

ASX release

24 May 2012



AGL Energy Limited (AGL) reaffirms that the Interest Rate in respect of the AGL Energy Subordinated Notes (Notes) for the Interest Period commencing on 4 April 2012 and ending on 8 June 2012 is 8.12% per annum.

The Interest Rate is calculated as the Bank Bill Rate on 4 April 2012 of 4.32% plus the Margin of 3.80%.

The table below outlines the key dates and the Interest Payment for the next Interest Period.

Interest Payment Date	Ex-Date	Record Date	No. of Days in Interest period	Interest Rate	Interest Payment per Note ¹
8 June 2012	25 May 2012	31 May 2012	65	8.12%	\$1.45 ²

Terms defined in the AGL Energy Subordinated Notes Terms have the same meaning in this notice.

¹ Face value is \$100 per Note

² All calculations of interest will be rounded to four decimal places

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**About AGL**

AGL is one of Australia's leading integrated renewable energy companies and is taking action toward creating a sustainable energy future for our investors, communities and customers. Drawing on 175 years of experience, AGL operates retail and merchant energy businesses, power generation assets and an upstream gas portfolio. AGL has one of Australia's largest retail energy and dual fuel customer bases. AGL has a diverse power generation portfolio including base, peaking and intermediate generation plants, spread across traditional thermal generation as well as renewable sources including hydro, wind, landfill gas and biomass. AGL is Australia's largest private owner and operator of renewable energy assets and is looking to further expand this position by exploring a suite of low emission and renewable energy generation development opportunities.