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ASX release

25 June 2012

AGL successfully completes Retail Shortfall Bookbuild

AGL Energy Limited (**AGL**) today announced the successful completion of the retail shortfall bookbuild (**Retail Shortfall Bookbuild**) for the retail component of its fully underwritten 1 for 6 pro rata accelerated renounceable entitlement offer (**Retail Entitlement Offer**). This is the final stage of AGL's equity raising of approximately $900 million announced on Thursday, 24 May 2012.

Summary of the Retail Shortfall Bookbuild

The Retail Shortfall Bookbuild was conducted after market close on Friday, 22 June 2012 and was well supported by shareholders and new investors, with:

- approximately 11.9 million entitlements sold;
- a clearing price of $2.90 per entitlement achieved; and
- the total amount to be paid by successful participants being $14.50 per New Share.

The 11.9 million entitlements sold represented the retail entitlements not taken up and the entitlements that would otherwise have been offered to ineligible retail shareholders under the Retail Entitlement Offer.

The total amount to be paid by successful participants in the retail shortfall bookbuild is $14.50 per New Share. This is a premium of $2.90 above the offer price of $11.60 per New Share. Eligible retail shareholders who elected not to take up their entitlements, and ineligible retail shareholders, will receive $2.90 for each entitlement not taken up and sold into the bookbuild (**Retail Premium**).

The settlement date for the Retail Entitlement Offer and the retail shortfall bookbuild is Thursday, 28 June 2012. The New Shares are expected to be issued on Friday, 29 June 2012 and commence trading on ASX on Monday, 2 July 2012. The Retail Premium is expected to be paid on or about Tuesday, 3 July 2012.

Shareholder Enquiries

Shareholders who have questions relating to the Entitlement Offer should call the AGL Offer Information line on 1800 824 513 (within Australia) or +61 2 8280 7115 (outside Australia) from 8.30am to 5.30pm (Sydney time) Monday to Friday or go to our website www.agl.com.au.

For further information please contact:

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Important Information

Nothing contained in this announcement constitutes investment, legal, tax or other advice. You should make your own assessment and take independent professional advice in relation to the information and any action on the basis of the information.

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This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither the Entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933 (the "Securities Act") or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements and the New Shares may not be offered or sold in the United States, unless they have been registered under the Securities Act, or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

Neither this announcement nor any other documents relating to the offer of Entitlements or New Shares may be sent or distributed to persons in the United States.

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.