

ASX & Media Release

AGL completes the sale of Macarthur Wind Farm

7 September 2015

AGL Energy Limited (AGL) today announced it has sold its 50 percent participating interest in the 420 MW Macarthur Wind Farm joint venture to H.R.L. Morrison & Co managed funds (Morrison & Co) for a sale price of \$532 million. The net proceeds are equal to the book value of the asset and therefore no profit or loss on the sale will be recorded.

The Macarthur Wind Farm is located in south-west Victoria. It was constructed by Vestas and Leighton Contractors utilising 140 Vestas V112, 3 MW turbines and was completed on 31 January 2013. The other 50 percent interest is held by Malakoff Corporation Berhad (Malakoff).

AGL will continue to operate and maintain the Macarthur Wind Farm on behalf of Morrison & Co and Malakoff, and retains the rights to all Renewable Energy Certificates and electricity output until 2038.

AGL is positioning itself to deliver sustainable earnings growth against the backdrop of a transformation of the energy industry. The sale of the Macarthur Wind Farm is the first step toward AGL's target of \$1 billion in asset divestments by the end of FY17. The sale of this asset will improve the company's capital efficiency while retaining its BBB credit rating.

AGL is Australia's largest ASX listed owner, operator and developer of renewable energy generation with over 1,900 MW of renewable capacity currently in operation or under development.

AGL's key renewable generation assets

Asset	Type	Capacity
AGL Hydro	Hydro	796 MW
Wattle Point	Wind	91 MW
Hallett 1	Wind	95 MW
Hallett 2	Wind	71 MW
Hallett 4	Wind	132 MW
Hallett 5	Wind	53 MW
Oaklands Hill	Wind	63 MW
Macarthur	Wind	420 MW
Land fill gas & cogeneration	Other	69 MW
Nyngan	Solar	102 MW
Broken Hill (<i>completion due late 2015</i>)	Solar	53 MW

KEY FACTS: Macarthur Wind Farm

Location	16 kilometres east of Macarthur, between Hamilton and Warnambool in south-west Victoria.
Contractor	Vestas & Leighton Contractors
Turbines	140 3 MW Vestas V112
Size	112m diameter, 85m hub
Landowners	Agreements with 3 landowners for 25 years of operation. AGL has the option to renew the leases for a further 25 year term alongside the other JV Participant
Capacity	Nameplate 420 MW
Capacity factor	Approximately 34%
Average wind speed	Approximately 7m/s
Contracted output	Approximately 1,240 GWh p.a.
Construction status	Practical completion 31 January 2013 – now operational
Electricity + REC off-take price ¹	September 2015: ~\$79/MWh
1. Based upon December 2014 dollars	

Further inquiries:

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About AGL

AGL is one of Australia's leading integrated energy companies. It is taking action to responsibly reduce its greenhouse gas emissions while providing secure and affordable energy to its customers. Drawing on over 175 years of experience, AGL serves its customers throughout eastern Australia with meeting their energy requirements, including gas, electricity, solar PV and related products and services. 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, solar, landfill gas and biomass.