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LACLEDE GROUP INC  
Form U-3A-2  
February 26, 2004

The Laclede Group, Inc.  
File No. 1-16681

FORM U-3A-2

Statement by Holding Company Claiming Exemption  
Under Rule U-3A-2 from the Provisions of the  
Public Utility Holding Company Act of 1935

THE LACLEDE GROUP, INC.  
(name of company)

hereby files with the Securities and Exchange Commission, pursuant to Rule 2, its statement claiming exemption as a holding company from the provisions of the Public Utility Holding Company Act of 1935, and submits the following information:

1. Name, state of organization, location and nature of business of claimant and every subsidiary thereof, other than any exempt wholesale generator (EWG) or foreign utility company in which claimant directly or indirectly holds an interest.

The Laclede Group, Inc., a Missouri corporation incorporated October 18, 2000, is a holding company that directly or indirectly holds interests in the following subsidiaries, each of whom is organized under the laws of the State of Missouri, except for SM&P Utility Resources, Inc., acquired January 28, 2002 and incorporated under the laws of the State of Indiana and Laclede Capital Trust I, a Delaware statutory trust:

- a. Laclede Gas Company, a public utility that was incorporated in 1857. Its service area includes the City of St. Louis, St. Louis County, the City of St. Charles and parts of St. Charles County, the town of Arnold, and parts of Jefferson, Franklin, St. Francois, Ste. Genevieve, Iron, Madison and Butler Counties, all in Missouri.
- b. Laclede Pipeline Company, which operates a propane pipeline that connects Laclede Gas' propane storage facilities in St. Louis County, Missouri to propane supply terminal facilities located at Wood River and Cahokia, Illinois. Laclede Gas vaporizes the propane to supplement its natural gas supply and meet the peak demands on its distribution system.
- c. Laclede Investment LLC, which invests in other enterprises and has made loans to several joint ventures engaged in real estate development.
- d. Laclede Energy Resources, Inc., a wholly owned subsidiary of Laclede Investment, which engages in non-utility efforts to market natural gas and related activities.
- e. Laclede Gas Family Services, Inc., a wholly owned subsidiary of Laclede Energy Resources, which is a registered insurance agency in the State of Missouri, that promotes the sale of insurance-related products.

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- f. Laclede Development Company, which participates in real estate developments, primarily through joint ventures.
- g. Laclede Venture Corp., a wholly owned subsidiary of Laclede Development, which offers services for the compression of natural gas to third parties who desire to use or to sell compressed natural gas in vehicles.
- h. SM&P Utility Resources, Inc., which is in the underground locating and marking service business.
- i. Laclede Capital Trust I, which is a Delaware statutory trust.

The business address of the claimant and each of its subsidiaries, except Laclede Energy Resources, Inc. and SM&P Utility Resources, Inc., is:

720 Olive Street  
St. Louis, MO 63101

The business address of Laclede Energy Resources, Inc. is:

68 N. Elam  
St. Louis, MO 63088

The business address of SM&P Utility Resources, Inc. is:

11455 N. Meridian Street, Suite 200  
Carmel, IN 46032

Laclede Energy Services, Inc., a Missouri corporation, became operational on May 1, 2002 and was dissolved on April 14, 2003. It performed administrative gas supply and risk management services.

2. A brief description of the properties of claimant and each of its subsidiary public utility companies used for the generation, transmission and distribution of electric energy for sale, or for the production, transmission, and distribution of natural or manufactured gas, indicating the location of principal generating plants, transmission lines, producing fields, gas manufacturing plants, and electric and gas distribution facilities, including all such properties which are outside the State in which claimant and its subsidiaries are organized and all transmission or pipelines which deliver or receive electric energy or gas at the borders of such State.

The Claimant's properties consist primarily of the utility properties of Laclede Gas. Laclede Gas' properties consist primarily of natural gas distribution systems and related facilities and local offices all in the State of Missouri. As of December 31, 2003, Laclede Gas had a natural gas storage field in Missouri designed to provide annual withdrawals of approximately 5.5 million MMBtus of gas based on the inventory level that Laclede Gas plans to maintain; a contractual right to store approximately 23.1 Bcf of natural gas in Louisiana and a liquefied propane storage cavern that has a natural gas equivalent of approximately 3 Bcf.

3. The following information for the last calendar year with respect to claimant and each of its subsidiary public utility companies.

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a. Number of kwh. of electric energy sold (at retail or wholesale), and mcf. of natural gas or manufactured gas distributed at retail.

| CLAIMANT<br>-----       | SUBSIDIARY<br>----- |
|-------------------------|---------------------|
| The Laclede Group, Inc. | Laclede Gas Company |
| None                    | 78,868,053 Mcf.     |

b. Number of kwh. of electric energy and Mcf. of natural or manufactured gas distributed at retail outside the State in which each such company is organized.

| CLAIMANT<br>-----       | SUBSIDIARY<br>----- |
|-------------------------|---------------------|
| The Laclede Group, Inc. | Laclede Gas Company |
| None.                   | None                |

c. Number of kwh. of electric energy and Mcf. of natural or manufactured gas sold at wholesale outside the State in which each such company is organized, or at the State line.

| CLAIMANT<br>-----       | SUBSIDIARY<br>----- |
|-------------------------|---------------------|
| The Laclede Group, Inc. | Laclede Gas Company |
| None                    | 12,343,630 Mcf      |

d. Number of kwh. of electric energy and Mcf. of natural or manufactured gas purchased outside the State in which each such company is organized or at the State line.

| CLAIMANT<br>-----       | SUBSIDIARY<br>----- |
|-------------------------|---------------------|
| The Laclede Group, Inc. | Laclede Gas Company |
| None.                   | 96,244,164 Mcf.     |

4. The following information for the reporting period with respect to claimant and each interest it holds directly or indirectly in an EWG or a foreign utility company, stating monetary amounts in United States dollars:

a. Name, location, business address and description of the facilities used by the EWG or foreign utility company for the generation, transmission and distribution of electric energy for sale or for the distribution at retail of natural or manufactured gas.

| CLAIMANT<br>-----       | SUBSIDIARY<br>----- |
|-------------------------|---------------------|
| The Laclede Group, Inc. | Laclede Gas Company |
| None                    | None                |

b. Name of each system company that holds an interest in such EWG

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or foreign utility company and description of the interest held.

| CLAIMANT<br>-----       | SUBSIDIARY<br>----- |
|-------------------------|---------------------|
| The Laclede Group, Inc. | Laclede Gas Company |
| None                    | None                |

c. Type and amount of capital invested, directly or indirectly, by the holding company claiming exemption; any direct or indirect guarantee of the security of the EWG or foreign utility company by the holding company claiming exemption; and any debt or other financial obligation for which there is recourse, directly or indirectly, to the holding company claiming exemption or another system company, other than the EWG or foreign utility company.

| CLAIMANT<br>-----       | SUBSIDIARY<br>----- |
|-------------------------|---------------------|
| The Laclede Group, Inc. | Laclede Gas Company |
| None                    | None                |

d. Capitalization and earnings of the EWG or foreign utility company during the reporting period.

| CLAIMANT<br>-----       | SUBSIDIARY<br>----- |
|-------------------------|---------------------|
| The Laclede Group, Inc. | Laclede Gas Company |
| None.                   | None                |

e. Identify any service, sales or construction contract(s) between the EWG or foreign utility company and a system company, and describe the services to be rendered or goods sold and fees or revenues under such agreement(s).

| CLAIMANT<br>-----       | SUBSIDIARY<br>----- |
|-------------------------|---------------------|
| The Laclede Group, Inc. | Laclede Gas Company |
| None.                   | None.               |

EXHIBIT A

A consolidating statement of income and surplus of the claimant and its subsidiary companies for the last calendar year, together with a consolidating balance sheet of claimant and its subsidiary companies as of the close of such calendar year.

EXHIBIT B

An organizational chart showing the relationship of each EWG or foreign utility company to associate companies in the holding company system.

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None.

The above-named claimant has caused this statement to be duly executed on its behalf by its authorized officer on this 26th day of February, 2004.

The Laclede Group, Inc.

By: /s/ Barry C. Cooper

-----  
Name: Barry C. Cooper

-----  
Title: Chief Financial Officer  
-----

Corporate Seal

Attest:

M.C. Kullman

-----

Name, title and address of officer to whom notices and correspondence concerning this statement should be addressed:

Mary C. Kullman  
Corporate Secretary  
720 Olive Street  
Room 1517  
St. Louis, MO 63101

THE LACLEDE GROUP, INC. AND SUBSIDIARY COMPANIES  
CONSOLIDATING BALANCE SHEETS  
DECEMBER 31, 2003  
(UNAUDITED)  
(THOUSANDS OF DOLLARS)

|               |        | The Laclede<br>Group, Inc. | Laclede<br>Gas Company | SM&P Utility<br>Resources, Inc. |
|---------------|--------|----------------------------|------------------------|---------------------------------|
|               |        | -----                      | -----                  | -----                           |
|               | ASSETS |                            |                        |                                 |
| Utility Plant |        | \$ -                       | \$ 1,039,469           | \$ -                            |

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|   |            |              |           |
|---|------------|--------------|-----------|
| Less: Accumulated depreciation and amortization | -          | 412,923      | -         |
| Net Utility Plant                               | -          | 626,546      | -         |
| Goodwill  | -          | -            | 28,124    |
| Other Property and Investments                  | 343,868    | 29,282       | 7,923     |
| Current Assets:                                 |            |              |           |
| Cash and cash equivalents                       | 16,856     | 3,301        | 610       |
| Notes receivable                                | -          | -            | 9,742     |
| Accounts receivable:                            |            |              |           |
| Gas customers - billed and unbilled             | -          | 144,286      | -         |
| Other   | 15,307     | 36,047       | 8,774     |
| Allowance for doubtful accounts                 | -          | (5,490)      | (36)      |
| Natural gas stored underground for current use  | -          | 112,579      | -         |
| Propane gas for current use                     | -          | 17,027       | -         |
| Materials, supplies, and merchandise            | -          | 4,842        | -         |
| Derivative instrument assets                    | -          | 11,259       | -         |
| Deferred income taxes                           | -          | 6,307        | -         |
| Prepayments and other                           | 108        | 4,081        | 1,177     |
| Total Current Assets                            | 32,271     | 334,239      | 20,267    |
| Deferred Charges:                               |            |              |           |
| Prepaid pension cost                            | -          | 107,117      | -         |
| Regulatory assets                               | -          | 93,225       | -         |
| Other   | 1,731      | 5,578        | -         |
| Total deferred charges                          | 1,731      | 205,920      | -         |
| Total Assets                                    | \$ 377,870 | \$ 1,195,987 | \$ 56,314 |

CAPITALIZATION AND LIABILITIES

|  |           |           |           |
|--|-----------|-----------|-----------|
| Capitalization:  |           |           |           |
| Common stock and Paid-in capital   | \$ 88,534 | \$ 82,579 | \$ 43,139 |
| Retained earnings  | 221,797   | 200,443   | (2,853)   |
| Accumulated other comprehensive loss   | -         | (582)     | -         |
| Total common stock equity  | 310,331   | 282,440   | 40,286    |
| Redeemable preferred stock - Laclede Gas                                     | -         | 1,258     | -         |
| Obligated mandatorily redeemable preferred securities to/of subsidiary trust | 46,400    | -         | -         |
| Long-term debt (less sinking fund requirements) - Laclede Gas                | -         | 234,643   | -         |
| Total Capitalization   | 356,731   | 518,341   | 40,286    |
| Current Liabilities:   |           |           |           |
| Notes payable  | 19,700    | 265,585   | -         |
| Accounts payable   | 1,458     | 81,880    | 5,975     |
| Advance customer billings  | -         | 12,287    | -         |
| Current portion of long-term debt  | -         | 25,000    | -         |
| Taxes accrued  | (428)     | 18,072    | (631)     |
| Unamortized purchased gas adjustment   | -         | 3,017     | -         |
| Other  | 409       | 34,230    | 7,850     |

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|  |            |              |           |
|--|------------|--------------|-----------|
| Total Current Liabilities                    | 21,139     | 440,071      | 13,194    |
| Deferred Credits and Other Liabilities:      |            |              |           |
| Deferred income taxes                        | -          | 180,268      | 2,210     |
| Unamortized investment tax credits           | -          | 5,240        | -         |
| Pension and postretirement benefit costs     | -          | 22,814       | -         |
| Regulatory liabilities                       | -          | 6,375        | -         |
| Other  | -          | 22,878       | 624       |
| Total Deferred Credits and Other Liabilities | -          | 237,575      | 2,834     |
| Total Capitalization and Liabilities         | \$ 377,870 | \$ 1,195,987 | \$ 56,314 |

|   | Laclede Investment, LLC | Laclede Energy Services, Inc. | Laclede Capital Trust I |
|---|-------------------------|-------------------------------|-------------------------|
| ASSETS  |                         |                               |                         |
| Utility Plant                                   | \$ -                    | \$ -                          | \$ -                    |
| Less: Accumulated depreciation and amortization | -                       | -                             | -                       |
| Net Utility Plant                               | -                       | -                             | -                       |
| Goodwill  | -                       | -                             | -                       |
| Other Property and Investments                  | 742                     | -                             | 46,400                  |
| Current Assets:                                 |                         |                               |                         |
| Cash and cash equivalents                       | 751                     | -                             | -                       |
| Notes receivable                                | 3,602                   | -                             | -                       |
| Accounts receivable:                            |                         |                               |                         |
| Gas customers - billed and unbilled             | -                       | -                             | -                       |
| Other   | 17,976                  | -                             | -                       |
| Allowance for doubtful accounts                 | (306)                   | -                             | -                       |
| Natural gas stored underground for current use  | 41                      | -                             | -                       |
| Propane gas for current use                     | -                       | -                             | -                       |
| Materials, supplies, and merchandise            | -                       | -                             | -                       |
| Derivative instrument assets                    | 1,789                   | -                             | -                       |
| Deferred income taxes                           | -                       | -                             | -                       |
| Prepayments and other                           | 2,069                   | -                             | 3,573                   |
| Total Current Assets                            | 25,922                  | -                             | 3,573                   |
| Deferred Charges:                               |                         |                               |                         |
| Prepaid pension cost                            | -                       | -                             | -                       |
| Regulatory assets                               | -                       | -                             | -                       |
| Other   | -                       | -                             | -                       |
| Total deferred charges                          | -                       | -                             | -                       |
| Total Assets                                    | \$ 26,664               | \$ -                          | \$ 49,973               |

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| CAPITALIZATION AND LIABILITIES   |           |       |           |
|--|-----------|-------|-----------|
| Capitalization:  |           |       |           |
| Common stock and Paid-in capital   | \$ 9,141  | \$ -  | \$ 1,400  |
| Retained earnings  | (2,520)   | -     | -         |
| Accumulated other comprehensive loss   | (575)     | -     | -         |
|  | -----     | ----- | -----     |
| Total common stock equity  | 6,046     | -     | 1,400     |
| Redeemable preferred stock - Laclede Gas                                     | -         | -     | -         |
| Obligated mandatorily redeemable preferred securities to/of subsidiary trust | -         | -     | 45,000    |
| Long-term debt (less sinking fund requirements) - Laclede Gas                | -         | -     | -         |
|  | -----     | ----- | -----     |
| Total Capitalization   | 6,046     | -     | 46,400    |
|  | -----     | ----- | -----     |
| Current Liabilities:   |           |       |           |
| Notes payable  | -         | -     | -         |
| Accounts payable   | 21,175    | -     | -         |
| Advance customer billings  | -         | -     | -         |
| Current portion of long-term debt  | -         | -     | -         |
| Taxes accrued  | 447       | -     | -         |
| Unamortized purchased gas adjustment   | -         | -     | -         |
| Other  | 138       | -     | 3,573     |
|  | -----     | ----- | -----     |
| Total Current Liabilities  | 21,760    | -     | 3,573     |
|  | -----     | ----- | -----     |
| Deferred Credits and Other Liabilities:                                      |           |       |           |
| Deferred income taxes  | (1,225)   | -     | -         |
| Unamortized investment tax credits   | -         | -     | -         |
| Pension and postretirement benefit costs                                     | -         | -     | -         |
| Regulatory liabilities   | -         | -     | -         |
| Other  | 83        | -     | -         |
|  | -----     | ----- | -----     |
| Total Deferred Credits and Other Liabilities                                 | (1,142)   | -     | -         |
|  | -----     | ----- | -----     |
| Total Capitalization and Liabilities   | \$ 26,664 | \$ -  | \$ 49,973 |
|  | =====     | ===== | =====     |

THE LACLEDE GROUP, INC. AND SUBSIDIARY COMPANIES  
CONSOLIDATING BALANCE SHEETS  
DECEMBER 31, 2003  
(UNAUDITED)  
(THOUSANDS OF DOLLARS)

| Laclede<br>Development<br>Company | Laclede Venture<br>Corporation | Eliminat |
|-----------------------------------|--------------------------------|----------|
| -----                             | -----                          | -----    |



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| ASSETS  |    |        |                 |
|---|----|--------|-----------------|
| Utility Plant   | \$ | -      | \$ - \$         |
| Less: Accumulated depreciation and amortization                           |    | -      | -               |
| Net Utility Plant   |    | -      | -               |
| Goodwill  |    | -      | -               |
| Other Property and Investments  |    | 5,157  | 980 (1,         |
| Current Assets:   |    |        |                 |
| Cash and cash equivalents   |    | 6      | 201             |
| Notes receivable  |    | 5,276  | 639 (           |
| Accounts receivable:  |    |        |                 |
| Gas customers - billed and unbilled                                       |    | -      | -               |
| Other   |    | -      | -               |
| Allowance for doubtful accounts   |    | -      | -               |
| Natural gas stored underground for current use                            |    | -      | -               |
| Propane gas for current use   |    | -      | -               |
| Materials, supplies, and merchandise                                      |    | -      | -               |
| Derivative instrument assets  |    | -      | -               |
| Deferred income taxes   |    | -      | -               |
| Prepayments and other   |    | 45     | -               |
| Total Current Assets  |    | 5,327  | 840 (           |
| Deferred Charges:   |    |        |                 |
| Prepaid pension cost  |    | -      | -               |
| Regulatory assets   |    | -      | -               |
| Other   |    | -      | 28              |
| Total deferred charges  |    | -      | 28              |
| Total Assets  | \$ | 10,484 | \$ 1,848 \$ (2, |
| CAPITALIZATION AND LIABILITIES  |    |        |                 |
| Capitalization:   |    |        |                 |
| Common stock and Paid-in capital  | \$ | 6,211  | \$ 1,685 \$ (1, |
| Retained earnings   |    | 3,464  | (1,409)         |
| Accumulated other comprehensive loss                                      |    | -      | -               |
| Total common stock equity   |    | 9,675  | 276 (1,         |
| Redeemable preferred stock - Laclede Gas                                  |    | -      | -               |
| Obligated mandatorily redeemable preferred securities of subsidiary trust |    | -      | -               |
| Long-term debt (less sinking fund requirements) - Laclede Gas             |    | -      | -               |
| Total Capitalization  |    | 9,675  | 276 (1,         |
| Current Liabilities:  |    |        |                 |
| Notes payable   |    | -      | 952 (           |
| Accounts payable  |    | 373    | 274             |
| Advance customer billings   |    | -      | -               |
| Current portion of long-term debt   |    | -      | -               |

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|   |                  |                 |                 |
|---|------------------|-----------------|-----------------|
| Taxes accrued                                       | 80               | (20)            |                 |
| Unamortized purchased gas adjustment                | -                | -               |                 |
| Other   | -                | -               |                 |
| <b>Total Current Liabilities</b>                    | <b>453</b>       | <b>1,206</b>    | <b>( )</b>      |
| Deferred Credits and Other Liabilities:             |                  |                 |                 |
| Deferred income taxes                               | 356              | 303             |                 |
| Unamortized investment tax credits                  | -                | -               |                 |
| Pension and postretirement benefit costs            | -                | -               |                 |
| Regulatory liabilities                              | -                | -               |                 |
| Other   | -                | 63              |                 |
| <b>Total Deferred Credits and Other Liabilities</b> | <b>356</b>       | <b>366</b>      | <b>( )</b>      |
| <b>Total Capitalization and Liabilities</b>         | <b>\$ 10,484</b> | <b>\$ 1,848</b> | <b>\$ (2, )</b> |

|   | Laclede<br>Investment LLC | Laclede<br>Energy<br>Resources, Inc. | Laclede Ga<br>Family<br>Services, Inc. |
|---|---------------------------|--------------------------------------|--|
| ASSETS  |                           |                                      |  |
| Utility Plant                                   | \$ -                      | \$ -                                 | \$ -                                   |
| Less: Accumulated depreciation and amortization | -                         | -                                    | -                                      |
| Net Utility Plant                               | -                         | -                                    | -                                      |
| Goodwill  | -                         | -                                    | -                                      |
| Other Property and Investments                  | 8,016                     | 1,951                                | -                                      |
| Current Assets:                                 |                           |                                      |  |
| Cash and cash equivalents                       | 11                        | 536                                  | 20                                     |
| Notes receivable                                | -                         | 3,602                                | 7,33                                   |
| Accounts receivable:                            |                           |                                      |  |
| Gas customers - billed and unbilled             | -                         | -                                    | -                                      |
| Other   | -                         | 17,873                               | 10                                     |
| Allowance for doubtful accounts                 | -                         | (306)                                | -                                      |
| Natural gas stored underground for current use  | -                         | 41                                   | -                                      |
| Propane gas for current use                     | -                         | -                                    | -                                      |
| Materials, supplies, and merchandise            | -                         | -                                    | -                                      |
| Derivative instrument assets                    | -                         | 1,789                                | -                                      |
| Deferred income taxes                           | -                         | -                                    | -                                      |
| Prepayments and other                           | -                         | 2,069                                | -                                      |
| <b>Total Current Assets</b>                     | <b>11</b>                 | <b>25,604</b>                        | <b>7,64</b>                            |
| Deferred Charges:                               |                           |                                      |  |
| Prepaid pension cost                            | -                         | -                                    | -                                      |
| Regulatory assets                               | -                         | -                                    | -                                      |
| Other   | -                         | -                                    | -                                      |

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|   |           |           |         |
|---|-----------|-----------|---------|
| Total deferred charges  | -         | -         |         |
|   | -----     | -----     | -----   |
| Total Assets  | \$ 8,027  | \$ 27,555 | \$ 7,64 |
|   | =====     | =====     | =====   |
| CAPITALIZATION AND LIABILITIES  |           |           |         |
| Capitalization:   |           |           |         |
| Common stock and Paid-in capital  | \$ 10,892 | \$ 7,273  | \$ 20   |
| Retained earnings   | (12,344)  | 2,812     | 7,01    |
| Accumulated other comprehensive loss                                      | -         | (575)     |         |
|   | -----     | -----     | -----   |
| Total common stock equity   | (1,452)   | 9,510     | 7,21    |
| Redeemable preferred stock - Laclede Gas                                  | -         | -         |         |
| Obligated mandatorily redeemable preferred securities of subsidiary trust | -         | -         |         |
| Long-term debt (less sinking fund requirements) - Laclede Gas             | -         | -         |         |
|   | -----     | -----     | -----   |
| Total Capitalization  | (1,452)   | 9,510     | 7,21    |
|   | -----     | -----     | -----   |
| Current Liabilities:  |           |           |         |
| Notes payable   | 7,337     | -         |         |
| Accounts payable  | 2,191     | 18,670    | 31      |
| Advance customer billings   | -         | -         |         |
| Current portion of long-term debt   | -         | -         |         |
| Taxes accrued   | (49)      | 462       | 3       |
| Unamortized purchased gas adjustment                                      | -         | -         |         |
| Other   | -         | 138       |         |
|   | -----     | -----     | -----   |
| Total Current Liabilities   | 9,479     | 19,270    | 34      |
|   | -----     | -----     | -----   |
| Deferred Credits and Other Liabilities:                                   |           |           |         |
| Deferred income taxes   | -         | (1,225)   |         |
| Unamortized investment tax credits  | -         | -         |         |
| Pension and postretirement benefit costs                                  | -         | -         |         |
| Regulatory liabilities  | -         | -         |         |
| Other   | -         | -         | 8       |
|   | -----     | -----     | -----   |
| Total Deferred Credits and Other Liabilities                              | -         | (1,225)   | 8       |
|   | -----     | -----     | -----   |
| Total Capitalization and Liabilities                                      | \$ 8,027  | \$ 27,555 | \$ 7,64 |
|   | =====     | =====     | =====   |

THE LACLEDE GROUP, INC. AND SUBSIDIARY COMPANIES  
CONSOLIDATING STATEMENTS OF INCOME  
TWELVE MONTHS ENDED DECEMBER 31, 2003  
(UNAUDITED)  
(THOUSANDS OF DOLLARS)

The Laclede                      Laclede                      SM&P Utility

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|   | Group, Inc. | Gas Company | Resources, Inc. |
|---|-------------|-------------|-----------------|
|   | -----       | -----       | -----           |
| Operating Revenues:                                       |             |             |                 |
| Regulated   |             |             |                 |
| Gas distribution  | \$ -        | \$ 818,957  | \$ -            |
| Non-Regulated   |             |             |                 |
| Services  | -           | -           | 88,893          |
| Gas marketing   | -           | -           | -               |
| Other   | -           | 2,373       | -               |
|   | -----       | -----       | -----           |
| Total Operating Revenues                                  | -           | 821,330     | 88,893          |
|   | -----       | -----       | -----           |
| Operating Expenses:                                       |             |             |                 |
| Regulated   |             |             |                 |
| Natural and propane gas                                   | -           | 525,174     | -               |
| Other operation expenses                                  | -           | 116,709     | -               |
| Maintenance   | -           | 18,744      | -               |
| Depreciation and amortization                             | -           | 22,394      | -               |
| Taxes, other than income taxes                            | -           | 56,806      | -               |
|   | -----       | -----       | -----           |
| Total regulated operating expenses                        | -           | 739,827     | -               |
| Non-Regulated   |             |             |                 |
| Services  | -           | -           | 91,392          |
| Gas marketing   | -           | -           | -               |
| Other   | 169         | 2,356       | -               |
|   | -----       | -----       | -----           |
| Total Operating Expenses                                  | 169         | 742,183     | 91,392          |
|   | -----       | -----       | -----           |
| Operating Income (Loss)                                   | (169)       | 79,147      | (2,499)         |
|   | -----       | -----       | -----           |
| Other Income and (Income Deductions) - Net                | 623         | 1,256       | (336)           |
|   | -----       | -----       | -----           |
| Equity Income in Subsidiaries                             | 36,106      | -           | -               |
|   | -----       | -----       | -----           |
| Interest Charges:   |             |             |                 |
| Interest on long-term debt                                | -           | 19,778      | -               |
| Preferred dividends and distributions of subsidiary trust | 277         | -           | 3,296           |
| Other interest charges                                    | 221         | 3,710       | 207             |
|   | -----       | -----       | -----           |
| Total Interest Charges                                    | 498         | 23,488      | 3,503           |
|   | -----       | -----       | -----           |
| Income (Loss) Before Income Taxes                         | 36,062      | 56,915      | (6,338)         |
| Income Tax Expense (Benefit)                              | (19)        | 19,815      | (2,220)         |
|   | -----       | -----       | -----           |
| Net Income (Loss)   | 36,081      | 37,100      | (4,118)         |
| Dividends on Redeemable Preferred Stock - Laclede Gas     | -           | 62          | -               |
|   | -----       | -----       | -----           |
| Net Income (Loss) Applicable to Common Stock              | \$ 36,081   | \$ 37,038   | \$ (4,118)      |
|   | =====       | =====       | =====           |

| Laclede<br>Investment,<br>LLC | Laclede<br>Energy<br>Services, Inc. | Laclede Capita<br>Trust I |
|-------------------------------|-------------------------------------|---------------------------|
| -----                         | -----                               | -----                     |

Operating Revenues:  
  Regulated

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|   |    |         |    |       |    |       |
|---|----|---------|----|-------|----|-------|
| Gas distribution  | \$ | -       | \$ | -     | \$ | -     |
| Non-Regulated   |    |         |    |       |    |       |
| Services  |    | -       |    | -     |    | -     |
| Gas marketing   |    | 183,577 |    | -     |    | -     |
| Other   |    | 162     |    | 115   |    | -     |
|   |    | -----   |    | ----- |    | ----- |
| Total Operating Revenues                                  |    | 183,739 |    | 115   |    | -     |
|   |    | -----   |    | ----- |    | ----- |
| Operating Expenses:                                       |    |         |    |       |    |       |
| Regulated   |    |         |    |       |    |       |
| Natural and propane gas                                   |    | -       |    | -     |    | -     |
| Other operation expenses                                  |    | -       |    | -     |    | -     |
| Maintenance   |    | -       |    | -     |    | -     |
| Depreciation and amortization                             |    | -       |    | -     |    | -     |
| Taxes, other than income taxes                            |    | -       |    | -     |    | -     |
|   |    | -----   |    | ----- |    | ----- |
| Total regulated operating expenses                        |    | -       |    | -     |    | -     |
| Non-Regulated   |    |         |    |       |    |       |
| Services  |    | -       |    | -     |    | -     |
| Gas marketing   |    | 179,323 |    | -     |    | -     |
| Other   |    | 144     |    | 140   |    | -     |
|   |    | -----   |    | ----- |    | ----- |
| Total Operating Expenses                                  |    | 179,467 |    | 140   |    | -     |
|   |    | -----   |    | ----- |    | ----- |
| Operating Income (Loss)                                   |    | 4,272   |    | (25)  |    | -     |
|   |    | -----   |    | ----- |    | ----- |
| Other Income and (Income Deductions) - Net                |    | 84      |    | -     |    | 3,573 |
|   |    | -----   |    | ----- |    | ----- |
| Equity Income in Subsidiaries                             |    | -       |    | -     |    | -     |
|   |    | -----   |    | ----- |    | ----- |
| Interest Charges:   |    |         |    |       |    |       |
| Interest on long-term debt                                |    | -       |    | -     |    | -     |
| Preferred dividends and distributions of subsidiary trust |    | -       |    | -     |    | 3,569 |
| Other interest charges                                    |    | 145     |    | 7     |    | -     |
|   |    | -----   |    | ----- |    | ----- |
| Total Interest Charges                                    |    | 145     |    | 7     |    | 3,569 |
|   |    | -----   |    | ----- |    | ----- |
| Income (Loss) Before Income Taxes                         |    | 4,211   |    | (32)  |    | 4     |
| Income Tax Expense (Benefit)                              |    | 1,627   |    | (11)  |    | -     |
|   |    | -----   |    | ----- |    | ----- |
| Net Income (Loss)   |    | 2,584   |    | (21)  |    | 4     |
| Dividends on Redeemable Preferred Stock - Laclede Gas     |    | -       |    | -     |    | -     |
|   |    | -----   |    | ----- |    | ----- |
| Net Income (Loss) Applicable to Common Stock              | \$ | 2,584   | \$ | (21)  | \$ | 4     |
|   |    | =====   |    | ===== |    | ===== |

THE LACLEDE GROUP, INC. AND SUBSIDIARY COMPANIES  
CONSOLIDATING STATEMENTS OF INCOME  
TWELVE MONTHS ENDED DECEMBER 31, 2003  
(UNAUDITED)  
(THOUSANDS OF DOLLARS)

Laclede

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|   | Development<br>Company | Laclede Venture<br>Corporation | Eliminatio |
|---|------------------------|--------------------------------|------------|
|   | -----                  | -----                          | -----      |
| Operating Revenues:                                       |                        |                                |            |
| Regulated   |                        |                                |            |
| Gas distribution  | \$ -                   | \$ -                           | \$ -       |
| Non-Regulated   |                        |                                |            |
| Services  | -                      | -                              |            |
| Gas marketing   | -                      | -                              |            |
| Other   | 99                     | 399                            |            |
|   | -----                  | -----                          | -----      |
| Total Operating Revenues                                  | 99                     | 399                            |            |
|   | -----                  | -----                          | -----      |
| Operating Expenses:                                       |                        |                                |            |
| Regulated   |                        |                                |            |
| Natural and propane gas                                   | -                      | -                              |            |
| Other operation expenses                                  | -                      | -                              |            |
| Maintenance   | -                      | -                              |            |
| Depreciation and amortization                             | -                      | -                              |            |
| Taxes, other than income taxes                            | -                      | -                              |            |
|   | -----                  | -----                          | -----      |
| Total regulated operating expenses                        | -                      | -                              |            |
| Non-Regulated   |                        |                                |            |
| Services  | -                      | -                              |            |
| Gas marketing   | -                      | -                              |            |
| Other   | 123                    | 273                            |            |
|   | -----                  | -----                          | -----      |
| Total Operating Expenses                                  | 123                    | 273                            |            |
|   | -----                  | -----                          | -----      |
| Operating Income (Loss)                                   | (24)                   | 126                            |            |
|   | -----                  | -----                          | -----      |
| Other Income and (Income Deductions) - Net                | 127                    | 4                              | (2)        |
|   | -----                  | -----                          | -----      |
| Interest Charges:   |                        |                                |            |
| Interest on long-term debt                                | -                      | -                              |            |
| Preferred dividends and distributions of subsidiary trust | -                      | -                              |            |
| Other interest charges                                    | 9                      | 30                             | (2)        |
|   | -----                  | -----                          | -----      |
| Total Interest Charges                                    | 9                      | 30                             | (2)        |
|   | -----                  | -----                          | -----      |
| Income (Loss) Before Income Taxes                         | 94                     | 100                            |            |
| Income Tax Expense (Benefit)                              | 78                     | 31                             |            |
|   | -----                  | -----                          | -----      |
| Net Income (Loss)   | 16                     | 69                             |            |
| Dividends on Redeemable Preferred Stock - Laclede Gas     | -                      | -                              |            |
|   | -----                  | -----                          | -----      |
| Net Income (Loss) Applicable to Common Stock              | \$ 16                  | \$ 69                          | \$         |
|   | =====                  | =====                          | =====      |

| Laclede<br>Investment LLC | Laclede<br>Energy<br>Resources, Inc. | Laclede Gas<br>Family<br>Services, Inc. |
|---------------------------|--------------------------------------|---|
| -----                     | -----                                | -----                                   |

Operating Revenues:  
  Regulated

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|   |    |       |         |       |       |    |
|---|----|-------|---------|-------|-------|----|
| Gas distribution  | \$ | -     | \$      | -     | \$    |    |
| Non-Regulated   |    |       |         |       |       |    |
| Services  |    | -     |         | -     |       |    |
| Gas marketing   |    | -     | 183,577 |       |       |    |
| Other   |    | 6     | -       |       | 15    |    |
|   |    | ----- | -----   |       | ----- |    |
| Total Operating Revenues                                  |    | 6     | 183,577 |       | 15    |    |
|   |    | ----- | -----   |       | ----- |    |
| Operating Expenses:                                       |    |       |         |       |       |    |
| Regulated   |    |       |         |       |       |    |
| Natural and propane gas                                   |    | -     |         | -     |       |    |
| Other operation expenses                                  |    | -     |         | -     |       |    |
| Maintenance   |    | -     |         | -     |       |    |
| Depreciation and amortization                             |    | -     |         | -     |       |    |
| Taxes, other than income taxes                            |    | -     |         | -     |       |    |
|   |    | ----- | -----   |       | ----- |    |
| Total regulated operating expenses                        |    | -     |         | -     |       |    |
| Non-Regulated   |    |       |         |       |       |    |
| Services  |    | -     |         | -     |       |    |
| Gas marketing   |    | -     | 179,323 |       |       |    |
| Other   |    | 38    | -       |       | 10    |    |
|   |    | ----- | -----   |       | ----- |    |
| Total Operating Expenses                                  |    | 38    | 179,323 |       | 10    |    |
|   |    | ----- | -----   |       | ----- |    |
| Operating Income (Loss)                                   |    | (32)  | 4,254   |       | 5     |    |
|   |    | ----- | -----   |       | ----- |    |
| Other Income and (Income Deductions) - Net                |    | -     | 84      |       | 29    |    |
|   |    | ----- | -----   |       | ----- |    |
| Interest Charges:   |    |       |         |       |       |    |
| Interest on long-term debt                                |    | -     |         | -     |       |    |
| Preferred dividends and distributions of subsidiary trust |    | -     |         | -     |       |    |
| Other interest charges                                    |    | 367   | 73      |       |       |    |
|   |    | ----- | -----   |       | ----- |    |
| Total Interest Charges                                    |    | 367   | 73      |       |       |    |
|   |    | ----- | -----   |       | ----- |    |
| Income (Loss) Before Income Taxes                         |    | (399) | 4,265   |       | 34    |    |
| Income Tax Expense (Benefit)                              |    | (153) | 1,647   |       | 13    |    |
|   |    | ----- | -----   |       | ----- |    |
| Net Income (Loss)   |    | (246) | 2,618   |       | 21    |    |
| Dividends on Redeemable Preferred Stock - Laclede Gas     |    | -     |         |       |       |    |
|   |    | ----- | -----   |       | ----- |    |
| Net Income (Loss) Applicable to Common Stock              | \$ | (246) | \$      | 2,618 | \$    | 21 |
|   |    | ===== | =====   |       | ===== |    |

THE LACLEDE GROUP, INC. AND SUBSIDIARY COMPANIES  
STATEMENT OF CONSOLIDATING RETAINED EARNINGS  
TWELVE MONTHS ENDED DECEMBER 31, 2003  
(UNAUDITED)  
(THOUSANDS OF DOLLARS)

The Laclede Group, Inc.                      Laclede Gas Company                      SM&P Utility Resources, Inc.

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|                                   |            |            |            |    |
|-----------------------------------|------------|------------|------------|----|
| Balance at Beginning of Year      | \$ 211,259 | \$ 188,949 | \$ 1,265   | \$ |
| Add - Net Income, per statements  | 36,081     | 37,038     | (4,118)    |    |
| Total                             | 247,340    | 225,987    | (2,853)    |    |
| Deduct - Cash Dividends Declared: |            |            |            |    |
| Common stock                      | 25,543     | 25,544     | -          |    |
| Charges to Retained Earnings      | -          | -          | -          |    |
| Total                             | 25,543     | 25,544     | -          |    |
| Balance at End of Year            | \$ 221,797 | \$ 200,443 | \$ (2,853) | \$ |

|                                   | Laclede<br>Investment,<br>LLC | Laclede<br>Energy<br>Services, Inc. | Laclede Capital<br>Trust I |
|-----------------------------------|-------------------------------|-------------------------------------|----------------------------|
| Balance at Beginning of Year      | \$ (5,104)                    | \$ 21                               | \$ (4)                     |
| Add - Net Income, per statements  | 2,584                         | (21)                                | 4                          |
| Total                             | (2,520)                       | -                                   | -                          |
| Deduct - Cash Dividends Declared: |                               |                                     |                            |
| Common stock                      | -                             | -                                   | -                          |
| Charges to Retained Earnings      | -                             | -                                   | -                          |
| Total                             | -                             | -                                   | -                          |
| Balance at End of Year            | \$ (2,520)                    | \$ -                                | \$ -                       |

THE LACLEDE GROUP, INC. AND SUBSIDIARY COMPANIES  
STATEMENT OF CONSOLIDATING RETAINED EARNINGS  
TWELVE MONTHS ENDED DECEMBER 31, 2003  
(UNAUDITED)  
(THOUSANDS OF DOLLARS)

|                              | Laclede<br>Development<br>Company | Laclede Venture<br>Corporation | Eliminations | De |
|------------------------------|-----------------------------------|--------------------------------|--------------|----|
| Balance at Beginning of Year | \$ 3,448                          | \$ (1,478)                     | \$ -         | \$ |



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|                                   |          |            |       |       |
|-----------------------------------|----------|------------|-------|-------|
| Add - Net Income, per statements  | 16       | 69         | -     |       |
|                                   | -----    | -----      | ----- | ----- |
| Total                             | 3,464    | (1,409)    | -     |       |
|                                   | -----    | -----      | ----- | ----- |
| Deduct - Cash Dividends Declared: |          |            |       |       |
| Common stock                      | -        | -          | -     |       |
| Charges to Retained Earnings      | -        | -          | -     |       |
|                                   | -----    | -----      | ----- | ----- |
| Total                             | -        | -          | -     |       |
|                                   | -----    | -----      | ----- | ----- |
| Balance at End of Year            | \$ 3,464 | \$ (1,409) | \$ -  | \$    |
|                                   | =====    | =====      | ===== | ===== |

|                                   | Laclede<br>Investment LLC | Laclede<br>Energy<br>Resources, Inc. | Laclede Gas<br>Family<br>Services, Inc. |
|-----------------------------------|---------------------------|--------------------------------------|---|
|                                   | -----                     | -----                                | -----                                   |
| Balance at Beginning of Year      | \$ (12,098)               | \$ 194                               | \$ 6,800                                |
| Add - Net Income, per statements  | (246)                     | 2,618                                | 212                                     |
|                                   | -----                     | -----                                | -----                                   |
| Total                             | (12,344)                  | 2,812                                | 7,012                                   |
|                                   | -----                     | -----                                | -----                                   |
| Deduct - Cash Dividends Declared: |                           |                                      |   |
| Common stock                      | -                         | -                                    | -                                       |
| Charges to Retained Earnings      | -                         | -                                    | -                                       |
|                                   | -----                     | -----                                | -----                                   |
| Total                             | -                         | -                                    | -                                       |
|                                   | -----                     | -----                                | -----                                   |
| Balance at End of Year            | \$ (12,344)               | \$ 2,812                             | \$ 7,012                                |
|                                   | =====                     | =====                                | =====                                   |