



ASX/MEDIA RELEASE

Australian Power & Gas exceeds FY11 forecasts for revenue and customer accounts; declares first dividend

- ***All FY11 forecasts achieved***
- ***Dividend of 0.5 cents***
- ***Revenue rises 77% on strong growth in customer acquisitions***
- ***Continued trend towards improved profitability and returns***
- ***Forecasting revenue of \$410-430m in FY12***

Sydney, 26 August 2011 – Australian Power and Gas Company Limited (ASX: APK), an independent energy retailer, today released its financial results for the 12 months ended 30 June 2011, and said it will pay a dividend for the first time.

Australian Power & Gas exceeded its FY11 forecasts for revenue and net customer accounts, and met its forecasts for underlying EBITDA and underlying NPAT. It declared an unfranked dividend of 0.5 cents, to be paid on 26 September 2011.

Revenue climbed 77 percent to \$230 million, underpinned by an 88 percent increase in billable accounts to 272,443 as the company acquired new customers at a record rate and entered new markets in New South Wales and Queensland.

"We are very pleased with this result, having achieved strong growth in both revenue and customer numbers again in fiscal 2011," said James Myatt, CEO of Australian Power & Gas. "We remain one of the fastest-growing companies in Australia as we rapidly achieve critical scale and mass in all our markets. This result continues the trend towards improved profitability and shareholder returns, and we are particularly pleased to be able to pay our first dividend."

	FY10	FY11	Change	Previous FY11 Guidance
Net customer accounts	145,074	272,443	+88%	260,000
Revenue	\$130m	\$230m	+77%	\$200-220m
Underlying EBITDA	\$13.5m	\$21.2m	+57%	\$21-23m
Underlying NPAT	\$1.4m	\$3.7m	+163%	\$3.5-4.5m

Australian Power and Gas Company Limited
ABN 96 077 206 583

Level 9, 341 George Street
Sydney NSW 2000

Address all mail to:
Locked Bag 5004
Royal Exchange NSW 1225

Ph: 02 8908 2700
Fax: 02 8908 2701

www.australianpowerandgas.com.au



Australian Power & Gas continues to add net new customer accounts at a rate of more than 10,000 net a month as it focuses on implementing its successful business model across all three eastern seaboard states. It expects to achieve a total of 300,000 net customer accounts during September.

Underlying EBITDA and underlying NPAT met expectations as the company focused on its growth strategy of achieving scale through increased customer acquisition rates. Underlying EBITDA and underlying NPAT exclude the impact of changes in hedge valuations that relate to future periods.

Outlook & guidance

Australian Power & Gas reaffirmed FY12 guidance as follows:

- Customer accounts: 400,000-420,000
- Revenue: \$410-\$430 million
- Underlying EBITDA: \$35-40 million
- Underlying NPAT: \$10-12 million

The company will continue to focus on acquiring customers at its current high growth rates in all three eastern states. Record acquisitions in the last quarter of FY11 continue and will contribute more fully to the FY12 result.

The continued growth in scale will reduce the average costs of servicing customers, and contribute significantly towards enhanced profitability and shareholder returns.

The company is also currently investigating changing its reporting year to calendar years with a December 31 balance date. This change is being considered to give the company greater certainty around its forecasts, as the peak profits are delivered currently over the winter months, making the variability more pronounced in the last month of the current financial year.

Long-term vision - "Vision 2015"

Australian Power & Gas is working towards achieving its long-term vision of being a significant Australian retail energy provider. The company aims to achieve a 6-7% share of the east coast market, which equates to about 700,000 customers and more than \$1billion in revenue.

Australian Power and Gas Company Limited
ABN 96 077 206 583

Level 9, 341 George Street
Sydney NSW 2000

Address all mail to:
Locked Bag 5004
Royal Exchange NSW 1225

Ph: 02 8908 2700
Fax: 02 8908 2701

www.australianpowerandgas.com.au



Our focus remains on delivering consistent growth while managing risk and generating improved shareholder returns. Australian Power & Gas believes it has sufficient funding to achieve its objectives, given current growth and industry churn rates.

The company is pleased to advise that one of its major service providers, Serviceworks Pty Ltd, has been successfully acquired for \$53 million by Computershare Limited. Australian Power & Gas and Computershare look forward to continuing the longstanding and successful arrangements.

[ENDS]

About Australian Power and Gas:

Australian Power and Gas Company Limited (ASX: APK) is an independent ASX-listed energy retailer, and one of Australia's fastest growing companies. It holds a full suite of gas and electricity retail licences in Victoria, New South Wales, ACT, South Australia and Queensland and has been approved to operate by AEMO, the Australian Energy Market Operator. Australian Power and Gas was announced as the fastest starting company in the 2011 Business Review Weekly Annual Fast Starters List for a second year in a row, and was placed number 1 on the Business Review Weekly Fast100 list for 2010.

For further information please contact:

James Myatt
Australian Power & Gas
02 8908 2700

Stuart Kelly
Sefiani Communications Group
02 8920 0700 / 0421 108 691

Australian Power and Gas Company Limited
ABN 96 077 206 583

Level 9, 341 George Street
Sydney NSW 2000

Address all mail to:
Locked Bag 5004
Royal Exchange NSW 1225

Ph: 02 8908 2700
Fax: 02 8908 2701

www.australianpowerandgas.com.au