

Madison Gas and Electric Partners with Local Banks on New Financing Arrangement

Madison, Wis., June 1, 2015—Madison Gas and Electric Company (MGE) today announced a financing partnership with seven regional and locally owned banks operating throughout MGE's service territory.

The \$40 million unsecured revolving credit facility will be used for general corporate purposes.

"Raising capital in MGE's service area helps form strong partnerships," said Jeff Newman, MGE Vice President and Chief Financial Officer. "We've put in place a new form of financing that provides us with liquidity and diversifies our lender base. In the process, we've established new relationships with banks operating within MGE's service area that are also our customers."

The seven banks participating in the financing agreement have a combined 102 branches across MGE's service territory.

The U.S. Bank National Association, one of the participating banks, also served as lead arranger, administrative agent and syndication agent. Other participating banks include:

- Anchor Bank
- Associated Bank
- Capitol Bank
- Home Savings Bank
- McFarland State Bank
- State Bank of Cross Plains

"Supporting our local banks is a good fit for MGE," said Gary Wolter, MGE Chairman, President and CEO. "As a community energy company, we partner with local businesses and organizations to help ensure strong economic growth throughout our community."

"Banks play a critical role as an economic driver in their communities," explained Rose Oswald Poels, Wisconsin Bankers Association President/CEO. "By utilizing partnerships with local banks in this manner, MGE is taking advantage of the great services these banks provide as well as supporting an industry which will in turn help other local businesses grow and families prosper."

CFSD Group LLC served as an advisor to MGE on this financing arrangement.

About MGE

MGE generates and distributes electricity to 143,000 customers in Dane County, Wis., and purchases and distributes natural gas to 149,000 customers in seven south-central and western Wisconsin counties. MGE's parent company is MGE Energy, Inc. (Nasdaq: MGEE). The company's roots in the Madison area date back more than 150 years.

Contact

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