



NRG Energy, Inc. Prices Common and Preferred Stock Offerings to Fund Texas Genco Acquisition

January 26, 2006

PRINCETON, N.J., Jan 25, 2006 (BUSINESS WIRE) -- NRG Energy, Inc. (NYSE:NRG) today announced that it has set the price for the public offerings of 20,855,057 shares of its common stock at \$48.75 per share and 2,000,000 shares of its 5.75% mandatory convertible preferred stock at an offering price of \$250 per share. NRG expects to close its common stock offering on January 31, 2006 and its mandatory convertible preferred stock offering on February 2, 2006. NRG granted the underwriters a customary 15% over-allotment option to purchase additional shares of common and preferred stock.

Shares of the mandatory convertible preferred stock will be mandatorily convertible into NRG common stock on March 16, 2009. Holders of mandatory convertible preferred stock will be entitled to receive cash dividends at the rate of 5.75% per year, payable quarterly.

As previously announced, NRG will use the net proceeds from the sale of the common stock and mandatory convertible preferred stock--together with the net proceeds from its concurrent offering of unsecured senior notes and initial borrowings under a new senior secured credit facility--to fund its acquisition of Texas Genco LLC and to repay certain of its and Texas Genco's outstanding indebtedness. NRG expects the Texas Genco acquisition to close February 2, 2006.

The issuance of the mandatory convertible preferred stock and the common stock will be subject to market conditions and other conditions and there can be no assurance that the issuance will be consummated.

NRG Energy, Inc. currently owns and operates a diverse portfolio of power-generating facilities, primarily in the Northeast, South Central and Western regions of the United States. Its operations include baseload, intermediate, peaking, and cogeneration facilities, thermal energy production and energy resource recovery facilities. NRG also has ownership interests in generating facilities in Australia and Germany.

This news release does not constitute an offer to sell or the solicitation of an offer to buy any securities. This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements are subject to certain risks, uncertainties and assumptions and typically can be identified by the use of words such as "will," "expect," "estimate," "anticipate," "forecast," "plan," "believe" and similar terms. Although NRG believes that its expectations are reasonable, it can give no assurance that these expectations will prove to have been correct, and actual results may vary materially. Factors that could cause actual results to differ materially from those contemplated above include, among others, disruptions in the capital markets, and the failure or inability to complete the Texas Genco acquisition as planned. NRG undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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