

ASX & Media Release

AGL successfully prices \$600 million 7-year Medium Term Note issue

30 October 2014

AGL Energy Limited (**AGL**) today announced that it has successfully priced A\$600 million of senior unsecured, seven year fixed rate Medium Term Notes (A\$MTN). This is the largest seven year A\$MTN transaction in over a decade, and was more than four times oversubscribed from the initial launch volume of A\$200 million with interest in excess of A\$850 million primarily from Australian and Asian based investors.

The notes were issued at a spread of swap plus 170 basis points, equating to a 5.0% coupon.

AGL's Chief Financial Officer, Brett Redman, said: "As an inaugural A\$MTN issuer this is an excellent outcome reflecting AGL's strong credit metrics and current levels of market liquidity. We are pleased with the support and participation from a broad range of investors.

"This is also an important step in diversifying and lengthening AGL's funding sources following the recent acquisition of the Macquarie Generation assets."

The funds will be used to repay the \$350 million Macquarie Generation debt bridge facility and to partly pre-pay AGL Loy Yang project finance debt due in November 2015.

Further inquiries:

Investors

John Hobson, Head of Capital Markets
Direct: +61 2 9921 2789
Mobile: +61 (0) 488 002 460
email: john.hobson@agl.com.au

Media

Karen Winsbury, Head of Corporate Communications
Direct: +61 3 8633 6388
Mobile: +61 (0) 408 465 479
e-mail: kwinsbury@agl.com.au

About AGL

AGL is one of Australia's leading integrated energy companies and largest ASX listed owner, operator and developer of renewable energy generation in the country. Drawing on over 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 taking action toward creating a sustainable energy future for our investors, communities and customers.