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asx release

12 May 2008

AGL confirms FY08 earnings guidance

On 15 October 2007, AGL Energy Limited (AGL) advised that it anticipated FY08 underlying net profit after tax¹ of \$330 - \$360 million. This was reconfirmed in December 2007, and again in February 2008 following release of results for the six months ended 31 December 2007.

AGL today reconfirms that it anticipates FY08 underlying net profit after tax to be in the range \$330 - \$360 million and EBITDA to be in the range \$830 - \$875 million. This is based on a review of earnings for the year to date, including preliminary results for April 2008, and assumes average weather conditions for May and June and no unexpected circumstances for the remainder of the financial year.

AGL's businesses have performed well since 31 December 2007 with earnings for the second half influenced by a strong performance from Torrens Island Power Station, predominantly due to a sustained period of extreme weather conditions in South Australia in March. However, this has been partly offset by a lower than expected contribution from AGL's 32% interest in Loy Yang A Power Station, mainly due to lower than anticipated electricity pool prices in Victoria over the summer months.

AGL also advises that the increased level of sales and marketing activity that it has previously foreshadowed is showing encouraging results with a net gain in customer account numbers since 31 December 2007.

AGL confirms that it anticipates that the FY08 dividend will be in the range of 52 - 55 cents, fully franked.

A handwritten signature in black ink, appearing to read 'P. Williams'.

Paul McWilliams
Company Secretary

¹ Underlying net profit after tax excludes adjustments relating to significant items and customer amortisation costs relating to the Powerdirect purchase. It also excludes fair value adjustments.