

**UNION ELECTRIC COMPANY**  
**BALANCE SHEET**  
**December 31, 2007**  
**(In Millions, Except Share Amounts)**

	Per Books	Pro Forma Adjustments (See Page 4)	As Adjusted
<b>ASSETS:</b>			
Property and plant, at original cost:			
Electric	\$ 12,889	-	\$ 12,889
Gas	332	-	332
Other	69	-	69
	13,290	-	13,290
Less accumulated depreciation and amortization	6,293	-	6,293
	6,997	-	6,997
Construction work in progress:			
Nuclear fuel in process	102	-	102
Other	451	-	451
Total property and plant, net	7,550	-	7,550
Investments and other assets:			
Nuclear decommissioning trust fund	307	-	307
Other	535	4 (C)	539
Total investments and other assets	842	4	846
Current assets:			
Cash and cash equivalents	185	(9) (AA)	176
Accounts receivable - trade, net	191	-	191
Unbilled revenue	118	-	118
Other accounts and notes receivable	332	-	332
Materials and supplies, at average cost -			
Fossil fuel	129	-	129
Other	172	-	172
Other	50	-	50
Total current assets	1,177	(9)	1,168
Regulatory assets:			
Deferred income taxes	248	-	248
Other	448	-	448
Total regulatory assets	696	-	696
Total Assets	\$ 10,265	\$ (5)	\$ 10,260
<b>CAPITAL AND LIABILITIES:</b>			
Capitalization:			
Common stock, \$5 par value, 102.1 shares outstanding	\$ 511	-	\$ 511
Other paid-in capital, principally premium on common stock	1,120	-	1,120
Retained earnings	1,855	(8) ***	1,847
Accumulated other comprehensive income	3	-	3
Total common stockholder's equity	3,489	(8)	3,481
Preferred stock not subject to mandatory redemption	113	-	113
Long-term debt	3,208	3 (A),(B)	3,211
Total capitalization	6,810	(5)	6,805
Current liabilities:			
Current maturity of long-term debt	152	-	152
Short-term debt	82	-	82
Accounts and wages payable	527	-	527
Taxes accrued	81	-	81
Other	209	-	209
Total current liabilities	1,051	-	1,051
Accumulated deferred income taxes	1,274	-	1,274
Accumulated deferred investment tax credits	85	-	85
Regulatory liabilities	227	-	227
Other deferred credits and liabilities	818	-	818
Total Capital and Liabilities	\$ 10,265	\$ (5)	\$ 10,260

\*\*\* Amount equals change in net income available to common stockholder resulting from pro forma adjustments to the statement of income

**UNION ELECTRIC COMPANY**  
**STATEMENT OF INCOME**  
**Year Ended December 31, 2007**  
**(In Millions)**

	<b>Per Books</b>	<b>Pro Forma Adjustments (See Page 4)</b>	<b>As Adjusted</b>
<b>OPERATING REVENUES:</b>			
Electric	\$ 2,787	\$ -	\$ 2,787
Gas	174	-	174
Other	2	-	2
Total operating revenues	2,963	-	2,963
<b>OPERATING EXPENSES:</b>			
Fuel and purchased power	804	-	804
Gas	104	-	104
Other Operations & Maintenance	902	-	902
Depreciation and amortization	333	-	333
Income taxes	137	(5) (D)	132
Other taxes	234	-	234
Total operating expenses	2,514	(5)	2,509
OPERATING INCOME	449	5	454
<b>OTHER INCOME AND (DEDUCTIONS):</b>			
Allowance for equity funds used during construction	5	-	5
Miscellaneous, net	82	-	82
Total other income and (deductions)	87	-	87
INCOME BEFORE INTEREST CHARGES	536	5	541
<b>INTEREST CHARGES:</b>			
Interest	209	13 (D)	222
Allowance for borrowed funds used during construction	(15)	-	(15)
Net interest charges	194	13	207
NET INCOME	342	(8)	334
PREFERRED STOCK DIVIDENDS	6	-	6
NET INCOME AVAILABLE TO COMMON STOCKHOLDER	\$ 336	\$ (8)	\$ 328

**UNION ELECTRIC COMPANY**  
**STATEMENT OF CASH FLOWS**  
**Year Ended December 31, 2007**  
**(In Millions)**

	Year ended 12/31/2007	Pro Forma Adjustments	Pro Forma Cash Flow
Cash Flows From Operating Activities:			
Net income	\$ 342	\$ (8)	\$ 334
Adjustments to reconcile net income to net cash provided by operating activities:			
Gain on sales of emission allowances	(5)		(5)
Depreciation and amortization	333	-	333
Amortization of nuclear fuel	37	-	37
Amortization of debt issuance costs and premium/discounts	6	-	6
Deferred investment taxes and investment tax credits, net	1	-	1
Other	(6)	-	(6)
Changes in assets and liabilities:			
Receivables	(186)	-	(186)
Materials and supplies	(65)	-	(65)
Accounts and wages payable	62	-	62
Taxes accrued	12	-	12
Assets, other	40	-	40
Liabilities, other	(1)	-	(1)
Pension and other postretirement obligations	18	-	18
Net cash provided by operating activities	<u>588</u>	<u>(8)</u>	<u>580</u>
Cash Flows From Investing Activities:			
Capital expenditures	(625)	-	(625)
Nuclear fuel expenditures	(68)	-	(68)
Changes in money pool advances	3	-	3
Purchases of securities - nuclear decommissioning trust fund	(142)	-	(142)
Sales of securities - nuclear decommissioning trust fund	128	-	128
Sales of emission allowances	4	-	4
Net cash used in investing activities	<u>(700)</u>	<u>-</u>	<u>(700)</u>
Cash Flows From Financing Activities:			
Dividends on common stock	(267)	-	(267)
Dividends on preferred stock	(6)	-	(6)
Capital issuance costs	(3)	(4)	(7)
Changes in short term debt	(152)	-	(152)
Intercompany note payable - Ameren	(77)	-	(77)
Redemptions, repurchases, and maturities:			
Long-term debt	(4)	(437)	(441)
Issuances:			
Long-term debt	424	440	864
Capital contribution from parent	380	-	380
Other	1	-	1
Net cash provided by financing activities	<u>296</u>	<u>(1)</u>	<u>295</u>
Net change in cash and cash equivalents	<u>\$ 184</u>	<u>\$ (9)</u>	<u>\$ 175</u>

**UNION ELECTRIC COMPANY**  
**PRO FORMA ADJUSTING ENTRIES**  
**December 31, 2007**  
**(In Millions)**

		Debit	Credit
Entry A	<b>Cash</b>	<b>440</b>	
	<b>Long-term Debt</b>		<b>440</b>
	To record new indebtedness by Applicant of proposed New Indebtedness.		
Entry B	<b>Long-term Debt</b>	<b>437</b>	
	<b>Cash</b>		<b>437</b>
	To record repayment of \$445mm outstanding short-term debt less prepaid interest on short-term debt of \$1mm.		
Entry C	<b>Unamortized Debt Expense</b>	<b>4</b>	
	<b>Cash</b>		<b>4</b>
	To record payment of debt issuance and underwriting fees on proposed New Indebtedness.		
Entry D	<b>Interest Expense</b>	<b>13</b>	
	<b>Income tax benefit</b>		<b>5</b>
	<b>Cash</b>		<b>8</b>
	To record increase in interest expense, and related tax effect, resulting from change in debt		

**Cash Journal Entry Summary:**

<u>Journal Entry</u>	<u>Account</u>	<u>Debit</u>	<u>Credit</u>
A	Cash	440	
B	Cash		437
C	Cash		4
D	Cash		8
		440	449
AA	Net		9

**NOTE:** there are no journal entries for the additional debt issuance cost amortization as this amount is less than \$200,000 per year.



Expense Calculations  
AmerenUE

Current Annual Interest

	Balance (millions) at 12/31/2007	Interest Rate	Expense (millions)
Environmental improvement and pollution control revenue bonds:			
1991 Series due 2020.....	43	3.66%	1,574
1992 Series due 2022.....	47	3.72%	1,748
1998 Series A due 2033.....	60	3.69%	2,214
1998 Series B due 2033.....	50	3.66%	1,830
1998 Series C due 2033.....	50	3.66%	1,830
2000 Series A due 2035.....	64	3.55%	2,272
2000 Series B due 2035.....	63	3.55%	2,237
2000 Series C due 2035.....	60	3.56%	2,136
	<u>437</u>		<u>15,841</u>

Total Current Annual Interest

15,840,700

New Annual Interest

440,000,000	6.50%	28,600,000
440,000,000		28,600,000
		<u>tax</u>
		<u>12,759,300</u>
		<u>4,720,941</u>

Additional Interest

Additional debt issuance Amortization

Total debt issuance costs  
Amortization period  
Annual expense

3,850,000  
30  
128,333

Selected Pro Forma Credit Ratios  
AmerenUE

Capital Component	Percentage of Capital	Capital Dollars as of 12/31/07	Pro Forma Adjustments	Pro Forma Capital Dollars	Pro Forma Percentage of Capital
Common Equity	53.11%	3,489	-8	3,481	53.02%
Preferred Stock	1.72%	113	0	113	1.72%
Long-Term Debt	43.93%	2,886 (a)	3	2,889	44.01%
Short-Term Debt	1.25%	82	0	82	1.25%
	100.00%	6,570	-5	6,565	100.00%

(a) - excludes Peno Creek and Audrain long term capital lease obligations of \$82 million and \$240 million, respectively

**Selected Pro Forma Financial Ratios  
AmerenUE**

	<b>Ratios as of 12/31/07</b>	<b>Pro-Forma Ratios</b>
Funds From Operations (FFO) Interest Coverage	3.39x	3.15x
FFO to Total Debt	22.72% (a)	22.44% (a)
Total Debt to Total Capital	46.38% (a)	46.46% (a)

(a) - excludes Peno Creek and Audrain long term capital lease obligations of \$82 million and \$240 million, respectively, and current portion on the Peno Creek lease of \$4 million

**Formulas:**

FFO Interest Coverage:	Net income from continuing operations, depreciation and amortization, deferred income taxes, and other non-cash items / Gross interest incurred before subtracting capitalized interest and interest income.
FFO to Total Debt :	Net income from continuing operations, depreciation and amortization, deferred income taxes, and other non-cash items / Long-term debt + current maturities + commercial paper, and other short-term borrowings.
Total debt to Total Capital	Long-term debt + current maturities, commercial paper, and other short-term borrowings/Long-term debt + current maturities, commercial paper, and other short-term borrowings + shareholders' equity (including preferred stock) + minority interest