THIS FILING IS	
Item 1: [X] An Initial (Original) Submission	OR [ ] Resubmission No. ____

Form 1 Approved
OMB No. 1902-0021
(Expires 6/30/2007)
Form 1-F Approved
OMB No. 1902-0029
(Expires 6/30/2007)
Form 3-Q Approved
OMB No. 1902-0205
(Expires 6/30/2007)

FERC FINANCIAL REPORT
FERC FORM No. 1: Annual Report of Major Electric Utilities, Licensees and Others and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of confidential nature

Exact Legal Name of Respondent (Company)	Year/Period of Report
UNION ELECTRIC COMPANY	End of 2004/Q4

INSTRUCTIONS FOR FILING FERC FORMS 1, 1-F and 3-Q

GENERAL INFORMATION

I Purpose

Form 1 is an annual regulatory support requirement under 18 CFR 141.1 for Major public utilities, licensees and others. Form 1-F is an annual regulatory support requirement under 18 CFR 141.2 for Nonmajor public utilities, licensees and others. Form 3-Q is a quarterly regulatory support requirement which supplements Forms 1 and 1-F under 18 CFR 141.400. The reports are designed to collect financial and operational information from major and nonmajor electric utilities, licensees and others subject to the jurisdiction of the Federal Energy Regulatory Commission. These reports are also considered to be a non-confidential public use forms.

II. Who Must Submit

Each Major electric utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject To the Provisions of The Federal Power Act (18 CFR 101), must submit Form 1 as prescribed in 18 CFR Part 141.1. Each Nonmajor electric utility, licensee or other must submit Form 1-F as prescribed in 18 CFR Part 141.2. Each Major and Nonmajor electric utility licensee or other, must submit Form 3-Q as prescribed in 18 CFR Part 141.400.

Note: Major means having, in each of the three previous calendar years, sales or transmission service that exceeds one of the following:
(1) one million megawatt hours of total annual sales,
(2) 100 megawatt hours of annual sales for resale,
(3) 500 megawatt hours of annual power exchanges delivered, or
(4) 500 megawatt hours of annual wheeling for others (deliveries plus Losses).

Nonmajor means having in each of the three 'previous calendar years, total annual sales of 10,000 megawatt hours or more

III. What and Where to Submit
(a) Submit Forms 1, 1-F and 3-Q electronically through the Form 1/3-Q Submission Software. Retain one copy of each report for your files.
(b) Respondents may submit the Corporate Officer Certification electronically, or file/mail an original signed Corporate Officer Certification to:

Chief Accountant
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

(c) Submit, immediately upon publication, four (4) copies of the latest annual report to stockholders and any annual financial or statistical report regularly prepared and distributed to bondholders, security analysts, or industry associations. (Do not include monthly and quarterly reports. Indicate by checking the appropriate box on Form 1, Page 4, List of Schedules, if the reports to stockholders will be submitted or if no annual report to stockholders is prepared.) Mail these reports to the address in III(c) above.

(d) For the Annual CPA certification, submit with the original submission, or within 30 days after the filing date for Form 1, a letter or report (not applicable to respondents classified as Class C or Class D prior to January 1, 1984):
(i) Attesting to the conformity, in all material aspects, of the below listed (schedules and) pages with the Commission's applicable Uniform Systems of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and
(ii) be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 CFR 158.10-158.12 for specific qualifications.)

Reference Schedules	Reference Pages
Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

Insert the letter or report immediately following the cover sheet. When submitting after the filing date for this form, send the letter or report to the address indicated at III (b). Use the following form for the letter or report unless unusual circumstances or conditions, explained in the Letter or report, demand that it be varied. insert parenthetical phrases only when exceptions are reported.

GENERAL INFORMATION (continued)

In connection with our regular examination of the financial statements of for the year ended on which we have reported separately under date of We have also reviewed schedules of FERC Form No. 1 for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below) conform in all material respects with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

State in the letter or report, which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist

.

(d) Federal, State and Local Governments and other authorized users may obtain additional blank copies to meet their requirements free of charge from: Public Reference and Files Maintenance Branch Federal Energy Regulatory Commission 888 First Street, NE. Room 2A ED-12.2 Washington, DC 20426 (202).502-8371

IV. When to Submit:

Submit Form 1 according to the filing dates contained in section 18 CFR 141.1 of the Commission's regulations. Submit Form 1-F according to the filing dates contained in section 18 CFR 141.2 of the Commission's regulations. Submit Form 3-Q according to the filing dates contained in section 18 CFR 141.400 of the Commission's regulations.

V. Where to Send Comments on Public Reporting Burden.

The public reporting burden for the Form 1 collection of information is estimated to average 1,144 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data-needed, and completing and reviewing the collection of information.public reporting burden for the Form 1-F collection of information is estimated to average 112 hours per response. The public reporting burden for the Form 3-Q collection of information is estimated to average 150 hours per response. Send comments regarding these burden estimates or any aspect of these collections of information, including suggestions for reducing burden, to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426 (Attention: Mr. Michael Miller, ED-30); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. 3512 (a)).

GENERAL INSTRUCTIONS

I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR 101) (U.S. of A.). Interpret all accounting words and phrases in accordance with the U. S. of A.

II. Enter in whole numbers (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's year to date amounts.

III Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.

IV. For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2 and 3.

V. Enter the month, day, and year for all dates. Use customary abbreviations. The "Date of Report" included in the header of each page is to be completed only for resubmissions (see VII. below).

VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.

VII For any resubmissions, submit the electronic filing using the Form 1/3-Q software and send a letter identifying which pages in the form have been revised. Send the letter to the Office of the Secretary.

VIII. Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized.

IX. Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.

Definitions for statistical classifications used for completing schedules for transmission system reporting are as follows:

FNS - Firm Network Transmission Service for Self. "Firm" means service that can not be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff. "Self" means the respondent.
FNO - Firm Network Service for Others. "Firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff.
LFP - for Long-Term Firm Point-to-Point Transmission Reservations. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Point-to-Point Transmission Reservations" are described in Order No. 888 and the Open Access Transmission Tariff. For all transactions identified as LFP, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally cancel the contract.
OLF - Other Long-Term Firm Transmission Service. Report service provided under contracts which do not conform to the terms of the Open Access Transmission Tariff. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as OLF, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally get out of the contract.
SFP - Short-Term Firm Point-to-Point Transmission Reservations. Use this classification for all firm point-to-point transmission reservations, where the duration of each period of reservation is less than one-year.
NF - Non-Firm Transmission Service, where firm means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions.
OS - Other Transmission Service. Use this classification only for those services which can not be placed in the above-mentioned classifications, such as all other service regardless of the length of the contract and service form. Describe the type of service in a footnote for each entry.
AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment.

DEFINITIONS

I. Commision Authorization (Comm. Auth.) -- The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization

II. Respondent -- The person, corporation, licensee, agency, authority, or other Legal entity or instrumentality in whose behalf the report is made.

EXCERPTS FROM THE LAW

Federal Power Act, 16 U.S.C. 791a-825r

Sec. 3. The words defined in this section shall have the following meanings for purposes of this Act, to wit: ... (3) . corporation' means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing. It shalt not include 'municipalities, as hereinafter defined;

(4) 'Person' means an individual or a corporation;

(5) 'Licensee, means any person, State, or municipality Licensed under the provisions of section 4 of this Act, and any assignee or successor in interest thereof;

(7) 'municipality means a city, county, irrigation district, drainage district, or other political subdivision or agency of a State competent under the Laws thereof to carry an the business of developing, transmitting, unitizing, or distributing power; ......

(11) "project' means. a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or forebay reservoirs directly connected therewith, the primary line or Lines transmitting power therefrom to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights-of-way, ditches, dams, reservoirs, Lands, or interest in Lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;

"Sec. 4. The Commission is hereby authorized and empowered

(a) To make investigations and to collect and record data concerning ;he utilization of the water 'resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development -costs, and relation to markets of power sites; ... to the extent the Commission may deem necessary or useful for the purposes of this Act."

"Sec. 304. (a) Every Licensee and every public utility shall file with the Commission such annual and other periodic or special" reports as the Commission may be rules and regulations or other prescribe as necessary or appropriate to assist the Commission in the -proper administration of this Act. The Commission my prescribe the manner and form in which such reports shalt be made, and require from such persons specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and Liabilities, capitalization, net investment, and reduction thereof, gross receipts, interest due and paid, depreciation, and other reserves, cost of project and other facilities, cost of maintenance and operation of the project and other facilities, cost of renewals and replacement of the project works and other facilities, depreciation, generation, transmission, distribution, delivery, use, and sale of electric energy. The Commission may require any such person to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies".10

"Sec. 309. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the "form or forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shalt contain, and the time within which they shall be field..."

GENERAL PENALTIES

"Sec. 315. (a) Any licensee or public utility which willfully fails, within the time prescribed by the Commission, to comply with any order of the Commission, to file any report required under this Act or any rule or regulation of the Commission thereunder, to submit any information of document required by the Commission in the course of an investigation conducted under this Act .... shall forfeit to the United States an amount not exceeding $1,000 to be fixed by the Commission after notice and opportunity for hearing .... "

FERC FORM NO. 1/3-Q:
REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER

IDENTIFICATION

01 Exact Legal Name of Respondent UNION ELECTRIC COMPANY	02 Year/Period of Report End of 2004/Q4
03 Previous Name and Date of Change *(if name changed during year)* / /	
04 Address of Principal Office at End of Period *(Street, City, State, Zip Code)* 1901 Chouteau Avenue, St. Louis, Missouri 63103	
05 Name of Contact Person Martin J. Lyons, Jr.	06 Title of Contact Person VP and Controller
07 Address of Contact Person *(Street, City, State, Zip Code)* PO Box 66149, St. Louis, Missouri 63166	

08 Telephone of Contact Person, *Including Area Code*	09 This Report Is	10 Date of Report *(Mo, Da, Yr)*
(314) 554-2982	(1) [X] An Original (2) [ ] A Resubmission	/ /

ANNUAL CORPORATE OFFICER CERTIFICATION

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

01 Name Martin J. Lyons, Jr.	03 Signature Martin J. Lyons, Jr.	04 Date Signed *(Mo, Da, Yr)* 04/18/2005
02 Title Vice President and Controller		

Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

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Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
UNION ELECTRIC COMPANY	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2004/Q4

LIST OF SCHEDULES (Electric Utility)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
1	General Information	101	
2	Control Over Respondent	102	
3	Corporations Controlled by Respondent	103	
4	Officers	104	
5	Directors	105	
6	Important Changes During the Year	108-109	
7	Comparative Balance Sheet	110-113	
8	Statement of Income for the Year	114-117	
9	Statement of Retained Earnings for the Year	118-119	
10	Statement of Cash Flows	120-121	
11	Notes to Financial Statements	122-123	
12	Statement of Accum Comp Income, Comp Income, and Hedging Activities	122(a)(b)	
13	Summary of Utility Plant & Accumulated Provisions for Dep, Amort & Dep	200-201	
14	Nuclear Fuel Materials	202-203	
15	Electric Plant in Service	204-207	
16	Electric Plant Leased to Others	213	None
17	Electric Plant Held for Future Use	214	
18	Construction Work in Progress-Electric	216	
19	Accumulated Provision for Depreciation of Electric Utility Plant	219	
20	Investment of Subsidiary Companies	224-225	
21	Materials and Supplies	227	
22	Allowances	228-229	
23	Extraordinary Property Losses	230	None
24	Unrecovered Plant and Regulatory Study Costs	230	None
25	Other Regulatory Assets	232	
26	Miscellaneous Deferred Debits	233	
27	Accumulated Deferred Income Taxes	234	
28	Capital Stock	250-251	
29	Other Paid-in Capital	253	
30	Capital Stock Expense	254	None
31	Long-Term Debit	256-257	
32	Reconciliation of Reported Net Income with Taxable Inc for Fed Inc Tax	261	
33	Taxes Accrued, Prepaid and Charged During the Year	262-263	
34	Accumulated Deferred Investment Tax Credits	266-267	
35	Other Deferred Credits	269	
36	Accumulated Deferred Income Taxes-Accelerated Amortization Property	272-273	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
UNION ELECTRIC COMPANY	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2004/Q4

LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
37	Accumulated Deferred Income Taxes-Other Property	274-275	
38	Accumulated Deferred Income Taxes-Other	276-277	
39	Other Regulatory Liabilities	278	
40	Electric Operating Revenues	300-301	
41	Sales of Electricity by Rate Schedules	304	
42	Sales for Resale	310-311	
43	Electric Operation and Maintenance Expenses	320-323	
44	Purchased Power	326-327	
45	Transmission of Electricity for Others	328-330	
46	Transmission of Electricity by Others	332	
47	Miscellaneous General Expenses-Electric	335	
48	Depreciation and Amortization of Electric Plant	336-337	
49	Regulatory Commission Expenses	350-351	
50	Research, Development and Demonstration Activities	352-353	
51	Distribution of Salaries and Wages	354-355	
52	Common Utility Plant and Expenses	356	None
53	Purchases and Sales of Ancillary Services	398	
54	Monthly Transmission System Peak Load	400	
55	Electric Energy Account	401	
56	Monthly Peaks and Output	401	
57	Steam Electric Generating Plant Statistics (Large Plants)	402-403	
58	Hydroelectric Generating Plant Statistics (Large Plants)	406-407	
59	Pumped Storage Generating Plant Statistics (Large Plants)	408-409	
60	Generating Plant Statistics (Small Plants)	410-411	None
61	Transmission Line Statistics	422-423	
62	Transmission Lines Added During Year	424-425	None
63	Substations	426-427	
	Stockholders' Reports Check appropriate box: [X] Four copies will be submitted [ ] No annual report to stockholders is prepared		

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
UNION ELECTRIC COMPANY	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2004/Q4

GENERAL INFORMATION

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Warner L. Baxter
Executive Vice President and Chief Financial Officer - Finance
1901 Chouteau Avenue
St. Louis, MO 63103

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

Incorporated in Missouri as Missouri Electric Light and Power CO. 11/21/22, name changed to Union Electric Light and Power Company 12/15/22, to Union Electric Co. of Missouri 5/29/37, and to present name 4/23/56.

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

Not Applicable

4. State the classes or utility and other services furnished by respondent during the year in each State in which the respondent operated.

Electric and gas utility services in Missouri; electric and gas utility services in Illinois.

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

(1) [ ] Yes...Enter the date when such independent accountant was initially engaged:
(2) [X] No

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
UNION ELECTRIC COMPANY	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2004/Q4

CONTROL OVER RESPONDENT

1. If any corporation, business trust, or similar organization or a combination of such organizations jointly held control over the repondent at the end of the year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiearies for whom trust was maintained, and purpose of the trust.

Ameren Corporation, a holding company, owns all of the outstanding common stock of the Respondent.

Name of Respondent UNION ELECTRIC COMPANY	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2004/Q4

CORPORATIONS CONTROLLED BY RESPONDENT

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

Definitions
1. See the Uniform System of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
1				
2	Union Electric Development Corporation	Makes investments in energy	100	
3		related or civic and		
4		community development		
5		related projects.		
6	The respondent is one of three "Sponsoring			
7	Companies" of Electric Energy, Inc. and holds			
8	40% of the outstanding capital stock.			
9	The balance of such stock is held by			
10	Ameren Energy Resources*			
11	Company, 40%, and Kentucky Utilities			
12	Company, 20%.			
13				
14				
15	*On September 20, 2004, Ameren Corp.			
16	purchased from Dynegy, Inc. its 20%			
17	ownership interest in EEI which is now			
18	held by Ameren Energy Resources Co.			
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Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Union Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2004/Q4

OFFICERS

1. Report below the name, title and salary for each executive officer whose salary is $50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.
2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1	Information submitted in answer to this schedule		
2	is contained in a copy in the Secretary's Department		
3	of the Respondent.		
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Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
UNION ELECTRIC COMPANY	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2004/Q4

DIRECTORS

1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.
2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.

Line No.	Name (and Title) of Director (a)	Principal Business Address (b)
1	Warner L. Baxter, Executive Vice President & CFO	1901 Chouteau Avenue, St. Louis, MO 63103
2		
3	Richard A. Liddy (1)	N/A
4		
5	Richard A. Lumpkin (1)	Consolidated Communications, Inc.
6		121 S. 17th St.
7		Mattoon, IL 61938
8		
9	Paul L. Miller, Jr. (1)	The World Trade Center
10		121 S. Meramec, Ste. 1109-10
11		St. Louis, MO 63105
12		
13	Douglas R. Oberhelmann (1)	Caterpillar, Inc.
14		100 N.E. Adams St.
15		Peoria, IL 61629
16		
17	Gary L. Rainwater, Chairman, President & CEO	1901 Chouteau Avenue, St. Louis, MO 63103
18		
19	Garry Randolph (2)	1901 Chouteau Avenue, St. Louis, MO 63103
20		
21	Harvey Saligman (1)	#110 Brentwood, Ste. 408
22		St. Louis, MO 63105
23		
24	Steven R. Sullivan, Sr. VP, General Counsel & Secretary	1901 Chouteau, St. Louis, MO 63103
25		
26	Thomas R. Voss, Senior Vice President	1901 Chouteau Avenue, St. Louis, MO 63103
27		
28	David A. Whiteley, Senior Vice President	1901 Chouteau Avenue, St. Louis, MO 63103
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33	(1) Term expired 4/27/04.	
34	(2) Retired 12/31/04.	
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Name of Respondent	This Report Is:	Date of Report	Year/Period of Report
UNION ELECTRIC COMPANY	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2004/Q4

IMPORTANT CHANGES DURING THE QUARTER/YEAR

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. (Reserved.)
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page.
13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

PAGE 108 INTENTIONALLY LEFT BLANK
SEE PAGE 109 FOR REQUIRED INFORMATION.

1 and 2. None.

3. Effective May 1, 2004, Union Electric Company acquired a natural gas distribution system owned by Aquila, Inc. Authority for such acquisition was obtained from MoPSC pursuant to order effective March 30, 2004, in Case No. GM-2004-0244.

4. None.

5. On May 1, 2004, Union Electric Company closed on the acquisition of the Aquila natural gas distribution system serving the Rolla/Salem/Owensville area. These facilities serve approximately 4,030 customers with an approximate annual revenue by class of:
   - Residential - $3,118,550
   - General Service - $1,633,650
   - Large Volume Transportation - $23,170
   - Special Contract Transportation - $86,265

   For MoPSC authorization see Item 3.

6. See Note 5 - Short-Term Borrowings and Liquidity, Note 6 - Long-Term Debt and Equity Financings and Notes 14 - Related Party Transactions - "Notes to Financial Statement." Bonds were authorized by the Missouri Public Service Commission Order in Case No. EF-2004-0205, dated January 29, 2004, effective February 8, 2004 and by the Illinois Commerce Commission Order in Docket No. 03-0743 dated January 22, 2004. On May 18, 2004,the Respondent closed on the issuance and sale of $104 million of 5.50% Senior Secured Notes which were authorized by Missouri Public Service Commission Order effective July 4, 2003 in Case No. EF-2003-0514 and the Illinois Commerce Commission Order dated April 27, 2004 in Docket No. 04-0347. On September 23, 2004, the Respondent closed on the issuance and sale of $300 million of 5.10% Senior Secured Notes that were authorized by the Missouri Public Service Commission Order effect July 4, 2003 in Case No. EF-2003-0514 and the Illinois Commerce Commission Order dated September 14, 2004 in Docket No. 04-0555.

7. None.

8. Respondent, during the year 2004, granted wage increases that averaged 3.4% under the terms of labor agreements negotiated with (10) ten of its unions that represent approximately 2,838 of its bargaining unit employees. The current annual cost effect of the negotiated increases applicable to the affected unions amounts to approximately $5,600,000.

9. See Note 3 - Rate and Regulatory Matters and Note 15 - Commitments and Contingencies - "Notes to Consolidated Financial Statements".

10. None.

11. (Reserved)

12. None.

13. Effective April 27, 2004, no outside directors remained on Union Electric Company's Board of Directors. These outside directors were: Richard A. Liddy, Richard A. Lumpkin, Paul L. Miller, Jr., Douglas R. Oberhelman and Harvey Saligman. Effective August 31, 2004, Ronald D. Affolter resigned as Vice President and effective September 1, 2004, Mark C. Birk, Scott A. Cisel and Dennis W. Weisenborn were elected Vice Presidents. Effective October 15, 2004, R. Alan Kelley was elected Senior Vice President. Effective December 31, 2004, Garry L. Randolph retired from the Board of Directors.

14. None.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
UNION ELECTRIC COMPANY	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2004/Q4

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	**UTILITY PLANT**			
2	Utility Plant (101-106, 114)	200-201	10,508,213,059	10,153,668,673
3	Construction Work in Progress (107)	200-201	437,289,286	348,572,934
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		10,945,502,345	10,502,241,607
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	4,594,291,707	4,395,191,109
6	Net Utility Plant (Enter Total of line 4 less 5)		6,351,210,638	6,107,050,498
7	Nuclear Fuel in Process of Ref., Conv.,Enrich., and Fab. (120.1)	202-203	88,321,474	31,096,561
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		1,969,511	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		88,624,917	0
10	Spent Nuclear Fuel (120.4)		831,727,885	784,690,670
11	Nuclear Fuel Under Capital Leases (120.6)		0	59,033,994
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	877,454,886	784,690,670
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		133,188,901	90,130,555
14	Net Utility Plant (Enter Total of lines 6 and 13)		6,484,399,539	6,197,181,053
15	Utility Plant Adjustments (116)	122	0	0
16	Gas Stored Underground - Noncurrent (117)		0	0
17	**OTHER PROPERTY AND INVESTMENTS**			
18	Nonutility Property (121)		2,331,469	2,667,119
19	(Less) Accum. Prov. for Depr. and Amort. (122)		260,268	260,268
20	Investments in Associated Companies (123)		0	0
21	Investment in Subsidiary Companies (123.1)	224-225	3,228,024	-2,739,094
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		101,868,953	105,708,670
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		235,148,270	212,073,757
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		47,398,797	48,246,856
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		0	0
31	Long-Term Portion of Derivative Assets – Hedges (176)		0	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		389,715,245	365,697,040
33	**CURRENT AND ACCRUED ASSETS**			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		3,174,019	9,889,673
36	Special Deposits (132-134)		1,944,275	9,575,650
37	Working Fund (135)		166,600	226,294
38	Temporary Cash Investments (136)		44,507,856	5,005,475
39	Notes Receivable (141)		0	39,742,646
40	Customer Accounts Receivable (142)		169,991,012	151,254,073
41	Other Accounts Receivable (143)		10,363,465	51,178,042
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		3,309,319	5,786,300
43	Notes Receivable from Associated Companies (145)		29,562,500	41,762,500
44	Accounts Receivable from Assoc. Companies (146)		8,998,013	15,783,117
45	Fuel Stock (151)	227	61,102,088	58,292,060
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	105,553,599	89,610,745
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	0	1,874

Name of Respondent UNION ELECTRIC COMPANY	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2004/Q4

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)(Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
53	(Less) Noncurrent Portion of Allowances		0	0
54	Stores Expense Undistributed (163)	227	826,449	1,458,615
55	Gas Stored Underground - Current (164.1)		32,660,528	27,174,946
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
57	Prepayments (165)		12,041,661	9,987,608
58	Advances for Gas (166-167)		0	0
59	Interest and Dividends Receivable (171)		701,886	522,808
60	Rents Receivable (172)		5,134	169,428
61	Accrued Utility Revenues (173)		117,723,000	110,933,000
62	Miscellaneous Current and Accrued Assets (174)		0	0
63	Derivative Instrument Assets (175)		75,200	0
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	0
65	Derivative Instrument Assets - Hedges (176)		3,913,882	2,058,188
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176		0	0
67	Total Current and Accrued Assets (Lines 34 through 66)		600,001,848	618,840,442
68	**DEFERRED DEBITS**			
69	Unamortized Debt Expenses (181)		20,924,418	11,571,886
70	Extraordinary Property Losses (182.1)	230	0	0
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230	0	0
72	Other Regulatory Assets (182.3)	232	547,387,340	649,254,588
73	Prelim. Survey and Investigation Charges (Electric) (183)		0	0
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		0	0
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)		1,287,532	2,572,169
77	Temporary Facilities (185)		0	-61,611
78	Miscellaneous Deferred Debits (186)	233	55,502,034	53,498,182
79	Def. Losses from Disposition of Utility Plt. (187)		0	0
80	Research, Devel. and Demonstration Expend. (188)	352-353	0	3
81	Unamortized Loss on Reaquired Debt (189)		37,142,516	36,344,176
82	Accumulated Deferred Income Taxes (190)	234	262,966,828	268,266,928
83	Unrecovered Purchased Gas Costs (191)		1,788,920	634,775
84	Total Deferred Debits (lines 69 through 83)		926,999,588	1,022,081,096
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		8,401,116,220	8,203,799,631

Name of Respondent	This Report is:	Date of Report (mo, da, yr)	Year/Period of Report
UNION ELECTRIC COMPANY	(1) ☐ An Original (2) ☐ A Rresubmission	/ /	end of 2004/Q4

COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	510,619,170	510,619,170
3	Preferred Stock Issued (204)	250-251	113,759,500	113,759,500
4	Capital Stock Subscribed (202, 205)	252	0	0
5	Stock Liability for Conversion (203, 206)	252	0	0
6	Premium on Capital Stock (207)	252	712,546,956	712,546,956
7	Other Paid-In Capital (208-211)	253	5,034,889	-10,665,973
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254	0	0
11	Retained Earnings (215, 215.1, 216)	118-119	1,686,951,529	1,634,759,637
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	1,014,714	-4,952,404
13	(Less) Reaquired Capital Stock (217)	250-251	0	0
14	Noncorporate Proprietorship (Non-major only) (218)		0	0
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	-34,361,763	-32,629,092
16	Total Proprietary Capital (lines 2 through 15)		2,995,564,995	2,923,437,794
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	1,903,585,000	1,436,000,000
19	(Less) Reaquired Bonds (222)	256-257	0	0
20	Advances from Associated Companies (223)	256-257	0	0
21	Other Long-Term Debt (224)	256-257	65,500,000	502,085,000
22	Unamortized Premium on Long-Term Debt (225)		0	0
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		3,982,117	3,957,703
24	Total Long-Term Debt (lines 18 through 23)		1,965,102,883	1,934,127,297
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases - Noncurrent (227)		93,682,802	97,085,819
27	Accumulated Provision for Property Insurance (228.1)		0	0
28	Accumulated Provision for Injuries and Damages (228.2)		22,472,600	24,427,312
29	Accumulated Provision for Pensions and Benefits (228.3)		91,761,678	91,875,365
30	Accumulated Miscellaneous Operating Provisions (228.4)		1,854,085	5,279,701
31	Accumulated Provision for Rate Refunds (229)		246,996	0
32	Long-Term Portion of Derivative Instrument Liabilities		0	0
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	0
34	Asset Retirement Obligations (230)		257,061,050	209,859,023
35	Total Other Noncurrent Liabilities (lines 26 through 34)		467,079,211	428,527,220
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		375,000,000	150,000,000
38	Accounts Payable (232)		230,626,180	226,240,502
39	Notes Payable to Associated Companies (233)		2,200,000	0
40	Accounts Payable to Associated Companies (234)		55,183,400	48,225,648
41	Customer Deposits (235)		14,579,894	15,687,702
42	Taxes Accrued (236)	262-263	44,031,546	59,381,158
43	Interest Accrued (237)		22,196,943	26,318,835
44	Dividends Declared (238)		2,970,689	2,970,689
45	Matured Long-Term Debt (239)		0	0

Name of Respondent	This Report is:	Date of Report (mo, da, yr)	Year/Period of Report
UNION ELECTRIC COMPANY	(1) ☐ An Original (2) ☐ A Rresubmission	/ /	end of 2004/Q4

COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)(Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
46	Matured Interest (240)		0	0
47	Tax Collections Payable (241)		2,347,139	1,827,609
48	Miscellaneous Current and Accrued Liabilities (242)		49,964,091	45,759,398
49	Obligations Under Capital Leases-Current (243)		3,402,993	70,810,982
50	Derivative Instrument Liabilities (244)		13,512,933	2,963,500
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		0	0
52	Derivative Instrument Liabilities - Hedges (245)		82,120	189,288
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges		0	0
54	Total Current and Accrued Liabilities (lines 37 through 53)		816,097,928	650,375,311
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		3,525,567	3,597,441
57	Accumulated Deferred Investment Tax Credits (255)	266-267	107,832,804	114,461,550
58	Deferred Gains from Disposition of Utility Plant (256)		0	0
59	Other Deferred Credits (253)	269	375,277,349	495,532,741
60	Other Regulatory Liabilities (254)	278	189,057,118	95,516,452
61	Unamortized Gain on Reaquired Debt (257)		0	0
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272-277	365,117	365,116
63	Accum. Deferred Income Taxes-Other Property (282)		1,368,184,796	1,455,280,967
64	Accum. Deferred Income Taxes-Other (283)		113,028,452	102,577,742
65	Total Deferred Credits (lines 56 through 64)		2,157,271,203	2,267,332,009
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)		8,401,116,220	8,203,799,631

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
UNION ELECTRIC COMPANY	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2004/Q4

STATEMENT OF INCOME

1. Enter in column (e) operations for the reporting quarter and in column (f) the operations for the same three month period for the prior year.
2. Report in Column (g) year to date amounts for electric utility function; in column (i) the year to date amounts for gas utility, and in (k) the year to date amounts for the other utility function for the current quarter/year.
3. Report in Column (h) year to date amounts for electric utility function; in column (j) the year to date amounts for gas utility, and in (l) the year to date amounts for the other utility function for the previous quarter/year.
4. If additional columns are needed place them in a footnote.

Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
1	UTILITY OPERATING INCOME					
2	Operating Revenues (400)	300-301	2,640,749,320	2,615,791,949		
3	Operating Expenses					
4	Operation Expenses (401)	320-323	1,210,530,874	1,142,358,392		
5	Maintenance Expenses (402)	320-323	260,477,074	221,071,479		
6	Depreciation Expense (403)	336-337	285,676,183	275,855,296		
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337				
8	Amort. & Depl. of Utility Plant (404-405)	336-337	766,973	483,250		
9	Amort. of Utility Plant Acq. Adj. (406)	336-337				
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)					
11	Amort. of Conversion Expenses (407)					
12	Regulatory Debits (407.3)		7,963,740	-1,656,154		
13	(Less) Regulatory Credits (407.4)					
14	Taxes Other Than Income Taxes (408.1)	262-263	222,043,611	213,157,478		
15	Income Taxes - Federal (409.1)	262-263	79,016,055	234,628,310		
16	- Other (409.1)	262-263	22,956,865	27,481,029		
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	278,963,325	105,096,173		
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	156,038,917	102,171,081		
19	Investment Tax Credit Adj. - Net (411.4)	266	-6,628,746	-6,629,086		
20	(Less) Gains from Disp. of Utility Plant (411.6)		600			
21	Losses from Disp. of Utility Plant (411.7)			-326,773		
22	(Less) Gains from Disposition of Allowances (411.8)		30,151,135	21,808,658		
23	Losses from Disposition of Allowances (411.9)					
24	Accretion Expense (411.10)					
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		2,175,575,302	2,087,539,655		
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117,line 27		465,174,018	528,252,294		

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
UNION ELECTRIC COMPANY	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2004/Q4

STATEMENT OF INCOME FOR THE YEAR (Continued)

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		
Current Year to Date (in dollars) (g)	Previous Year to Date (in dollars) (h)	Current Year to Date (in dollars) (i)	Previous Year to Date (in dollars) (j)	Current Year to Date (in dollars) (k)	Previous Year to Date (in dollars) (l)	Line No.
						1
2,477,335,461	2,470,612,717	163,413,859	145,179,232			2
						3
1,084,647,100	1,022,713,728	125,883,774	119,644,664			4
258,055,970	218,639,340	2,421,104	2,432,139			5
278,422,197	268,878,204	7,253,986	6,977,092			6
						7
766,973	483,250					8
						9
						10
						11
7,852,368	-1,455,842	111,372	-200,312			12
						13
208,912,915	200,801,444	13,130,696	12,356,034			14
81,133,353	234,491,701	-2,117,298	136,609			15
23,098,691	27,517,401	-141,826	-36,372			16
263,866,234	101,654,543	15,097,091	3,441,630			17
146,741,813	98,774,408	9,297,104	3,396,673			18
-6,546,700	-6,546,374	-82,046	-82,712			19
600						20
	-326,773					21
30,151,135	21,808,658					22
						23
						24
2,023,315,553	1,946,267,556	152,259,749	141,272,099			25
454,019,908	524,345,161	11,154,110	3,907,133			26

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
UNION ELECTRIC COMPANY	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2004/Q4

STATEMENT OF INCOME FOR THE YEAR (continued)

Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL Current Year (c)	TOTAL Previous Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
27	Net Utility Operating Income (Carried forward from page 114)		465,174,018	528,252,294		
28	Other Income and Deductions					
29	Other Income					
30	Nonutilty Operating Income					
31	Revenues From Merchandising, Jobbing and Contract Work (415)					
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)					
33	Revenues From Nonutility Operations (417)		721,703	617,631		
34	(Less) Expenses of Nonutility Operations (417.1)					
35	Nonoperating Rental Income (418)		174,849	100,560		
36	Equity in Earnings of Subsidiary Companies (418.1)	119	5,967,118	5,736,947		
37	Interest and Dividend Income (419)		8,782,659	8,250,934		
38	Allowance for Other Funds Used During Construction (419.1)		10,156,621	3,829,602		
39	Miscellaneous Nonoperating Income (421)		-10,392,526	4,626,858		
40	Gain on Disposition of Property (421.1)		494,020	-172,049		
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		15,904,444	22,990,483		
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)		-142,393	11,185		
44	Miscellaneous Amortization (425)	340	1,584,022	1,584,000		
45	Donations (426.1)	340	2,538,491	1,645,971		
46	Life Insurance (426.2)					
47	Penalties (426.3)		63,666	4,857		
48	Exp. for Certain Civic, Political & Related Activities (426.4)		1,222,193	1,886,022		
49	Other Deductions (426.5)		948,260	1,201,090		
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		6,214,239	6,333,125		
51	Taxes Applic. to Other Income and Deductions					
52	Taxes Other Than Income Taxes (408.2)	262-263	1,158			
53	Income Taxes-Federal (409.2)	262-263	-1,582,346	-7,659,130		
54	Income Taxes-Other (409.2)	262-263	-205,757	-7,440		
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277	4,328,355	2,354,936		
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277	10,083,914	1,569,797		
57	Investment Tax Credit Adj.-Net (411.5)					
58	(Less) Investment Tax Credits (420)					
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		-7,542,504	-6,881,431		
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		17,232,709	23,538,789		
61	Interest Charges					
62	Interest on Long-Term Debt (427)		91,543,046	91,323,251		
63	Amort. of Debt Disc. and Expense (428)		1,822,049	1,143,089		
64	Amortization of Loss on Reaquired Debt (428.1)		3,346,335	3,026,747		
65	(Less) Amort. of Premium on Debt-Credit (429)					
66	(Less) Amortization of Gain on Reaquired Debt-Credit (429.1)					
67	Interest on Debt to Assoc. Companies (430)	340				
68	Other Interest Expense (431)	340	11,793,203	13,277,959		
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		4,768,292	3,455,191		
70	Net Interest Charges (Total of lines 62 thru 69)		103,736,341	105,315,855		
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		378,670,386	446,475,228		
72	Extraordinary Items					
73	Extraordinary Income (434)					
74	(Less) Extraordinary Deductions (435)					
75	Net Extraordinary Items (Total of line 73 less line 74)					
76	Income Taxes-Federal and Other (409.3)	262-263				
77	Extraordinary Items After Taxes (line 75 less line 76)					
78	Net Income (Total of line 71 and 77)		378,670,386	446,475,228		

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Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
UNION ELECTRIC COMPANY	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2004/Q4

STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Period		1,634,759,637	1,487,922,734
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4				
5				
6				
7				
8				
9	TOTAL Credits to Retained Earnings (Acct. 439)			
10				
11				
12				
13				
14				
15	TOTAL Debits to Retained Earnings (Acct. 439)			
16	Balance Transferred from Income (Account 433 less Account 418.1)		372,703,268	440,738,281
17	Appropriations of Retained Earnings (Acct. 436)			
18				
19				
20				
21				
22	TOTAL Appropriations of Retained Earnings (Acct. 436)			
23	Dividends Declared-Preferred Stock (Account 437)			
24			-5,941,376	(5,941,378)
25				
26				
27				
28				
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)		-5,941,376	(5,941,378)
30	Dividends Declared-Common Stock (Account 438)			
31			-314,570,000	(287,960,000)
32				
33				
34				
35				
36	TOTAL Dividends Declared-Common Stock (Acct. 438)		-314,570,000	(287,960,000)
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings			
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		1,686,951,529	1,634,759,637
	APPROPRIATED RETAINED EARNINGS (Account 215)			
39				

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
UNION ELECTRIC COMPANY	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2004/Q4

STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
40				
41				
42				
43				
44				
45	TOTAL Appropriated Retained Earnings (Account 215)			
	APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1)			
46	TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1)			
47	TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46)			
48	TOTAL Retained Earnings (Acct. 215, 215.1, 216) (Total 38, 47) (216.1)		1,686,951,529	1,634,759,637
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account			
	Report only on an Annual Basis, no Quarterly			
49	Balance-Beginning of Year (Debit or Credit)		-4,952,404	(10,689,351)
50	Equity in Earnings for Year (Credit) (Account 418.1)		5,967,118	5,736,947
51	(Less) Dividends Received (Debit)			
52				
53	Balance-End of Year (Total lines 49 thru 52)		1,014,714	(4,952,404)

Schedule Page: 118 Line No.: 24 Column: c

DIVIDENDS DECLARED - PREFERRED STOCK (ACCOUNT 437)

	CURRENT YEAR
$7.64 SERIES B	$2,521,200
$4.5 SERIES	961,176
$4.56 SERIES	912,000
$4 SERIES	600,000
$3.5 SERIES	455,000
$4.3 SERIES	172,000
$3.7 SERIES	148,000
$4.75 SERIES	95,000
$5.5 SERIES A	77,000
TOTAL DIVIDENDS DECLARED	$5,941,376

Schedule Page: 118 Line No.: 24 Column: d

DIVIDENDS DECLARED - PREFERRED STOCK (ACCOUNT 437)

	PREVIOUS YEAR
$7.64 SERIES B	$2,521,200
$4.56 SERIES	912,000
$4.50 SERIES	961,178
$4.00 SERIES	600,000
$3.70 SERIES	148,000
$3.50 SERIES	455,000
$5.50 SERIES A	77,000
$4.75 SERIES	95,000
$4.30 SERIES	172,000
TOTAL DIVIDENDS DECLARED	$5,941,378

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
UNION ELECTRIC COMPANY	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2004/Q4

STATEMENT OF CASH FLOWS

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 78(c) on page 117)	378,670,386	446,475,228
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	294,406,896	276,338,546
5	Amortization of Nuclear Fuel	30,543,611	33,140,347
6			
7			
8	Deferred Income Taxes (Net)	-122,924,408	-57,125,772
9	Investment Tax Credit Adjustment (Net)	-6,628,746	-6,629,086
10	Net (Increase) Decrease in Receivables	41,523,623	-84,008,954
11	Net (Increase) Decrease in Inventory	-24,238,464	-13,029,557
12	Net (Increase) Decrease in Allowances Inventory		
13	Net Increase (Decrease) in Payables and Accrued Expenses	6,983,648	-80,925,640
14	Net (Increase) Decrease in Other Regulatory Assets	71,835,422	-16,898,509
15	Net Increase (Decrease) in Other Regulatory Liabilities	215,818,049	-25,123,260
16	(Less) Allowance for Other Funds Used During Construction	10,156,621	3,829,602
17	(Less) Undistributed Earnings from Subsidiary Companies	2,127,401	
18	Other (provide details in footnote):	49,733,552	161,373,049
19			
20	Pension Contribution	-185,913,410	
21			
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	737,526,137	629,756,790
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	-524,285,000	-479,750,365
27	Gross Additions to Nuclear Fuel	-42,000,000	-23,733,899
28	Gross Additions to Common Utility Plant		
29	Gross Additions to Nonutility Plant		
30	(Less) Allowance for Other Funds Used During Construction	-10,156,621	-3,829,602
31	Other (provide details in footnote):	-15,548,343	
32			
33			
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-571,676,722	-499,654,662
35			
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)		
38			
39	Investments in and Advances to Assoc. and Subsidiary Companies		
40	Contributions and Advances from Assoc. and Subsidiary Companies		-14,500,000
41	Disposition of Investments in (and Advances to)		
42	Associated and Subsidiary Companies		
43			
44	Purchase of Investment Securities (a)		
45	Proceeds from Sales of Investment Securities (a)		

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
UNION ELECTRIC COMPANY	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2004/Q4

STATEMENT OF CASH FLOWS

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
46	Loans Made or Purchased		
47	Collections on Loans		
48			
49	Net (Increase) Decrease in Receivables		
50	Net (Increase) Decrease in Inventory		
51	Net (Increase) Decrease in Allowances Held for Speculation		
52	Net Increase (Decrease) in Payables and Accrued Expenses		
53	Other (provide details in footnote):		
54			
55			
56	Net Cash Provided by (Used in) Investing Activities		
57	Total of lines 34 thru 55)	-571,676,722	-514,154,662
58			
59	Cash Flows from Financing Activities:		
60	Proceeds from Issuance of:		
61	Long-Term Debt (b)	404,000,000	698,000,000
62	Preferred Stock		
63	Common Stock		
64	Other (provide details in footnote): Intercompany Borrowings	2,200,000	
65			
66	Net Increase in Short-Term Debt (c)	225,000,000	
67	Other (provide details in footnote):		
68			
69			
70	Cash Provided by Outside Sources (Total 61 thru 69)	631,200,000	698,000,000
71			
72	Payments for Retirement of:		
73	Long-term Debt (b)	-377,000,000	-367,000,000
74	Preferred Stock		
75	Common Stock		
76	Other (provide details in footnote):		
77	Nuclear Fuel Lease	-66,811,006	-46,775,209
78	Net Decrease in Short-Term Debt (c)		-100,000,000
79			
80	Dividends on Preferred Stock	-5,941,376	-5,941,378
81	Dividends on Common Stock	-314,570,000	-287,960,000
82	Net Cash Provided by (Used in) Financing Activities		
83	(Total of lines 70 thru 81)	-133,122,382	-109,676,587
84			
85	Net Increase (Decrease) in Cash and Cash Equivalents		
86	(Total of lines 22,57 and 83)	32,727,033	5,925,541
87			
88	Cash and Cash Equivalents at Beginning of Period	15,121,442	9,195,901
89			
90	Cash and Cash Equivalents at End of period	47,848,475	15,121,442

Name of Respondent	This Report Is:	Date of Report	Year/Period of Report
UNION ELECTRIC COMPANY	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2004/Q4

NOTES TO FINANCIAL STATEMENTS

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.
2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.
3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Cormmission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.
4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.
7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

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SEE PAGE 123 FOR REQUIRED INFORMATION.

AMEREN CORPORATION (CONSOLIDATED)
UNION ELECTRIC COMPANY (CONSOLIDATED)
CENTRAL ILLINOIS PUBLIC SERVICE COMPANY
AMEREN ENERGY GENERATING COMPANY
CILCORP INC. (CONSOLIDATED)
CENTRAL ILLINOIS LIGHT COMPANY (CONSOLIDATED)

COMBINED NOTES TO FINANCIAL STATEMENTS
December 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

Accounting policies for regulated operations are in accordance with those prescribed by the regulatory authorities having jurisdiction, principally the Illinois Commerce Commerce (ICC), the Missouri Public Service Commission (MoPSC) the Federal Energy Regulatory Commission (FERC) and the Securities and Exchange Commission (SEC) under the Public Utility Holding Company Act of 1935 (PUHCA). The accompanying financial statements have been prepared in accordance with the accounting requirements of the FERC as set forth in the Uniform System of Accounts (USOA) and accounting releases, which require certain differences from accounting principles generally accepted in the United States (GAAP).

General

Ameren, headquartered in St. Louis, Missouri, is a public utility holding company registered with the SEC under the PUHCA. Ameren's primary asset is the common stock of its subsidiaries. Ameren's subsidiaries operate rate-regulated electric generation, transmission and distribution businesses, rate-regulated natural gas distribution businesses and non-rate-regulated electric generation businesses in Missouri and Illinois. Dividends on Ameren's common stock are dependent on distributions made to it by its subsidiaries. Ameren's principal subsidiaries are listed below. Also see Glossary of Terms and Abbreviations.

- UE, or Union Electric Company, also known as AmerenUE, operates a rate-regulated electric generation, transmission and distribution business, and a rate-regulated natural gas distribution business in Missouri and Illinois. UE was incorporated in Missouri in 1922 and is successor to a number of companies, the oldest of which was organized in 1881. It is the largest electric utility in the state of Missouri and supplies electric and gas service to a 24,500 square mile area located in central and eastern Missouri and west central Illinois. This area has an estimated population of 3 million and includes the greater St. Louis area. UE supplies electric service to 1.2 million customers and natural gas service to 140,000 customers. See Note 3 – Rate and Regulatory Matters for information regarding the proposed transfer of UE's Illinois electric and natural gas transmission and distribution businesses to CIPS and the proposed addition of a large new electric customer.
- CIPS, or Central Illinois Public Service Company, also known as AmerenCIPS, operates a rate-regulated electric and natural gas transmission and distribution business in Illinois. CIPS was incorporated in Illinois in 1902. It supplies electric and gas utility service to portions of central and southern Illinois having an estimated population of 1 million in an area of 20,000 square miles. CIPS supplies electric service to 325,000 customers and natural gas service to 170,000 customers.
- Genco, or Ameren Energy Generating Company, operates a non-rate-regulated electric generation business. Genco was incorporated in Illinois in March 2000, in conjunction with the Illinois Customer Choice Law. Genco commenced operations on May 1, 2000, when CIPS transferred its five coal-fired power plants representing in the aggregate approximately 2,860 megawatts of capacity and related liabilities to Genco at historical net book value. The transfer was made in exchange for a subordinated promissory note from Genco in the amount of $552 million and shares of Genco's common stock. Since Genco commenced operations, it has

acquired 25 CTs, which give it a total installed generating capacity of approximately 4,751 megawatts as of December 31, 2004. Genco is a subsidiary of Development Company, a subsidiary of Resources Company, which is a subsidiary of Ameren. See Note 3 – Rate and Regulatory Matters for information regarding the proposed transfer of Genco's CTs located in Pinckneyville and Kinmundy, Illinois to UE.

- CILCO, or Central Illinois Light Company, also known as AmerenCILCO, is a subsidiary of CILCORP (a holding company) and operates a rate-regulated electric transmission and distribution business, a primarily non-rate-regulated electric generation business, and a rate-regulated natural gas distribution business in Illinois. CILCO was incorporated in Illinois in 1913. It supplies electric and gas utility service to portions of central and east central Illinois in areas of 3,700 and 4,500 square miles, respectively, with an estimated population of 1 million. CILCO supplies electric service to 205,000 customers and natural gas service to 210,000 customers. In October 2003, CILCO transferred its coal-fired plants and a CT facility, representing in the aggregate approximately 1,100 megawatts of electric generating capacity, to a wholly owned subsidiary known as AERG, as a contribution in respect of all the outstanding stock of AERG and AERG's assumption of certain liabilities. The net book value of the transferred assets was $378 million. No gain or loss was recognized, as the transaction was accounted for as a transfer between entities under common control. The transfer was made in conjunction with the Illinois Customer Choice Law. CILCORP was incorporated in Illinois in 1985.
- IP, or Illinois Power Company, also known as AmerenIP, operates a rate-regulated electric and natural gas transmission and distribution business in Illinois. Ameren acquired IP on September 30, 2004, from Dynegy, which had acquired it as Illinova in early 2000. IP was incorporated in 1923 in Illinois. It supplies electric and gas utility service to portions of central, east central, and southern Illinois, serving an estimated population of 1.4 million in an area of approximately 15,000 square miles, contiguous to our other service territories. IP supplies electric service to 600,000 customers and natural gas service to 415,000 customers, including most of the Illinois portion of the greater St. Louis area. In 1998, in conjunction with the impairment of the Clinton nuclear power plant, IP underwent a quasi- nuclear power plant, IP underwent a quasi-reorganization. In October 1999, IP transferred its wholly owned coal-fired generating assets and other generation-related assets and liabilities at net book value to a non-rate-regulated subsidiary of Illinova in exchange for an unsecured note receivable. In 1999, IP sold its Clinton nuclear power plant to AmerGen and entered into a power purchase agreement with AmerGen, which required IP to purchase power through December 31, 2004. AmerGen also assumed responsibility for operating and ultimately decommissioning the nuclear power plant. Concurrent with the sale to Dynegy in early 2000, the fossil fuel assets and liabilities were transferred from the Illinova non-rate-regulated subsidiary to DMG. The unsecured note receivable was eliminated from IP's balance sheet in conjunction with Ameren's acquisition of IP. See Note 2 – Acquisitions and Note 14 – Related Party Transactions for further information.

Ameren has various other subsidiaries responsible for the short- and long-term marketing of power, procurement of fuel, management of commodity risks and provision of other shared services. Ameren has an 80% ownership interest in EEI through UE and Resources Company, which each own 40% of EEI. This 80% ownership in EEI includes a 20% interest indirectly acquired by Resources Company from a Dynegy subsidiary on September 30, 2004. Ameren consolidates EEI for financial reporting purposes, while UE and Resources Company report EEI under the equity method.

We use the words "our," "we" or "us" with respect to certain information to indicate that such information relates to all Ameren Companies. When we refer to financing or acquisition activities, or liquidity arrangements, we are defining Ameren as the parent holding company. When appropriate, subsidiaries of Ameren are named specifically as we discuss their various business activities.

The financial statements of Ameren are prepared on a consolidated basis and therefore include the accounts of its majority-owned subsidiaries. As the acquisition of IP occurred on September 30, 2004, Ameren's Consolidated Statements of Income and Cash Flows for the periods prior to September 30, 2004, and Ameren's Consolidated

Balance Sheet as of December 31, 2003, do not reflect IP's results of operations or financial position. Financial information of CILCORP and CILCO reflected in Ameren's consolidated financial statements include the period from January 31, 2003, when these companies were acquired. See Note 2 – Acquisitions for further information on the accounting for the IP and CILCORP acquisitions. All significant intercompany transactions have been eliminated. All tabular dollar amounts are in millions, unless otherwise indicated.

In addition to presenting results of operations and earnings amounts in total, certain information is expressed in cents per share. These amounts reflect factors that directly impact Ameren's earnings. We believe this per share information is useful because it better enables readers to understand the impact of these factors on Ameren's earnings. All references in this report to earnings per share are based on diluted shares.

Our accounting policies conform to GAAP. Our financial statements reflect all adjustments (which include normal, recurring adjustments) necessary, in our opinion, for a fair presentation of our results. The preparation of financial statements in conformity with GAAP requires management to make certain estimates and assumptions. Such estimates and assumptions affect reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the dates of financial statements, and the reported amounts of revenues and expenses during the reported periods. Actual results could differ from those estimates. Certain reclassifications have been made to make prior-year financial statements conform to 2004 reporting.

As part of the acquisition of IP on September 30, 2004, Ameren "pushed down" the effects of purchase accounting to the financial statements of IP. Accordingly, IP's postacquistion financial statements reflect a new basis of accounting, and separate financial statement amounts are presented for preacquisition (predecessor) and postacquistion (successor) periods, separated by a bold black line. As a result of the acquisition of IP, certain reclassifications have been made to make IP prior-year financial statements conform to our current presentation. Additionally, as part of the acquisition of CILCORP on January 31, 2003, Ameren "pushed down" the effects of purchase accounting to the financial statements of CILCORP, but not to any of CILCORP's subsidiaries. Accordingly, CILCORP's postacquistion financial statements reflect a new basis of accounting, and separate financial statement amounts are presented for predecessor and successor periods. CILCO's financial statements are presented on a historical basis of accounting for all periods presented.

Regulation

Ameren is subject to regulation by the SEC. Certain Ameren subsidiaries are also regulated by the MoPSC, the ICC, the NRC, and the FERC. In accordance with SFAS No. 71, "Accounting for the Effects of Certain Types of Regulation," UE, CIPS, CILCO and IP defer certain costs pursuant to actions of our rate regulators. These companies are currently recovering such costs in rates charged to customers. See Note 3 – Rate and Regulatory Matters for further information.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and temporary investments purchased with an original maturity of three months or less.

Allowance for Doubtful Accounts Receivable

The allowance for doubtful accounts is our best estimate of the amount of probable credit losses in our existing accounts receivable. The allowance is determined based on application of a historical write-off factor to the amount of outstanding receivables, including unbilled revenue, and a review for collectibility of certain accounts over 90 days past due.

Materials and Supplies

Materials and supplies are recorded at the lower of cost or market. Cost is determined using the average cost method. The following table presents a breakdown of materials and supplies for each of the Ameren Companies at December 31, 2004 and 2003:

	Ameren[a]	UE	CIPS	Genco	CILCORP	CILCO	IP[b]
2004:							
Fuel[c]	$ 250	$ 61	$ -	$ 64	$ 75	$ 8	$ -
Gas stored underground	191	33	44	-	40	41	74
Other materials and supplies	182	105	12	25	19	19	11
	$ 623	$ 199	$ 56	$ 89	$ 134	$ 68	$ 85
2003:							
Fuel[c]	$ 227	$ 58	$ -	$ 65	$ 94	$ 12	$ -
Gas stored underground	107	27	41	-	39	39	72
Other materials and supplies	153	90	10	25	21	18	12
	$ 487	$ 175	$ 51	$ 90	$ 154	$ 69	$ 84

(a) 2003 amounts exclude amounts for IP; includes amounts for Ameren Registrant and non-Registrant Ameren subsidiaries as well as intercompany eliminations.
(b) 2003 amounts represent predecessor information.
(c) Consists of coal, oil, propane, and tire chips.

Property and Plant

We capitalize the cost of additions to and betterments of units of property and plant. The cost includes labor, material, applicable taxes, and overhead.

An allowance for funds used during construction, or the cost of borrowed funds and the cost of equity funds (preferred and common stockholders' equity) applicable to rate-regulated construction expenditures, is also added for our rate-regulated assets. Interest during construction is added for non-rate-regulated assets. Maintenance expenditures and the renewal of items not considered units of property are expensed as incurred. When units of depreciable property are retired, the original costs, less salvage value, are charged to accumulated depreciation. Asset removal costs incurred by our non-rate-regulated operations, which do not constitute legal obligations, were expensed as incurred, beginning in 2003. Asset removal costs accrued by our rate-regulated operations, which do not constitute legal obligations, are classified as a regulatory liability. See Accounting Changes and Other Matters relating to SFAS No. 143 below and Note 4 – Property and Plant, Net for further information.

Depreciation

Depreciation is provided over the estimated lives of the various classes of depreciable property by applying composite rates on a straight-line basis. The provision for depreciation for the Ameren Companies in 2004, 2003 and 2002 ranged from 3% to 4% of the average depreciable cost. Beginning in January 2003, with the adoption of SFAS No. 143, depreciation rates for our non-rate-regulated assets were reduced to reflect the discontinuation of the accrual of dismantling and removal costs. See Accounting Changes and Other Matters relating to SFAS No. 143 below for further information.

Allowance for Funds Used During Construction

In our rate-regulated operations, we capitalize the allowance for funds used during construction, which is a utility industry accounting practice. Allowance for funds used during construction does not represent a current source of cash funds. This accounting practice offsets the effect on earnings of the cost of financing current construction, and it treats such financing costs in the same manner as construction charges for labor and materials.

Under accepted ratemaking practice, cash recovery of allowance for funds used during construction, as well as other construction costs, occurs when completed projects are placed in service and reflected in customer rates. The following table presents the allowance for funds used during construction ranges of rates that were used during 2004, 2003 and 2002:

	2004	2003	2002
Ameren[(a)]	1% - 9%	3% - 4%	5% - 9%
UE	5	4	5
CIPS	1	3	9
CILCORP[(b)] and CILCO	1	3	6
IP[(b)]	9	7	3

(a) Excludes rates for CILCORP and CILCO prior to January 31, 2003, and IP prior to the acquisition date of September 30, 2004.
(b) Represents predecessor information for CILCORP prior to January 31, 2003, and for IP prior to September 30, 2004.

Goodwill

Goodwill represents the excess of the purchase price of an acquisition over the fair value of the net assets acquired. We evaluate goodwill for impairment in the fourth quarter of each year, or more frequently if events and circumstances indicate that the asset might be impaired. Ameren's, CILCORP's and IP's goodwill relates to the acquisitions of IP and an additional 20% ownership interest in EEI in 2004 and CILCORP and Medina Valley in 2003. See Note 2 – Acquisitions for additional information regarding the acquisitions.

Leveraged Leases

Certain Ameren subsidiaries own interests in assets that have been financed as leveraged leases. Ameren's investment in these leveraged leases represents the equity portion, generally 20% of the total investment, either as an undivided interest in the equipment or as a part owner through a partnership. At the time of lease inception, a debit for rents receivable and estimated residual value was recorded with a credit to unearned income. These amounts are then adjusted over time as rents are received, income is realized, and the asset is eventually sold. Ameren and CILCORP account for these investments as a net investment in these assets; they do not include the amount of outstanding debt because the third-party debt is nonrecourse to Ameren and the Ameren subsidiaries.

Impairment of Long-Lived Assets

We evaluate long-lived assets for impairment when events or changes in circumstances indicate that the carrying value of such assets may not be recoverable. The determination of whether impairment has occurred is based on an estimate of undiscounted cash flows attributable to the assets as compared with the carrying value of the assets. If impairment has occurred, we recognize the amount of the impairment by estimating the fair value of the assets and recording a provision for loss if the carrying value is greater than the fair value.

Environmental Costs

Environmental costs are recorded on an undiscounted basis when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated. Estimated environmental expenditures are based on internal and third-party estimates, which are regularly reviewed and updated. Costs are expensed or deferred as a regulatory asset when it is expected that the costs will be recovered from customers in future rates. If environmental expenditures are related to facilities currently in use, such as pollution control equipment, the cost is capitalized and depreciated over the expected life of the asset.

Unamortized Debt Discount, Premium and Expense

Discount, premium and expense associated with long-term debt are amortized over the lives of the related issues.

Revenue

Utility Revenues

Our utility operating companies (UE, CIPS, CILCO and IP) record operating revenue for electric and gas service when delivered to customers. We accrue an estimate of electric and gas revenues for service rendered, but unbilled, at the end of each accounting period.

Interchange Revenues

The following table presents the interchange revenues included in Operating Revenues – Electric for the years ended December 31, 2004, 2003 and 2002:

	2004	2003	2002
Ameren[(a)(b)]	$ 404	$ 351	$ 259
UE	340	320	257
CIPS	37	37	35
Genco	163	140	99
CILCORP[(c)]	46	19	10
CILCO	46	19	10
IP[(d)]	-	-	7

(a) Excludes amounts for IP acquisition date of September 30, 2004, excludes amounts for CILCORP prior to the acquisition date of September 30, 2004; and includes amounts for Ameren Rgistrant and non-Registrant subsidiaries and intercompany eliminations.
(b) Includes interchange revenues at EEI of $53 million for the year ended December 31, 2004 (2003 - $56 million; 2002 - $59 million).
(c) 2002 amounts represent predecessor information. 2003 amounts include January 2003 predecessor information, which was $3 million. CILCORP consolidates CILCO and therefore includes CILCO amounts in its balances.
(d) 2002 and 2003 amounts represent predecessor information. 2004 amount includes January - September 2004 predecessor information which was less than $1 million.

Trading Activities

We present the revenues and costs associated with certain energy contracts designated as trading on a net basis in Operating Revenues – Electric and Other.

Purchased Power

The following table presents the purchased power expenses included in Operating Expenses – Fuel and Purchased Power for the years ended December 31, 2004, 2003 and 2002. See Note 14 – Related Party Transactions for further information on affiliate purchased power transactions.

	2004	2003	2002
Ameren[(a)]	$ 454	$ 294	$ 167
UE	203	179	229
CIPS	325	341	418
Genco	150	152	119
CILCORP[(b)]	43	205	155
CILCO	43	202	155
IP[(c)]	624	681	698

(a) Excludes amounts for IP prior to the acquisition date of September 30, 2004; excludes amounts for CILCORP prior to the acquisition date of January 31, 2003; and includes amounts for Ameren Registrant and non-Registrant subsidiaries and intercompany eliminations.
(b) 2002 amounts represent predecessor information. 2003 amounts include January 2003 predecessor information, which was $12 million. CILCORP consolidates CILCO and therefore includes CILCO amounts in its balances.
(c) 2002 and 2003 amounts represent predecessor information. 2004 amount includes January - September 2004 predecessor information which was $496 million.

Fuel and Gas Costs

In UE's, CIPS', CILCO's and IP's retail electric utility jurisdictions, there are no provisions for adjusting rates in response to changes in the cost of fuel for electric generation. In UE's, CIPS', CILCO's and IP's retail gas utility jurisdictions, changes in gas costs are generally reflected in billings to gas customers through PGA clauses.

UE's cost of nuclear fuel is amortized to fuel expense on a unit-of-production basis. Spent fuel disposal cost, based on net kilowatthours generated and sold, is charged to expense.

Stock-based Compensation

Effective January 1, 2003, Ameren adopted the fair value recognition provisions of SFAS No. 123, "Accounting for Stock-based Compensation," by using the prospective method of adoption under SFAS No. 148, "Accounting for Stock-based Compensation – Transition and Disclosure," for all employee awards granted or with terms modified on or after January 1, 2003.

Prior to 2003, Ameren, CILCORP and IP accounted for stock options granted under long-term incentive plans under the recognition and measurement provisions of APB Opinion No. 25, "Accounting for Stock Issued to Employees." No stock-based employee compensation cost was recognized for options granted under Ameren's plan, either under the AES Stock Option Plan in which CILCORP's employees participated or under the equity compensation plans of Dynegy in which IP employees participated, as all options granted under the plans had an exercise price equal to the market value of the underlying common stock on the date of grant.

Effective January 1, 2003, predecessor IP adopted the fair value recognition provisions of SFAS No. 123, with respect to options granted to its employees under Dynegy's plans, by using the prospective method of adoption under SFAS No. 148. As a result, all stock options granted after January 1, 2003, were accounted for on a fair value basis. IP incurred compensation expense over the vesting period of the options in an amount equal to the fair value of the options. On October 1, 2004, as a result of Ameren's acquisition of IP, all unvested stock options granted to IP employees became null and void.

In December 2004, the FASB issued SFAS No. 123 (as revised SFAS No. 123R), "Share Based Payment," which revises SFAS No. 123 and supersedes APB Opinion No. 25. SFAS No. 123R will require companies to measure the cost of employee services received in exchange for an award of equity instruments based on the grant-date fair value of the award. The fair value of the award will be remeasured subsequently at each reporting date through the settlement date; the changes in fair value will be recognized as compensation cost in each period. The fair-value based method in this statement is similar to the fair-value based method in SFAS No. 123 in most respects. SFAS No. 123R is effective for Ameren for the quarterly period ending September 30, 2005. The statement applies to all awards granted or modified after the effective date. The adoption of this statement is not expected to have a material adverse impact on our results of operations, financial position, or liquidity upon adoption.

Had compensation cost for all stock options and stock awards granted prior to 2003 been determined on a fair-value basis consistent with SFAS No. 123, net income would have approximated the following pro forma amounts for the years ended December 31, 2004, 2003 and 2002, respectively.

Ameren[a]	Year Ended December 31, 2004	2003	2002
Net income as reported	$ 530	$ 524	$ 382
Add: Stock-based employee compensation expense included in reported net income, net of related tax effects[a]	3	3	2
Deduct: Total stock-based employee compensation expense determined under fair value based method for all awards, net of related tax effects	4	4	3
Pro forma net income	$ 529	$ 523	$ 381
Basic earnings per share as reported	$ 2.84	$ 3.25	$ 2.61
Basic earnings per share pro forma	2.84	3.25	2.61
Diluted earnings per share as reported	2.84	3.25	2.60
Diluted earnings per share pro forma	2.84	3.24	2.60

CILCORP[a]	Predecessor Year Ended December 31, 2002[a]
Net income as reported	$ 25
Add: Stock-based employee compensation expense included in reported net income, net of related tax effects[a]	-
Deduct: Total stock-based employee compensation expense determined under fair-valu based method for all awards, net of related tax effects	2
Pro forma net income	$ 23

IP[a]	January 1, 2004 to September 30, 2004	Predecessor Year Ended December 31, 2003	2002
Net income as reported	$ 112	$ 117	$ 161
Add: Stock-based employee compensation expense included in reported net income, net of relat	-	-	-
Deduct: Total stock-based employee compensation expense determined under fair-value based method for all awards, net of related tax effects	3	4	4
Pro forma net income	$ 109	$ 113	$ 157

(a) Ameren and CILCORP have not granted stock options after January 1, 2003. CILCORP information subsequent to 2002 is not presented, as all CILCORP options were either paid out or assumed by AES in connection with Ameren's acquisition of CILCORP. For IP, compensation expense recorded for stock options granted after January 1, 2003, was negligible for the nine months ended September 30, 2004, and the years ended December 31, 2003 and 2002. On October 1, 2004, as a result of Ameren's acquisition of IP, all unvested stock options granted to IP employees became null and void. Therefore, information subsequent to September 30, 2004 is not presented.

See Note 12 – Stock-based Compensation for further information.

Excise Taxes

Excise taxes reflected on Missouri electric, Missouri gas, and Illinois gas customer bills are imposed on us. They are recorded gross in Operating Revenues and Taxes Other than Income Taxes. Excise taxes reflected on Illinois electric customer bills are imposed on the consumer. They are recorded as tax collections payable and included in Taxes Accrued. The following table presents excise taxes recorded in Operating Revenues and Taxes Other than Income Taxes for the years ended 2004, 2003 and 2002:

	2004	2003	2002
Ameren[a]	$ 134	$ 137	$ 116
UE	103	101	103
CIPS	13	14	13
Genco	-	-	-
CILCORP[b]	12	24	16
CILCO[c]	12	24	16
IP[d]	36	40	41

(a) Excludes amounts for IP prior to the acquisition date of September 30, 2004; and excludes amounts for CILCORP and CILCO prior to the acquisition date of January 31, 2003.

(b) 2002 amounts represent predecessor information. 2003 amounts include January 2003 predecessor information, which was $2 million. CILCORP consolidates CILCO and therefore includes CILCO amounts in its balances.

(c) With the exception of taxes reflected on CILCO customer bills issued prior to October 27, 2003, excise taxes at CILCO are recorded as tax collections payable and are included on the Balance Sheet as Taxes Accrued.

(d) 2002 and 2003 amounts represent predecessor information. 2004 amount includes January - September 2004 predecessor information, which was 30 million.

Income Taxes

Ameren uses an asset and liability approach for its financial accounting and reporting of income taxes, in accordance with the provisions of SFAS No. 109 "Accounting for Income Taxes." Deferred tax assets and liabilities are recognized for transactions that are treated differently for financial reporting and tax return purposes. These deferred tax assets and liabilities are determined by statutory enacted tax rates.

We recognize that regulators will probably reduce future revenues for deferred tax liabilities initially recorded at rates in excess of the current statutory rate. Therefore, reductions in the deferred tax liability, which were recorded due to decreases in the statutory rate, were credited to a regulatory liability. A regulatory asset has been established to recognize the probable future recovery in rates of future income taxes resulting principally from the reversal of Allowance for Funds Used During Construction – Equity and temporary differences related to property, plant, and equipment acquired before 1976, which were unrecognized temporary differences prior to the adoption of SFAS 109.

Investment tax credits used on tax returns of prior years have been deferred for book purposes; they are being amortized over the useful lives of the related properties. Deferred income taxes were recorded on the temporary difference represented by the deferred investment tax credits and a corresponding regulatory liability, which recognizes the expected reduction in rate revenue for future lower income taxes associated with the amortization of the investment tax credits, was recorded. See Note 13 – Income Taxes for the treatment of IP's unamortized investment tax credits and deferred tax liabilities upon the acquisition of IP by Ameren.

Earnings Per Share

There were no differences between the basic and diluted earnings per share amounts for Ameren in 2004 and 2003. The inclusion of assumed stock option conversions in the calculation of earnings per share resulted in dilution of $0.01 per share for 2002. The assumed stock option conversions increased the number of shares outstanding in the diluted earnings per share calculation by 196,709 shares in 2004, 289,244 shares in 2003 and 332,909 shares in 2002. As only the Ameren parent company has publicly held common stock, earnings per share calculations are not relevant, so they are not presented for any of the other Ameren Companies.

Accounting Changes and Other Matters

SFAS No.143 – "Accounting for Asset Retirement Obligations"

We adopted the provisions of SFAS No. 143, effective January 1, 2003. SFAS No. 143 provides the accounting requirements for asset retirement obligations associated with tangible, long-lived assets. SFAS No. 143 requires us to record the estimated fair value of legal obligations associated with the retirement of tangible long-lived assets in the period in which the liabilities are incurred and to capitalize a corresponding amount as part of the book value of the related long-lived asset. In subsequent periods, we are required to make adjustments in asset retirement obligations based on changes in estimated fair value. Corresponding increases in asset book values are depreciated over the remaining useful life of the related asset. Uncertainties as to the probability, timing or amount of cash flows associated with an asset retirement obligation affect our estimates of fair value.

Upon adoption of the standard, Ameren and Genco recognized a net after-tax gain of $18 million in the first quarter of 2003 for the cumulative effect of change in accounting principle. Prior to Ameren's acquisition of CILCORP, predecessor CILCORP and CILCO recognized a net after-tax gain in 2003 of $4 million and $24 million, respectively, for the cumulative effect of change in accounting principle. In addition, in accordance with SFAS No. 143, estimated net future removal costs associated with Ameren's, UE's, CIPS', CILCORP's and CILCO's rate-regulated operations that had previously been embedded in accumulated depreciation were reclassified as a regulatory liability.

Prior to Ameren's acquisition of IP, predecessor IP recognized a net after-tax loss upon adoption of SFAS No. 143 of $2 million for the cumulative effect of change in accounting principle. At January 1, 2004, IP's asset retirement obligation liability totaled $1 million for obligations under an operating lease. This asset retirement obligation related to the dismantling of the generation plant and remediation of the plant site at Tilton, Illinois, which IP had leased to DMG. In July 2004, IP sold the Tilton assets to DMG and eliminated the related asset retirement obligation liability as part of the accounting for that transaction. Thus, IP had no asset retirement obligation liabilities recorded at December 31, 2004.

Upon adoption of SFAS No. 143, UE recorded asset retirement obligations related to UE's Callaway nuclear plant decommissioning costs and to retirement costs for a UE river structure. Additionally, Genco recorded an asset retirement obligation for the retirement costs for a Genco power plant ash pond. CILCORP and CILCO recorded asset retirement obligations related to CILCO's power plant ash ponds (now owned by AERG).

Asset retirement obligations at Ameren and UE increased by $24 million for the year ended December 31, 2004, to reflect the accretion of obligations to their present value. Increases to Genco's, CILCORP's and CILCO's asset retirement obligations due to accretion were immaterial during this period. Substantially all of this accretion was recorded as an increase to regulatory assets. Additionally, Ameren and CILCO's asset retirement obligations increased by approximately $2 million during the year ended December 31, 2004, due to revisions in estimated future cash flows to retire CILCO's ash ponds.

In addition to those obligations that have been identified and valued, we determined that certain other asset retirement obligations exist. However, we were unable to estimate the fair value of those obligations because the probability, timing, or cash flows associated with the obligations were indeterminable. We do not believe that these obligations, when incurred, will have a material adverse impact on our results of operations, financial position, or liquidity.

The fair value of the nuclear decommissioning trust fund for UE's Callaway nuclear plant is reported in Nuclear Decommissioning Trust Fund in Ameren's and UE's Consolidated Balance Sheets. This amount is legally restricted: It may be used only to fund the costs of nuclear decommissioning. Changes in the fair value of the trust fund are recorded as an increase or decrease to the regulatory asset recorded in connection with the adoption of SFAS No. 143.

In June 2004, the FASB issued an exposure draft on a proposed interpretation of SFAS No. 143. The FASB is expected to issue a final interpretation in the first quarter of 2005. Under the interpretation, a legal obligation to

perform an asset retirement activity that is conditional on a future event is within the scope of SFAS No. 143. Accordingly, an entity would be required to recognize a liability for the fair value of an asset retirement obligation that is conditional on a future event if the liability's fair value can be estimated reasonably. The exposure draft provides examples of conditional asset retirement obligations that may need to be recognized under the provisions of the interpretation, including asbestos removal. This proposed interpretation could require accrual of additional liabilities by Ameren and its subsidiaries and could result in increased expense, which, while not yet quantified, could be material. This proposed interpretation would be effective for us no later than December 31, 2005, if issued in its current form.

FIN No. 46 – "Consolidation of Variable-interest Entities"

In January 2003, the FASB issued FIN No. 46, which changed the consolidation requirements for special-purpose entities (SPEs) and non-special-purpose entities (non-SPEs) that meet the criteria for designation as variable-interest entities (VIEs). In December 2003, the FASB revised FIN No. 46 (FIN No. 46R) to clarify certain aspects of FIN No. 46 and to modify the effective dates of the new guidance. FIN No. 46R provides guidance on the accounting for entities that are controlled through means other than voting rights by another entity. FIN No. 46R requires a VIE to be consolidated by a company if that company is designated as the primary beneficiary.

The Ameren Companies do not have any interests in entities that are considered SPEs, other than IP's investment in IP LLC. FIN No. 46R was effective on March 31, 2004, for any interests the Ameren Companies held in non-SPEs. The adoption of FIN No. 46R did not have a material impact on the consolidated financial statements of the Ameren Companies. However, in connection with the adoption of FIN No. 46R, we have determined that the following significant variable-interests are held by the Ameren Companies:

- EEI. Ameren has an 80% ownership interest in EEI through UE's 40% interest and Resources Company's 40% interest. Under the FIN No. 46R model, Ameren, UE, and Resources Company have a variable-interest in EEI, and Ameren is the primary beneficiary. Accordingly, Ameren will continue to consolidate EEI, and UE will continue to account for its investment in EEI under the equity method of accounting. The maximum exposure to loss as a result of these variable-interests in EEI is limited to Ameren's, UE's, and Resources Company's equity investments in EEI.
- Tolling agreement. CILCO has a variable-interest in Medina Valley through a tolling agreement to purchase steam, chilled water, and electricity. We have concluded that CILCO is not the primary beneficiary of Medina Valley. Accordingly, CILCO does not consolidate Medina Valley. The maximum exposure to loss as a result of this variable-interest in the tolling agreement is not material.
- Leveraged lease and affordable housing partnership investments. Ameren, UE and CILCORP have investments in leveraged lease and affordable housing partnership arrangements that are variable-interests. We have concluded that none of these companies is a primary beneficiary of any of the VIEs related to these investments. The maximum exposure to loss as a result of these variable-interests is limited to the investments in these arrangements. At December 31, 2004, Ameren and CILCORP had net investments in leveraged leases of $140 million and $113 million, respectively. At December 31, 2004, Ameren, UE, and CILCORP had investments in affordable housing partnerships of $19 million, $6 million, and $7 million, respectively.
- IP SPT. Ameren acquired a variable-interest in IP SPT with the acquisition of IP on September 30, 2004. IP has a variable-interest in IP SPT, which was established in 1998 to issue TFNs. IP has indemnified and is liable to IP SPT if IP does not bill the applicable charges to its customers on behalf of IP SPT or if it does not remit the collection to IP SPT; however, the note holders are considered the primary beneficiaries of this special-purpose trust. Accordingly, Ameren and IP do not consolidate IP SPT.

FASB Staff Position SFAS No. 106-1 and FASB Staff Position SFAS No. 106-2 – "Accounting and Disclosure Requirements Related to the Medicare Prescription Drug, Improvement and Modernization Act of 2003"

On December 8, 2003, the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (the Medicare Prescription Drug Act) became law. The Medicare Prescription Drug Act introduced a prescription drug benefit for retirees under Medicare as well as a federal subsidy for sponsors of retiree health care benefit plans that provide a benefit that is at least actuarially equivalent to the Medicare prescription drug benefit. Through its postretirement benefit plans, Ameren provides retirees with prescription drug coverage that we believe is actuarially equivalent to the Medicare prescription drug benefit. In January 2004, the FASB issued FSP SFAS 106-1, which permitted a plan sponsor of a postretirement health care plan that provides a prescription drug benefit to make a one-time election to defer the accounting for the effects of the Medicare Prescription Drug Act. We made this one-time election allowed by FSP SFAS 106-1.

In May 2004, the FASB issued FSP SFAS 106-2, which superseded FSP SFAS 106-1. FSP SFAS 106-2 provides guidance on accounting for the effects of the Medicare Prescription Drug Act for employers whose prescription drug benefits are actuarially equivalent to the drug benefit under Medicare Part D. Ameren elected to adopt FSP SFAS 106-2 during the second quarter ended June 30, 2004, retroactive to January 1, 2004. See Note 11 – Retirement Benefits for additional information on the impact of adoption of FSP SFAS 106-2.

Predecessor IP's adoption of FSP SFAS 106-2 on July 1, 2004, had no impact on IP's results of operations, financial position or liquidity because its drug benefit was not actuarially equivalent to the drug benefit under Medicare Part D.

EITF Issue No. 03-1, "The Meaning of Other-Than-Temporary Impairment and Its Application to Certain Investments"

In March 2004, the EITF reached a consensus on EITF Issue No. 03-1, which provides guidance on evaluating whether an investment is other-than-temporarily impaired. The recognition and measurement provisions of EITF 03-1, which were to be effective for periods beginning after June 15, 2004, were delayed by the issuance of FSP EITF 03-1, "Effective Date of Paragraphs 10-20 of EITF Issue No. 03-1, 'The Meaning of Other-Than-Temporary Impairment and Its Application to Certain Investments,' " in September 2004. During the period of delay, we will continue to evaluate our investments, which primarily constitute our Nuclear Decommissioning Trust Fund, as required by existing authoritative guidance.

NOTE 2 – ACQUISITIONS

IP and EEI

On September 30, 2004, Ameren completed the acquisition of all the common stock and 662,924 shares of preferred stock of IP (based in Decatur, Illinois) and an additional 20% ownership interest in EEI from Dynegy and its subsidiaries. Ameren acquired IP to complement its existing Illinois gas and electric operations. The purchase included IP's rate-regulated electric and natural gas transmission and distribution business serving 600,000 electric and 415,000 gas customers in areas contiguous to our existing Illinois utility service territories. With the acquisition, IP became an Ameren subsidiary operating as AmerenIP. For a discussion of the regulatory agency approvals granted in connection with this acquisition, see Note 3 – Rate and Regulatory Matters.

The total transaction value was $2.3 billion, including the assumption of $1.8 billion of IP debt and preferred stock and consideration, including transaction costs, of $443 million in cash, net of $51 million cash acquired. In February 2005, Ameren received $5 million from Dynegy representing the final working capital adjustment pursuant to the terms of the stock purchase agreement. Ameren placed $100 million of the cash portion of the purchase price in a six-year escrow account pending resolution of certain contingent environmental obligations of IP and other Dynegy affiliates for which Ameren has been provided indemnification by Dynegy. See Note 15 – Commitments and Contingencies for information on the IP environmental matter to which the indemnification and escrow applies. In addition, this transaction included a fixed-price capacity power supply agreement for IP's annual purchase in 2005 and 2006 of 2,800 megawatts of electricity from DYPM. The contract was marked to fair value at closing of the acquisition. This agreement is expected to supply about 70% of IP's electric customer requirements during those two years. The remaining 30% of IP's power needs in 2005 and 2006 will be supplied by other companies. In the event that any of these suppliers are unable to supply the electricity required by these agreements, IP would be forced to find alternative suppliers to meet its load requirements, thus exposing itself to market price risk, which could have a material impact on Ameren's and IP's results of operations, financial position, or liquidity.

Ameren's financing plan for funding this acquisition included the issuance of new Ameren common stock. Ameren issued an aggregate of 30 million common shares in February 2004 and July 2004, which generated net proceeds of $1.3 billion. Proceeds from these issuances were used to finance the cash portion of the purchase price and to reduce IP debt assumed as part of this transaction and to pay related premiums. See Note 6 – Long-term Debt and Equity Financings for information on redemptions and repurchases of certain IP indebtedness after the acquisition.

The following table presents the estimated fair values of the assets acquired and liabilities assumed at the date of Ameren's acquisition of IP and the additional 20% ownership interest in EEI. Ameren is completing its valuations of the net assets and liabilities of IP and EEI acquired, including third-party valuations of property and plant, intangible assets, pension and other postretirement benefit obligations, and contingent obligations. As a result, the allocation of the purchase price is preliminary and subject to further adjustment. We expect to finalize purchase accounting in 2005.

The fair value of IP's power supply agreements including the fixed-price capacity power supply agreement with DYPM, discussed above recorded at the acquisition date resulted in a net liability of $109 million. In addition, we recorded a fair value adjustment, resulting in a net asset of $24 million, for IP's power supply agreement with EEI that expires at the end of 2006. The excess of the purchase price for IP's common stock and preferred stock over tangible net assets acquired has been allocated preliminarily to goodwill in the amount of $320 million, net of future tax benefits. For income tax purposes, we expect that a portion of the purchase price will be allocated to goodwill and that such portion will be deducted ratably over a 15-year period. No specifically identifiable intangible assets have been identified.

Current assets	$	374
Property and plant		1,967
Investments and other noncurrent assets		387
Goodwill		320
Total assets acquired		3,048
Current liabilities		234
Long-term debt, including current maturities		1,982
Other noncurrent liabilities		450
Total liabilities assumed		2,666
Preferred stock assumed		13
Net assets acquired	$	369

The following unaudited pro forma financial information presents a summary of Ameren's consolidated results of operations for the years ended December 31, 2004 and 2003, as if the acquisition of IP had been completed at the beginning of 2003, including pro forma adjustments, which are based upon preliminary estimates, to reflect the allocation of the purchase price to the acquired net assets. The pro forma financial information does not include cost savings that may result from the combination of Ameren with IP.

For the years ended December 31,		2004		2003
Operating revenues	$	6,320	$	6,123
Income before cumulative effect of change in accounting principle		677		663
Cumulative effect of change in accounting principle, net of taxes		-		16
Net income	$	677	$	679
Earnings per share-basic	$	3.49	$	3.55
Earnings per share-diluted	$	3.48	$	3.55

This pro forma information is not necessarily indicative of the results of operations as they would have been had the transaction been effected on the assumed date, nor is it an indication of trends for future results.

IP's Note Receivable from Former Affiliate of $2.3 billion was eliminated as of September 30, 2004, and prior to Ameren's acquisition of IP to meet the conditions of the closing. Steps to eliminate the Note were made: (1) reducing the principal balance by offsetting certain payables owed by IP to Illinova and other Dynegy entities; (2) offsetting the principal balance by the amount of interest that had been paid by Illinova to IP, but not yet earned; and (3) eliminating a portion in consideration of Illinova's assumption of IP's net deferred tax obligation and IP's contemporaneous repurchase (and cancellation immediately thereafter) of 39,892,213 of IP common shares. The 12,751,724 IP treasury shares held as of December 31, 2003, were canceled in 2004. The remaining principal balance of IP's Note Receivable from Former Affiliate was eliminated, as part of IP's overall recapitalization, with a corresponding reduction to IP's retained earnings. The elimination of IP's Note Receivable from Former Affiliate had no impact on IP's predecessor results of operations.

The portion of the total transaction value attributable to Ameren's acquisition of Dynegy's 20% ownership interest in EEI now held by Resources Company was $125 million. This transaction was accounted for as a step acquisition. The excess of the purchase price for this ownership interest over 20% of the fair value of EEI's net assets acquired has been preliminarily allocated to property and plant ($80 million) and emission allowances ($41 million), partially offset by a net liability for power supply agreements ($24 million) and a reduction to net deferred tax assets ($38 million). The remaining excess was allocated to goodwill in the amount of $54 million, subject to change based on our final valuation.

CILCORP and Medina Valley

On January 31, 2003, Ameren completed the acquisition of all of the outstanding common stock of CILCORP from AES. CILCORP is the parent company of CILCO (based in Peoria, Illinois). With the acquisition, CILCO became an indirect Ameren subsidiary, but it remains a separate utility company, operating as AmerenCILCO. On February 4, 2003, Ameren also completed the acquisition from AES of Medina Valley, which indirectly owns a 40-megawatt, gas-fired electric generation plant. The results of operations for CILCORP and Medina Valley were included in Ameren's consolidated financial statements effective with the respective January and February 2003 acquisition dates.

The total acquisition cost was $1.4 billion and included the assumption by Ameren of CILCORP and Medina Valley debt of $895 million and consideration of $479 million in cash, net of $38 million cash acquired. The purchase price allocation for the acquisition of CILCORP and Medina Valley was finalized in January 2004, resulting in an $8 million decrease in goodwill primarily due to January 2004 adjustments to property and plant, income tax accounts, and accrued severance expenses. The following table presents the final estimated fair values of the assets acquired and liabilities assumed at the dates of our acquisitions of CILCORP and Medina Valley.

Current assets	$	323
Property and plant		1,162
Investments and other noncurrent assets		154
Specifically identifiable intangible assets		6
Goodwill		561
Total assets acquired		2,206
Current liabilities		190
Long-term debt, including current maturities		937
Other noncurrent liabilities		521
Total liabilities assumed		1,648
Preferred stock assumed		41
Net assets acquired	$	517

Specifically identifiable intangible assets of $6 million comprise retail customer contracts, which are subject to amortization with an average life of 10 years. Goodwill of $561 million (CILCORP - $554 million; Medina Valley - $7 million) was recognized in connection with the CILCORP and Medina Valley acquisitions. None of this goodwill is expected to be deductible for tax purposes.

NOTE 3 – RATE AND REGULATORY MATTERS

Below is a summary of significant regulatory proceedings. With respect to pending matters, we are unable to predict the ultimate outcome of these regulatory proceedings, the timing of the final decisions of the various agencies or the impact on our results of operations, financial position, or liquidity.

IP and EEI Acquisition

Ameren received all the regulatory agency approvals necessary to acquire IP and a 20% interest in EEI from Dynegy on September 30, 2004.

The principal ongoing condition of the FERC's approval of the acquisition was that 125 megawatts of EEI's power be sold to a nonaffiliate of Ameren. The Missouri Office of Public Counsel and a group of electric industrial customers of UE, both interveners in the FERC proceeding, have asked the FERC to reconsider its order deferring to the MoPSC on the question of whether UE should be required to preserve its current entitlement to the output of EEI's Joppa power plant facility. These appeals, which are pending, did not impede the completion of the acquisition on September 30, 2004. IP joined the MISO on September 30, 2004, satisfying an additional condition of the FERC's approval of the acquisition.

The ICC order approving Ameren's acquisition of IP contains several important provisions, including the following:

- The order requires IP to submit quarterly reports in 2005 and 2006 on certain milestones regarding IP's progress in achieving an estimated $33 million in annual synergies by the beginning of 2007, and provides for adjustments in IP's next electric and gas rate cases if IP fails to achieve those milestones.
- Commencing in 2007, IP will recover over four years, through rates, $67 million in reorganization costs related to the integration of IP into the Ameren system and the restructuring of IP. As of December 31, 2004, $59 million of reorganization costs were incurred and deferred as a regulatory asset.
- The order approves a tariff rider to recover the costs of asbestos-related litigation claims, subject to the following terms: beginning in 2007, 90% of cash expenditures in excess of the amount included in base electric rates will be recovered by IP from a $20 million trust fund established by IP and financed with contributions of $10 million each by Ameren and Dynegy; if cash expenditures are less than the amount in base rates, IP will contribute 90% of the difference to the fund; once the trust fund is depleted, 90% of allowed cash expenditures in excess of base rates will be recovered through charges assessed to customers under the tariff rider.
- Ameren commits to cause an aggregate of at least $750 million principal amount of IP's long-term debt, including IP's $550 million principal amount of mortgage bonds 11.50% Series due 2010, to be redeemed, repurchased or retired on or before December 31, 2006. As of December 31, 2004, $700 million principal amount of IP debt was retired in accordance with this provision.