

UNION ELECTRIC COMPANY

BALANCE SHEET

March 31, 2003

(In Millions, Except Per Share Amounts)

	Per Books	Pro Forma Adjustments (See Pages #3& 4)	As Adjusted
ASSETS:			
Property and plant, at original cost:			
Electric	10,494		10,494
Gas	271		271
Other	37		37
	10,802		10,802
Less accumulated depreciation and amortization	5,088		5,088
	5,714		5,714
Construction work in progress:			
Nuclear fuel in process	82		82
Other	297		297
Total property and plant, net	6,093		6,093
Investments and other assets:			
Nuclear decommissioning trust fund	172		172
Other assets	238	(1) (C)	248
		11 (D)	
	410	10	420
Total investments and other assets			
Current assets:			
Cash and cash equivalents	118	1,050 (A)	1,177
		(18) (D)	
Accounts receivable - trade (less allowance for doubtful accounts of \$5)	171		171
Unbilled revenue	89		89
Miscellaneous accounts and notes receivable	54		54
Materials and supplies, at average cost -			
Fossil fuel	55		55
Other	92		92
Other current assets	23		23
Total current assets	602	(1)	601
Regulatory assets:			
Deferred income taxes	500		500
Other	276	2 (C)	285
		7 (D)	
	776	9	785
Total regulatory assets			
Total Assets	7,881	18	7,899
CAPITAL AND LIABILITIES:			
Capitalization:			
Common stock, \$5 par value, 150.0 shares authorized -			
102.1 shares outstanding	511		511
Other paid-in capital, principally premium on common stock	702		702
Retained earnings	1,462	(39) (G)	1,454
		31 (H)	
	(59)		(59)
Accumulated other comprehensive income	2,616	(8)	2,608
Total common stockholder's equity	113		
Preferred stock not subject to mandatory redemption			
Long-term debt	1,862	1,050 (A)	
Total capitalization	4,591	342	4,933
Current liabilities:			
Current maturity of long-term debt	135		135
Intercompany notes payable	332		
Accounts and wages payable	155		155
Accumulated deferred income taxes	3		3
Taxes accrued	178	(26) (G)	173
		21 (H)	
Other current liabilities	96	65 (G)	109
		(49) (H)	
		(3) (H)	
Total current liabilities	899	(324)	
Accumulated deferred income taxes			
Accumulated deferred investment tax credits	1,320		1,320
Asset retirement obligation	120		120
Accrued pension liabilities	391		391
Regulatory liabilities	261		261
	114		114
Other deferred credits and liabilities	185		185
Total Capital and Liabilities	7,881	18	7,899

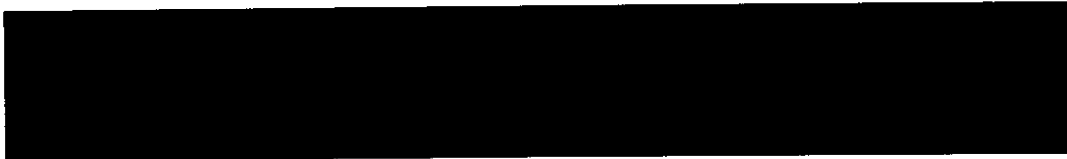
UNION ELECTRIC COMPANY
STATEMENT OF INCOME
Twelve Months Ended March 31, 2003
(In Millions)

	Per Books	Pro Forma Adjustments (See Pages 3 & 4)	As Adjusted
OPERATING REVENUES:			
Electric	\$ 2,542		\$ 2,542
Gas	144		144
Total operating revenues	2,686		2,686
OPERATING EXPENSES:			
Operations			
Fuel and purchased power	547		547
Gas	80		80
Voluntary retirement and other restructuring charges	65		65
Other operations and maintenance	821		821
Depreciation and amortization	279		279
Income taxes	206	(26) (E) 21 (F)	201
Other taxes	219		219
Total operating expenses	2,217	(5)	2,212
OPERATING INCOME	469	5	474
OTHER INCOME AND (DEDUCTIONS):			
Allowance for equity funds used during construction	4		4
Miscellaneous, net	(9)		(9)
Total other income and (deductions)	(5)		(5)
INCOME BEFORE INTEREST CHARGES	464	5	469
INTEREST CHARGES:			
Interest	107	65 (E) (49) (F)	123
Allowance for borrowed funds used during construction	(4)		(4)
Net interest charges	103	16	119
NET INCOME	361	(11)	350
PREFERRED STOCK DIVIDENDS	7	(3) (F)	4
NET INCOME AFTER PREFERRED STOCK DIVIDENDS	\$ 354	(39) (E) 31 (F)	\$ 346

**UNION ELECTRIC COMPANY
PRO FORMA ADJUSTING ENTRIES
March 31, 2003
(In \$ Millions)**

Entry A	Cash	1,050	
	Long-Term Debt		1,050

To reflect new indebtedness by Applicant of proposed New Indebtedness.



To reflect repayment of indebtedness and preferred stock outstanding on 3/31/03.

Entry C	Unamortized Loss on Reacquired Debt	2	
	Unamortized Discount and Premium on Debt		1
	Unamortized Debt Expense		1

To reflect transfer of the remaining balance of net unamortized discount and related debt expense on issues to be reacquired.

Entry D	Unamortized Debt Expense	11	
	Unamortized Loss on Reacquired Debt	7	
	Cash		18

To reflect payment of debt issuance and underwriting fees on proposed New Indebtedness and call premium on early redeemed issues.

Entry E	Interest Charges	65	
	Operating Expenses - Income Taxes		26
	Reduction of Net Income		39

To reflect the effects of annualized interest and amortization of debt issuance and underwriting fees on proposed New Indebtedness, call premium on reacquired issues and unamortized expenses and losses on reacquired debt.

Entry F	Operating Expenses - Income Taxes	21	
	Increase of Net Income	31	
	Interest Charges		49
	Preferred Stock Dividends		3

To reflect the elimination of annualized interest, preferred dividends and amortization expenses and losses on proposed refinanced/reacquired issues outstanding on 3/31/03 or during the 12-month period then ended.

UNION ELECTRIC COMPANY
PRO FORMA ADJUSTING ENTRIES
March 31, 2003
(In \$ Millions)

Entry G	Retained Earnings	39	
	Income Taxes Accrued	26	
	Interest Accrued		65

To reflect the annual effect on retained earnings, as indicated by new issues (Entry E) and the resulting accruals for interest charges and applicable income taxes.

Entry H	Interest Accrued	49	
	Dividends Accrued	3	
	Retained Earnings		31
	Income Taxes Accrued		21

To reflect the annual effect on retained earnings, as indicated refunding (Entry F) and the resulting reductions of accruals for interest charges and applicable effect on income taxes.