



ASX release

Segmental Earnings Reclassification

18 January 2010

AGL Energy Limited (AGL), Australia's leading integrated renewable energy company, has made several changes to the way it will report the segmental analysis in its 2010 interim results to be released on 26 February 2010. Accounting standard AASB8 requires companies to report segmental information on a similar basis as management reviews the information internally.

There is no change to the reported profit in any previous periods, only a movement between business units.

To facilitate comparisons with performance in prior periods, AGL has provided the historical segment data below.

The two changes are:

- › Inclusion of Loy Yang A equity accounted profits in Investments; previously reported in Merchant Energy; and
- › Inclusion of Yabulu power station in Merchant Energy; previously reported in Upstream Gas.

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About AGL

AGL is one of Australia's leading integrated energy companies and is taking action toward creating a sustainable energy future for our investors, communities and customers. Drawing on over 170 years of experience, AGL operates retail and merchant energy businesses, power generation assets and an upstream gas portfolio. AGL has Australia's largest retail energy and dual fuel customer base. 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.



Operating EBIT

A\$ million

As previously reported:

	<u>1H09</u>	<u>FY09</u>	<u>1H08</u>	<u>FY08</u>
Retail Energy	145.7	266.8	134.8	271.7
Merchant Energy	226.1	447.3	187.2	337.6
Upstream Gas (including pro-forma adjustments)	20.3	16.3	51.7	108.3
Energy Investments	30.5	44.0	50.6	73.7
Centrally managed expenses	(63.5)	(131.3)	(51.4)	(98.1)
Total	359.1	643.1	372.9	693.2

New reporting structure:

Retail Energy	145.7	266.8	134.8	271.7
Merchant Energy	215.5	402.8	171.2	331.4
Upstream Gas (including pro-forma adjustments)	28.4	29.9	51.7	102.1
Energy Investments	33.0	74.8	66.6	86.1
Centrally managed expenses	(63.5)	(131.2)	(51.4)	(98.1)
Total	359.1	643.1	372.9	693.2

Merchant Operating EBIT

A\$ million

As previously reported:

	<u>1H09</u>	<u>FY09</u>	<u>1H08</u>	<u>FY08</u>
Energy Portfolio Management ¹	248.2	447.9	178.5	356.3
Merchant Operations ²	(46.1)	(66.2)	(32.2)	(75.9)
Energy Services	13.9	22.4	14.8	28.6
Power Development	14.2	51.1	30.3	36.8
Sundry	(4.1)	(7.9)	(4.2)	(8.2)
Total	226.1	447.3	187.2	337.6

New reporting structure:

Energy Portfolio Management ¹	240.1	434.2	178.5	362.5
Merchant Operations	(48.6)	(97.0)	(48.2)	(88.3)
Energy Services	13.9	22.4	14.8	28.6
Power Development	14.2	51.1	30.3	36.8
Sundry	(4.1)	(7.9)	(4.2)	(8.2)
Total	215.5	402.8	171.2	331.4

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Upstream Gas Operating EBIT

A\$ million

As previously reported:

	1H09	FY09	1H08	FY08
PNG upstream investment (including pro-forma)	22.4	22.4	42.9	75.9
Upstream gas	(3.8)	(5.6)	4.9	24.8
Equity investments ³	2.4	2.7	3.5	6.6
Sundry	(0.7)	(3.2)	0.4	1.0
Total	20.3	16.3	51.7	108.3

New reporting structure:

PNG upstream investment (including pro-forma)	22.4	22.4	42.9	75.9
Upstream gas	4.3	8.0	4.9	18.6
Equity investments ³	2.4	2.7	3.5	6.6
Sundry	(0.7)	(3.2)	0.4	1.0
Total	28.4	29.9	51.7	102.1

Investments Operating EBIT

A\$ million

As previously reported:

	1H09	FY09	1H08	FY08
ActewAGL	17.1	27.9	15.2	26.0
Elgas	10.6	10.6	9.9	15.6
GasValpo	-	-	9.4	13.5
AlintaAGL	-	-	13.6	13.6
Investments Other	2.8	5.5	2.5	5.0
Total	30.5	44.0	50.6	73.7

New reporting structure:

Loy Yang	2.5	30.8	16.0	12.4
ActewAGL	17.1	27.9	15.2	26.0
Elgas	10.6	10.6	9.9	15.6
GasValpo	-	-	9.4	13.5
AlintaAGL	-	-	13.6	13.6
Investments Other	2.8	5.5	2.5	5.0
Total	33.0	74.8	66.6	86.1

1 Includes Wholesale Electricity, Wholesale Gas and Eco-markets.

2 Includes Merchant Operations and Loy Yang.

3 Includes equity share of QGC and CSM Energy.