

Sect. 393.200.1

Approval of issues of stocks,
bonds, and other forms of
indebtedness

- A gas corporation, electrical corporation, water corporation or sewer corporation organized or existing or hereafter incorporated under or by virtue of the laws of this state may issue stocks, bonds, notes or other evidences of indebtedness payable at periods of more than twelve months after the date thereof, when necessary for the acquisition of property, the construction, completion, extension or improvement of its plant or system, or for the improvement or maintenance of its service or for the discharge or lawful refunding of its obligations or for the reimbursement of moneys actually expended from income, or from any other moneys in the treasury of the corporation not secured or obtained from the issue of stocks, bonds, notes or other evidence of indebtedness of such corporation, within five years next prior to the filing of an application with the commission for the required authorization, for any of the aforesaid purposes except maintenance of service and except replacements in cases where the applicant shall have kept its accounts and vouchers of such expenditure in such manner as to enable the commission to ascertain the amount of money so expended and the purposes for which such expenditure was made; provided, and not otherwise, that there shall have been secured from the commission an order authorizing such issue, and the amount thereof, and stating the purposes to which the issue or proceeds thereof are to be applied, and that, in the opinion of the commission, the money, property or labor to be procured or paid for by the issue of such stock, bonds, notes or other evidence of indebtedness is or has been reasonably required for the purposes specified in the order, and that except as otherwise permitted in the order in the case of bonds, notes and other evidence of indebtedness, such purposes are not in whole or in part reasonably chargeable to operating expenses or to income.

- A gas corporation, ...may issue stocks, bonds, notes or other evidences of indebtedness ...when necessary for the acquisition of property, the construction, completion, extension or improvement of its plant or system, or for the improvement or maintenance of its service or for the discharge ...of its obligations or for the reimbursement of moneys actually expended from income, or from any other moneys in the treasury ... not secured or obtained from the issue of stocks, bonds, notes ...

■ within five years next

- prior to the filing of an application...for the required authorization,

- for any of the aforesaid purposes

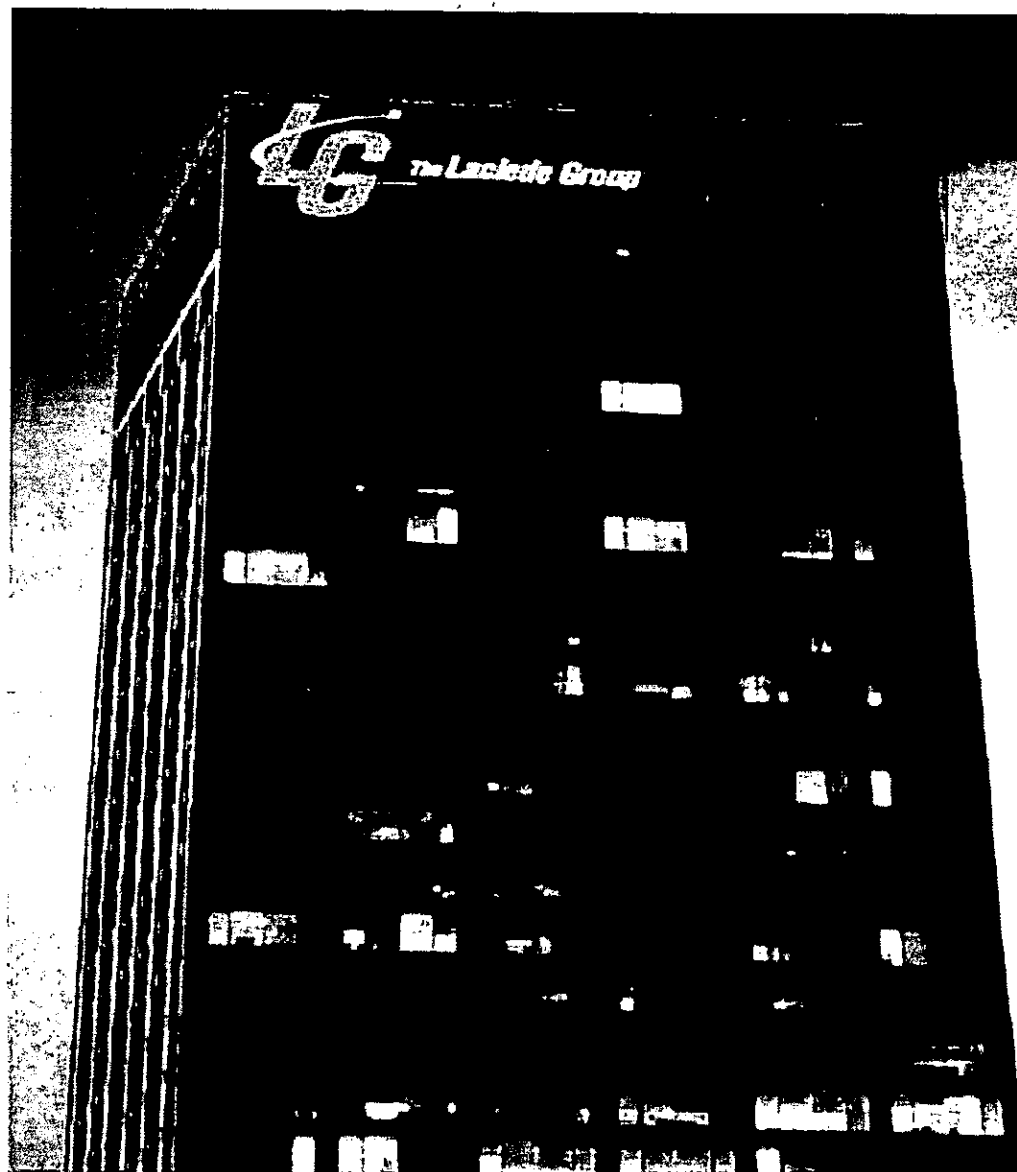
- Except maintenance of service and except replacements in cases where the applicant shall have kept its accounts...of such expenditure

- **in such manner as to enable the commission to ascertain the amount of money so expended and the purposes for which such expenditure was made;** provided that there shall have been secured from the commission an *order authorizing such issue, and the amount thereof, and stating the purposes to which the issue or proceeds ... are to be applied,*

- and that, in the opinion of the commission, the money, property or labor to be procured or paid for by the issue of such stock, bonds, notes **is or has been** reasonably required for the purposes specified in the order,

- and that except as otherwise permitted in the order in the case of bonds, notes..., such purposes are not in whole or in part reasonably chargeable to operating expenses or to income.

■ WHAT DO
YOU NEED IT
FOR??



The Laclede Group

AGA Financial Forum
May 4, 2009

Douglas H. Yacger

**Chairman, President and
Chief Executive Officer**

Mark D. Waltermire

Chief Financial Officer



The Laclede Group

AGA Financial Forum

May 4, 2009

This presentation contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Future operating results may be affected by various uncertainties and risk factors, many of which are beyond the control of The Laclede Group, Inc., including weather conditions, governmental and regulatory policy and action, the competitive environment and economic factors. For a more complete description of these uncertainties and risk factors, see The Laclede Group's Form 10-Q for the quarter ended March 31, 2009 filed with the Securities and Exchange Commission.

www.thelacledegroupp.com

NYSE:LG

Company Overview



The Laclede Group



Laclede Gas

Laclede
PITTSBURGH, OHIO 15106-1000

Laclede Pipeline Company

- Strong utility platform
- Public utility holding company formed 2001
- Growth components complementary to core
- Demonstrated strategic execution
- S&P Small Cap 600 Company

The Laclede Group

Execution



- **Six consecutive years of record earnings**
 - Acquisition and organic growth
- **Utility operations**
 - Strong regulatory execution
 - Operational improvements
 - Stability of earnings
- **Non-utility components**
 - Logical extension of core utility business
 - Continued growth of Laclede Energy Resources (LER)
 - Developed and sold SM&P Utility Resources, Inc.
 - Ongoing systematic evaluation of new opportunities
- **Experienced management**

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Strategic Objectives



- Strengthen and leverage solid performance of utility business
- Expand LER as an established regional marketer of natural gas and services
- Pursue further growth opportunities in changing gas supply and pipeline environment
- Maintain balance between utility and non-utility businesses

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Strategic Storage Opportunities

- Assessing and evaluating natural gas storage assets
- Rational, disciplined approach
- Opportunity for sustainable, long-term growth

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Improving Cash Flow



\$(MM)	<u>2006</u>	<u>2007</u>	<u>2008</u>
Operating Cash Flow from Continuing Operations (excluding Working Capital)	\$ 78.5	\$ 81.9	\$ 96.1
Dividends Paid	(29.8)	(31.2)	(32.4)
Capital Expenditures – Continuing Operations	(58.5)	(56.4)	(55.4)
Free Cash Flow	\$ (9.8)	\$ (5.7)	\$ 8.3
% of Capital Expenditures Internally Generated	83%	90%	115%

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Key Takeaways



The Laclede Group



Laclede Gas

Laclede

PIPELINE SERVICES

Laclede Pipeline Company

- **Strong core gas distribution business**
 - Stable earnings platform
 - Dedicated customer service initiatives
 - Focus on internal improvements
- **Synergistic growth components**
 - LER and Laclede Pipeline expansion opportunities
 - Asset-based opportunities complementary to core
- **Focus on shareholder value**
 - Strengthening of balance sheet
 - Earnings and dividend growth

The Laclede Group