001.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Information relating to the market risk disclosure is set forth in Other Information of Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations included herein.

ITEM 1. LEGAL PROCEEDINGS

The company, its subsidiary Westar Capital, Protection One, its subsidiary Protection One Alarm Monitoring, Inc. (Monitoring), and certain present and former officers and directors of Protection One are defendants in a purported class action litigation pending in the United States District Court for the Central District of California, "Ronald Cats, et al., v. Protection One, Inc., et. al.", No. CV 99-3755 DT (RCx). Pursuant to an Order dated August 2, 1999, four pending purported class actions were consolidated into a single action. In March 2000, plaintiffs filed a Second Consolidated Amended Class Action Complaint (the Amended Complaint). Plaintiffs purport to bring the action on behalf of a class consisting of all purchasers of publicly traded securities of Protection One, including common stock and notes, during the period of February 10, 1998, through November 12, 1999. The Amended Complaint asserts claims under Section 11 of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 against Protection One, Monitoring, and certain present and former officers and directors of Protection One based on allegations that various statements concerning Protection One's financial results and operations for 1997 and 1998 were false and misleading and not in compliance with Generally Accepted Accounting Principles (GAAP). Plaintiffs allege, among other things, that former employees of Protection One have reported that Protection One lacked adequate internal accounting controls and that certain accounting information was unsupported or manipulated by management in order to avoid disclosure of accurate information. The Amended Complaint further asserts claims against the company and Westar Capital as controlling persons under Sections 11 and 15 of the Securities Act of 1933 and Sections 10(b) and 20(a) of the Securities Exchange Act of 1934. A claim is also asserted under Section 11 of the Securities Act of 1933 against Protection One's auditor, Arthur Andersen LLP. The Amended Complaint seeks an unspecified amount of compensatory damages and an award of fees and expenses, including attorneys' fees. On June 12, 2000, the company, Protection One and other defendants filed motions to dismiss in part the Amended Complaint. These motions are currently pending. The company and Protection One believe that all the claims asserted in the Amended Complaint are without merit and intend to defend against them vigorously. The company and Protection One cannot currently predict the impact of this litigation which could be material.

For other proceedings affecting the company, see Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations which is incorporated herein by reference.

ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS

None

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

The company's Annual Meeting of Shareholders was held on June 15, 2000. At the meeting, the shareholders, representing 57,894,289 shares either in person or by proxy, voted to:

Elect the following directors to serve a term a three years:

	Votes	
	For	Against
Charles Q. Chandler, IV	52,006,375	5,887,914
John C. Dicus	51,983,117	5,911,172
Owen F. Leonard	51,946,018	5,948,271

The following directors will continue to serve their unexpired terms: Gene A. Budig, John C. Nettels, Jr., David C. Wittig, Frank J. Becker, Louis W. Smith, and Jane Dresner Sadaka.

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits:

Exhibit 12 - Computation of Ratio of Consolidated Earnings to Fixed Charges for Six Months Ended June 30, 2000 - Restated (filed electronically)

Exhibit 27 - Financial Data Schedule - Restated (filed electronically)

(b) Reports on Form 8-K filed during the quarter ended June 30, 2000:

Form 8-K filed April 10, 2000 - Press release announcing Western Resources may from time-to-time purchase its debt securities and preferred stock.

Form 8-K filed May 18, 2000 - Press release announcing Western Resources' board of directors authorized management to explore a variety of strategic alternatives for its electric utility operations.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Western Resources, Inc.

Date	February 2, 2001	By	/s/ JAMES A. MARTIN
			James A. Martin Senior Vice President and Treasurer
Date	February 2, 2001	By	/s/ LEROY P. WAGES
			Leroy P. Wages, Controller

Restated Exhibit 12

WESTERN RESOURCES, INC.
Computations of Ratio of Earnings to Fixed Charges and
Computations of Ratio of Earnings to Combined Fixed Charges
and Preferred and Preference Dividend Requirements
(Dollars in Thousands)

	Unaudited Six Months Ended June 30,	Year Ended December 31,				
	2000	1999	1998	1997	1996	1995
Earnings from continuing operations(1) . . .	$ 96,753	$(45,460)	$ 35,799	$ 879,556	$255,052	$265,068
Fixed Charges:						
Interest expense	142,338	294,104	226,120	193,808	152,551	123,821
Interest on Corporate-owned Life Insurance Borrowings. .	20,513	36,908	38,236	36,167	35,151	32,325
Interest Applicable to Rentals.	14,534	34,252	32,796	34,514	32,965	31,650
Total Fixed Charges. . . .	177,385	365,264	297,152	264,489	220,667	187,796
Distributed income of equity investees	1,343	3,728	3,812	-	-	-
Preferred and Preference Dividend Requirements:						
Preferred and Preference Dividends.	564	1,129	3,591	4,919	14,839	13,419
Income Tax Required.	373	746	1,095	3,798	7,562	6,160
Total Preferred and Preference Dividend Requirements	937	1,875	4,686	8,717	22,401	19,579
Total Fixed Charges and Preferred and Preference Dividend Requirements.	178,322	367,139	301,838	273,206	243,068	207,375
Earnings (2)	$275,481	$323,532	$336,763	$1,144,045	$475,719	$452,864
Ratio of Earnings to Fixed Charges	1.55	0.89	1.13	4.33	2.16	2.41
Ratio of Earnings to Combined Fixed Charges and Preferred and Preference Dividend Requirements.	1.54	0.88	1.12	4.19	1.96	2.18

(1) Earnings from continuing operations consists of loss or earnings before extraordinary gain and income taxes adjusted for minority interest and undistributed earnings from equity investees.

(2) Earnings are deemed to consist of net income to which has been added income taxes (including net deferred investment tax credit), fixed charges and distributed income of equity investees. Fixed charges consist of all interest on indebtedness, amortization of debt discount and expense, and the portion of rental expense which represents an interest factor. Preferred and preference dividend requirements consist of an amount equal to the pre-tax earnings which would be required to meet dividend requirements on preferred and preference stock.

This schedule contains summary financial information extracted from the
Consolidated Balance Sheet at June 30, 2000, and the Consolidated Statement of
Income for the six months ended June 30, 2000, as restated on February 2, 2001
and is qualified in its entirety by reference to such financial statements.

1,000

6-MOS
DEC-31-2000
JAN-31-2000
JUN-30-2000
6,643
5,182
288,182
43,151
117,954
457,735
6,226,341
2,260,136
7,964,589
853,751
3,317,672
220,000
24,858
344,568
1,539,128
7,964,589
1,028,307
1,028,307
389,657
936,225
0
0
142,338
102,755
39,389
63,366
0
35,839
(3,810)
95,395
1.39
1.39