

**Missouri Gas Utility, Inc.**  
**Pro-Forma Statement of Income**  
**Warsaw Project**  
**For the Fiscal Year Ended March 31, 2009**

|  | (a)<br>Actual Through<br>12/31/2008 | (b)<br>4th Quarter<br>Forecast | (c) = (a) + (b)<br>Total FY 2009<br>Forecast | (d)<br>Warsaw<br>Pro-Forma Adj. | (e) = (c) + (d)<br>Adjusted<br>Total |
|--|-------------------------------------|--------------------------------|--|---------------------------------|--------------------------------------|
| Operating revenues - gas sales and facility            | \$ 1,483,955                        | \$ 1,253,426                   | \$ 2,737,381                                 | \$ 3,258,306 A                  | \$ 5,995,687                         |
| Operating expenses                                     |                                     |                                |  |                                 |                                      |
| Transmission and distribution                          | 867,971                             | 703,671                        | 1,571,642                                    | 1,787,867 A                     | 3,359,509                            |
| Depreciation   | 95,766                              | 37,500                         | 133,266                                      | 217,003 A                       | 350,269                              |
| Amortization of deferred charges and regulatory assets | 78,998                              | 23,325                         | 102,323                                      | -                               | 102,323                              |
| Other operating expenses                               | 285,136                             | 82,044                         | 367,180                                      | 284,743 A                       | 651,923                              |
| Total operating expenses                               | 1,327,871                           | 846,540                        | 2,174,411                                    | 2,289,613                       | 4,464,024                            |
| Income from operations                                 | 156,084                             | 406,886                        | 562,970                                      | 968,693                         | 1,531,663                            |
| Other Income (expense)                                 |                                     |                                |  |                                 |                                      |
| Allowance for equity funds used during construction    | 14,349                              | 7,952                          | 22,301                                       | -                               | 22,301                               |
| Investment income                                      | 9,612                               | 4,500                          | 14,312                                       | -                               | 14,312                               |
| Other income (expense)                                 | 9,144                               | 2,286                          | 11,430                                       | -                               | 11,430                               |
| Total Other Income                                     | 33,305                              | 14,738                         | 48,043                                       | -                               | 48,043                               |
| Income before interest expense                         | 189,389                             | 421,624                        | 611,013                                      | 968,693                         | 1,579,706                            |
| Interest expense                                       |                                     |                                |  |                                 |                                      |
| Interest expense                                       | 120,400                             | 48,984                         | 169,384                                      | 352,586 B                       | 521,970                              |
| Allowance for borrowed funds used during construction  | (21,524)                            | (11,929)                       | (33,453)                                     | -                               | (33,453)                             |
| Total interest expense                                 | 98,876                              | 37,055                         | 135,931                                      | 352,586                         | 488,518                              |
| Income before income taxes                             | 90,513                              | 384,569                        | 475,082                                      | 616,107                         | 1,091,189                            |
| Income tax expense                                     | 34,000                              | 144,213                        | 178,213                                      | 231,040 C                       | 409,253                              |
| Net income available to common stockholders            | \$ 56,513                           | \$ 240,356                     | \$ 296,869                                   | \$ 385,067                      | \$ 681,935                           |
| Common stock dividend                                  | \$ 28,257                           | \$ 120,178                     | \$ 148,434                                   | \$ 192,533                      | \$ 340,968                           |
| Retained earnings                                      | \$ 28,257                           | \$ 120,178                     | \$ 148,434                                   | \$ 192,533                      | \$ 340,968                           |

**Missouri Gas Utility, Inc.**  
**Pro-Forma Balance Sheet**  
**Warsaw Project**

| <b>Assets</b>                                     | <b>@ 12/31/2008</b> | <b>4th Quarter<br/>Forecast</b> | <b>@ 3/31/2009</b>  | <b>Pro-Forma<br/>Adjustments</b> | <b>Adjusted<br/>Total</b> |
|---|---------------------|---------------------------------|---------------------|----------------------------------|---------------------------|
| <b>Current Assets</b>                             |                     |                                 |                     |                                  |                           |
| Cash  | \$ 784,486          | \$ 304,540                      | \$ 1,089,025        | \$ 540,576                       | \$ 1,629,601              |
| Accounts receivable                               | 436,227             | -                               | 436,227             | -                                | 436,227                   |
| Accrued unbilled receivables                      | 246,392             | -                               | 246,392             | -                                | 246,392                   |
| Unrecovered (refundable) purchased gas cost       | 92,709              | -                               | 92,709              | -                                | 92,709                    |
| Gas in storage                                    | 379,343             | -                               | 379,343             | -                                | 379,343                   |
| Materials and supplies                            | 22,970              | -                               | 22,970              | -                                | 22,970                    |
| Prepaid expenses                                  | 14,694              | -                               | 14,694              | -                                | 14,694                    |
| Total current assets                              | 1,976,821           | 304,540                         | 2,281,360           | 540,576                          | 2,821,936                 |
| <b>Property, plant and equipment</b>              |                     |                                 |                     |                                  |                           |
| Natural gas distribution plant in service         | 5,937,895           | 621,016                         | 6,558,911           | 8,680,118 A                      | 15,239,029                |
| Less accumulated depreciation                     | (349,787)           | (37,500)                        | (387,287)           | (217,003)                        | (604,290)                 |
| Net natural gas distribution plant in service     | 5,588,108           | 583,516                         | 6,171,624           | 8,463,115                        | 14,634,739                |
| Construction in progress                          | 609,087             | (609,087)                       | -                   | -                                | -                         |
| Other property and equipment, net                 | -                   | -                               | -                   | -                                | -                         |
| Net property, plant and equipment                 | 6,197,195           | (25,571)                        | 6,171,624           | 8,463,115                        | 14,634,739                |
| Unamortized Debt Issuance Costs, net              | 96,141              | (825)                           | 95,316              | 100,000 D                        | 195,316                   |
| Deferred charges (Regulatory Assets), net         | 439,571             | (22,500)                        | 417,071             | -                                | 417,071                   |
| Total non-current assets                          | 6,732,907           | (48,896)                        | 6,684,011           | 8,563,115                        | 15,247,126                |
| <b>Total assets</b>                               | <b>\$ 8,709,728</b> | <b>\$ 255,643</b>               | <b>\$ 8,965,371</b> | <b>\$ 9,103,691</b>              | <b>\$ 18,069,062</b>      |
| <b>Liabilities and Stockholder's Equity</b>       |                     |                                 |                     |                                  |                           |
| <b>Current liabilities</b>                        |                     |                                 |                     |                                  |                           |
| Current portion of long-term debt                 | \$ -                | \$ -                            | \$ -                | \$ -                             | \$ -                      |
| Current portion of capital lease obligations      | 35,000              | -                               | 35,000              | -                                | 35,000                    |
| Accounts payable                                  | 47,359              | -                               | 47,359              | -                                | 47,359                    |
| Accrued other                                     | 318,091             | -                               | 318,091             | -                                | 318,091                   |
| Accounts payable - parent and affiliates          | 78,045              | -                               | 78,045              | -                                | 78,045                    |
| Short-term borrowings - related party             | -                   | -                               | -                   | -                                | -                         |
| Line of Credit                                    | -                   | -                               | -                   | -                                | -                         |
| Contributions in aid of construction              | 100,000             | -                               | 100,000             | -                                | 100,000                   |
| Total current liabilities                         | 578,495             | -                               | 578,495             | -                                | 578,495                   |
| <b>Non-current liabilities</b>                    |                     |                                 |                     |                                  |                           |
| Long-term debt, less current portion              | -                   | -                               | -                   | -                                | -                         |
| Capital lease obligations, less current portion   | 69,450              | (8,748)                         | 60,702              | -                                | 60,702                    |
| Note payable - parent                             | 4,670,000           | -                               | 4,670,000           | 5,208,071                        | 9,878,071                 |
| Deferred income taxes                             | 113,000             | 144,213                         | 257,213             | 231,040                          | 488,253                   |
| Total non-current liabilities                     | 4,852,450           | 135,465                         | 4,987,915           | 5,439,111                        | 10,427,026                |
| Total liabilities                                 | 5,430,945           | 135,465                         | 5,566,410           | 5,439,111                        | 11,005,521                |
| <b>Stockholder's equity</b>                       |                     |                                 |                     |                                  |                           |
| Common stock                                      | 1,028,308           | -                               | 1,028,308           | -                                | 1,028,308                 |
| Contributed capital                               | 2,089,593           | -                               | 2,089,593           | 3,472,047                        | 5,561,640                 |
| Retained earnings                                 | 160,882             | 120,178                         | 281,059             | 192,533                          | 473,593                   |
| Total stockholder's equity                        | 3,278,783           | 120,178                         | 3,398,960           | 3,664,581                        | 7,063,541                 |
| <b>Total liabilities and stockholder's equity</b> | <b>\$ 8,709,728</b> | <b>\$ 255,643</b>               | <b>\$ 8,965,371</b> | <b>\$ 9,103,691</b>              | <b>\$ 18,069,062</b>      |

A Per detail feasibility analysis

B Per feasibility analysis at 6.77% of project debt capital

C Estimated corporate income taxes at 37.5% of income before income taxes

D Estimated fees associated with new bond debt issuance