



May 7, 2019

The AES Corporation

First Quarter 2019 Financial Review

Safe Harbor Disclosure

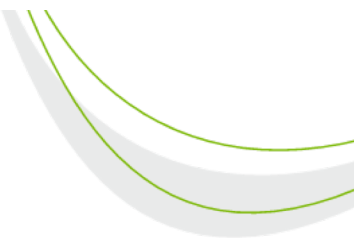
Certain statements in the following presentation regarding AES' business operations may constitute "forward-looking statements." Such forward-looking statements include, but are not limited to, those related to future earnings, growth and financial and operating performance. Forward-looking statements are not intended to be a guarantee of future results, but instead constitute AES' current expectations based on reasonable assumptions. Forecasted financial information is based on certain material assumptions. These assumptions include, but are not limited to, accurate projections of future interest rates, commodity prices and foreign currency pricing, continued normal or better levels of operating performance and electricity demand at our distribution companies and operational performance at our generation businesses consistent with historical levels, as well as the execution of PPAs, conversion of our backlog and growth from investments at investment levels and rates of return consistent with prior experience. For additional assumptions see Slide 47 and the Appendix to this presentation. Actual results could differ materially from those projected in our forward-looking statements due to risks, uncertainties and other factors. Important factors that could affect actual results are discussed in AES' filings with the Securities and Exchange Commission including but not limited to the risks discussed under Item 1A: "Risk Factors" and Item 7: "Management's Discussion & Analysis" in AES' 2018 Annual Report on Form 10-K, as well as our other SEC filings. AES undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Reconciliation to U.S. GAAP Financial Information

The following presentation includes certain "non-GAAP financial measures" as defined in Regulation G under the Securities Exchange Act of 1934, as amended. Schedules are included herein that reconcile the non-GAAP financial measures included in the following presentation to the most directly comparable financial measures calculated and presented in accordance with U.S. GAAP.



Delivering on Our Commitments



- Reaffirming 2019 Adjusted EPS guidance of \$1.28 to \$1.40 and 7%-9% average annual growth target through 2022¹
 - ▶ Q1 2019 Adjusted EPS¹ of \$0.28 vs. \$0.28 in Q1 2018
- On track to attain investment grade ratings in 2020
- Signed 494 MW of renewables PPAs, increasing our backlog to 6.2 GW
- Signed a 12-year agreement to sell up to 18 TBTU of LNG annually in the Caribbean, beginning in 2020
- Announcing \$100 million incremental run rate cost savings target to be realized by 2022 from digital initiatives
- Agreed to sell businesses in Jordan and Northern Ireland for \$211 million

1. Adjusted EPS and Parent Free Cash Flow are non-GAAP financial measures. See Appendix for definition, reconciliation of Q1 2019 Adjusted EPS to the nearest GAAP measure, and further information about guidance and expectations.

Core Strategy

**Enhancing the
Resilience of Our
Portfolio**

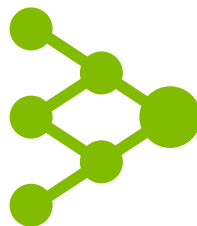


to Deliver



**Attractive
Returns**

**Increasing Our
Backlog**



to Ensure



**Profitable
Growth**

**Investing in
Innovative
Technologies**



to Maintain



**Our Market-Leading
Position**

Enhancing the Resilience of Our Portfolio

	2011	Current	Change
Impact from Movements in Foreign Currencies, Commodities and Hydrology¹	\$0.21	\$0.07	↓ 68%
Countries with Operations	28	13	↓ 15
Parent Debt (\$ in Millions)	\$6,515	\$3,686 ²	↓ \$2,829 or 43%
Credit Rating	B+/BB-	BB+	↑ 2-3 notches

1. Estimated annual EPS at risk at a 95% confidence level.

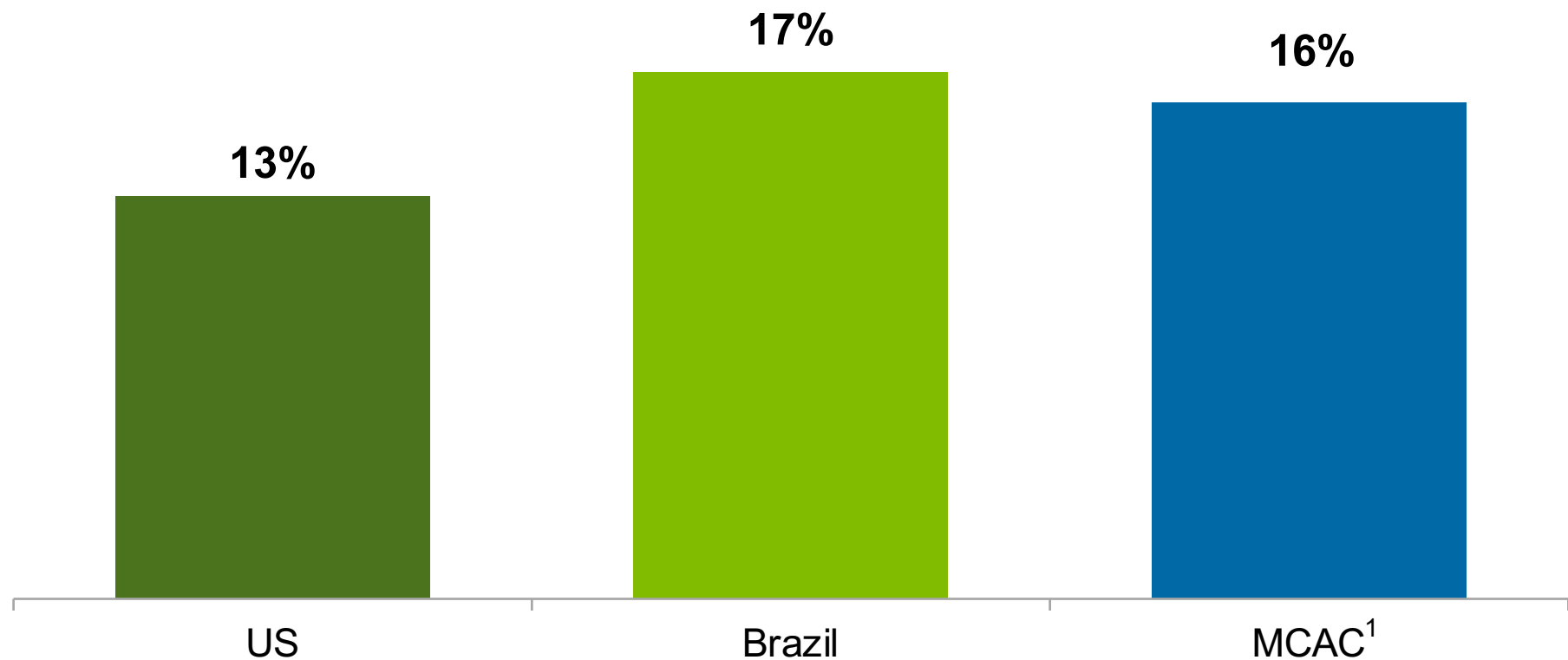
2. As of December 31, 2018.

Contains Forward-Looking Statements

Delivering Attractive Risk-Adjusted Returns

Focus: Natural Gas & Renewables with Long-Term, USD-Denominated Contracts

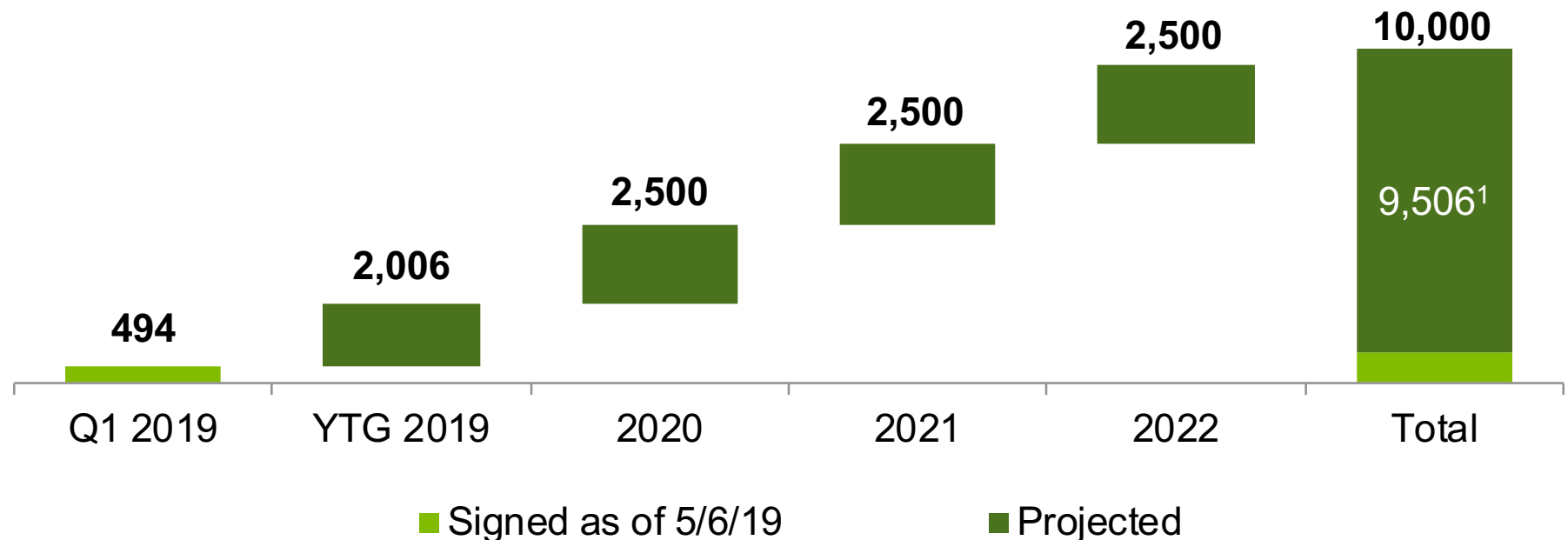
Levered After-Tax Returns on 2017-2018 Investments in Renewables



1. Mexico, Central America and the Caribbean.

New Long-Term Contracts for Renewables (PPAs)

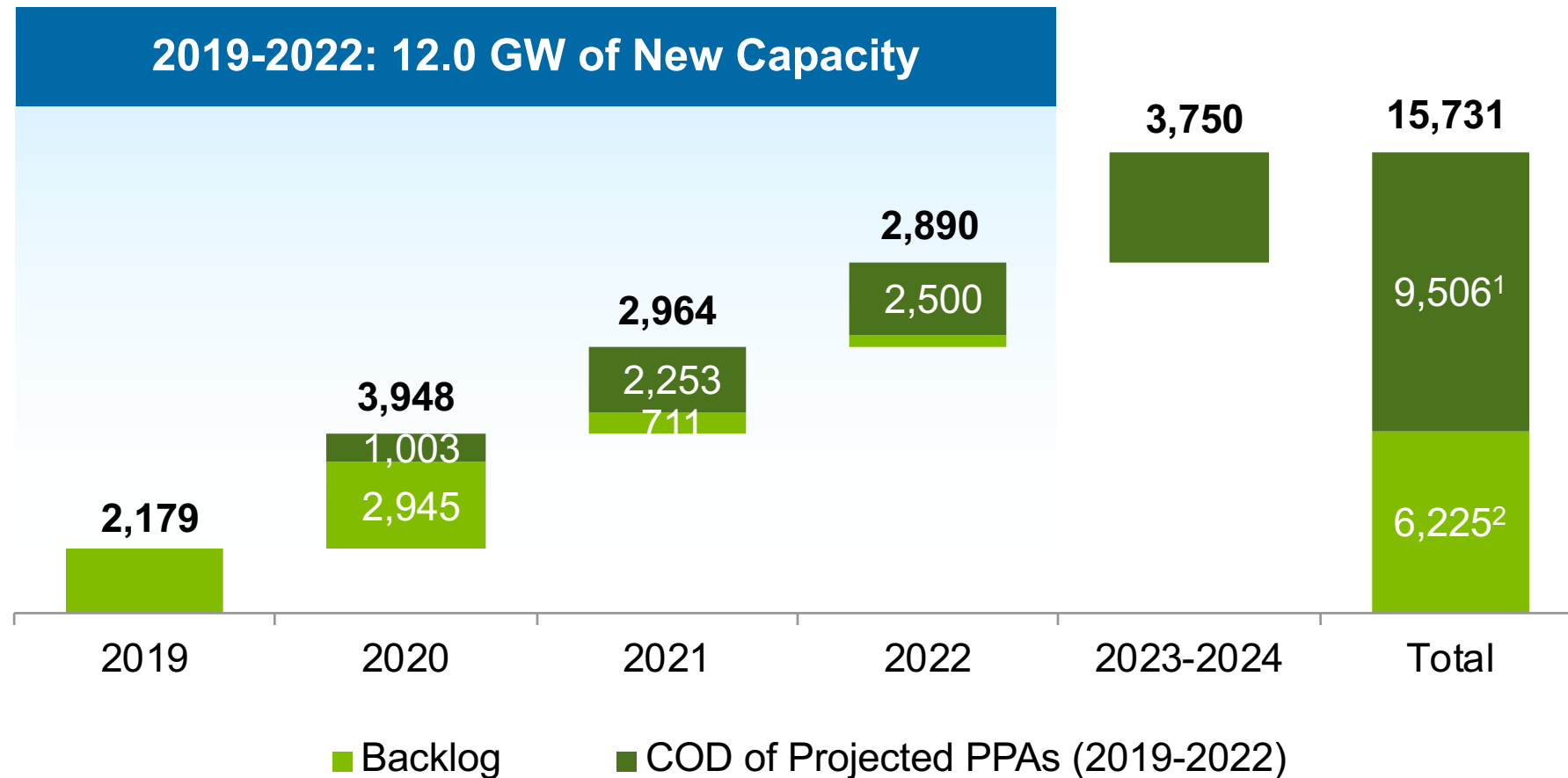
On Pace to Sign 10 GW of Renewable PPAs Through 2022



1. For each year, half the projected amount is expected to come on-line in the following year and the remaining half in the second year. Thus, the projected amount through 2022 is expected to be on-line by 2024.

On Pace to Add 15.7 GW Through 2024

Backlog = Under Construction + Signed PPAs Not Yet Under Construction



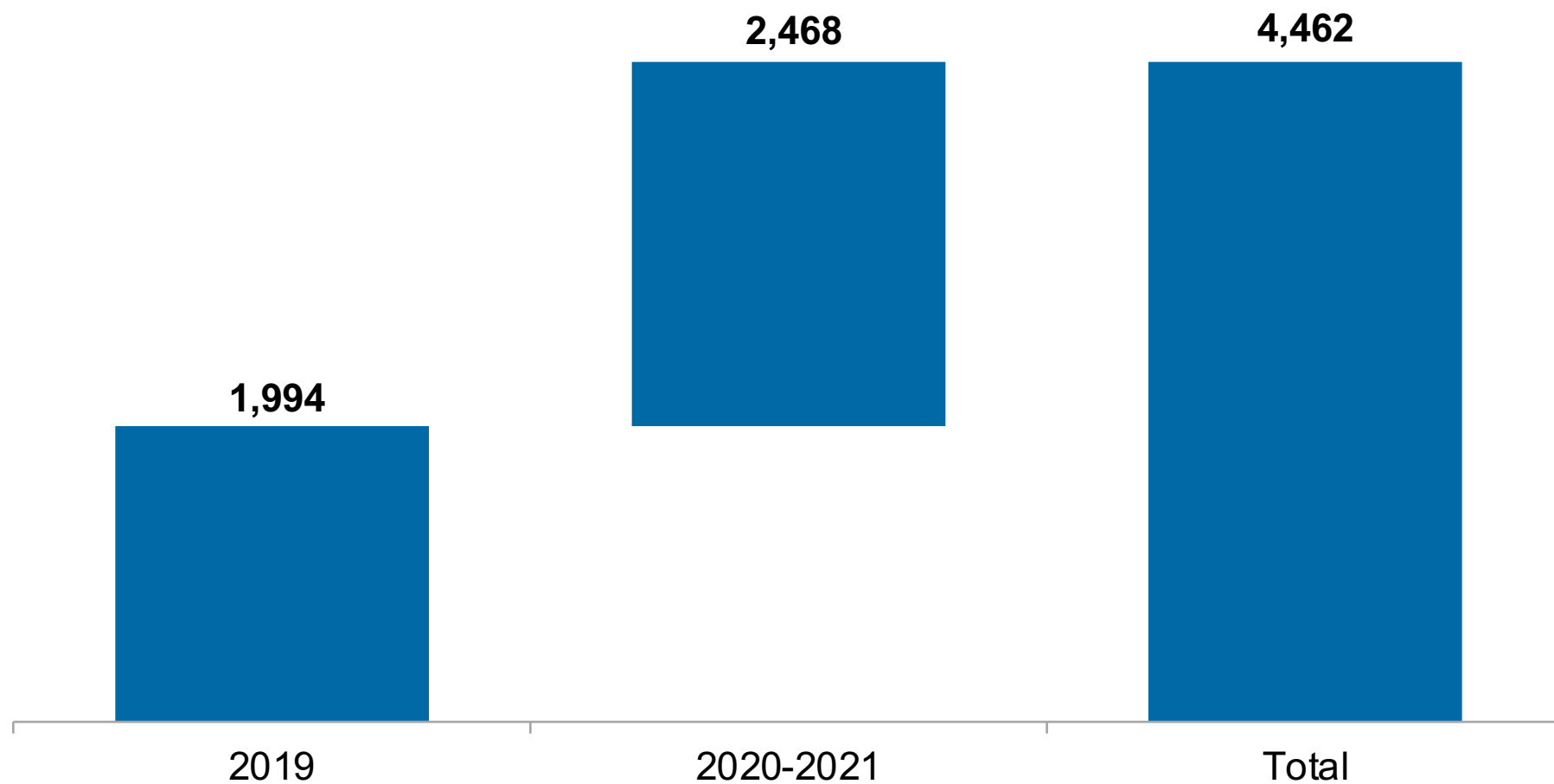
Note: 2022 includes COD of 390 MW of signed PPAs.

1. For each year, half the projected amount is expected to come on-line in the following year and the remaining half in the second year. Thus, the projected amount through 2022 is expected to be on-line by 2024.

2. Includes 617 MW signed in 2018 and currently under construction.

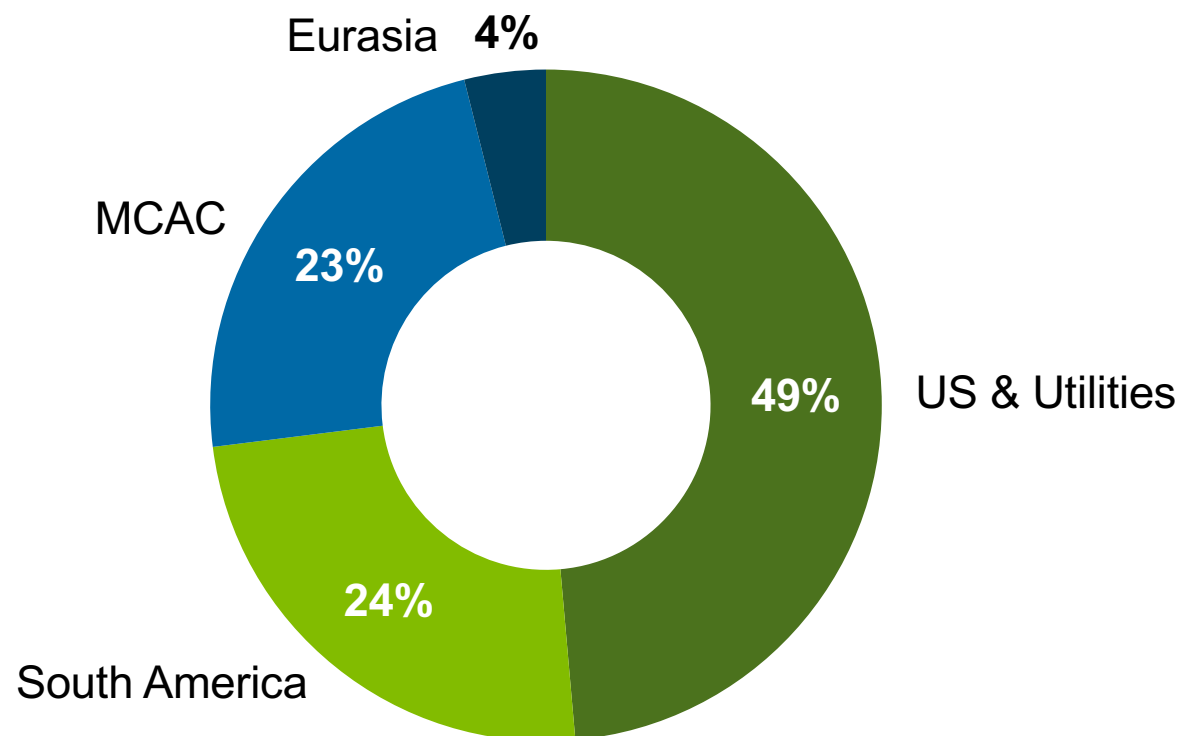
Contains Forward-Looking Statements

4.5 GW Currently Under Construction



Renewables Under Construction Across Our Portfolio

**1,327 MW Wind, Solar and Energy Storage;
Majority Coming On-Line in 2019**



Received All Permits for sPower's Highlander Project

500 MW Highlander Solar Project in Virginia

- 15-year PPAs
- Credit-worthy offtakers, such as Apple and Microsoft
- COD¹ expected in 2020-2021



1. Commercial Operations Date.

Achieving Key Milestones on Projects Under Construction



OPGC 2 in India



Southland Repowering in California



Alto Maipo in Chile

Advancing Our LNG Strategy

Capitalizing on Our Infrastructure Experience

- Vietnam
 - ▶ Leveraging our position in Vietnam (1,240 MW)
 - ▶ Growing need for reliable and efficient generation
 - ◆ Developing 450 TBTU of LNG capacity and 2 GW of combined cycle gas plants
- Caribbean and Central America
 - ▶ Annual installed capacity of 150 TBTU
 - ◆ Recently signed 12-year contract for up to 18 TBTU
 - ◆ Majority of capacity is now contracted (consistent with guidance)
 - ◆ Remaining capacity provides \$0.03 of upside to guidance through 2022
 - ▶ Profitable opportunities for growth
 - ◆ Synergies with our existing infrastructure
 - ◆ Limited capital investment

Investing in Innovative Technologies: Fluence

Fluence Energy Storage Joint Venture with Siemens

- #1 Utility-scale energy storage integrator by Navigant Research
- Global market leader:
 - ▶ 776 MW delivered or awarded
 - ▶ 81 projects in 18 countries

FLUENCE

A Siemens and AES Company

NAVIGANT

\$100 Million of Additional Annual Run Rate Savings by 2022

5% Annual Reduction in Targeted Expense Categories to Realize \$100 Million in Savings

- Utilizing Artificial Intelligence (AI) for predictive maintenance and to reduce outages
 - ▶ Lower maintenance expense and higher availability
- Using technology, such as robotics and drones
- Implementing process automation to reduce administrative and support function costs



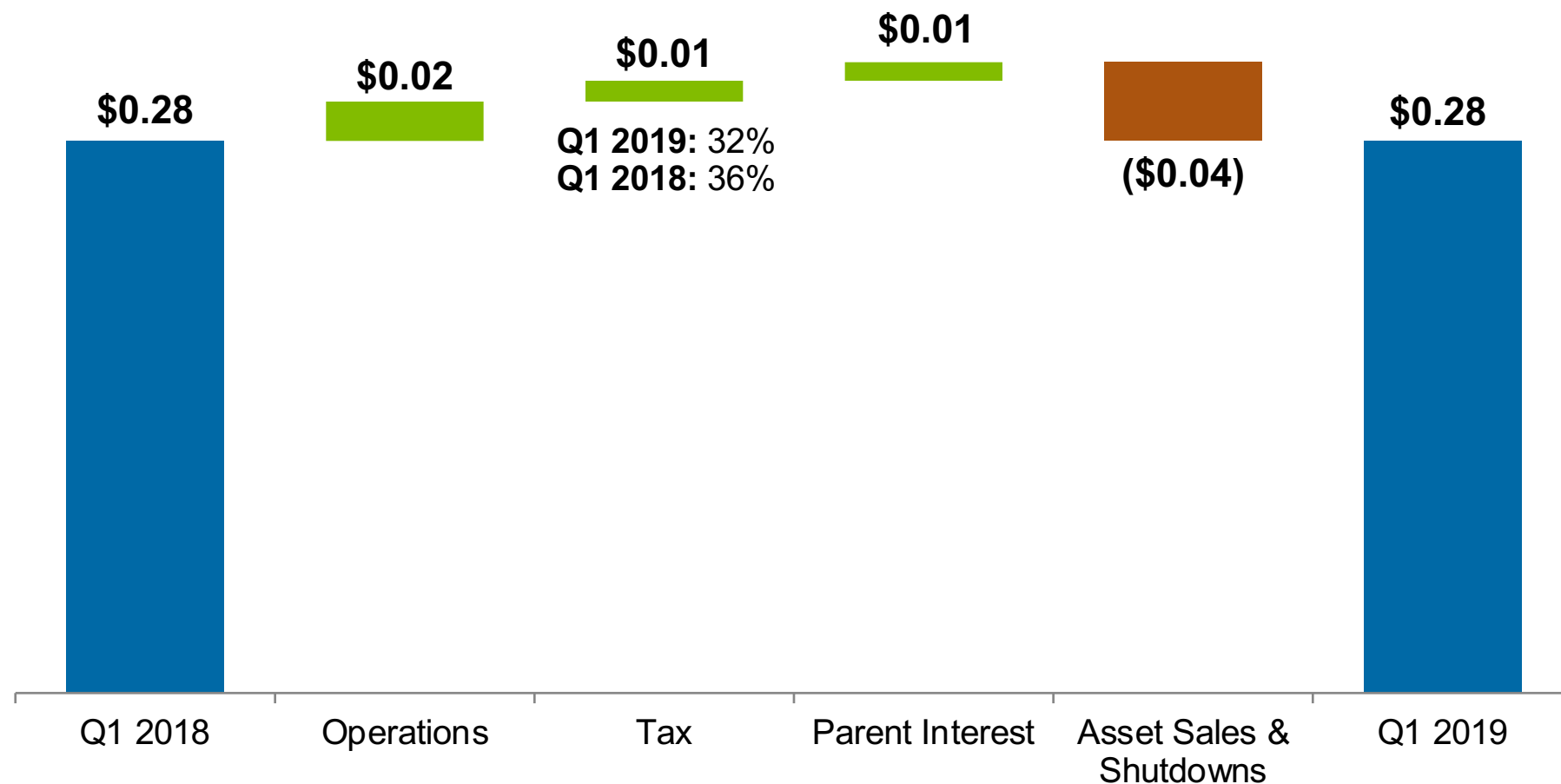


Q1 2019 Financial Review

- Q1 2019 results
 - ▶ Adjusted EPS¹
 - ▶ Adjusted PTC¹ by Strategic Business Unit (SBU)
- Improving credit profile
- Parent capital allocation plan

1. A non-GAAP financial measure. See Appendix for definition.

Q1 2019 Adjusted EPS¹ Flat



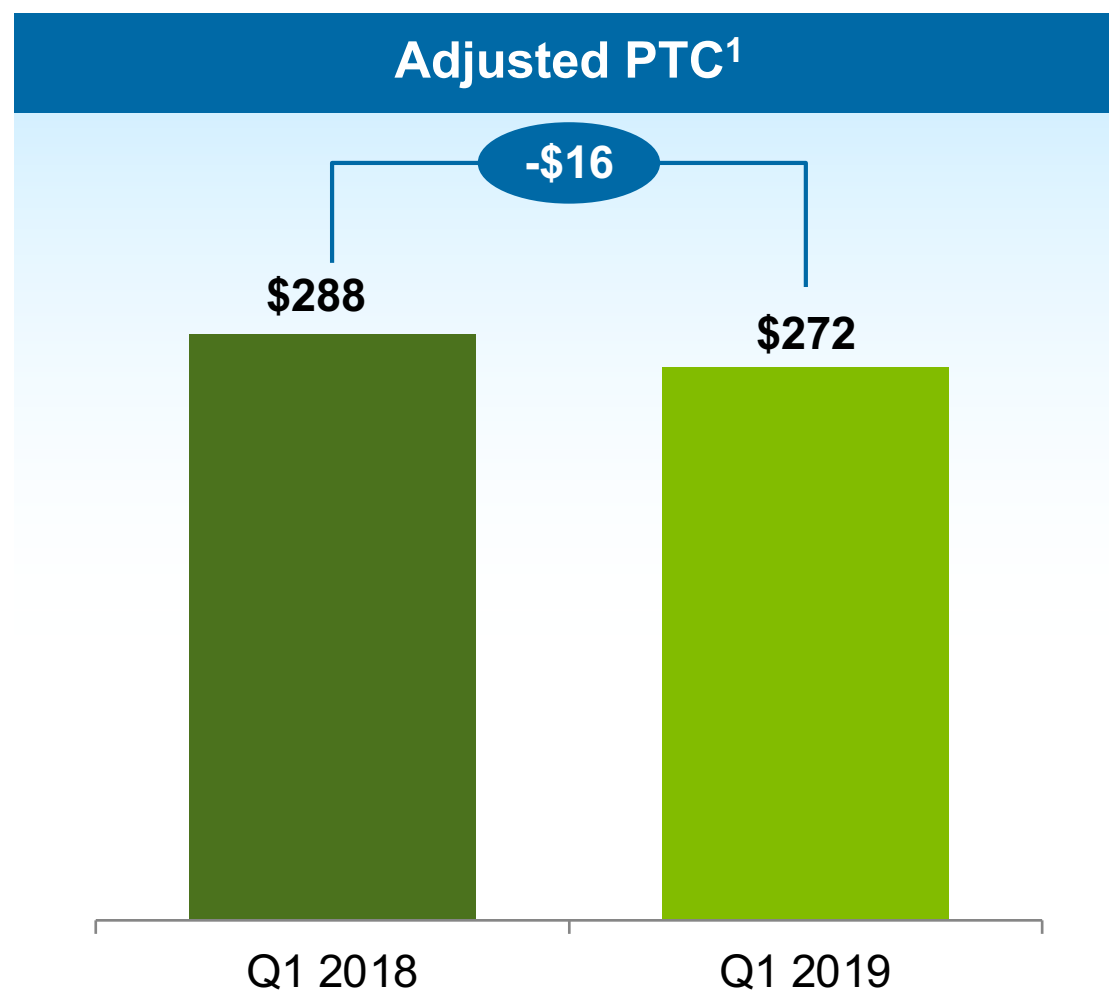
1. A non-GAAP financial measure. See Appendix for definition and reconciliation to the nearest GAAP measure.

Contains Forward-Looking Statements

Q1 Financial Results

\$ in Millions

- Lower Adjusted PTC¹ driven primarily by:
 - ▶ Asset sales and dispositions in Eurasia and US & Utilities
 - ▶ Planned outages in MCAC and Eurasia
 - ▶ Lower generation in Argentina
 - ▶ Partially offset by:
 - ◆ Lower Parent interest
 - ◆ Higher regulated rates in US & Utilities

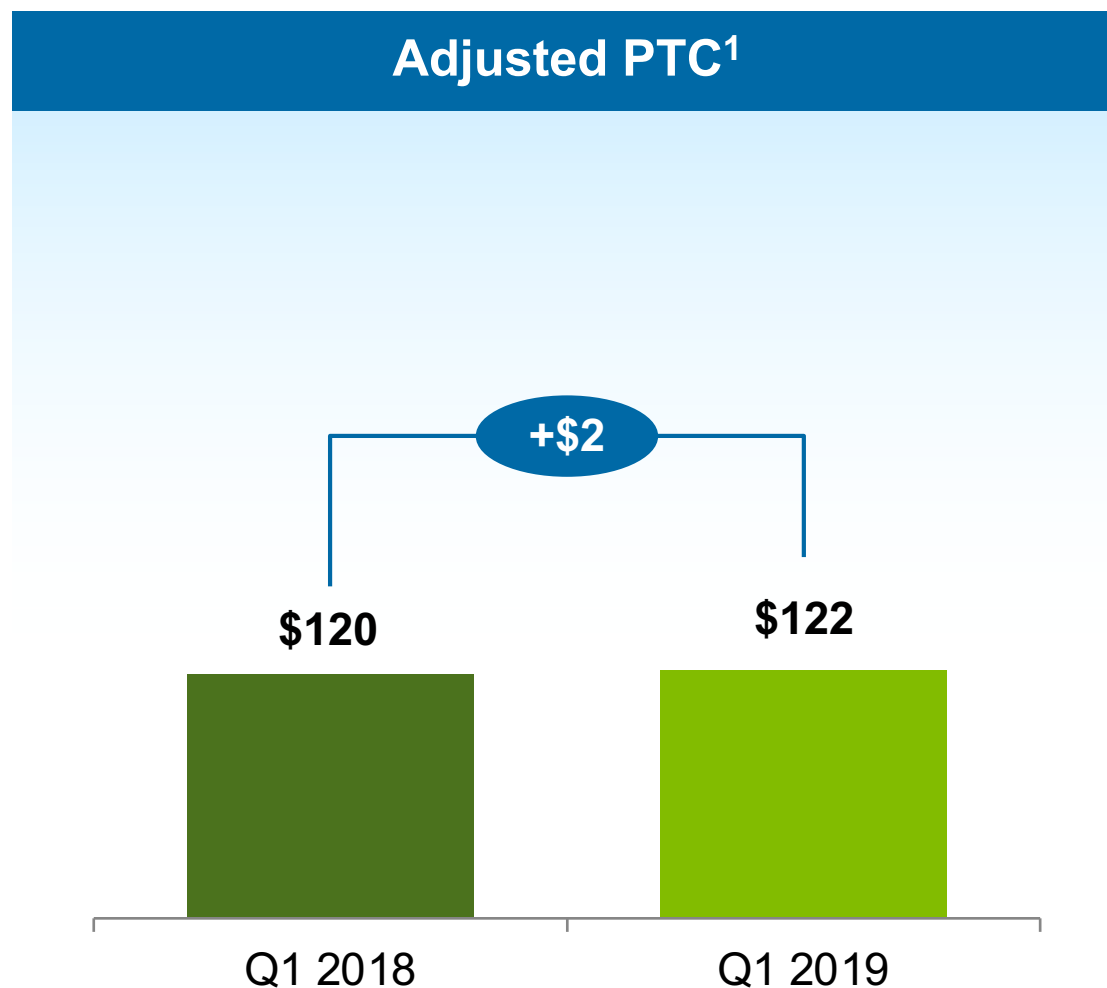


1. A non-GAAP financial measure. See Appendix for definition and reconciliation to the nearest GAAP measure.

Q1 Financial Results: US & Utilities SBU

\$ in Millions

- Higher Adjusted PTC¹ driven primarily by:
 - ▶ Higher regulated rates at IPL and DPL
 - ▶ Lower asset retirement obligations at DPL
 - ▶ Partially offset by:
 - ◆ Exit of generation at DPL and Shady Point
 - ◆ Outages in Hawaii

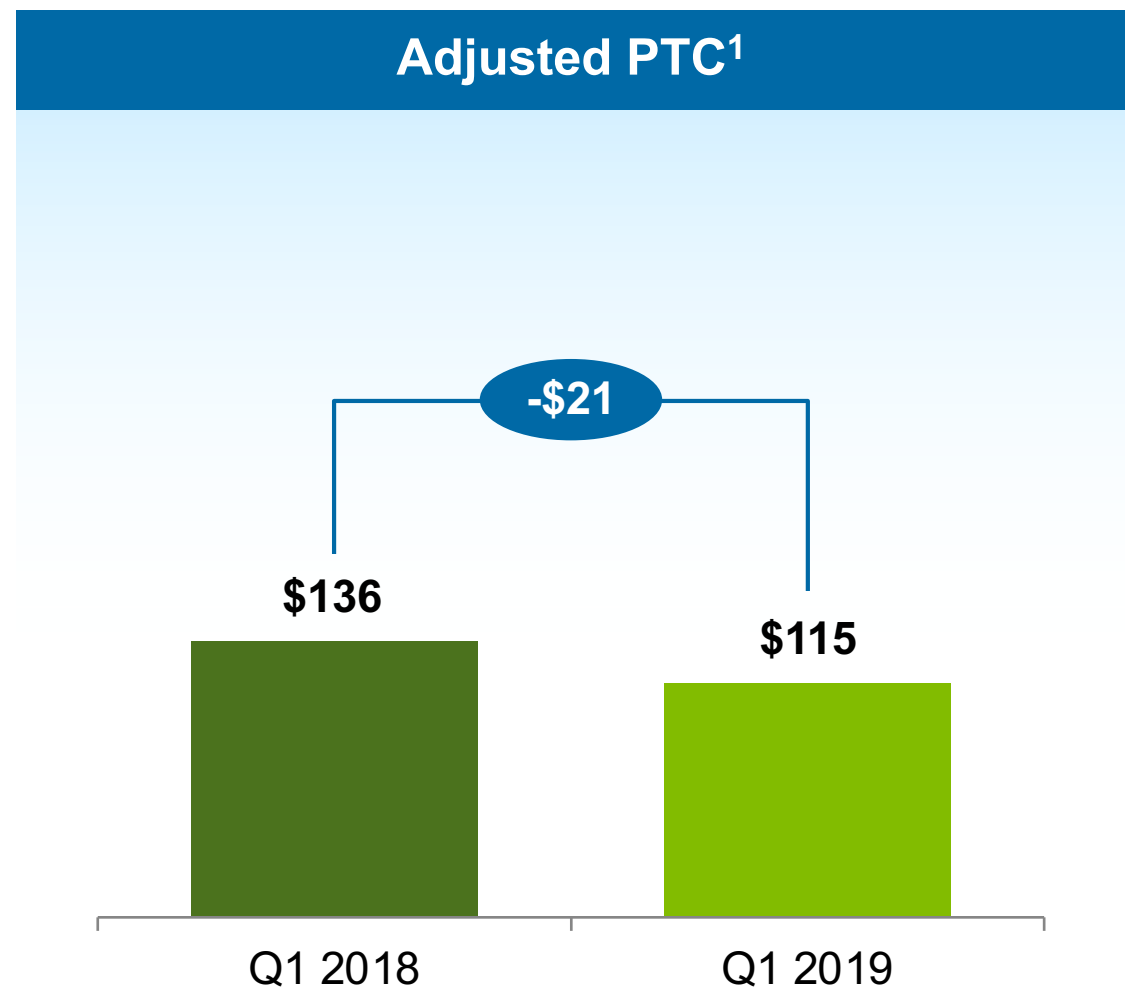


1. A non-GAAP financial measure. See Appendix for definition and reconciliation to the nearest GAAP measure.

Q1 Financial Results: South America SBU

\$ in Millions

- Lower Adjusted PTC¹ driven primarily by:
 - ▶ Lower generation in Argentina

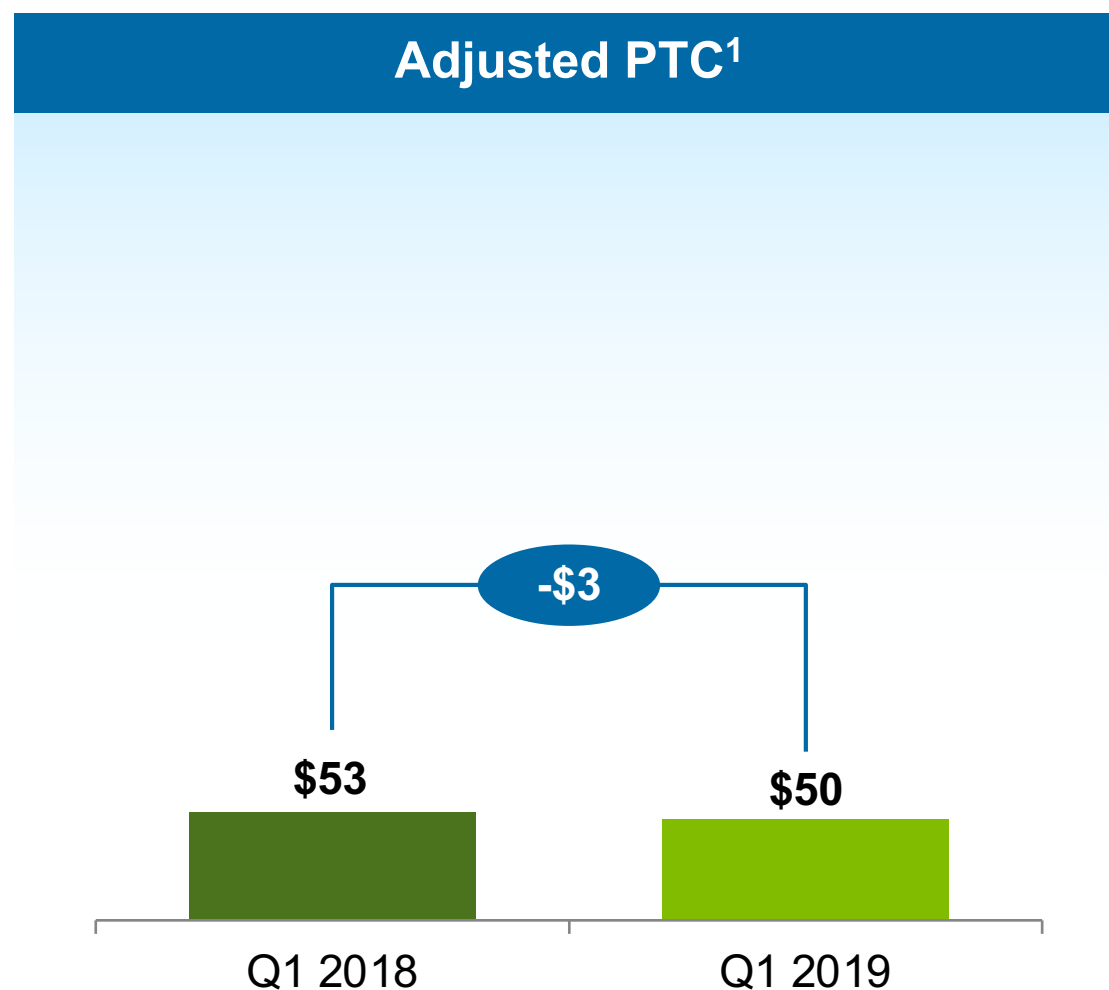


1. A non-GAAP financial measure. See Appendix for definition and reconciliation to the nearest GAAP measure.

Q1 Financial Results: MCAC SBU

\$ in Millions

- Lower Adjusted PTC¹ driven primarily by:
 - ▶ Lower availability due to an extended planned outage and lower hydrology in Panama
 - ▶ Partially offset by:
 - ◆ Outage-related insurance proceeds in the Dominican Republic
 - ◆ Commencement of operations at Colón in Panama in the third quarter of 2018

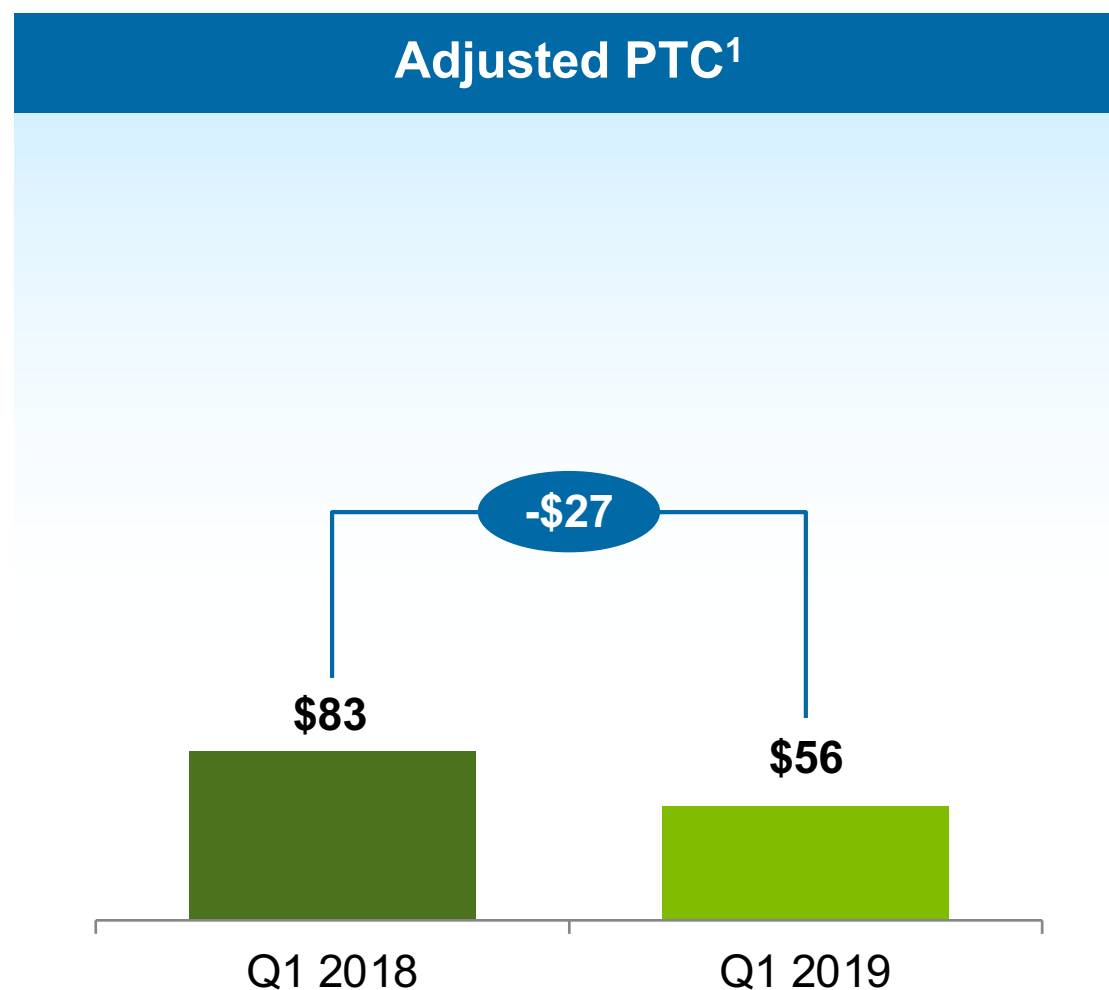


1. A non-GAAP financial measure. See Appendix for definition and reconciliation to the nearest GAAP measure.

Q1 Financial Results: Eurasia SBU

\$ in Millions

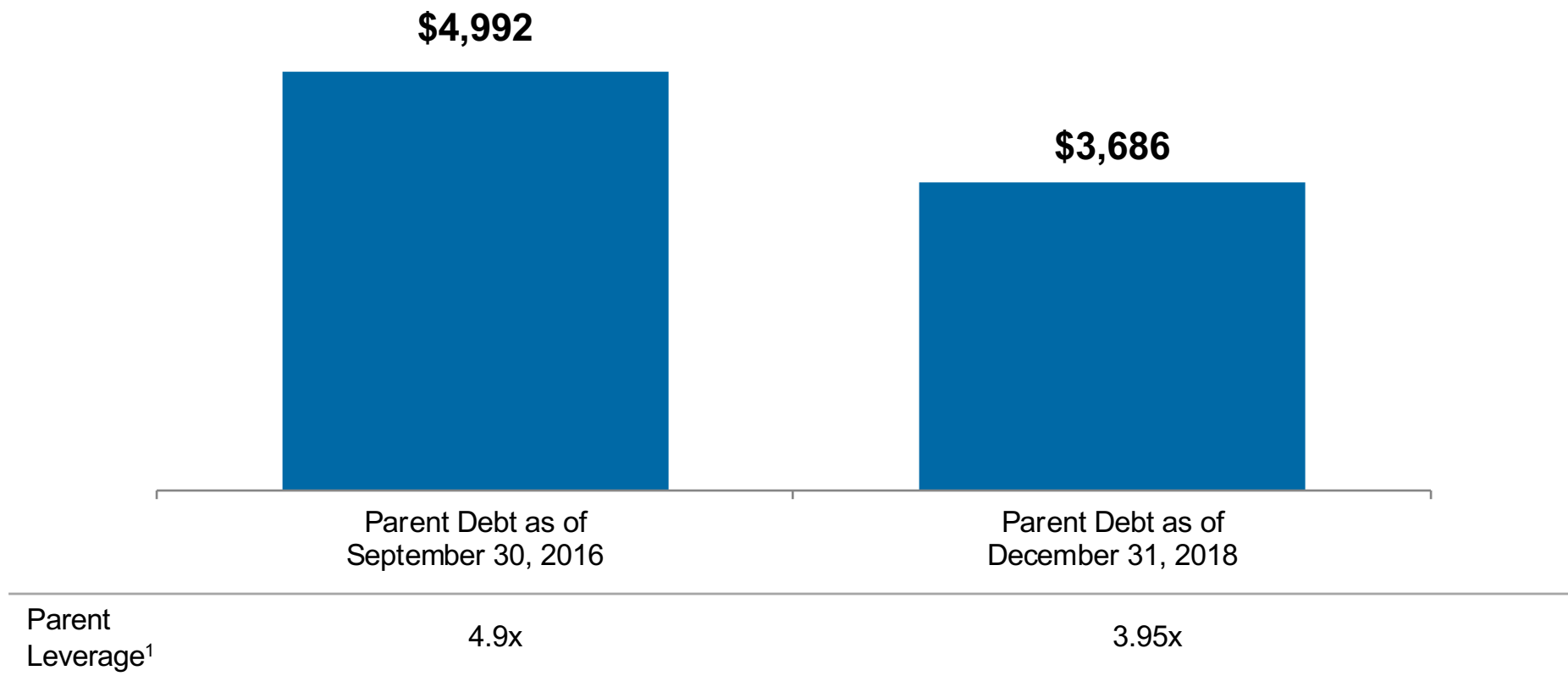
- Lower Adjusted PTC¹ driven primarily by:
 - ▶ Sales of Masinloc in the Philippines and Elsta in the Netherlands
 - ▶ Asset retirement at Ballylumford B station and planned outage at Kilroot in the United Kingdom



1. A non-GAAP financial measure. See Appendix for definition and reconciliation to the nearest GAAP measure.

Since Announcing Goal to Achieve Investment Grade in Q3 2016, Reduced Parent Debt by \$1.3 Billion or 26%

\$ in Millions



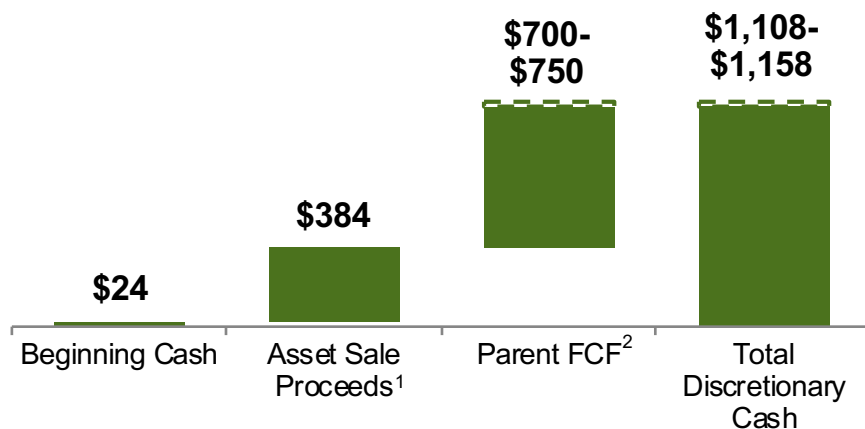
Achieved Investment Grade Metric of Parent Leverage¹ <4x in 2018, One Year Ahead of Goal

1. Parent Debt/Last Twelve Months Parent Free Cash Flow Before Interest.

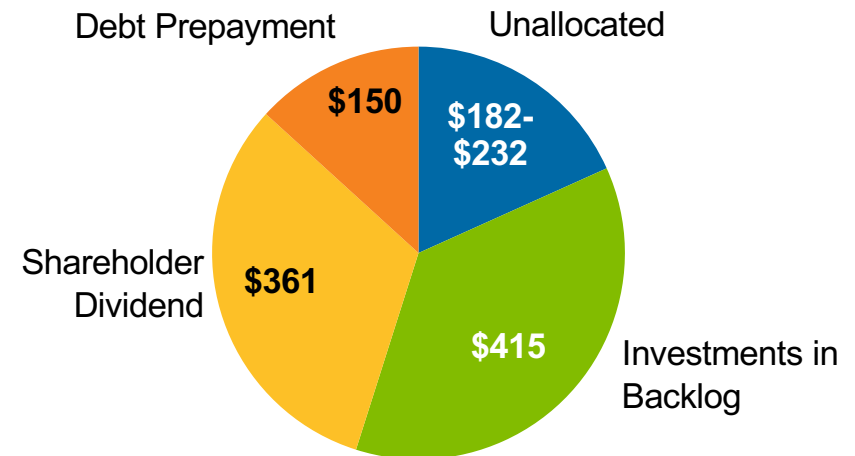
2019 Parent Capital Allocation Plan

\$ in Millions

Discretionary Cash – Sources (\$1,108-\$1,158)



Discretionary Cash – Uses (\$1,108-\$1,158)



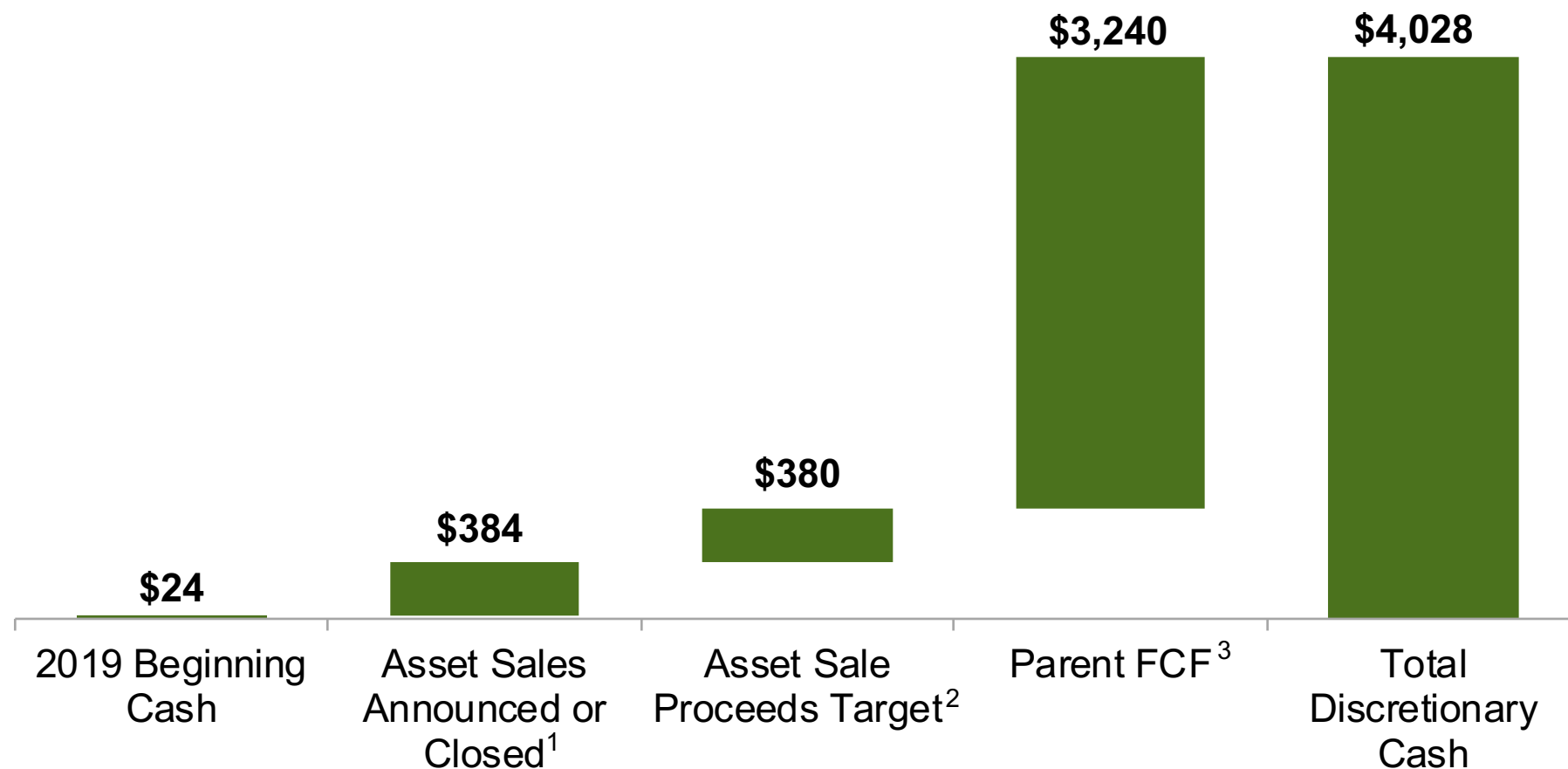
Balanced Approach to Capital Allocation

1. Includes: sell-down of sPower's operating portfolio; and \$211 million sales of businesses in Jordan and Northern Ireland expected to close in 2019.
2. A non-GAAP financial measure. See Appendix for definition.

Contains Forward-Looking Statements

\$4.0 Billion in Discretionary Cash Being Generated 2019-2022

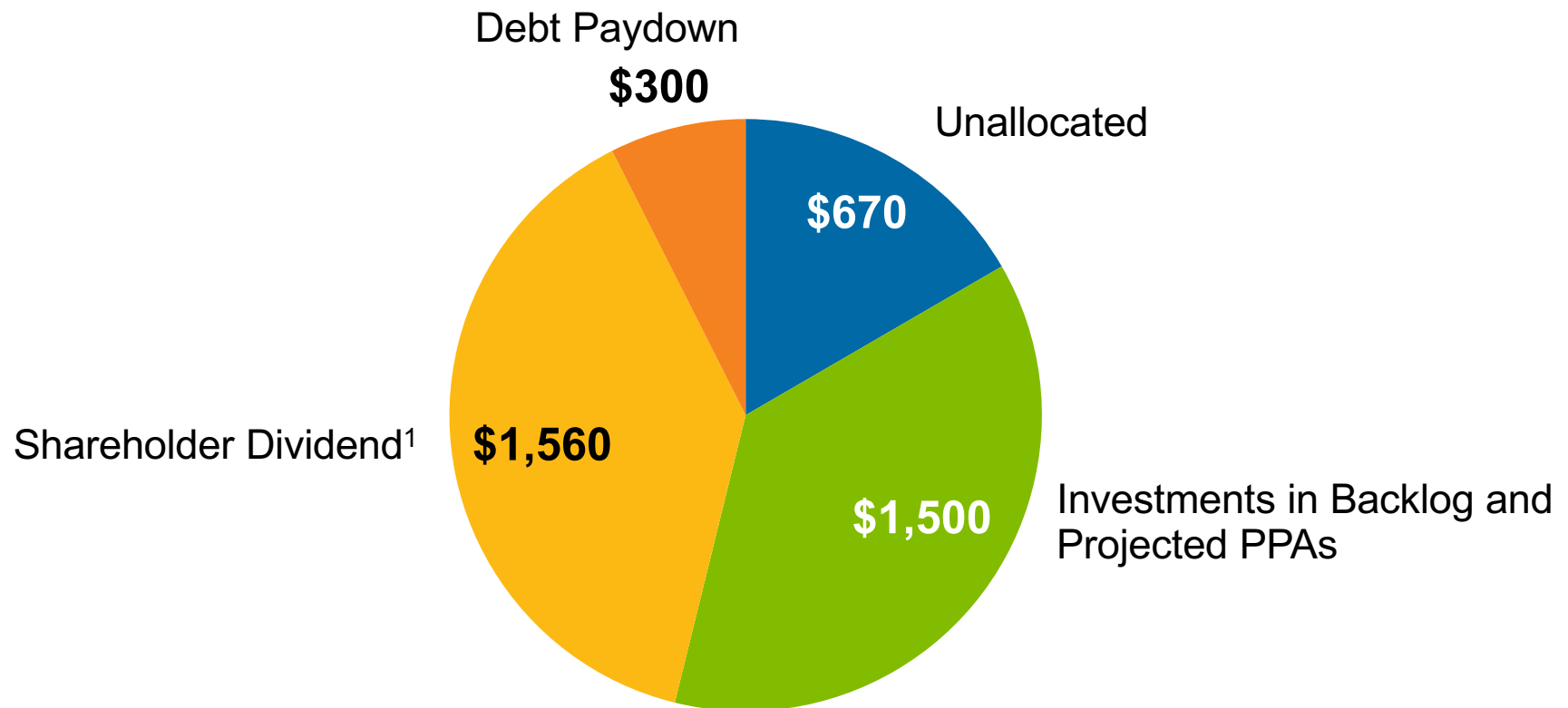
\$ in Millions



1. Includes: sell-down of sPower's operating portfolio; and \$211 million sales of businesses in Jordan and Northern Ireland expected to close in 2019.
2. Remaining portion of \$2 billion target, net of \$1.4 billion already received in 2018 and 2019, as well as \$211 million expected to close in 2019.
3. A non-GAAP financial measure. See Appendix for definition. For illustrative purposes, Parent Free Cash Flow assumes the low end of expectations.

2019-2022: \$4.0 Billion of Discretionary Cash Available for Allocation

\$ in Millions



Disciplined Capital Allocation to Maximize Risk-Adjusted Total Shareholder Return

1. Assumes 2019 payment of \$0.1365 per share each quarter on 662 million shares outstanding as of December 31, 2018, growing at 5% per year through 2022.

AES Value Proposition

Enhancing the
Resilience of Our
Portfolio



to Deliver



Attractive Returns

Increasing Our Backlog



to Ensure



Profitable Growth

Investing in Innovative
Technologies



to Maintain



Our Market-Leading
Position

7% to 9%

Annual Growth in
Adjusted EPS¹
and Parent Free
Cash Flow¹
Through 2022



3.0%

Current
Dividend Yield



10% to 12%

Annual Total
Shareholder
Return

1. A non-GAAP financial measure. See Appendix for definition.

Appendix

● Parent Only Cash Flow	Slides 29-31
● Q1 Adjusted EPS ¹ Roll-Up	Slide 32
● Listed Subs & Public Filers	Slide 33
● SBU Modeling Disclosures	Slides 34-35
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● 2019 Adjusted PTC ¹ Modeling Ranges	Slide 38
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● Renewables Under Long-Term Contracts (PPAs)	Slide 44
● Summary of 15.7 GW Expected to Come On-Line Through 2024	Slide 45
● Reconciliation of Adjusted EPS ¹	Slide 46
● Assumptions & Definitions	Slides 47-48

1. A non-GAAP financial measure.

Parent Sources and Uses of Liquidity

\$ in Millions	Q1	
	2019	2018
Sources		
Total Subsidiary Distributions ¹	\$200	\$351
Proceeds from Asset Sales, Net	-	\$985
Financing Proceeds, Net	-	\$990
Increased/(Decreased) Credit Facility Commitments	-	-
Issuance of Common Stock, Net	\$5	-
Total Returns of Capital Distributions & Project Financing Proceeds	-	-
Beginning Parent Company Liquidity ²	\$1,046	\$869
Total Sources	\$1,251	\$3,195
Uses		
Repayments of Debt	(\$1)	(\$1,776)
Shareholder Dividend	(\$90)	(\$86)
Repurchase of Equity	-	-
Investments in Subsidiaries, Net	(\$182)	(\$102)
Cash for Development, Selling, General & Administrative and Taxes	(\$121)	(\$109)
Cash Payments for Interest	(\$43)	(\$86)
Changes in Letters of Credit and Other, Net	(\$5)	(\$153)
Ending Parent Company Liquidity ²	(\$809)	(\$883)
Total Uses	(\$1,251)	(\$3,195)

1. See “definitions”.

2. A non-GAAP financial measure. See “definitions”.

Contains Forward-Looking Statements

Q1 2019 Subsidiary Distributions¹

\$ in Millions

Subsidiary Distributions ¹ by SBU	
	Q1 2019
US and Utilities	\$44
South America	\$39
MCAC	\$74
Eurasia	\$35
Corporate & Other ²	\$8
Total	\$200

Top Ten Subsidiary Distributions ¹ by Business			
Q1 2019			
Business	Amount	Business	Amount
Los Mina (MCAC)	\$51	Andres (MCAC)	\$10
Argentina (South America)	\$39	Amman East II (Eurasia)	\$9
IPALCO (US and Utilities)	\$22	Itabo (MCAC)	\$9
Maritza East (Eurasia)	\$22	Global Insurance (Corporate & Other)	\$8
sPower (US and Utilities)	\$14	TEG TEP (MCAC)	\$4

1. See “definitions”.
2. Corporate & Other includes Global Insurance.

Contains Forward-Looking Statements

Reconciliation of Subsidiary Distributions¹ and Parent Liquidity¹

\$ in Millions

	Quarter Ended			
	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018
Total Subsidiary Distributions ¹ to Parent & QHCs ²	\$200	\$390	\$175	\$270
Total Return of Capital Distributions to Parent & QHCs ²	-	-	-	-
Total Subsidiary Distributions¹ & Returns of Capital to Parent	\$200	\$390	\$175	\$270

	Balance as of			
	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018
Cash at Parent & QHCs ²	\$34	\$24	\$43	\$151
Availability Under Credit Facilities	\$775	\$1,022	\$1,042	\$687
Ending Liquidity	\$809	\$1,046	\$1,085	\$838

1. A non-GAAP financial measure. See “definitions”.
2. Qualified Holding Company. See “assumptions”.

Contains Forward-Looking Statements

Q1 Adjusted EPS¹ Roll-Up

\$ in Millions, Except Per Share Amounts

	Q1 2019	Q1 2018	Variance
Adjusted PTC¹			
US and Utilities	\$122	\$120	\$2
South America	\$115	\$136	(\$21)
MCAC	\$50	\$53	(\$3)
Eurasia	\$56	\$83	(\$27)
Total SBUs	\$343	\$392	(\$49)
Corp/Other	(\$71)	(\$104)	\$33
Total AES Adjusted PTC^{1,2}	\$272	\$288	(\$16)
Adjusted Effective Tax Rate	32%	36%	
Diluted Share Count	667	663	
Adjusted EPS¹	\$0.28	\$0.28	-

1. A non-GAAP financial measure. See Slide 46 for reconciliation to the nearest GAAP measure and “definitions”.
2. Includes (\$6) million and \$5 million of adjusted after-tax equity in earnings for Q1 2019 and Q1 2018, respectively.

Contains Forward-Looking Statements

Q1 Adjusted PTC¹: Reconciliation to Public Financials of Listed Subsidiaries & Public Filers

This table provides financial data of those operating subsidiaries of AES that are publicly listed or have publicly filed financial information on a stand-alone basis. The table provides a reconciliation of the subsidiary's Adjusted PTC as it is included in AES consolidated Adjusted PTC with the subsidiary's income/(loss) from continuing operations under US GAAP and the subsidiary's locally IFRS reported net income, if applicable. Readers should consult the subsidiary's publicly filed reports for further details of such subsidiary's results of operations.

AES SBU/Reporting Country	US & Utilities/US				South America/Chile		South America/Brazil	
AES Company	IPL		DPL		AES Gener ²		Tietê ²	
\$ in Millions	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018
US GAAP Reconciliation								
AES Business Unit Adjusted Earnings^{1,3}	\$27	\$23	\$43	\$27	\$56	\$51	\$5	\$5
Adjusted PTC^{1,3} Public Filer (Stand-alone)	\$36	\$28	\$51	\$36	\$79	\$75	\$7	\$8
Impact of AES Differences from Public Filings	-	-	-	\$2	-	-	-	-
AES Business Unit Adjusted PTC¹	\$36	\$28	\$51	\$38	\$79	\$75	\$7	\$8
Unrealized Derivatives and Equity Security Gains (Losses)	-	-	-	-	(\$1)	\$6	-	-
Unrealized Foreign Currency Gains (Losses)	-	-	-	-	\$1	(\$5)	-	-
Impairment Expense	-	-	-	-	-	-	-	-
Disposition/Acquisition Gains (Losses)	-	-	(\$2)	(\$14)	(\$2)	-	-	-
Losses on Extinguishment of Debt	-	-	-	-	(\$8)	(\$1)	-	-
Restructuring Costs	-	(\$2)	-	\$1	-	(\$4)	-	-
Non-Controlling Interest before Tax	\$16	\$13	-	-	\$42	\$41	\$25	\$26
Income Tax Expenses	(\$12)	(\$7)	(\$7)	(\$3)	(\$32)	(\$34)	(\$8)	(\$13)
US GAAP Income/(Loss) from Continuing Operations⁴	\$40	\$32	\$42	\$22	\$79	\$78	\$24	\$21
Adjustment to Depreciation & Amortization ⁵					(\$11)	(\$10)	(\$3)	(\$3)
Adjustment to Taxes					(\$3)	\$16	-	\$1
Other Adjustments					\$3	(\$1)	(\$4)	(\$2)
IFRS Net Income					\$68	\$83	\$17	\$17
BRL-USD Implied Exchange Rate							3.7700	3.2490

1. A non-GAAP financial measure. Reconciliation provided above. See "definitions" for descriptions of adjustments.
2. The listed subsidiary is a public filer in its home country and reports its financial results locally under IFRS. Accordingly certain adjustments presented under IFRS Reconciliation are required to account for differences between US GAAP and local IFRS standards.
3. Total Adjusted PTC, US GAAP Income from continuing operations and intervening adjustments are calculated before the elimination of inter-segment transactions such as revenue and expenses related to the transfer of electricity from AES generation plants to AES utilities.
4. Represents the income/(loss) from continuing operations of the subsidiary included in the consolidated operating results of AES under US GAAP.
5. Adjustment to depreciation and amortization expense represents additional expense required due primarily to basis differences of long-lived and intangible assets under IFRS for each reporting period.

Q1 2019 Modeling Disclosures

\$ in Millions

	Adjusted PTC ¹	Interest Expense			Interest Income			Depreciation & Amortization		
		Consolidated	Attributable to NCI	Ownership-Adjusted	Consolidated	Attributable to NCI	Ownership-Adjusted	Consolidated	Attributable to NCI	Ownership-Adjusted
US and Utilities	\$122	\$80	(\$9)	\$71	\$3	-	\$3	\$96	(\$19)	\$77
DPL	\$51	\$24	-	\$24	\$1	-	\$1	(\$4)	-	(\$4)
IPL	\$36	\$30	(\$9)	\$21	-	-	-	\$60	(\$18)	\$42
South America	\$115	\$67	(\$34)	\$33	\$22	(\$5)	\$17	\$78	(\$35)	\$43
AES Gener	\$79	\$30	(\$13)	\$17	\$2	-	\$2	\$56	(\$21)	\$35
Tietê	\$7	\$29	(\$22)	\$7	\$5	(\$4)	\$1	\$16	(\$12)	\$4
MCAC	\$50	\$36	(\$11)	\$25	\$7	(\$2)	\$5	\$47	(\$16)	\$31
Eurasia	\$56	\$33	(\$13)	\$20	\$45	(\$22)	\$23	\$21	(\$3)	\$18
Subtotal	\$343	\$216	(\$67)	\$149	\$77	(\$29)	\$48	\$242	(\$73)	\$169
Corp/Other	(\$71)	\$49	-	\$49	\$2	-	\$2	\$4	-	\$4
Total	\$272	\$265	(\$67)	\$198	\$79	(\$29)	\$50	\$246	(\$73)	\$173

1. A non-GAAP financial measure. See Slide 46 for reconciliation to the nearest GAAP measure and “definitions”.

Contains Forward-Looking Statements

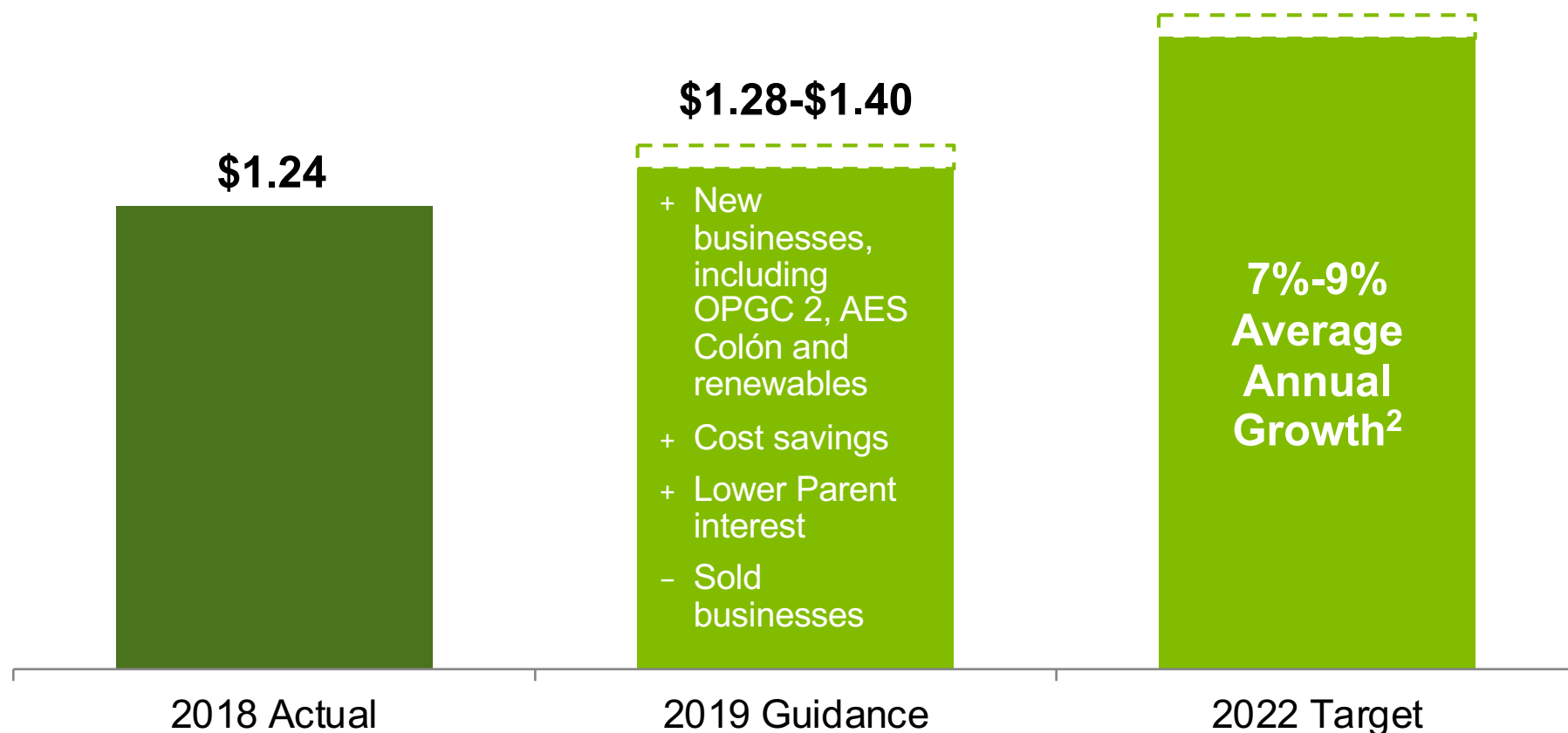
Q1 2019 Modeling Disclosures

\$ in Millions

	Total Debt			Cash & Cash Equivalents, Restricted Cash, Short-Term Investments, Debt Service Reserves & Other Deposits		
	Consolidated	Attributable to NCI	Ownership-Adjusted	Consolidated	Attributable to NCI	Ownership-Adjusted
US and Utilities	\$6,843	(\$805)	\$6,038	\$579	(\$14)	\$565
DPL	\$1,476	-	\$1,476	\$113	-	\$113
IPL	\$2,650	(\$795)	\$1,855	\$26	(\$8)	\$18
South America	\$5,206	(\$2,345)	\$2,861	\$1,106	(\$511)	\$595
AES Gener	\$3,845	(\$1,619)	\$2,226	\$528	(\$208)	\$320
Tietê	\$1,042	(\$789)	\$253	\$356	(\$270)	\$86
MCAC	\$2,252	(\$664)	\$1,588	\$455	(\$114)	\$341
Eurasia	\$1,514	(\$536)	\$978	\$365	(\$102)	\$263
Subtotal	\$15,815	(\$4,350)	\$11,465	\$2,505	(\$741)	\$1,764
Corp/Other	\$3,900	-	\$3,900	\$248	-	\$248
Total	\$19,715	(\$4,350)	\$15,365	\$2,753	(\$741)	\$2,012

Adjusted EPS¹ Guidance and Longer-Term Growth Rate Target

\$ Per Share

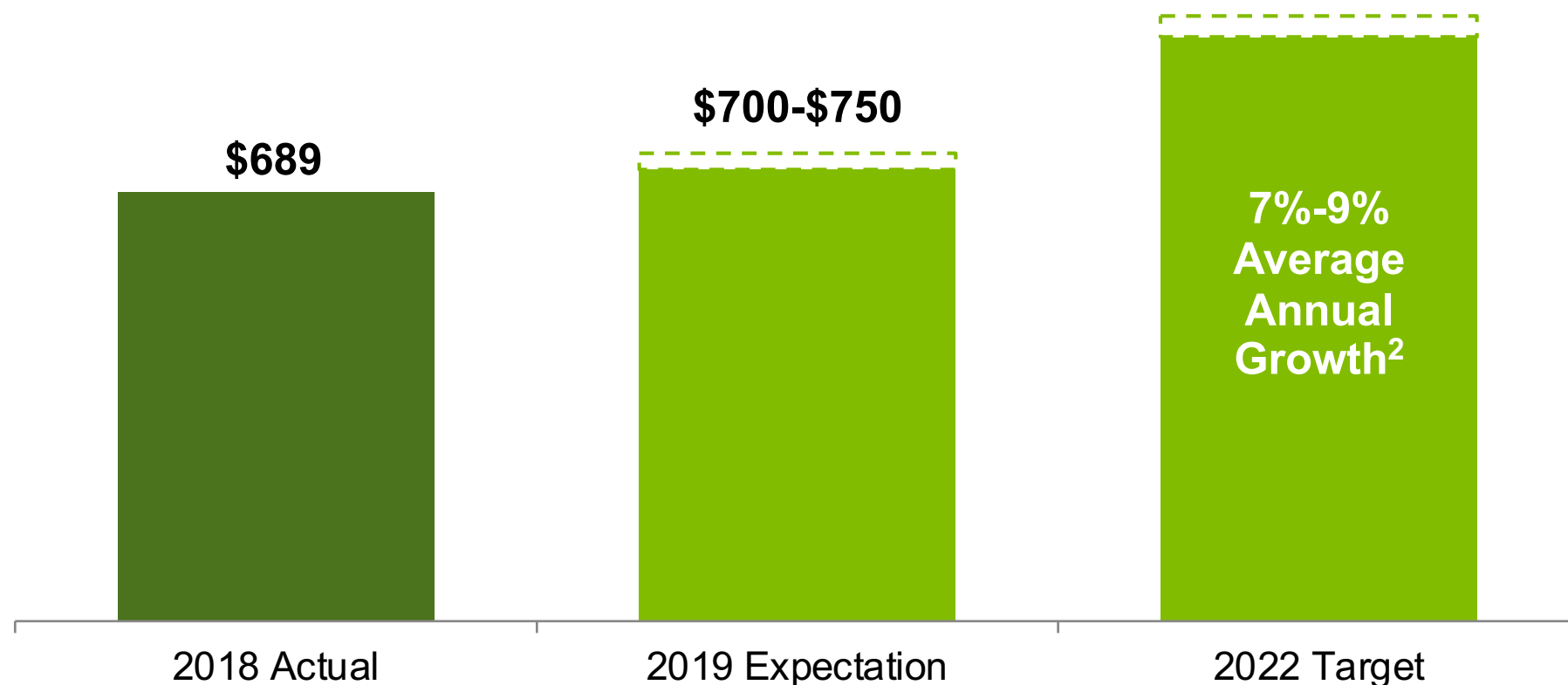


1. A non-GAAP financial measure. See “definitions”. The Company is not able to provide a corresponding GAAP equivalent or reconciliation for its Adjusted EPS guidance without unreasonable effort. See Slide 46 for a description of the adjustments to reconcile Adjusted EPS to diluted EPS for Q1 2019.
2. From a base of 2018 Adjusted EPS of \$1.24.

Contains Forward-Looking Statements

Parent Free Cash Flow¹ Expectation and Longer-Term Growth Rate Target

\$ in Millions



1. A non-GAAP financial measure. The Company is not able to provide corresponding GAAP equivalent or GAAP reconciliation for its Parent Free Cash Flow expectation without unreasonable effort. See “definitions”.
2. From a base of 2018 Parent Free Cash Flow of \$689 million.

2019 Adjusted PTC Modeling Ranges

\$ in Millions

SBU	2019 Adjusted PTC Modeling Ranges as of 2/27/19 ¹	Drivers of Growth Versus 2018
US and Utilities	\$540-\$570	+ Renewables growth + Regulated rate cases — DPL generation and Shady Point asset sales
South America	\$480-\$510	
MCAC	\$360-\$390	+ Partial recovery from 2018 lightning incident in the DR + AES Colón operations
Eurasia	\$180-\$190	— Announced asset sales — Planned outage and partial retirement in Northern Ireland + OPGC 2 operations
Total SBUs	\$1,560-\$1,660	
Corporate & Other ²	(\$330)-(\$360)	+ Cost reductions + Lower Parent interest
Total AES Adjusted PTC^{1,2}	\$1,230-\$1,300	

1. A non-GAAP financial metric. See “definitions”.

2. Total AES Adjusted PTC includes after-tax adjusted equity in earnings.

AES Modeling Disclosures

\$ in Millions

	2019
Subsidiary Distributions (a)	\$1,115-\$1,165
Cash Interest (b)	(\$200)
Corporate Overhead	(\$150)
Parent-Funded SBU Overhead	(\$55)
Business Development/Taxes	(\$10)
Cash for Development, General & Administrative and Tax (c)	(\$215)
Parent Free Cash Flow¹ (a – b – c)	\$700-\$750

1. A non-GAAP financial measure. The Company is not able to provide a corresponding GAAP equivalent or reconciliation for its Parent Free Cash Flow expectation without unreasonable effort. See “definitions”.

Year-to-Go 2019 Guidance Estimated Sensitivities

Interest Rates¹

- 100 bps increase in interest rates over YTG 2019 is forecasted to have a change in EPS of approximately (\$0.015)

Currencies	10% appreciation of USD against following currencies is forecasted to have the following EPS impacts:	Year-to-Go 2019	
		Average Rate	Sensitivity
	Argentine Peso (ARS)	49.95	Less than (\$0.005)
	Brazilian Real (BRL)	3.96	Less than (\$0.005)
	Chilean Peso (CLP)	680	Less than \$0.005
	Colombian Peso (COP)	3,211	(\$0.005)
	Euro (EUR)	1.13	Less than (\$0.005)
	Indian Rupee (INR)	70.59	Less than (\$0.005)
	Mexican Peso (MXN)	19.85	\$0.01

Commodity	10% increase in commodity prices is forecasted to have the following EPS impacts:	Year-to-Go 2019	
		Average Rate	Sensitivity
	IPE Brent Crude Oil	\$67.13/bbl	(\$0.005)
	NYMEX Henry Hub Natural Gas	\$2.8/mmbtu	(\$0.005)
	Rotterdam Coal (API 2)	\$67.44/ton	(\$0.005)
	US Power – SP15	\$43.02/MWh	\$0.005

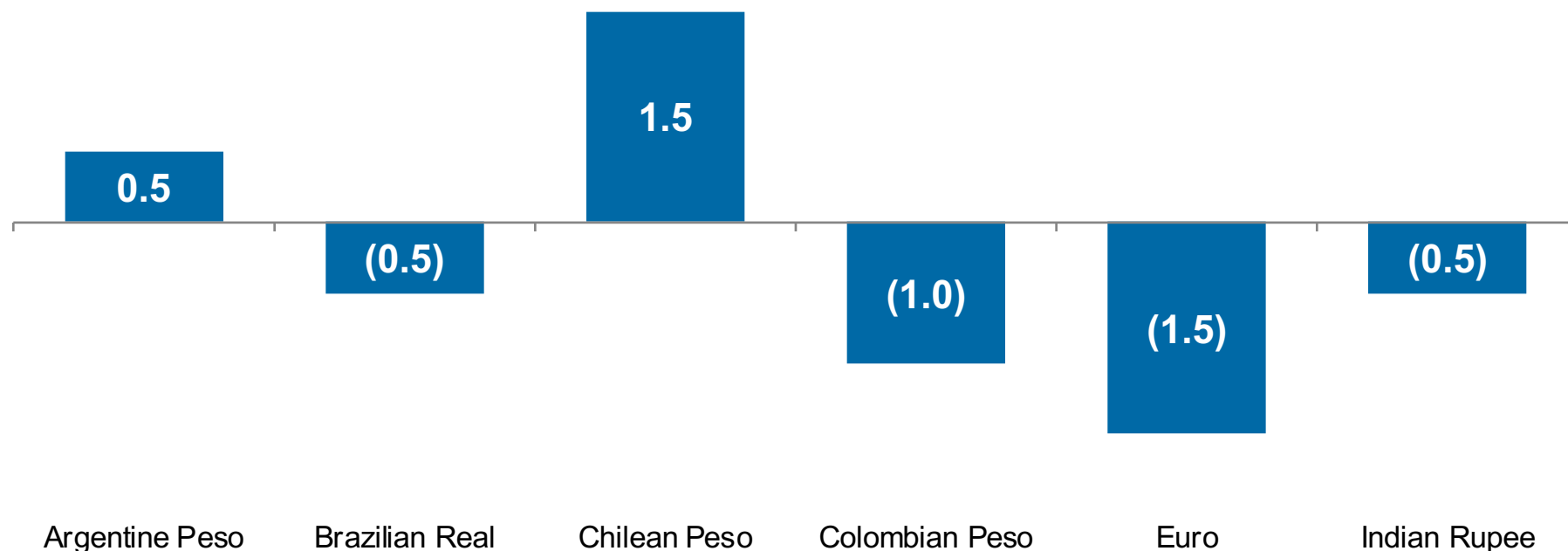
Note: Guidance reaffirmed on May 7, 2019. Sensitivities are provided on a standalone basis, assuming no change in the other factors, to illustrate the magnitude and direction of changing key market factors on AES' results. Estimates show the impact on year-to-go 2019 Adjusted EPS. Actual results may differ from the sensitivities provided due to execution of risk management strategies, local market dynamics and operational factors. Reaffirmed 019 guidance is based on currency and commodity forward curves and forecasts as of March 31, 2019. There are inherent uncertainties in the forecasting process and actual results may differ from projections. The Company undertakes no obligation to update the guidance presented. Please see Item 3 of the Form 10-Q for a more complete discussion of this topic. AES has exposure to multiple coal, oil, natural gas and power indices; forward curves are provided for representative liquid markets. Sensitivities are rounded to the nearest \$0.005 per share.

1. The move is applied to the floating interest rate portfolio balances as of March 31, 2019.

Foreign Exchange (FX) Risk Before Hedges

Cents Per Share, Exposures Before Hedges

Full Year 2020 Adjusted EPS¹ FX Sensitivity²



- 2020 FX risk before hedges for 10% US dollar appreciation against foreign currency
- FX risk mitigated on a rolling basis by active FX hedging

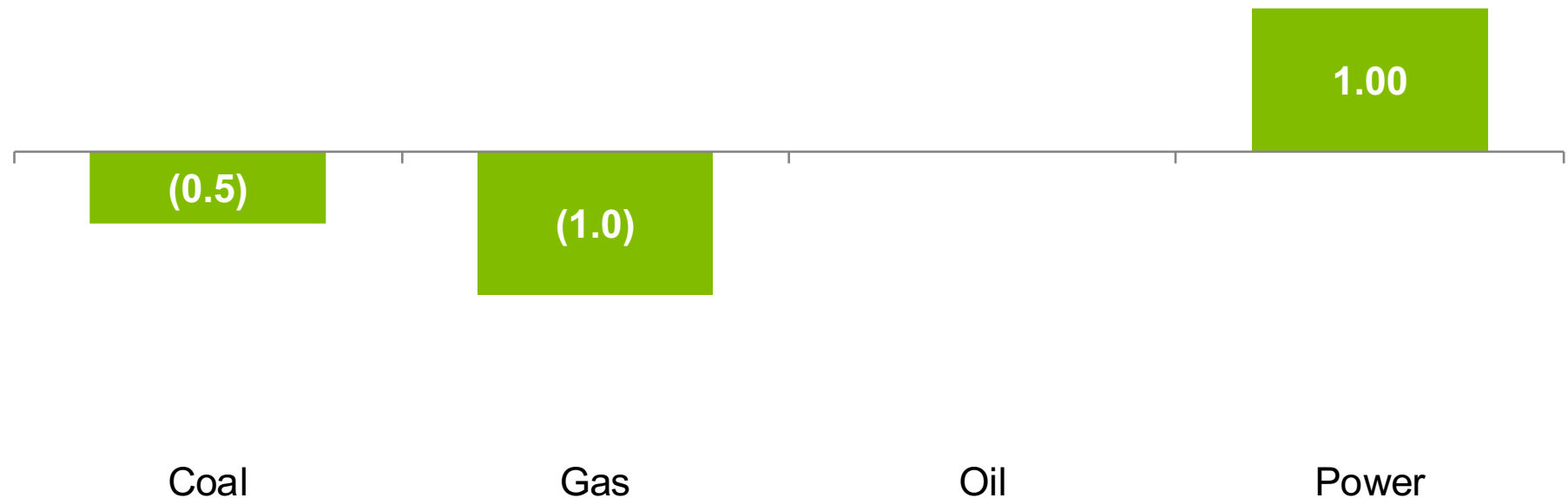
1. A non-GAAP financial measure. See “definitions”.

2. Sensitivity represents full year 2020 exposure as of December 31, 2018.

Commodity Risk

Cents Per Share

Full Year 2020 Adjusted EPS¹ Commodity Sensitivity²



1. A non-GAAP financial measure. See “definitions”.
2. Sensitivities assumes fuel moves 10% relative to commodities as of December 31, 2018. Adjusted EPS is negatively correlated to coal and gas price movement, and positively correlated oil and power price movements.

Projects Under Construction: Expected to Earn Double Digit After-Tax Returns

\$ in Millions, Unless Otherwise Stated

Project	Country	AES Ownership	Fuel/Technology	Gross MW	Expected COD	Total Capex	Total AES Equity
Construction Projects Coming On-Line 2019-2021							
Global Renewables	Various	24%-100%	Solar/Wind/ Energy Storage	1,327	1H 2019- 1H 2021	\$1,942	\$269
OPGC 2	India	49%	Coal	1,320 ¹	1H 2019	\$1,585	\$227
Southland Repowering	US-CA	100%	Gas	1,284	1H 2020	\$2,287	\$329
Alto Maipo	Chile	62%	Hydro	531	2H 2020	\$3,439	\$683
Total				4,462		\$9,253	\$1,508

1. Half of OPGC 2's capacity (660 MW) is already completed.

PPAs Signed in YTD 2019

Project	Location	Technology	Gross MW	AES Equity Interest	Expected COD ¹	PPA Length (Years)
Keydet (sPower)	US-VA	Solar	175	50%	2H 2021	15
APS	US-AZ	Energy Storage	100	100%	1H 2021	20
HECO – West Oahu Solar (AES DE)	US-HI	Solar	13	100%	2H 2021	25
		Energy Storage	13			
HECO – Waikoloa (AES DE)	US-HI	Solar	30	100%	2H 2021	25
		Energy Storage	30			
HECO – Kuihelni (AES DE)	US-HI	Solar	60	100%	1H 2022	25
		Energy Storage	60			
NY Community Solar (AES DE)	US-NY	Solar	10	100%	1H 2020	20
		Energy Storage	4			
Total			494			

1. Commercial Operations Date.

Contains Forward-Looking Statements

Summary of 15.7 GW Expected to Come On-Line Through 2024

	2019	2020	2021	2022	2023	2024	Total
(a) COD of Construction (Legacy)	1,596	2,149	100	-	-	-	3,845
(b) COD of Construction (PPAs Signed in 2018)	398	219	-	-	-	-	617
Construction (a + b)	1,994	2,368	100	-	-	-	4,462
(c) COD of PPAs Signed in 2018-2019 (Not Yet Under Construction)	185	577	611	390	-	-	1,763
Total PPAs Signed in 2018-2019 (b + c)	583	796	611	390	-	-	2,380
Backlog (a + b + c)	2,179	2,945	711	390	-	-	6,225
(d) COD of Projected PPAs ¹	-	1,003	2,253	2,500	2,500	1,250	9,506
Total (a + b + c + d)	2,179	3,948	2,964	2,890	2,500	1,250	15,731

1. For each year, half the projected amount is expected to come on-line in the following year and the remaining half in the second year. Thus, the projected amount through 2022 is expected to be on-line by 2024.

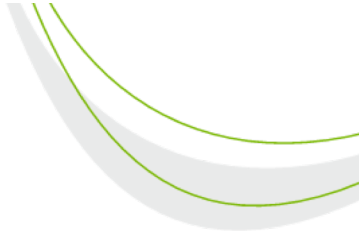
Reconciliation of Q1 Adjusted PTC¹ and Adjusted EPS¹

\$ in Millions, Except Per Share Amounts	Q1 2019		Q1 2018	
	Net of NCI ²	Per Share (Diluted) Net of NCI ²	Net of NCI ²	Per Share (Diluted) Net of NCI ²
Income from Continuing Operations, Net of Tax, Attributable to AES and Diluted EPS	\$154	\$0.23	\$685	\$1.03
Add: Income Tax Expense from Continuing Operations Attributable to AES	\$85		\$198	
Pre-Tax Contribution	\$239		\$883	
Adjustments				
Unrealized Derivative and Equity Securities Losses	\$3	\$0.01	\$12	\$0.02
Unrealized Foreign Currency Losses (Gains)	\$11	\$0.02	(\$3)	-
Disposition/Acquisition Losses (Gains)	\$9	\$0.01	(\$778)	(\$1.17) ³
Impairment Expense	\$2	-	-	-
Loss on Extinguishment of Debt	\$8	\$0.01	\$171	\$0.26 ⁴
Restructuring Costs	-	-	\$3	-
U.S. Tax Law Reform Impact	-	\$0.01	-	-
Less: Net Income Tax Expense (Benefit)	-	(\$0.01)	-	\$0.14 ⁵
Adjusted PTC¹ & Adjusted EPS¹	\$272	\$0.28	\$288	\$0.28

1. Non-GAAP financial measures. See “definitions”.
2. NCI is defined as Noncontrolling Interests.
3. Amount primarily relates to gain on sale of Masinloc of \$777 million, or \$1.17 per share.
4. Amount primarily relates to loss on early retirement of debt at the Parent Company of \$169 million, or \$0.26 per share.
5. Amount primarily relates to the income tax expense under the GILTI provision associated with gain on sale of Masinloc of \$155 million, or \$0.23 per share, partially offset by income tax benefits associated with the loss on early retirement of debt at the Parent Company of \$53 million, or \$0.08 per share.



Assumptions



Forecasted financial information is based on certain material assumptions. Such assumptions include, but are not limited to: (a) no unforeseen external events such as wars, depressions, or economic or political disruptions occur; (b) businesses continue to operate in a manner consistent with or better than prior operating performance, including achievement of planned productivity improvements including benefits of global sourcing, and in accordance with the provisions of their relevant contracts or concessions; (c) new business opportunities are available to AES in sufficient quantity to achieve its growth objectives; (d) no material disruptions or discontinuities occur in the Gross Domestic Product (GDP), foreign exchange rates, inflation or interest rates during the forecast period; and (e) material business-specific risks as described in the Company's SEC filings do not occur individually or cumulatively. In addition, benefits from global sourcing include avoided costs, reduction in capital project costs versus budgetary estimates, and projected savings based on assumed spend volume which may or may not actually be achieved. Also, improvement in certain Key Performance Indicators (KPIs) such as equivalent forced outage rate and commercial availability may not improve financial performance at all facilities based on commercial terms and conditions. These benefits will not be fully reflected in the Company's consolidated financial results.

The cash held at qualified holding companies ("QHCs") represents cash sent to subsidiaries of the Company domiciled outside of the U.S. Such subsidiaries had no contractual restrictions on their ability to send cash to AES, the Parent Company; however, cash held at qualified holding companies does not reflect the impact of any tax liabilities that may result from any such cash being repatriated to the Parent Company in the U.S. Cash at those subsidiaries was used for investment and related activities outside of the U.S. These investments included equity investments and loans to other foreign subsidiaries as well as development and general costs and expenses incurred outside the U.S. Since the cash held by these QHCs is available to the Parent, AES uses the combined measure of subsidiary distributions to Parent and QHCs as a useful measure of cash available to the Parent to meet its international liquidity needs. AES believes that unconsolidated parent company liquidity is important to the liquidity position of AES as a parent company because of the non-recourse nature of most of AES' indebtedness.

Definitions

- **Adjusted Earnings Per Share**, a non-GAAP financial measure, is defined as diluted earnings per share from continuing operations excluding gains or losses of both consolidated entities and entities accounted for under the equity method due to (a) unrealized gains or losses related to derivative transactions and equity securities; (b) unrealized foreign currency gains or losses; (c) gains, losses, benefits and costs associated with dispositions and acquisitions of business interests, including early plant closures, and the tax impact from the repatriation of sales proceeds; (d) losses due to impairments; (e) gains, losses and costs due to the early retirement of debt; (f) costs directly associated with a major restructuring program, including, but not limited to, workforce reduction efforts, relocations, and office consolidation; and (g) tax benefit or expense related to the enactment effects of 2017 U.S. tax law reform and related regulations and any subsequent period adjustments related to enactment effects.
- **Adjusted Pre-Tax Contribution**, a non-GAAP financial measure, is defined as pre-tax income from continuing operations attributable to The AES Corporation excluding gains or losses of the consolidated entity due to (a) unrealized gains or losses related to derivative transactions and equity securities; (b) unrealized foreign currency gains or losses; (c) gains, losses, benefits and costs associated with dispositions and acquisitions of business interests, including early plant closures; (d) losses due to impairments; (e) gains, losses and costs due to the early retirement of debt; and (f) costs directly associated with a major restructuring program, including, but not limited to, workforce reduction efforts, relocations, and office consolidation. Adjusted PTC also includes net equity in earnings of affiliates on an after-tax basis adjusted for the same gains or losses excluded from consolidated entities. Adjusted PTC reflects the impact of NCI and excludes the items specified in the definition above. In addition to the revenue and cost of sales reflected in Operating Margin, Adjusted PTC includes the other components of our Consolidated Statement of Operations, such as general and administrative expenses in the corporate segment, as well as business development costs, interest expense and interest income, other expense and other income, realized foreign currency transaction gains and losses, and net equity in earnings of affiliates.
- **NCI** is defined as noncontrolling interests.
- **Parent Company Liquidity** (a non-GAAP financial measure) is defined as cash available to the Parent Company plus available borrowings under existing credit facility plus cash at qualified holding companies ("QHCs"). The cash held at qualified holding companies represents cash sent to subsidiaries of the Company domiciled outside of the U.S. Such subsidiaries have no contractual restrictions on their ability to send cash to the Parent Company.
- **Parent Free Cash Flow** (a non-GAAP financial measure) should not be construed as an alternative to Net Cash Provided by Operating Activities which is determined in accordance with GAAP. Parent Free Cash Flow is equal to Subsidiary Distributions less cash used for interest costs, development, general and administrative activities, and tax payments by the Parent Company. Parent Free Cash Flow is used for dividends, share repurchases, growth investments, recourse debt repayments, and other uses by the Parent Company.
- **Subsidiary Liquidity** (a non-GAAP financial measure) is defined as cash and cash equivalents and bank lines of credit at various subsidiaries.
- **Subsidiary Distributions** should not be construed as an alternative to Net Cash Provided by Operating Activities which is determined in accordance with GAAP. Subsidiary Distributions are important to the Parent Company because the Parent Company is a holding company that does not derive any significant direct revenues from its own activities but instead relies on its subsidiaries' business activities and the resultant distributions to fund the debt service, investment and other cash needs of the holding company. The reconciliation of the difference between the Subsidiary Distributions and Net Cash Provided by Operating Activities consists of cash generated from operating activities that is retained at the subsidiaries for a variety of reasons which are both discretionary and non-discretionary in nature. These factors include, but are not limited to, retention of cash to fund capital expenditures at the subsidiary, cash retention associated with non-recourse debt covenant restrictions and related debt service requirements at the subsidiaries, retention of cash related to sufficiency of local GAAP statutory retained earnings at the subsidiaries, retention of cash for working capital needs at the subsidiaries, and other similar timing differences between when the cash is generated at the subsidiaries and when it reaches the Parent Company and related holding companies.