

# FIRST QUARTER 2013 RESULTS

05.02.13



# CAUTIONARY STATEMENTS

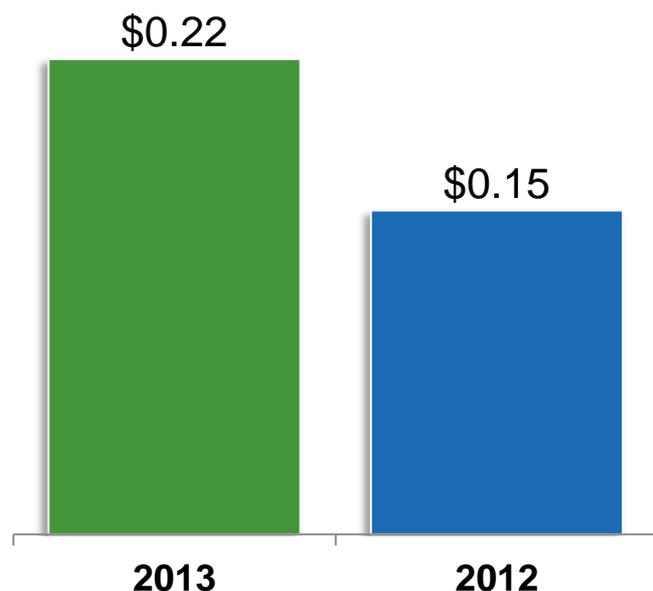
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## Forward-looking Statements

Statements in this presentation not based on historical facts are considered "forward-looking" and, accordingly, involve risks and uncertainties that could cause actual results to differ materially from those discussed. Although such forward-looking statements have been made in good faith and are based on reasonable assumptions, there is no assurance that the expected results will be achieved. These statements include (without limitation) statements as to future expectations, beliefs, plans, strategies, objectives, events, conditions, and financial performance. In connection with the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, Ameren is providing this cautionary statement to identify important factors that could cause actual results to differ materially from those anticipated. In addition to factors discussed in this presentation, Ameren's Annual Report on Form 10-K for the year ended December 31, 2012 and its other periodic reports filed with the Securities and Exchange Commission under the Securities Exchange Act of 1934 contain a list of factors and a discussion of risks, which could cause actual results to differ materially from management expectations suggested in such "forward-looking" statements. All "forward-looking" statements included in this presentation are based upon information presently available, and Ameren, except to the extent required by the federal securities laws, undertakes no obligation to update or revise publicly any "forward-looking" statements to reflect new information or current events.

# EARNINGS FROM CONTINUING OPERATIONS SUMMARY

## Earnings Per Share Q1 2013 vs. Q1 2012



## Key Earnings Drivers

- ↑ Increased electric and gas sales volumes due to colder winter weather
- ↑ New utility rates for Missouri electric and Illinois transmission service
- ↑ Absence in 2013 of donation made in 2012 associated with implementation of Illinois formula ratemaking
- ↓ Lower weather-normalized Illinois electric delivery revenues driven by variation in timing and amount of expected full-year recoverable costs under formula ratemaking
- ↓ Higher Ameren Missouri O&M costs

See page 10 for reconciliation of earnings from continuing operations to net loss.



# 2013 EARNINGS GUIDANCE

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- 2013 earnings from continuing operations expected to be in the range of \$2.00 to \$2.20
  - Incorporates parent company and other costs of ~\$0.20 per share including certain costs previously allocated to merchant generation business
    - Expect to reduce these costs to \$0.10 to \$0.15 per share in 2014 and lower in 2015 by refinancing \$425 million of 8.875% parent debt due May 2014 and rationalizing operating costs
- Presentation of guidance on a continuing operations basis reflects classification of the merchant generation business as discontinued operations in Q1 2013

Ameren's 2013 earnings guidance for continuing operations assumes normal temperatures for the remaining nine months of the year. In addition, this guidance is subject to the effects of, among other things, completion of Ameren's announced divestiture of the merchant generation business; the sale of the Elgin, Gibson City, and Grand Tower gas-fired energy centers; regulatory decisions and legislative actions; energy center operations; energy, economic, capital and credit market conditions; severe storms; unusual or otherwise unexpected gains or losses; and other risks and uncertainties outlined, or referred to, in the Forward-looking Statements section of this presentation and in Ameren's periodic reports filed with the Securities and Exchange Commission.

# MERCHANT EXIT

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- Divesting merchant generation business (Ameren Energy Resources) to an affiliate of Dynegy
- Clarifies strategic direction and value proposition
  - Ameren to focus exclusively on its rate-regulated electric, natural gas and transmission operations
- Reduces business risk and substantially improves predictability of future earnings and cash flows
  - Strengthens Ameren's credit profile
  - Supports plans for rate-regulated investment
  - Supports Ameren's dividend
- Have filed at FERC for approval and will file today with Illinois Pollution Control Board for transfer of variance related to Illinois Multi-Pollutant Standard
  - Anticipate closing in Q4 2013
- Three gas-fired energy centers retained by Ameren under put option exercise are being marketed for sale
  - Investment banker hired
  - Anticipate sale by end of year, subject to FERC approval

# TRANSMISSION INVESTMENT UPDATE

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- Plan to invest ~\$2.2 billion over 2013-2017 period in FERC-regulated electric transmission
  - ~\$1.0 billion at Ameren Illinois
  - ~\$1.2 billion at Ameren Transmission Company of Illinois (ATXI)
- ATXI's ~\$1.1 billion Illinois Rivers project continues to move toward construction
  - Nov. 7, 2012 – Filed for ICC Certificate of Public Convenience and Necessity
  - March 29, 2013 – ICC staff initial testimony recommended ICC grant Certificate for project subject to certain further considerations
    - Rebuttal testimony filed April 26, 2013 addresses remaining ICC staff concerns
  - May 13-17, 2013 – Scheduled ICC hearings
  - Aug. 20, 2013 – ICC order on Certificate filing due
  - Late 2013 – Right of way acquisition expected to begin
  - 2014 – Full range of construction activities

# PURSUING MODERN, CONSTRUCTIVE REGULATORY FRAMEWORKS - MISSOURI

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- Pursuing enhancements to Missouri regulatory framework to better support investment in energy infrastructure through proposed *Infrastructure Strengthening and Regulatory Streamlining Act*
  - Supported by every investor-owned electric utility in state
  - Provides for:
    - More timely recovery of electric utility investments that are in place and serving customers between rate cases
    - Streamlining regulation while maintaining strong MoPSC oversight, as well as other robust consumer protections
  - Would deliver long-term benefits for customers and state
    - Spur additional investment to modernize aging infrastructure
    - Meet customers' and state's future energy needs and expectations
    - Create well-paying jobs
  - Consumer advocates and certain industrial customers oppose proposed legislation
    - Modernizing regulatory framework would enable us to better meet future energy needs and create jobs
  - Legislative session ends May 17

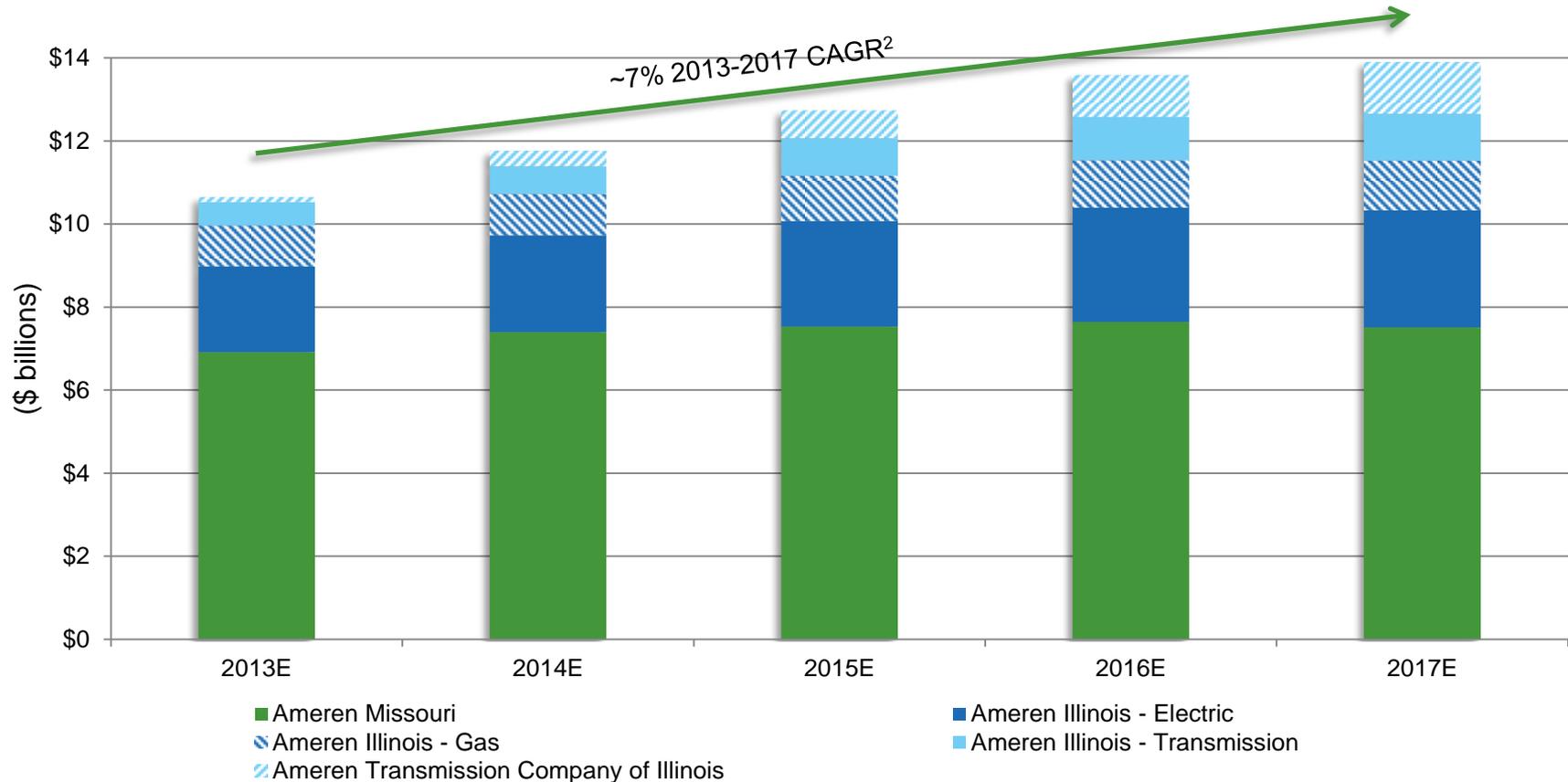
# PURSUING MODERN, CONSTRUCTIVE REGULATORY FRAMEWORKS – ILLINOIS

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- Pursuing “fix” to ensure goals of *Illinois Energy Infrastructure Modernization Act* (IEIMA) are realized
  - Goals - promote investment in electric grid modernization and create jobs
  - To be achieved through constructive, predictable formula ratemaking
  - ICC issued 2012 formula rate orders that, we believe, misapplied IEIMA
    - Legislation (SB 9), which would “fix” ICC misapplications of IEIMA , was overwhelmingly approved by General Assembly and is awaiting action by Gov. Quinn
    - Also appealing ICC orders in state appellate court
- Pursuing legislative enhancement to ratemaking framework for gas delivery service
  - Seeking framework for accelerated gas infrastructure investment and job creation
  - Would retain strong ICC oversight and consumer protections

# PLANS FOR RATE-REGULATED INVESTMENT AND GROWTH

## Ameren Regulated Rate Base Forecast<sup>1</sup>



<sup>1</sup> Projection from Feb. 20, 2013 4Q'12 Earnings Conference supplement. Reflects forecasted year-end rate base and includes CWIP related to Ameren Transmission Company of Illinois' projects.

<sup>2</sup> Compound annual growth rate.



# RECONCILIATION – EARNINGS FROM CONTINUING OPERATIONS TO NET LOSS

	<u>First Quarter</u>	
	<u>2013</u>	<u>2012</u>
Earnings per share from continuing operations	\$ 0.22	\$ 0.15
Loss per share from discontinued operations	(0.82)	(1.81)
Net loss per share	\$ (0.60)	\$ (1.66)

- Q1 2013 loss from discontinued operations included impairment and other exit-related after-tax charges of \$195 million, or \$0.80 per share
- These charges will be reviewed throughout 2013, with adjustments recorded as needed
- Currently expect total after-tax charges will be less than ~\$300 million estimated in March 2013

# Q1 2013 EARNINGS FROM CONTINUING OPERATIONS ANALYSIS

Q1 2013 EPS of \$0.22 vs. 2012 EPS of \$0.15

## Key Drivers:

- ↑ Estimated impact of colder winter weather on electric and gas sales: +\$0.10
  - Estimated Missouri impact +\$0.07 and Illinois +\$0.03
  - No impact compared to normal weather
- ↑ Missouri electric and Illinois transmission rate increases, net of certain expenses: +\$0.05
- ↑ Absence in 2013 of required donation made in 2012 associated with implementation of Illinois formula ratemaking: +\$0.02
- ↓ Lower weather-normalized Illinois electric delivery revenues: \$(0.08)
  - Variation in timing and amount of expected full-year recoverable costs under formula ratemaking
  - 2012 weather-normalized earnings expected to increase in 2013, compared to 2012, with negative comparison in Q2 but positive comparisons in Q3 and Q4
- ↓ Higher Missouri operations and maintenance expenses, net of certain rate recoveries: \$(0.03)
  - Primarily start-up expenses for Q2 2013 Callaway Nuclear Energy Center refueling and maintenance outage and higher storm-related costs

See page 10 for reconciliation of earnings from continuing operations to net loss.

# SELECTED Q2 2013 EARNINGS CONSIDERATIONS

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- Q2 2013 earnings comparison expected to include the following items, all incorporated into earnings guidance:
  - Callaway Nuclear Energy Center refueling and maintenance outage expenses: ~\$(0.10) vs. Q2 2012
  - Absence in Q2 2013 of benefit of FERC order related to disputed Missouri power purchase agreement: \$(0.07) vs. Q2 2012
  - Timing-related decline in weather-normalized Illinois electric delivery revenues and earnings vs. Q2 2012
- Missouri Court of Appeals, Western District, expected to issue decision on MoPSC 2011 fuel adjustment clause (FAC) order in 2013
  - Decision may impact comparative Q2 results
  - We believe potential financial impacts are accommodated by earnings guidance range

# UPDATED 2013 CASH FLOW GUIDANCE

(\$ in Millions)	<b><u>2013 Guidance</u></b>
Net cash provided by operating activities	\$1,550
Capital expenditures	(1,535)
Other cash flows from investing activities	(10)
Dividends: common, EEI and preferred	(395)
Advances received for construction	(10)
Merchant divestiture-related cash flows <sup>1</sup>	(100)
<b>Free cash flow</b>	<b>\$ (500)</b>

<sup>1</sup> Categorization within statement of cash flows is uncertain

- Includes \$25 million of cash currently held at Genco
- More than offset by expected cash tax benefits to be substantially realized in 2015

# SUMMARY

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- Solid Q1 2013 earnings from continuing operations
- Continuing to deliver strong operating performance and service to customers
- Agreed to divest merchant generation business to affiliate of Dynegy
  - Allows exclusive focus on our rate-regulated operations
  - Improves predictability of future earnings and cash flows
  - Continue to be on track for Q4 2013 closing
- Rate-regulated investment plans provide foundation for growing regulated rate base at ~7% annually from 2013 through 2017
- Ameren's current \$1.60<sup>1</sup> per share dividend provides attractive 4.5%<sup>2</sup> yield

<sup>1</sup> Annualized equivalent rate.

<sup>2</sup> Based on May 1, 2013 closing share price.





## APPENDIX



# ILLINOIS NATURAL GAS DELIVERY RATE FILING

- On Jan. 25, 2013, filed with ICC for \$50 million annual natural gas delivery rate increase based on:
  - Return on equity (ROE): 10.4%
  - Equity ratio: 51.82%
  - Rate base: \$1.06 billion
  - Future test year ended Dec. 31, 2014
- Key drivers of rate increase request:
  - Rate base/plant investment: \$20 million
  - Gas storage, transmission and distribution expense: \$15 million
  - ROE of 10.4% vs. current allowed ROE of 9.06%: \$13 million
  - Lower usage: \$8 million
  - Other, net: \$(6) million
- Schedule proposed by Ameren Illinois
  - ICC staff and intervenor direct testimony due June 11, 2013
  - ICC hearings Aug. 26-29, 2013
  - ALJs' proposed order due by Nov. 5, 2013 (tentative date)
  - ICC decision due by Dec. 19, 2013 with new rates expected to be effective in late Dec. 2013

# ILLINOIS ELECTRIC RATE FORMULA UPDATE FILING

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- On April 19, filed required annual electric delivery rate update case with ICC
  - Based on 2012 recoverable costs and expected 2013 expected plant additions per rate formula
  - New rates effective Jan. 2014
- Proposed \$30 million net annual rate decrease consisting of:
  - \$50 million annual rate decrease reflecting reconciliation of ICC-approved 2012 revenues to 2012 incurred costs
    - Expected refund was reflected in 2012 financial results
  - \$20 million annual rate increase primarily reflecting:
    - Increase in 2012 recoverable operations and maintenance costs over 2011 level reflected in current rates
    - Expected 2013 plant additions

# SELECTED PENDING REGULATORY PROCEEDINGS

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## Illinois Commerce Commission

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- 2013 electric delivery service update rate filing: 13-0301
- 2013 gas delivery service rate filing: 13-0192
- Illinois Rivers project filing for Certificate of Public Convenience and Necessity: 12-0598
- Website: <http://www.icc.illinois.gov/e-docket/>

## Illinois Pollution Control Board

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- Transfer of Sept. 2012 Illinois Pollution Control Board variance relating to Illinois Multi-Pollutant Standard to Dynegy: Docket number not yet assigned
- Website: <http://www.ipcb.state.il.us/COOL/external/cases.aspx>

## Missouri Public Service Commission

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- Request for accounting order related to fixed costs not recovered as a result of loss of Noranda load due to Jan. 2009 storm: EU-2012-0027
- Fuel adjustment clause audit for Oct. 2009 through May 2011 period: EO-2012-0074
- Website: <https://www.efis.psc.mo.gov/mpsc/DocketSheet.html>

## Federal Energy Regulatory Commission

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- Request for approval of merchant generation divestiture to Dynegy: EC13-93
- Website: <http://elibrary.ferc.gov/idmws/search/fercadvsearch.asp>

## Investor Relations

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AGA Financial Forum	May 6-7, 2013
ISI Energy Conference	May 8, 2013
EEI Finance Committee Meeting	
Breakfast Table Visitation	May 21, 2013
Q2 2013 quiet period begins	July 8, 2013
Q2 2013 earnings release and call	Aug. 2, 2013