AGL Resources Merger with Nicor Inc. on December 9, 2011

Tax Reporting Statement Under Section 6045B of the Internal Revenue Code

Effective January 1, 2011 issuers of corporate stock must begin reporting corporate actions that affect stock basis, including but not limited to mergers, stock splits, stock dividends, recapitalizations and distributions in excess of cumulative earnings and profits. The following is intended to meet the requirements of public disclosure pursuant to Treasury Regulations §§ 1.6045B-1(a)(3) and (b)(4) for AGL Resources Inc.

Issuer:

AGL Resources Inc.

Issuer TIN:

58-2210952

Description of Organizational Action:

On December 9, 2011, AGL Resources Inc (AGL) acquired Nicor Inc. (Nicor) in a merger transaction pursuant to which the Nicor shareholders exchanged their Nicor common shares into right to receive AGL common shares and cash. Specifically, upon consummation of the merger, Nicor shareholders were entitled to receive .8382 shares of AGL common stock and $21.20 in cash for each share of Nicor common stock held immediately prior to the merger.

Securities Involved:

AGL Resources Inc Common Stock
CUSIP: 001204106
NYSE Ticker Symbol: AGL

Nicor Inc. Common Stock
CUSIP: 654086107
NYSE Ticket Symbol: GAS

Effect of the Action:

The acquisition of Nicor by AGL pursuant to the merger effective on December 9, 2011 qualified as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code"). As such, in general, the federal income tax consequences to the Nicor United States shareholders would be determined under Code Sections 354, 356, 358 and 1221.

A United States shareholder generally will recognize gain (but not loss), determined separately for each identifiable block of shares of Nicor common stock (generally, Nicor common stock acquired at different prices or at different times) that is exchanged in the transaction, in an amount equal to the lesser of (i) the amount of cash received in the transaction with respect to such block, excluding any cash received in lieu of a fractional share of AGL Resources common stock (which is discussed below), and (ii) the excess, if any, of (a) the sum of the amount of such cash and the fair market value of the AGL Resources common stock received in the transaction with respect to such block over (b) the United States shareholder's tax basis in its shares of Nicor common stock in such block. A United States shareholder may not offset a loss recognized on one block of shares against the gain recognized on another block of shares. Any gain recognized generally will be long-term capital gain if, as of the date of the merger, the shares of Nicor common stock exchanged in the transaction were held for more than one year, unless the receipt of cash has the effect of a distribution of a dividend under the provisions of the Internal Revenue Code, in which case such gain will be treated as a dividend to the extent of such United States holder's ratable share of the undistributed earnings and profits of Nicor. United States shareholders should consult their tax advisors as to the possibility that all or a portion of any cash received in exchange for their shares of Nicor common stock will be treated as a dividend;

A United States shareholder generally will have an aggregate tax basis in the shares of AGL Resources common stock received in the transaction (including any fractional share of AGL Resources common stock deemed received and redeemed for cash, as discussed below) equal to the United States holder's aggregate tax basis in its shares of Nicor common stock exchanged in the transaction, reduced by the amount of cash received in the transaction (other than cash received in lieu of a fractional share of AGL Resources common stock) and increased by the amount of gain recognized by the United States shareholder (including, but not limited to, any portion of such gain that is treated as a dividend, but excluding any gain recognized with respect to cash received in lieu of a fractional share of AGL Resources common stock) in the transaction;

The holding period of the shares of AGL Resources common stock received by a United States shareholder in the transaction (including any fractional share of AGL Resources common stock deemed received and redeemed for cash, as discussed below) will include the holding period of the shares of Nicor common stock exchanged in the transaction; and

Subject to the discussion above regarding possible dividend treatment, cash received by a United States shareholder in lieu of a fractional share of AGL Resources common stock in the transaction will be treated as if such fractional share had been issued in the transaction and then redeemed by AGL Resources, and the United States shareholder generally will recognize capital gain or loss with respect to such cash payment, measured by the difference, if any, between the amount of cash received and the tax basis in such fractional share (determined as described above). Any gain or loss recognized generally will be long-term capital gain or loss if, as of the date of the merger, the shares of Nicor common stock exchanged in the transaction were held for more than one year. The deductibility of capital losses is subject to limitations.

Contact Person:

If you have any questions, please contact:

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United States shareholders are urged to consult their own tax advisors with respect to the determination of gain recognized on the exchange of their shares of Nicor common stock (as well as their basis in the shares of AGL Resources common stock received in the transaction) taking into account their particular circumstances.