Directors' Report 2012

Directors' Interests

The relevant interest of each Director in the share capital of the companies within the consolidated entity, as notified by the Directors to the ASX in accordance with Section 205G of the Corporations Act, at the date of this Report is as follows:

AGL Energy Limited Ordinary Shares

Jeremy Maycock	65,290
Michael Fraser	671,267
Les Hosking	2,334
Belinda Hutchinson	7,630
Sandra McPhee	17,121
Max Ould	34,619
Bruce Phillips	33,834
John Stanhope	3,442

Jeremy Maycock holds 1,500 Subordinated Notes issued by AGL Energy Limited.

No options have been granted over any securities or interests of AGL or the consolidated entity.

Company Secretaries

Paul McWilliams was appointed Company Secretary of AGL Energy Limited on 25 August 2006. Paul's educational qualifications include Bachelor of Arts (Accounting) from the University of South Australia, Master of Applied Finance from Macquarie University and a Graduate Diploma in Applied Corporate Governance. He is a member of the Institute of Chartered Accountants of Australia, Chartered Secretaries Australia and the Institute of Chartered Secretaries and Administrators. Paul has had more than 35 years of experience across a variety of roles in the Australian Taxation Office, chartered accounting and listed public companies.

John Fitzgerald was appointed an additional Company Secretary on 25 August 2010. John's qualifications are a Bachelor of Arts and a Bachelor of Laws from the University of New South Wales and a Masters in Arts from the National University of Ireland (University College Dublin). John is admitted as a Solicitor of the Supreme Court of New South Wales and is AGL's Head of Legal. John has been practising in projects, mining and energy law for approximately 16 years.

Directors' Meetings

The number of Directors' Meetings (including meetings of Committees of Directors) and number of meetings attended by each of the Directors of AGL during the financial year were:

	Regular Board Meetings		Special Board Meetings		Audit and Risk Management Committee		People and Performance Committee		Sustainability and Corporate Responsibility Committee		Nominations Committee	
Director's Name	Α	В	Α	В	Α	В	Α	В	Α	В	Α	В
Jeremy Maycock	12	12	4	4							9	9
Michael Fraser	12	12	4	4								
Les Hosking	12	12	4	4	5	5			4	4	8	9
Belinda Hutchinson	11	12	4	4	5	5	4	4			7	9
Sandra McPhee	12	12	4	4	2	2	4	4	4	4	9	9
Max Ould	12	12	4	4			4	4			7	9
Bruce Phillips	12	12	4	4	5	5			4	4	9	9
John Stanhope	12	12	4	4	5	5	1	1			9	9

A – number of meetings attended as a member

During the year, in aggregate, there were 13 occasions when the Non-executive Directors also attended some of the meetings of Committees, of which they were not members.

In addition to the above selected meetings, Directors throughout the year, participated in informal meetings and telephone conferences. AGL makes extensive use of email between meetings to keep Directors informed of current developments; to provide relevant background and industry information; to dispose of routine matters and allow formal Board meetings to concentrate on more important matters. An extended strategy session is held at least once a year. Periodically, Directors meet informally outside AGL to discuss matters of interest and travel to visit assets, operations or locations of particular relevance to AGL.

Review and Results of Operations

The consolidated profit after income tax attributable to Shareholders was \$114.9 million (2010/2011 \$558.7 million). The Underlying Profit was \$482.0 million (2010/2011 \$431.1 million).

Reconciliation of Underlying Profit

	30 June 2012 \$m	30 June 2011 \$m
Profit after tax attributable to Shareholders	114.9	558.7
Adjust for the following after tax items		
Significant items	155.1	27.3
Changes in fair value of financial instruments	212.0	(154.9)
Underlying Profit after tax	482.0	431.1

B – number of meetings held during the time the Director held office during the year