The AES Corporation

Fourth Quarter & Full Year 2021 Financial Review

February 25, 2022

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, the impact of the COVID-19 pandemic on our business, 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 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' 2020 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, except as required by law.

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.

Strategic and Financial Highlights

→ Announcing intent to exit coal by year-end 2025[1]

→ Reaffirming 7% to 9% annualized growth target for Adjusted EPS[2] and Parent Free Cash Flow[2] through 2025, off a base year of 2020

- Initiating 2022 Adjusted EPS[2] guidance of $1.55 to $1.65 and Parent Free Cash Flow[2] expectations of $860 to $910 million
- Expect US Adjusted PTC[2] to represent 50% of total by 2023

→ 2021 Adjusted EPS[2] of $1.52 and Parent Free Cash Flow[2] of $839 million

→ Signed 5 GW of new PPAs[3] for renewable energy projects in 2021, bringing our backlog to 9.2 GW

- In 2022, expect to sign 4.5 to 5.5 GW of renewables PPAs[3]

→ Fluence completed its IPO and began trading in November 2021

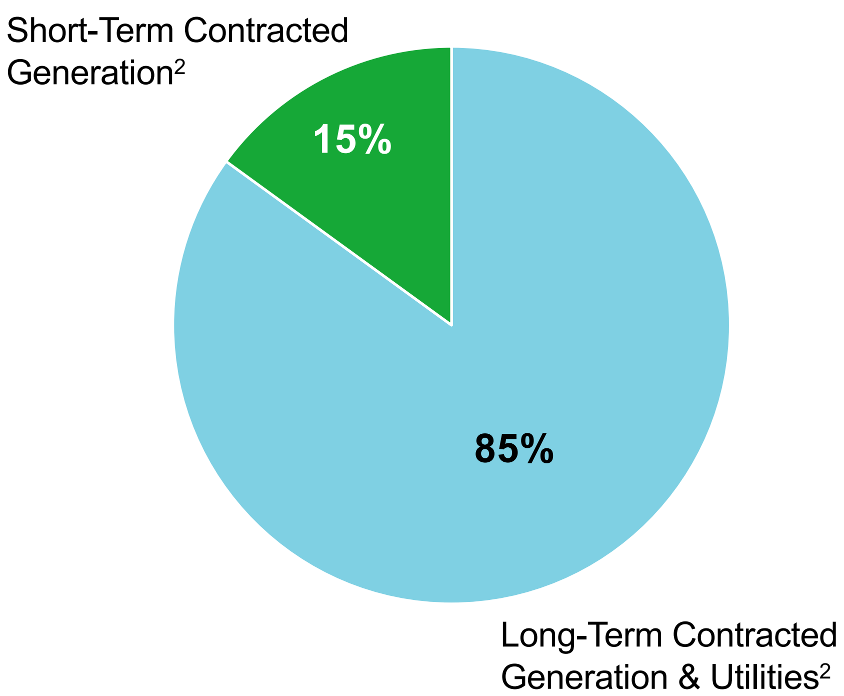
→ Increased ownership of AES Andes to ~99% from 67%

→ In 2021, best safety performance in our 40-year history, with no major incidents recorded

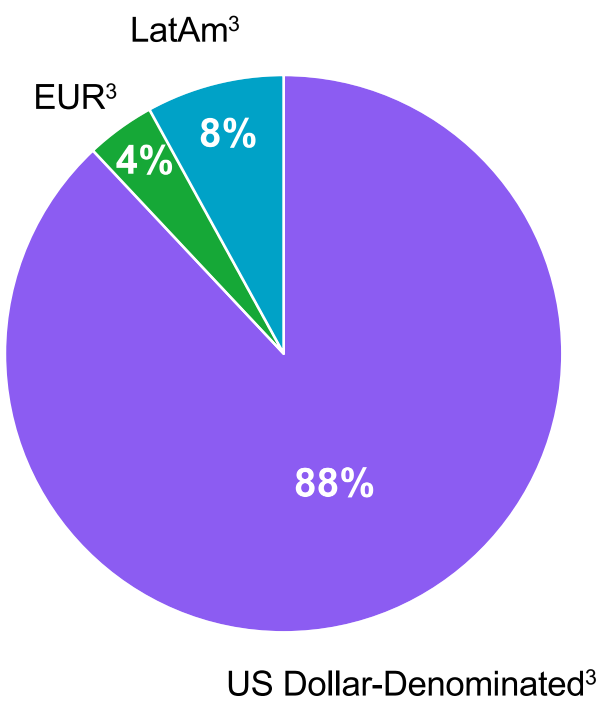
1. Through asset sales, fuel conversions and retirements, while maintaining reliability and affordability, and subject to necessary approvals.
2. A non-GAAP financial measure. See Appendix for definition and reconciliation to the nearest GAAP measure.
3. Power Purchase Agreement.

Executing Today: AES is a Sustainable Business with Overwhelmingly Contracted Generation & Utilities

85% of Adjusted PTC[1] From Long-Term Contracted Generation & Utilities



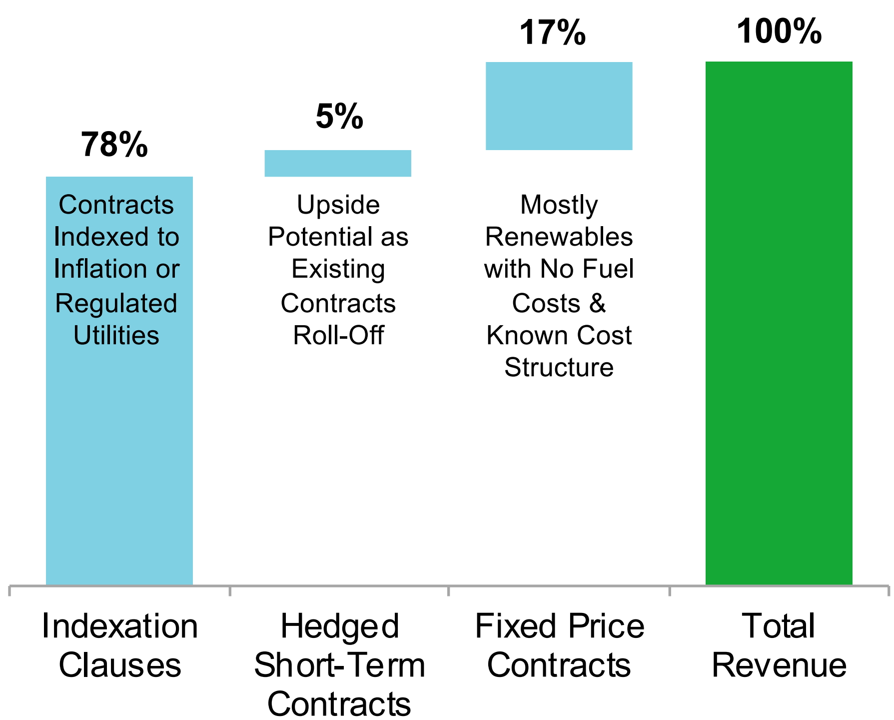
88% of Adjusted PTC[1] is in US Dollars



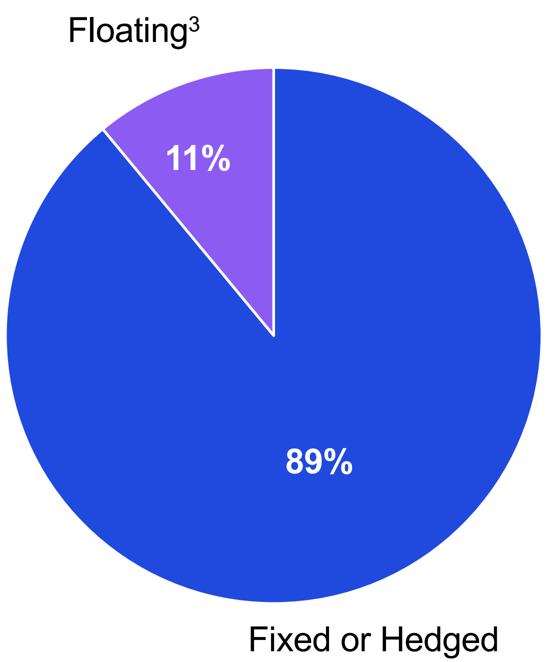
1. A non-GAAP financial measure. See Appendix for definition.
2. As of December 31, 2021. Short-term is defined as the percent of Adjusted PTC that comes from businesses with average contracted periods of less than four years.
3. 2022-2024 cumulative exposure as of December 31, 2021.

Executing Today: Largely Insulated from Inflation and Rising Interest Rates

83% of Revenue[1] Protected by Indexation Clauses or Hedging



89% of Interest Rate Exposure is Fixed or Hedged[2]



1. Revenue is based on 2022 expectations.
2. Outstanding debt as of December 31, 2021.
3. Does not include temporary drawings under revolvers of $365 million at Parent Company or $125 million at US Utilities.

Executing Today: Increased Ownership in AES Andes Adds Immediate Value

→ Increased ownership to ~99% from 67% previously

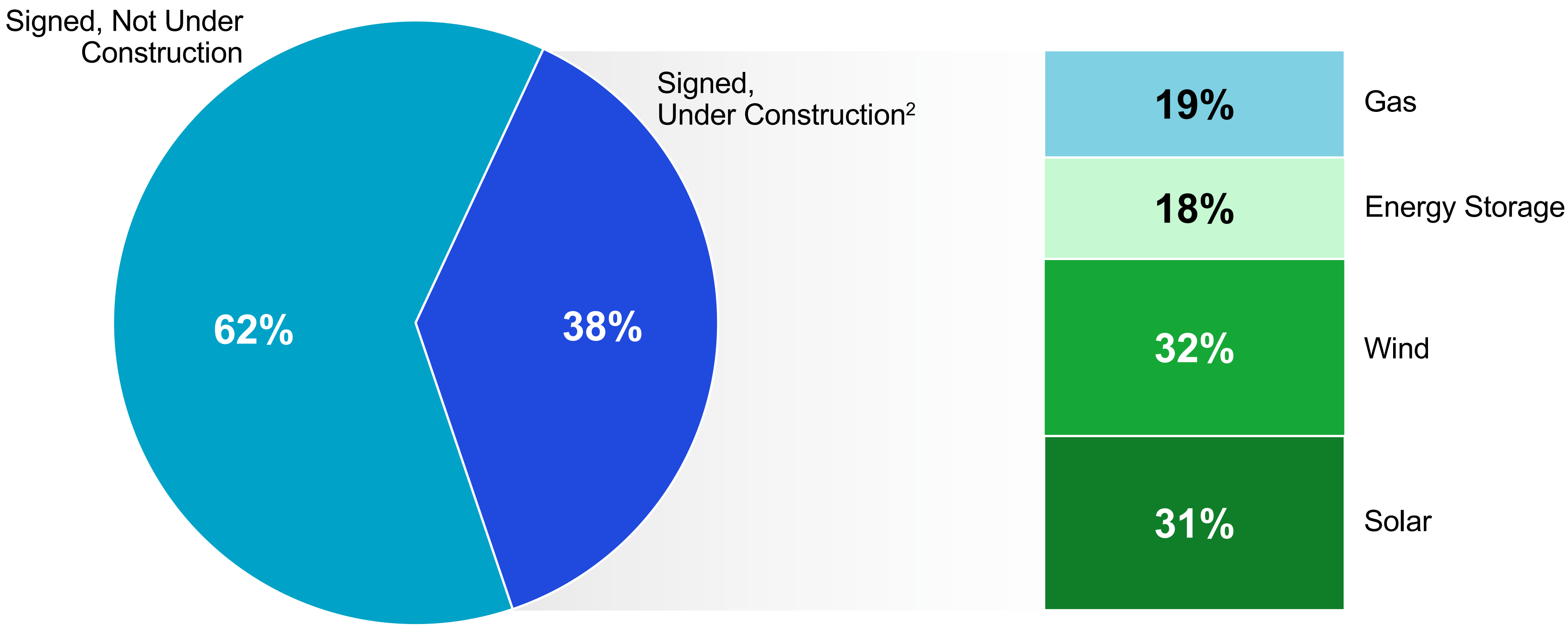
- AES equity of ~$195 million
- Remainder funded with non-recourse financing of $360 million

→ Demonstrates our conviction in the strength of the business:

- US Dollar-denominated contracts
- Long-term contracts
- Low-carbon transition

→ Expected to result in ~$0.09 per share accretion annually

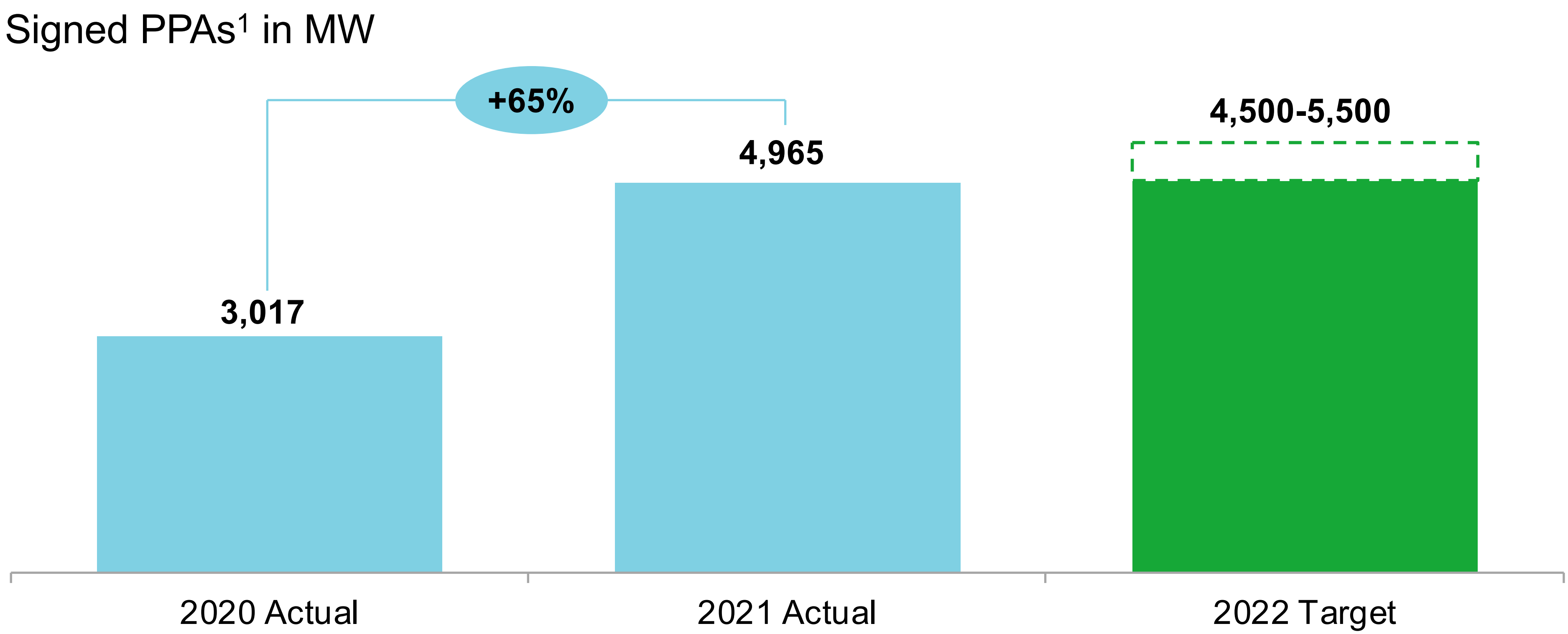
Executing Today: Supply Arrangements for 9.2 GW Backlog Substantially Fully Secured[1]



Expect to Bring 2.3 GW Online in 2022

1. As of February 24, 2022.
2. US & Utilities: 1,093 MW; South America: 1,685 MW; MCAC: 720 MW.

Investing for the Future: Exceeding Prior Target of Adding 3-4 GW of Renewables Under Long-Term PPAs Annually



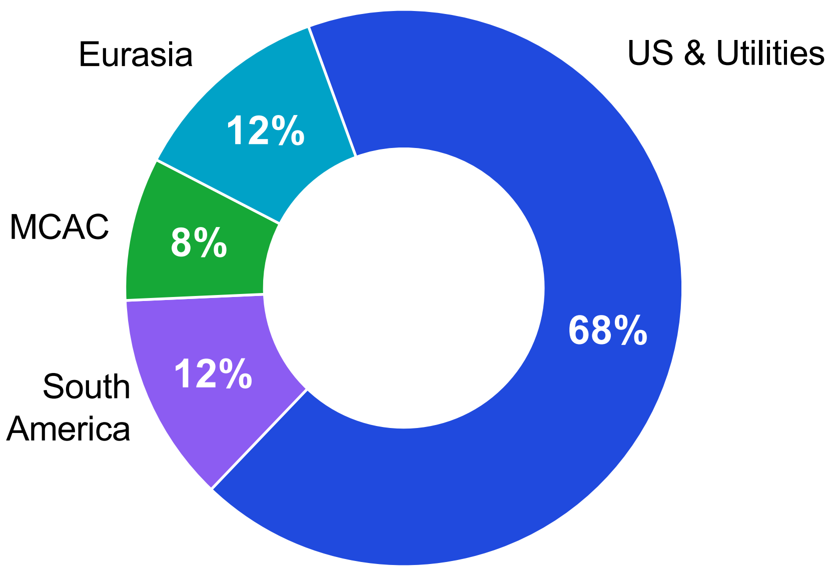
By 2026, Expect Portfolio of Operating Renewables to More Than Double Versus Year-End 2021

1. Power Purchase Agreements.
2. A non-GAAP financial measure. See Appendix for definition.

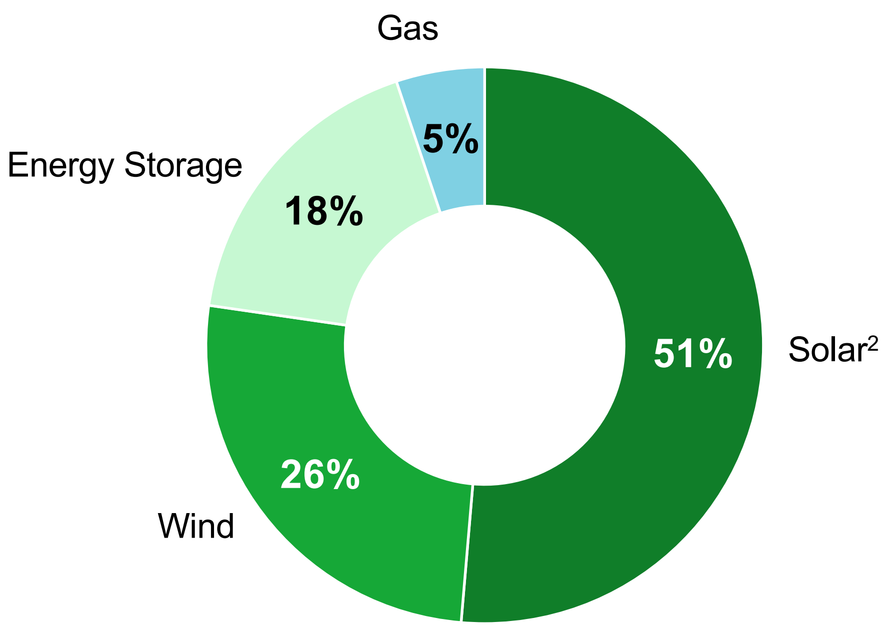
Investing for the Future: We Have a 59 GW Development Pipeline[1], Including ~10 GW Ready to Bid in the US

Capacity in MW

Geography



Technology



1. As of January 2022.
2. Includes Solar + Storage.

Investing for the Future: Growing Rate Base by 9% Annually at US Utilities

Developments at AES Indiana

→ Executing on approved Integrated Resource Plan (IRP) to retire two coal units (630 MW), which is being replaced with ~500 MW of new renewable generation

→ Started next IRP process, where potential outcomes could include additional retirements or fuel conversions for the remaining ~1 GW of coal generation

- Expect to file IRP by November 2022

Developments at AES Ohio

→ Executing on Smart Grid and Transmission investment programs approved in 2021

→ In the midst of a Distribution rate case

- Recently completed a hearing
- Base distribution rates have been the lowest in the state for the past five years, and even with the requested rate increase, would remain the lowest

Investing in Rate Base Growth, While Delivering Safe, Reliable & Affordable Services to Customers

Investing for the Future: AES Next is Pioneering Mutually Beneficial Innovation & Technology Businesses

Investing for the Future: Update on Fluence

- → Fluence completed its IPO in November 2021 with $1 billion in capital raised to invest in developing their products, supply chain and digital platform
- → Capitalizing on strong and growing energy storage demand
  - 4.2 GW of energy storage products deployed and contracted
  - $1.9 billion signed backlog
  - Fluence's digital platform, Fluence IQ, has 6 GW contracted, 80% with third-party customers
- → Fluence has faced some short-term challenges stemming from COVID-related supply chain issues
  - Fluence management has taken proactive actions to address challenges

Demand for Energy Storage Remains Robust and Fluence is Well-Positioned as a Market Leader

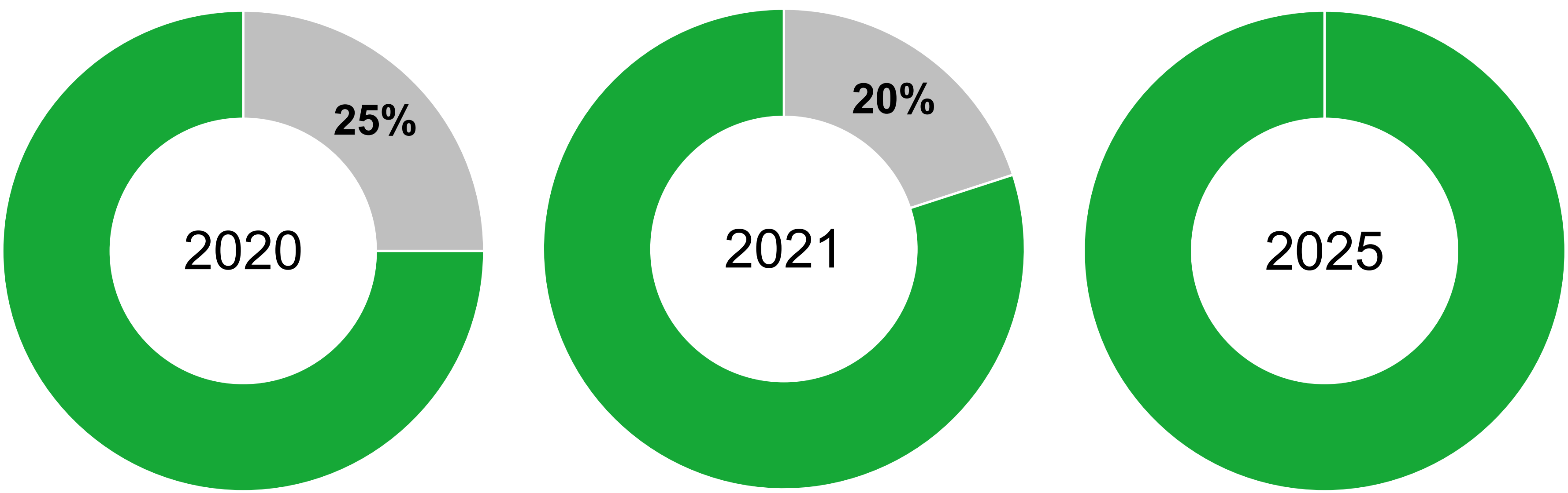
Investing for the Future: Developing & Incubating Technologies to Accelerate Deployment of Renewables

→ 5B's MAVERICK product is a prefabricated solar solution that has patented technology allowing projects to be built in one-third of the time and on half as much land, while being resistant to hurricane force winds

- Being rolled out in Australia, Chile, the Dominican Republic, India, Panama and the US

Investing for the Future: Now Intend to Exit Coal by Year-End 2025 vs. Previous Target of <10% by Year-End 2025

Proforma Generation in MWh from Coal[1]



Intent to Exit Coal by Year-End 2025 Through Asset Sales, Fuel Conversions & Retirements, While Maintaining Reliability & Affordability, and Subject to Necessary Approvals

1. Based on annual generation in MWh from the portfolio as of, or expected by, the relevant date, adjusted for: (i) (+) generation from new assets added to the portfolio, including renewables backlog; and (ii) (-) actual generation from announced asset sales or retirements.

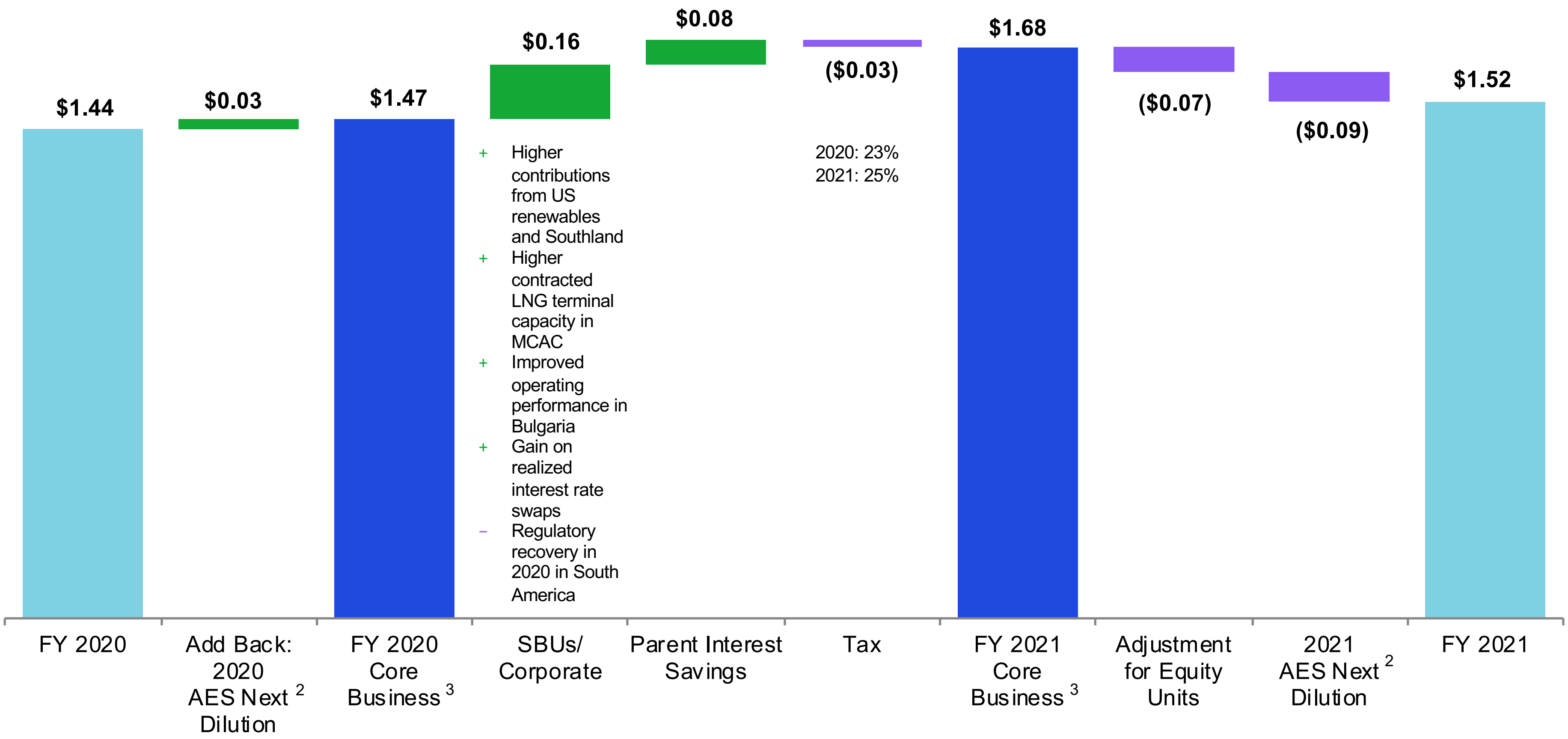
Q4 & FY 2021 Financial Review

→ 2021 results

→ 2021 Parent capital allocation

→ 2022 guidance and expectations through 2025

FY 2021 Adjusted EPS[1] Increased $0.08



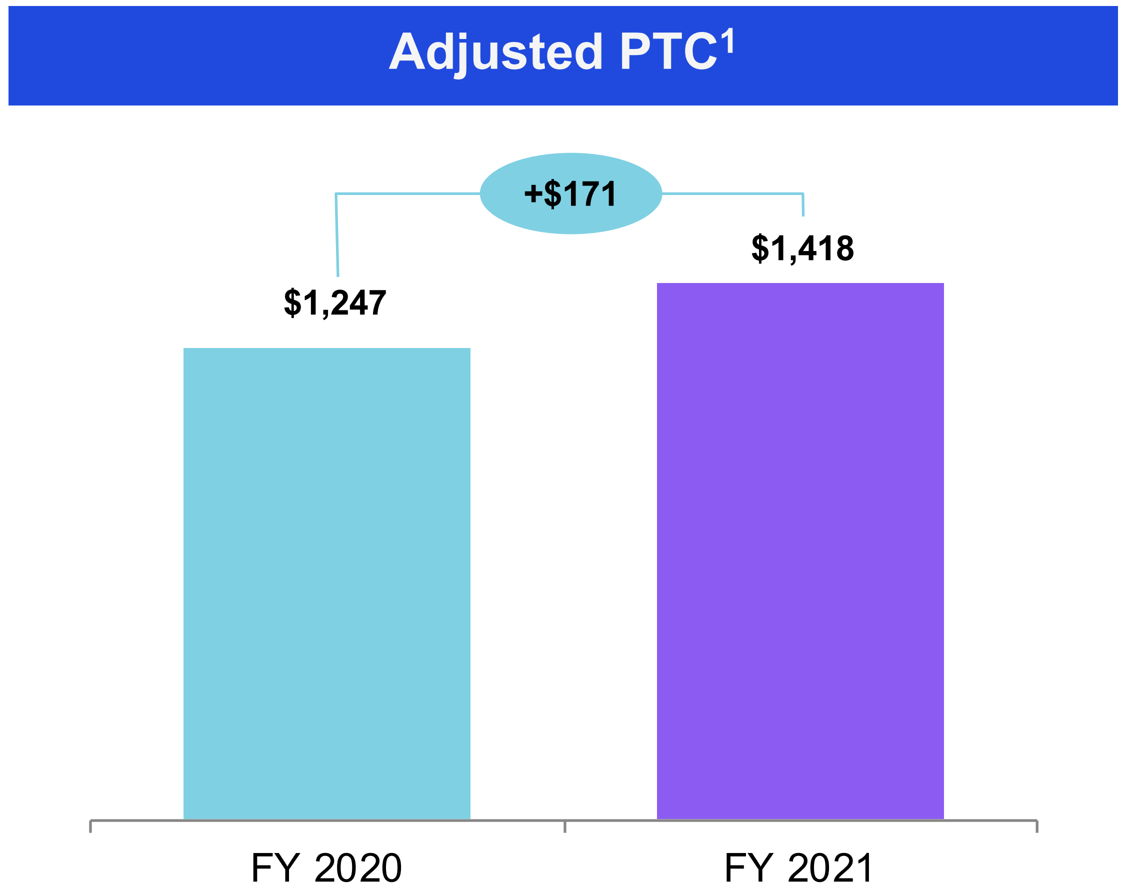
1. A non-GAAP financial measure. See Appendix for definition and reconciliation to the nearest GAAP measure.
2. AES Next develops and incubates new products and business platforms, such as Fluence, Uplight, 5B and Motor. AES Next is part of our Corporate and Other segment.
3. Our Core Business represents our portfolio of generation and utilities at our SBUs, as well as Corporate and Other, excluding AES Next.

FY 2021 Financial Results

$ in Millions

→ Higher Adjusted PTC[1] driven primarily by:
- Higher contributions from US and Utilities, MCAC, and Bulgaria; and
- Parent interest savings

→ Partially offset by lower contributions from South America and higher losses at AES Next



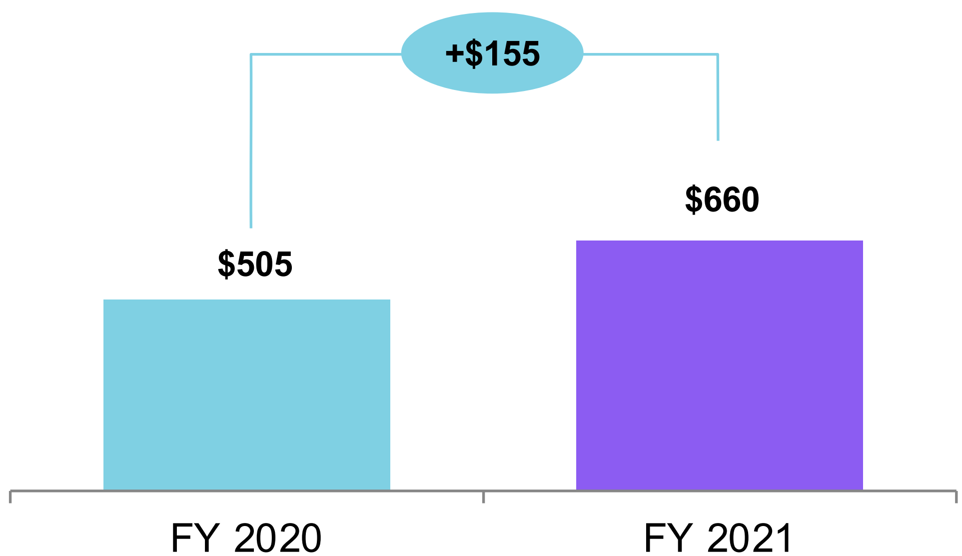
1. A non-GAAP financial measure. See Appendix for definition and reconciliation to the nearest GAAP measure.

FY Financial Results: US & Utilities SBU

$ in Millions

→ Higher Adjusted PTC[1] driven primarily by:
- Addition of new renewables; and
- Higher contributions from Southland

Adjusted PTC[1]



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

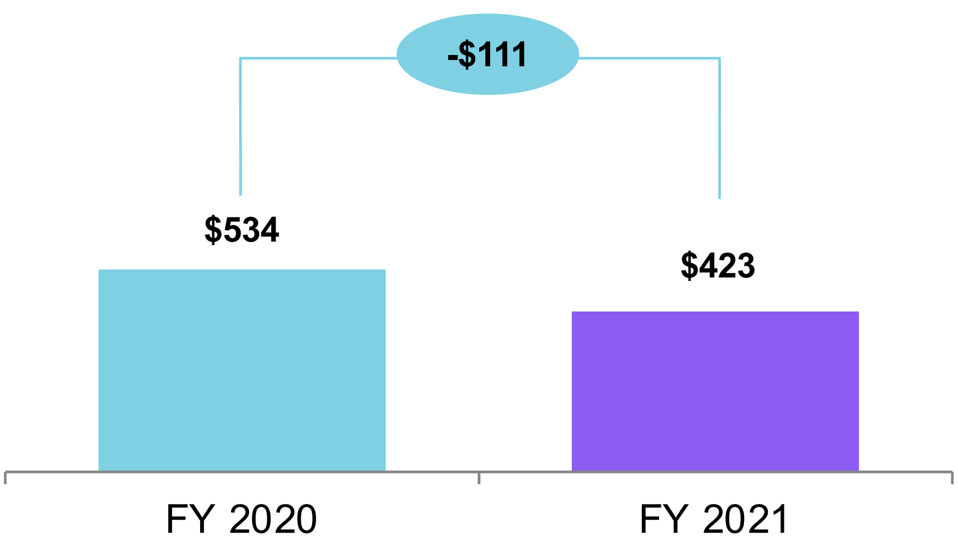
FY Financial Results: South America SBU

$ in Millions

→ Lower Adjusted PTC[1] driven primarily by:
  - Recovery of regulatory charges in Brazil in 2020;
  - Recovery of expenses from customers in Chile in 2020;
  - Lower equity earnings due to sale of Guacolda in Chile; and
  - Drier hydrology in Brazil

→ Partially offset by improved availability at the Chivor hydro plant in Colombia

Adjusted PTC[1]



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

FY Financial Results: MCAC SBU

$ in Millions

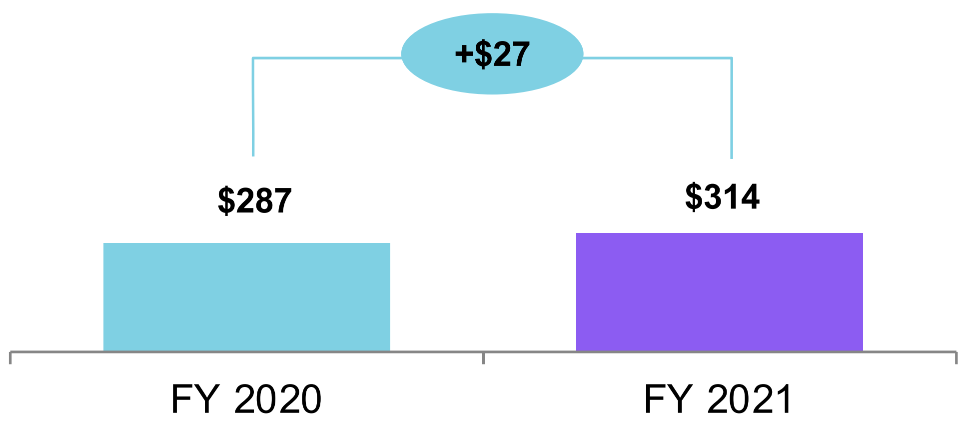
→ Higher Adjusted PTC[1] driven primarily by:

- Demand recovery in Panama; and
- Higher LNG sales in the Dominican Republic

→ Partially offset by:

- Lower availability in Mexico;
- Expiration of the 72 MW barge PPA in Panama in Q3 2020; and
- Sale of Itabo in the Dominican Republic

Adjusted PTC[1]



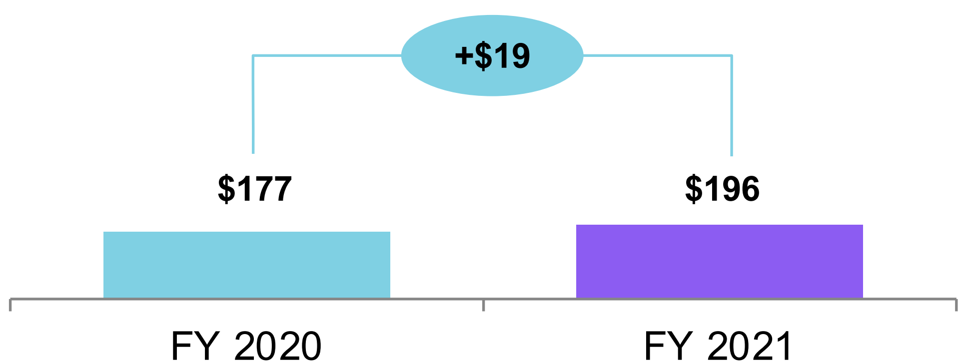
1. A non-GAAP financial measure. See Appendix for definition.

FY Financial Results: Eurasia SBU

$ in Millions

→ Higher Adjusted PTC[1] driven primarily by higher contributions from Bulgaria

Adjusted PTC[1]

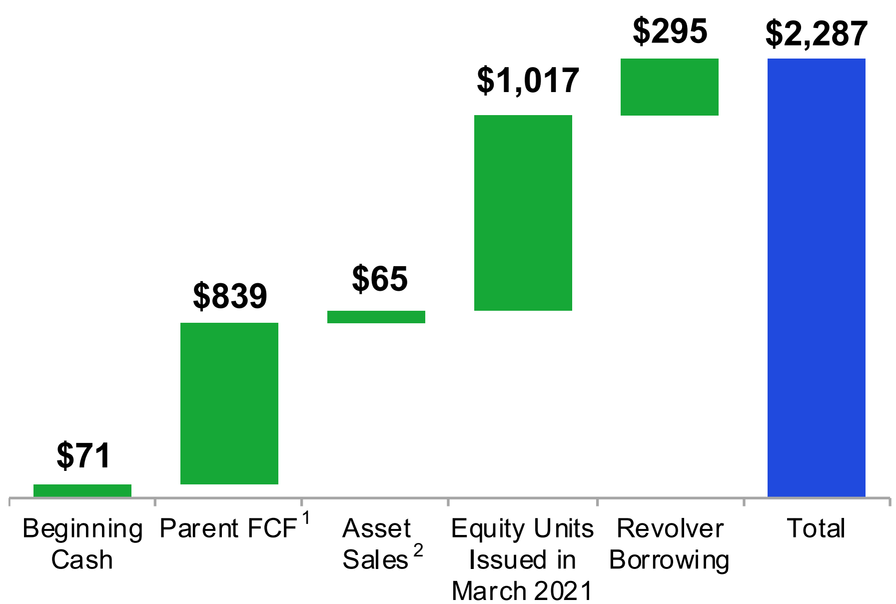


1. A non-GAAP financial measure. See Appendix for definition.

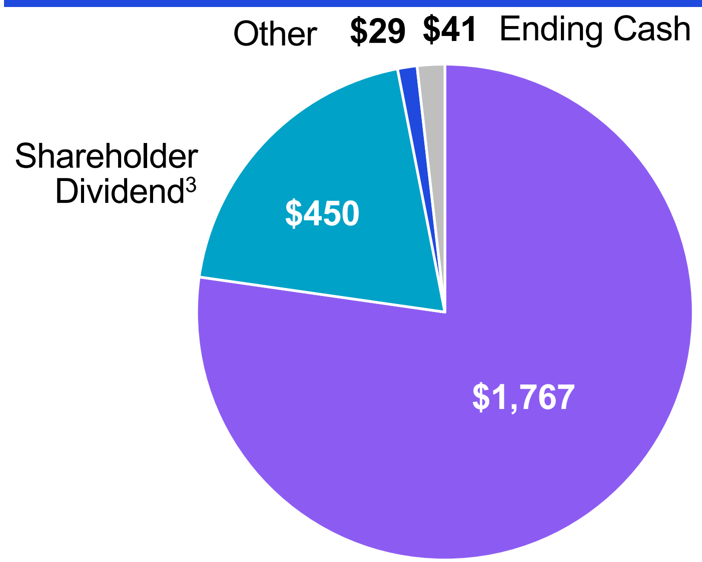
2021 Parent Capital Allocation

$ in Millions

Discretionary Cash – Sources ($2,287)



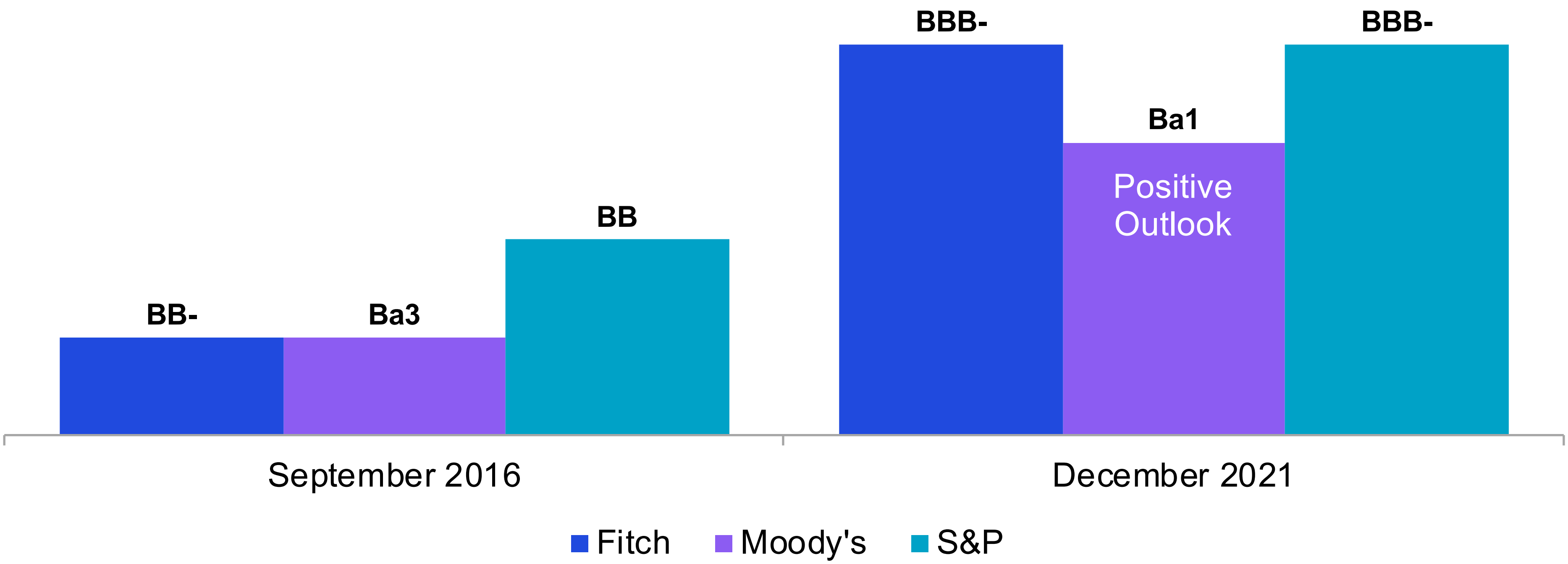
Discretionary Cash – Uses ($2,287)



Investments in Subsidiaries
- → Renewables: $1,104
- → US Utilities: $348
- → LNG Infra & New Technologies: $315

1. A non-GAAP financial measure. See Appendix for definition.
2. Includes the sale of Itabo in the Dominican Republic.
3. Includes 2021 payment of $0.1505 per share each quarter on 665 million shares outstanding as of December 31, 2020, and 6.875% coupon on $1 billion of equity units issued in March 2021.

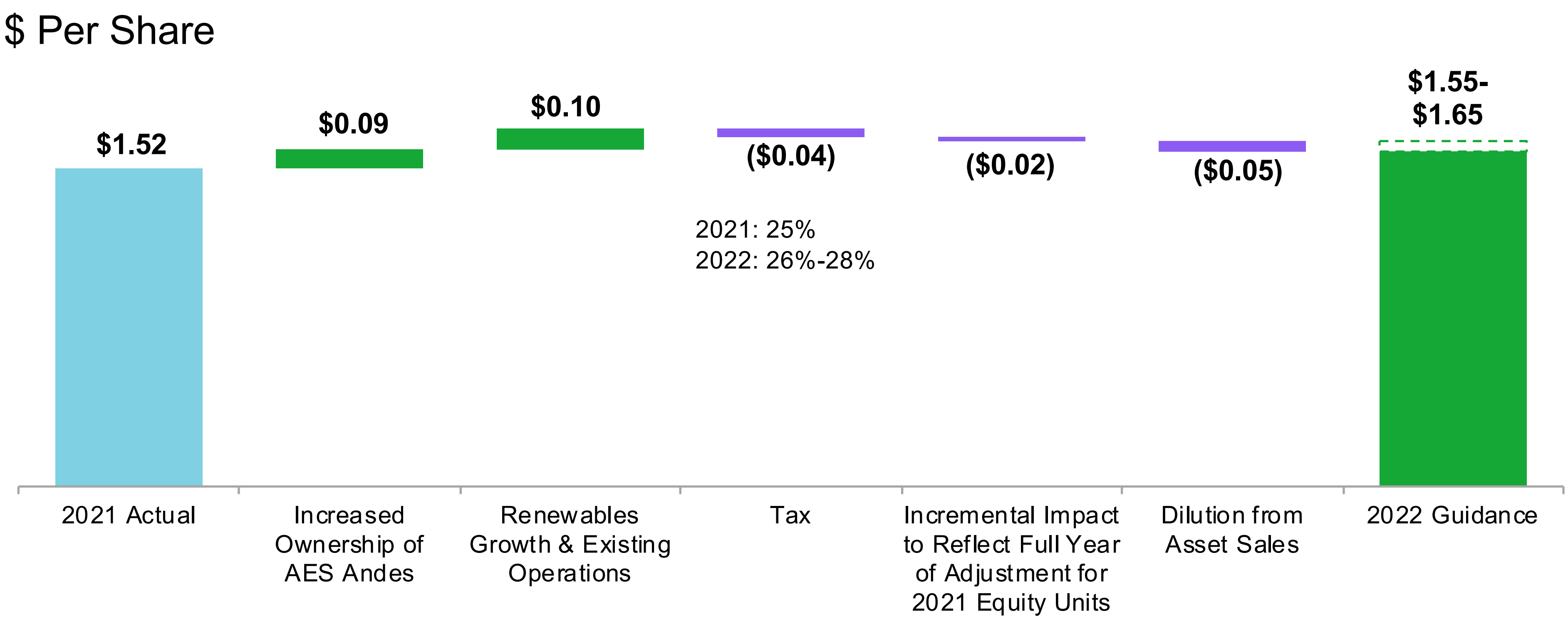
Credit Metrics Remain Robust and Expect to Attain Moody's Investment Grade Rating This Year



Parent Free Cash Flow[1]/Net Debt Ratio of 23% as of Year-End 2021 is Well Above 20% Threshold for Investment Grade Rating

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

Initiating 2022 Adjusted EPS[1] Guidance; Reaffirming 7%-9% Annualized Growth Through 2025[2]



Previously Expected Resolution of Pending Distribution Rate Case at DPL Early in 2022; Now Expected Later in Year, Therefore, Only a Small Contribution Assumed

1. A non-GAAP financial measure. The Company is not able to provide a corresponding GAAP equivalent or reconciliation for its Adjusted EPS guidance without unreasonable effort. See Appendix for definition and a description of the adjustments to reconcile Adjusted EPS to diluted EPS for 2021.
2. From a base of 2020 Adjusted EPS of $1.44.

2022 Parent Free Cash Flow[1] Expectations and Annualized Growth Through 2025

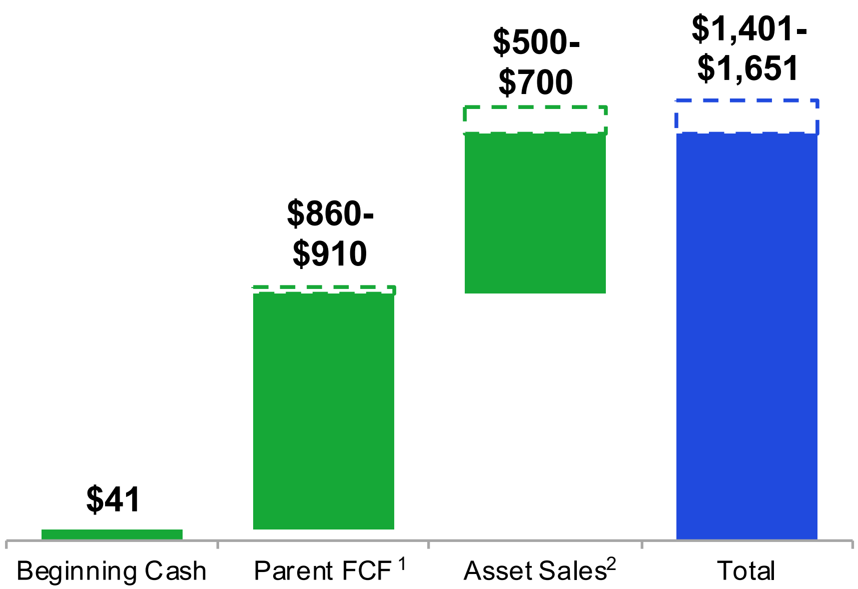
$ in Millions

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 Appendix for definition and a description of the adjustments to reconcile Parent Free Cash Flow to Net Cash Provided by Operating Activities at the Parent Company for 2021.
2. From a base of 2020 Parent Free Cash Flow of $777 million.

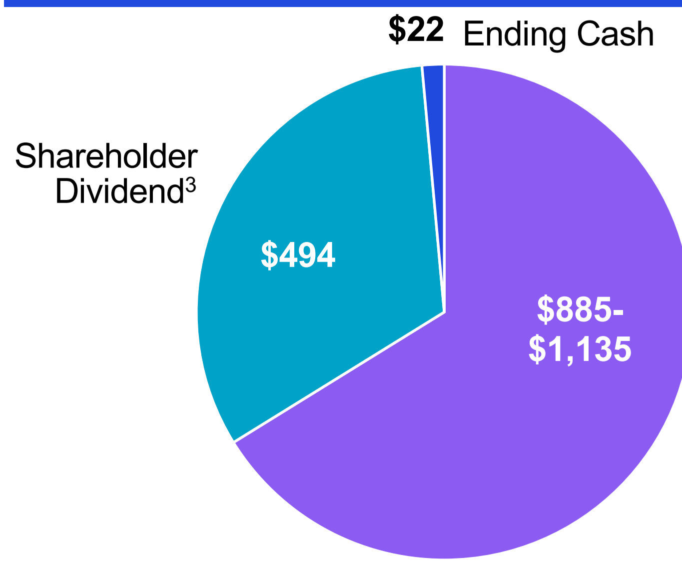
2022 Parent Capital Allocation Plan

$ in Millions

Discretionary Cash – Sources ($1,401-$1,651)



Discretionary Cash – Uses ($1,401-$1,651)



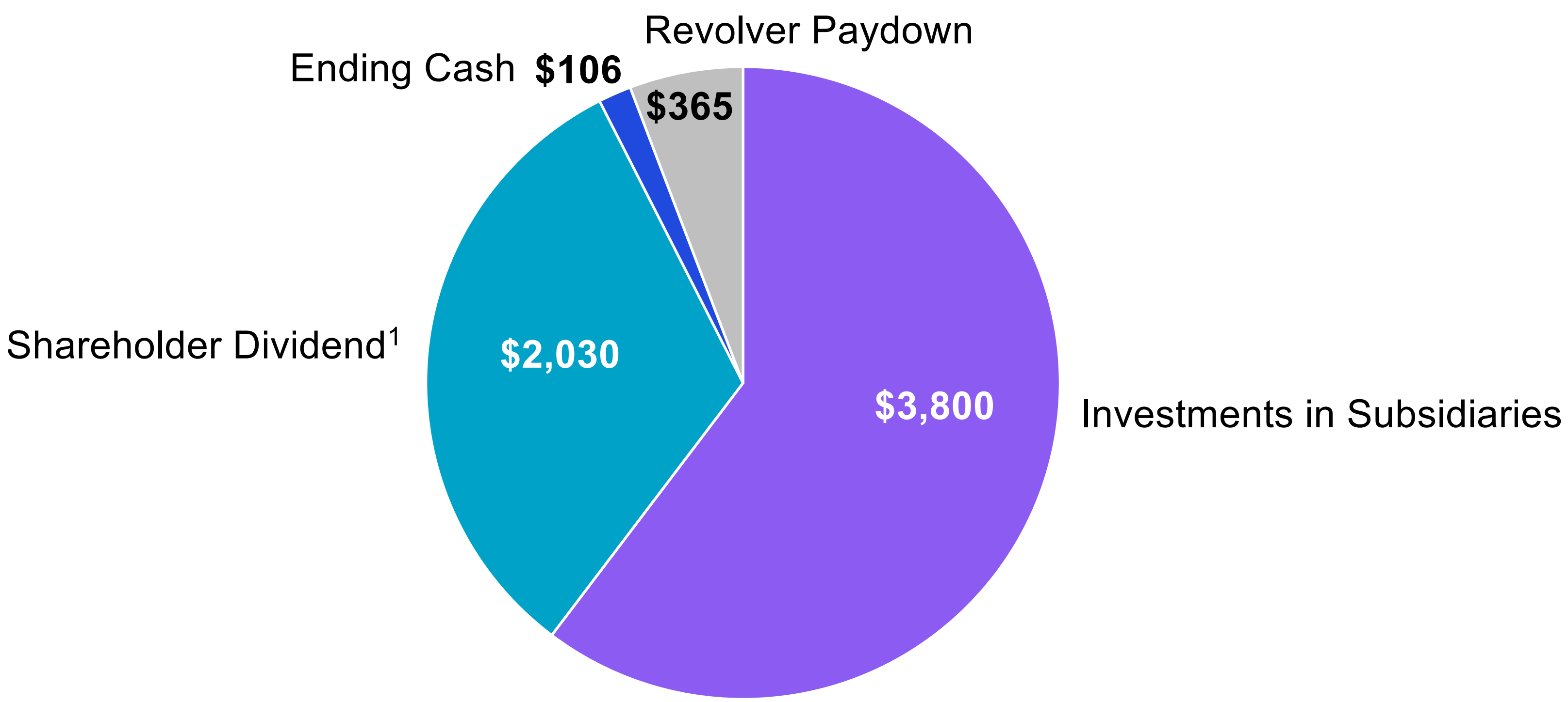
Investments in Subsidiaries

- → Renewables: $320-$570
- → US Utilities: $245
- → AES Andes: $195
- → LNG Infra & New Technologies: $125

1. A non-GAAP financial measure. See Appendix for definition.
2. Announced asset sales in Vietnam and Jordan, as well as unannounced asset sales
3. Includes 2022 payment of $0.1580 per share each quarter on 667 million shares outstanding as of December 31, 2021, and 6.875% coupon on $1 billion of equity units issued in March 2021.

2022-2025: Uses of $6.3 Billion Discretionary Cash

$ in Millions

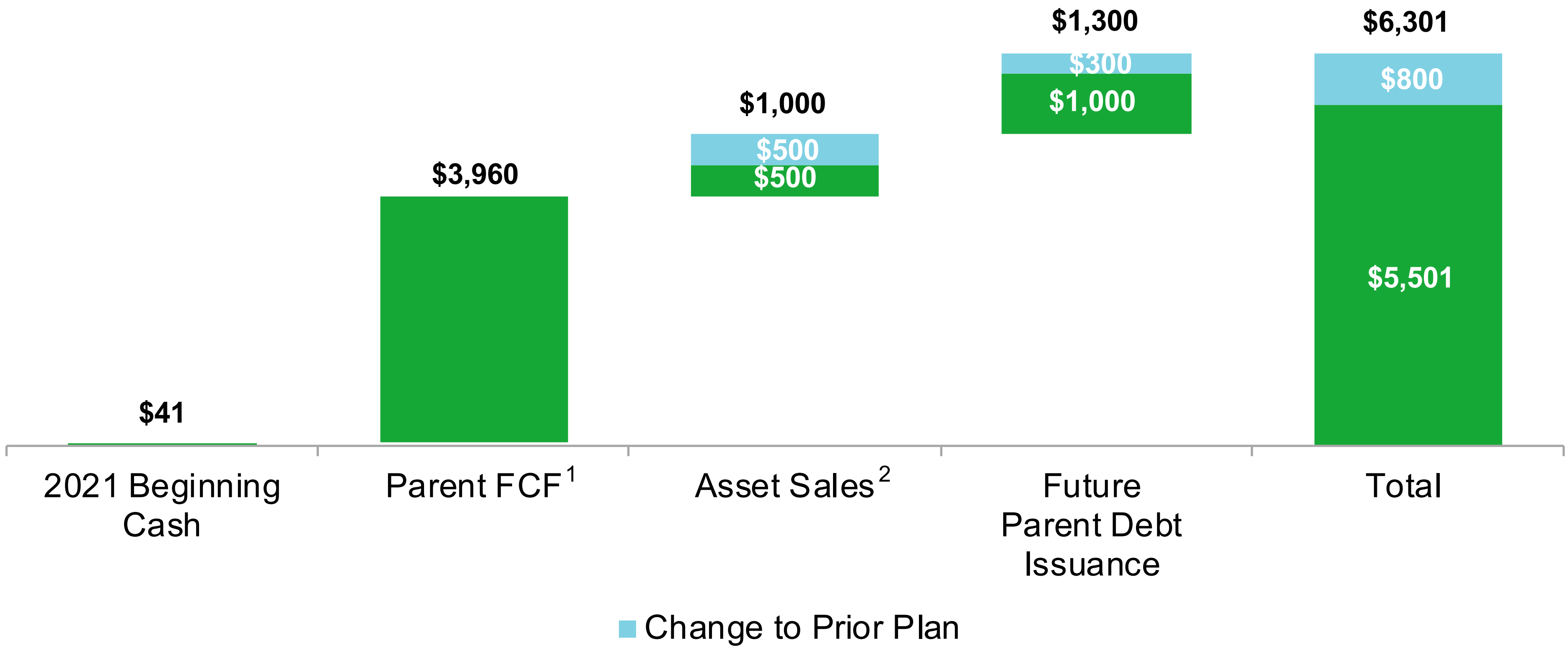


Allocating Capital to Maximize Shareholder Value

1. Assumes 2022 payment of $0.1580 per share each quarter on 667 million shares outstanding as of December 31, 2021, growing at 4%-6% per year through 2025, subject to Board approval, and 6.875% coupon on $1 billion of equity units issued in March 2021.

2022-2025: Sources of $6.3 Billion Discretionary Cash

$ in Millions



1. A non-GAAP financial measure. See Appendix for definition. The Company is not able to provide a corresponding GAAP equivalent or reconciliation for its Parent Free Cash Flow expectation without unreasonable effort.
2. Includes announced pending asset sales in Jordan and Vietnam, as well as unannounced asset sales.

Key Takeaways

→ Delivering on our financial and strategic commitments:

- 2021 Adjusted EPS[1] of $1.52 and Parent Free Cash Flow[1] of $839 million
- Signed 5 GW of new PPAs[2] for renewable energy projects in 2021, bringing our backlog to 9.2 GW
- Fluence completed its IPO and began trading in November 2021
- Increased ownership of AES Andes to 99% from 67%

→ Near-term actions will enable us to achieve three main goals:

- Attain investment grade rating from Moody's in 2022
- Increase proportion of Adjusted PTC[1] from the US to 50% by 2023
- Intend to exit coal by the end of 2025[3]

Reaffirming 7%-9% Annualized Growth Target for Adjusted EPS[1] and Parent Free Cash Flow[1] Through 2025, While Accelerating Our Transformation

1. A non-GAAP financial measure. See Appendix for definition and reconciliation to the nearest GAAP measure.
2. Power Purchase Agreement.
3. Through asset sales, fuel conversions and retirements, while maintaining reliability and affordability, and subject to necessary approvals.

Appendix

1. A non-GAAP financial measure. See "definitions".

Parent Sources and Uses of Liquidity

$ in Millions	Q4 2021	Q4 2020	FY 2021	FY 2020
Sources				
Total Subsidiary Distributions[1]	$477	$335	$1,166	$1,146
Proceeds from Asset Sales, Net	-	$530	$65	$530
Financing Proceeds, Net	($3)	$1,781	$1,010	$3,361
Increased/(Decreased) Credit Facility Commitments	-	-	$250	-
Issuance of Common Stock, Net	-	-	-	-
Total Returns of Capital Distributions & Project Financing Proceeds	$1	($118)	$1	$45
Beginning Parent Company Liquidity[2]	$1,513	$300	$924	$814
Total Sources	$1,988	$2,828	$3,416	$5,896
Uses				
Repayments of Debt	-	($1,769)	-	($3,365)
Shareholder Dividend	($118)	($95)	($450)	($381)
Investments in Subsidiaries, Net	($992)	$110	($1,767)	($812)
Cash for Development, Selling, General & Administrative and Taxes	$1	($40)	($235)	($198)
Cash Payments for Interest	($1)	($50)	($92)	($172)
Changes in Letters of Credit and Other, Net	-	($60)	$5	($44)
Ending Parent Company Liquidity[2]	($878)	($924)	($877)	($924)
Total Uses	($1,988)	($2,828)	($3,416)	($5,896)

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

Q4 & FY 2021 Subsidiary Distributions[1]

$ in Millions

Subsidiary Distributions[1] by SBU	Q4 2021	FY 2021
US & Utilities	$274	$629
South America	-	$75
MCAC	$120	$204
Eurasia	$53	$152
Corporate & Other[2]	$30	$106
Total	$477	$1,166

Top Ten Subsidiary Distributions[1] by Business

Q4 2021				FY 2021			
Business	Amount	Business	Amount	Business	Amount	Business	Amount
US Holdco (US & Utilities)	$176	Southland (US & Utilities)	$27	US Holdco (US & Utilities)	$182	Maritza East (Eurasia)	$87
AES Panama (MCAC)	$49	Kavarna (Eurasia)	$20	Southland (US & Utilities)	$176	AES Panama (MCAC)	$66
Andres (MCAC)	$32	Mong Duong (Eurasia)	$18	IPALCO (US & Utilities)	$120	AES Andes (South America)	$47
IPALCO (US & Utilities)	$31	AES Clean Energy (US & Utilities)	$18	AES Clean Energy (US & Utilities)	$113	Andres (MCAC)	$46
Global Insurance (Corp & Other)	$30	CAESS & EEO (US & Utilities)	$16	Global Insurance (Corp & Other)	$106	Los Mina (MCAC)	$36

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

Reconciliation of Subsidiary Distributions[1] and Parent Liquidity[1]

$ in Millions

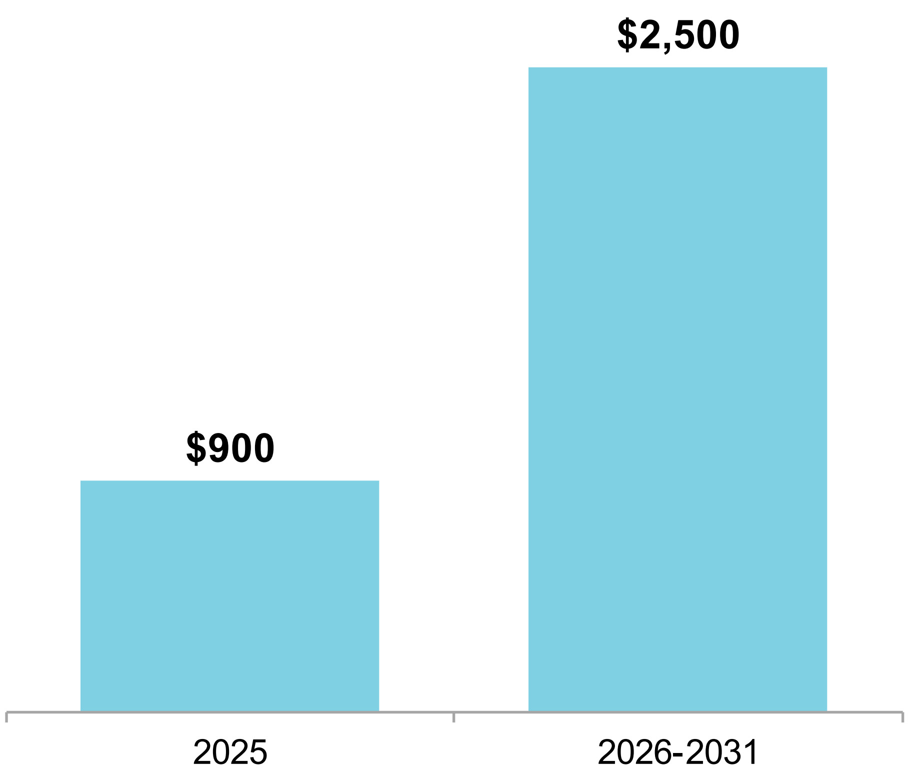
	Quarter Ended			
	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
Total Subsidiary Distributions[1] to Parent & QHCs[2]	$477	$278	$164	$247
Total Return of Capital Distributions to Parent & QHCs[2]	$1	-	-	-
Total Subsidiary Distributions[1] & Returns of Capital to Parent	$478	$278	$164	$247

	Balance as of			
	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
Cash at Parent & QHCs[2]	$41	$338	$373	$565
Availability Under Credit Facilities	$837	$1,175	$941	$916
Ending Liquidity	$878	$1,513	$1,314	$1,481

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

No Recourse Debt[1] Maturities Until 2025

$ in Millions, as of December 31, 2021

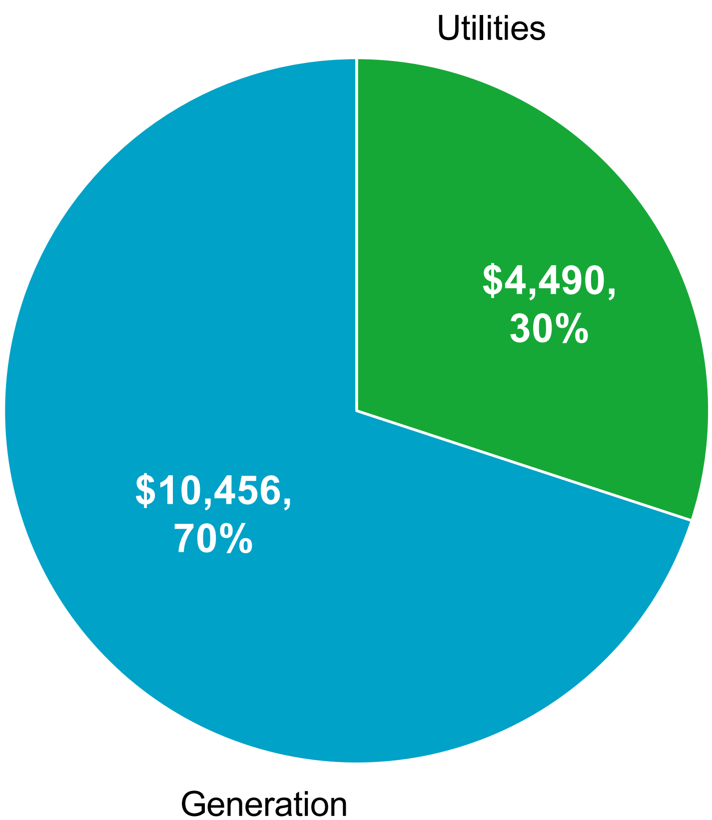


	Recourse Debt
Weighted Average All-in Cost	2.73%
Weighted Average Maturity	6.5 years
Percentage Fixed or Hedged	100%
Percentage in Functional Currency	100%

1. Does not include temporary drawings under revolvers of $365 million at Parent Company.

$14.9 Billion of Non-Recourse Debt[1]

$ in Millions, as of December 31, 2021



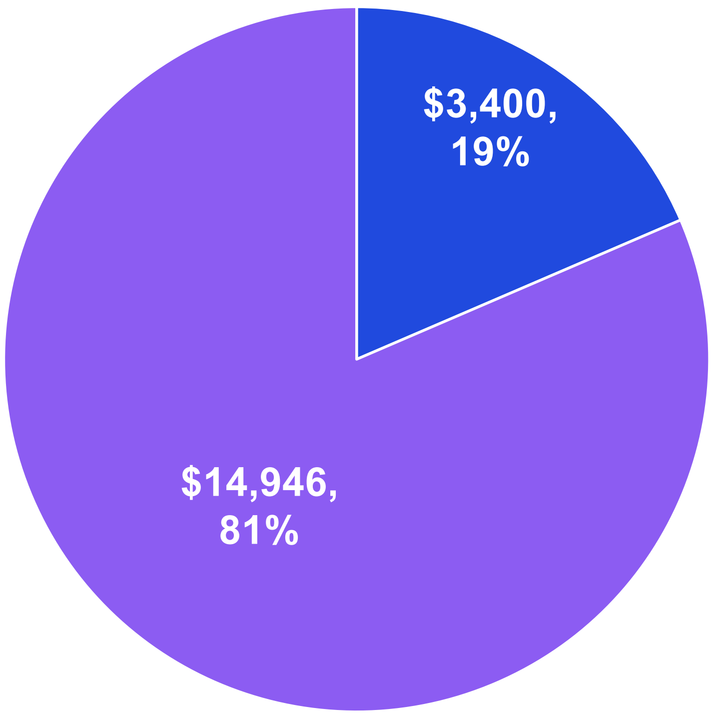
	Non-Recourse Debt
Weighted Average All-in Cost	4.66%
Weighted Average Maturity	11.8 years
Percentage Fixed or Hedged	~86%
Percentage in Functional Currency	~100%

1. Does not include temporary drawings under revolvers of $125 million at US Utilities.

Essentially All Interest Rate Exposure is Hedged Through Swaps or Contractual Arrangements

$ in Millions, as of December 31, 2021

Recourse Debt[1]



Non-Recourse Debt[2]

	Recourse Debt	Non-Recourse Debt
Weighted Average All-in Cost	2.73%	4.66%
Weighted Average Maturity	6.5 years	11.8 years
Percentage Fixed or Hedged	100%	~86%
Percentage in Functional Currency	100%	~100%

1. Does not include temporary drawings under revolvers of $365 million at Parent Company.
2. Does not include temporary drawings under revolvers of $125 million at US Utilities.

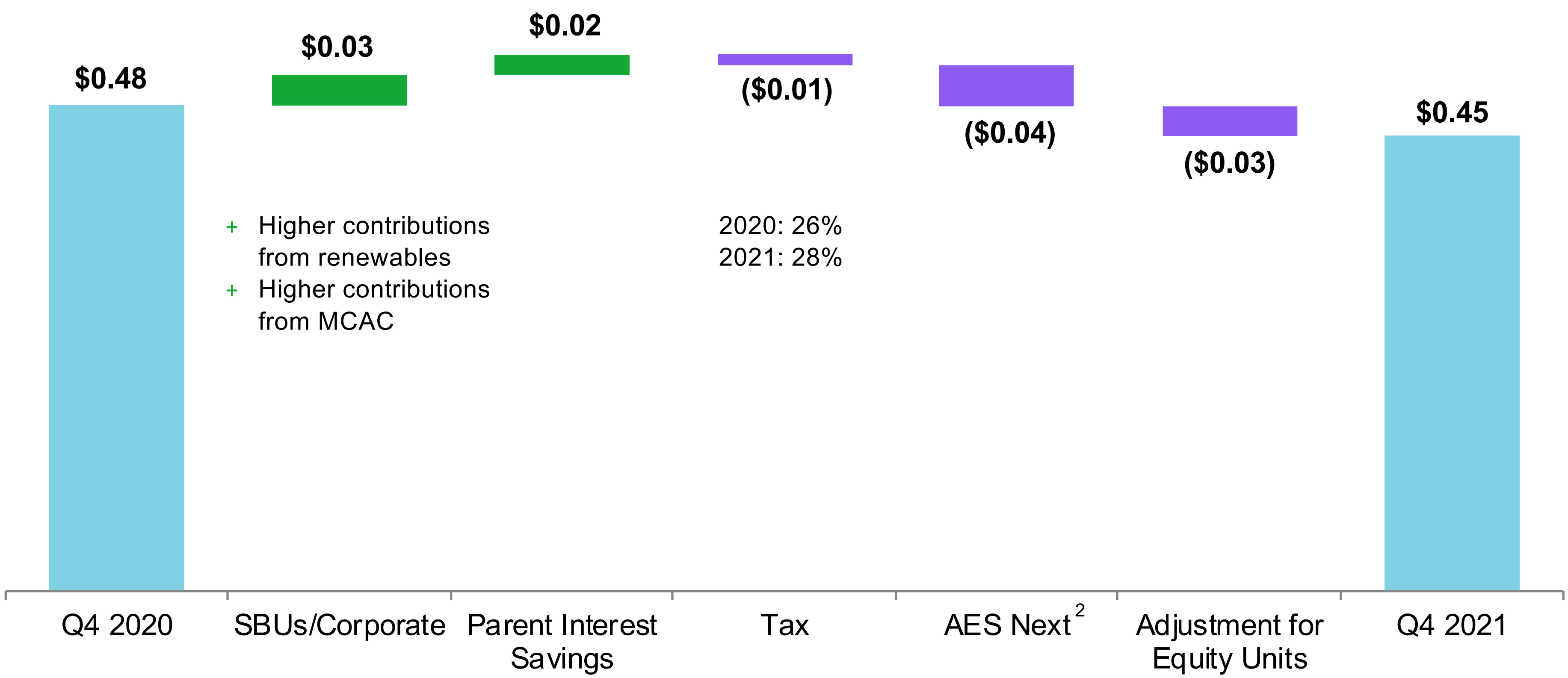
Q4 & FY Adjusted EPS[1] Roll-Up

$ in Millions, Except Per Share Amounts

	Q4 2021	Q4 2020	Variance	FY 2021	FY 2020	Variance
Adjusted PTC[1]						
US & Utilities	$234	$192	$42	$660	$505	$155
South America	$156	$153	$3	$423	$534	($111)
MCAC	$101	$86	$15	$314	$287	$27
Eurasia	$52	$44	$8	$196	$177	$19
Total SBUs	$543	$475	$68	$1,593	$1,503	$90
Corp/Other[2]	($103)	($47)	($56)	($175)	($256)	$81
Total AES Adjusted PTC[1,3]	$440	$428	$12	$1,418	$1,247	$171
Adjusted Effective Tax Rate	28%	26%		25%	23%	
Diluted Share Count	710	669		703	668	
Adjusted EPS[1]	$0.45	$0.48		$1.52	$1.44	

1. A non-GAAP financial measure. See Slides 54-55 for reconciliation to the nearest GAAP measure and “definitions”.
2. Includes $45 million and $9 million of losses from AES Next for the three months ended December 31, 2021 and 2020, respectively, and $85 million and $28 million of losses from AES Next for the year ended December 31, 2021 and 2020, respectively.
3. Includes $7 million and $38 million of adjusted after-tax equity in earnings for the three months ended December 31, 2021 and 2020, respectively, and $21 million and $53 million of adjusted after-tax equity in earnings for the year ended December 31, 2021 and 2020, respectively.

Q4 2021 Adjusted EPS[1] Decreased $0.03



1. A non-GAAP financial measure. See Slide 54 for reconciliation to the nearest GAAP measure and "definitions".
2. AES Next develops and incubates new products and business platforms, such as Fluence, Uplight, 5B and Motor. AES Next is part of our Corporate and Other segment.

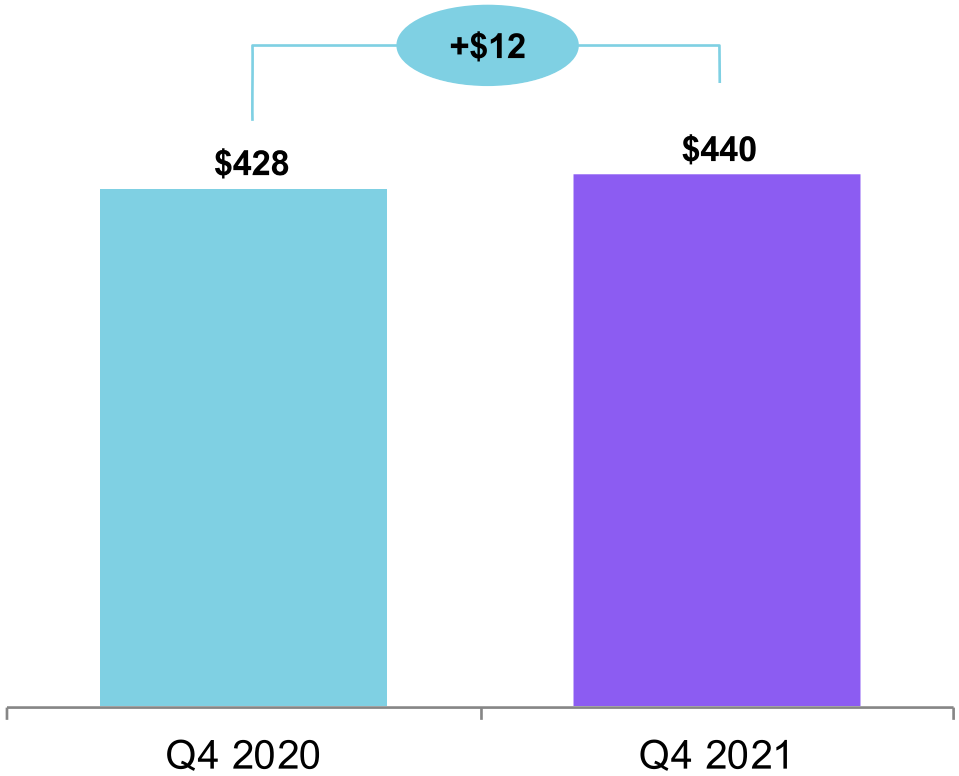
Q4 2021 Financial Results

$ in Millions

→ Higher Adjusted PTC[1] driven primarily by:
- Higher contributions from renewables;
- Higher contributions from MCAC; and
- Parent interest savings

→ Partially offset by higher losses at AES Next[2]

Adjusted PTC[1]



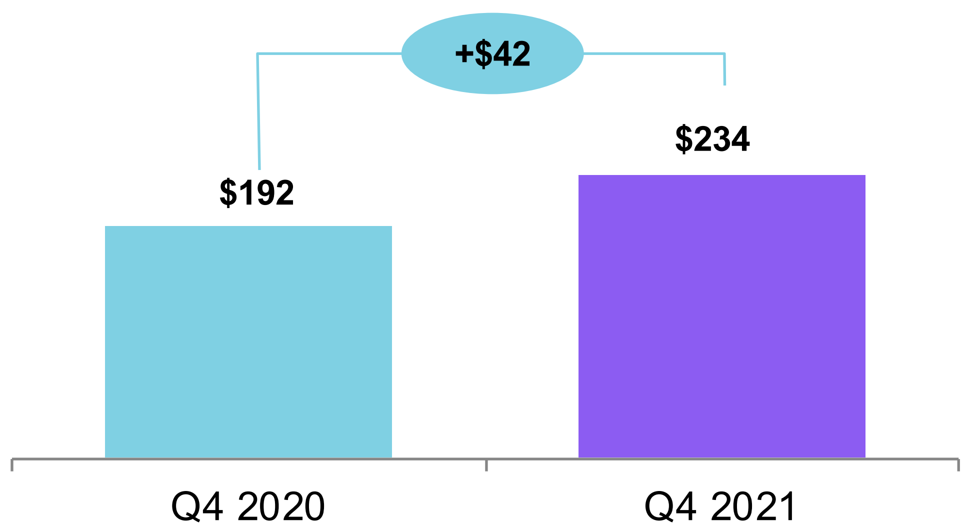
1. A non-GAAP financial measure. See Slide 54 for reconciliation to the nearest GAAP measure and "definitions".
2. AES Next develops and incubates new products and business platforms, such as Fluence, Uplight, 5B and Motor. AES Next is part of our Corporate and Other segment.

Q4 Financial Results: US & Utilities SBU

$ in Millions

→ Higher Adjusted PTC[1] driven primarily by higher contributions from renewables

Adjusted PTC[1]



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

Q4 Financial Results: South America SBU

$ in Millions

→ Higher Adjusted PTC[1] driven primarily by:
- Alto Maipo arbitration gain; and
- Higher contributions from Argentina

→ Partially offset by recovery of regulatory charges in Brazil in 2020

Adjusted PTC[1]

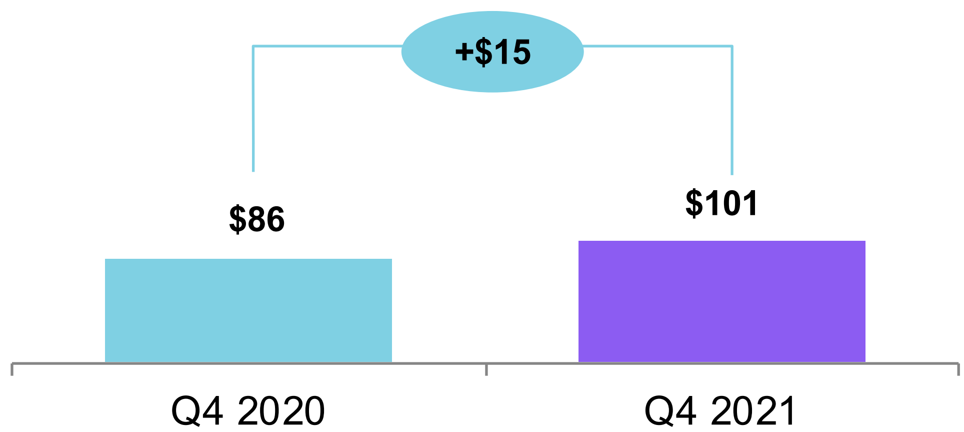
1. A non-GAAP financial measure. See "definitions".

Q4 Financial Results: MCAC SBU

$ in Millions

→ Higher Adjusted PTC[1] driven primarily by higher LNG sales in the Dominican Republic

Adjusted PTC[1]



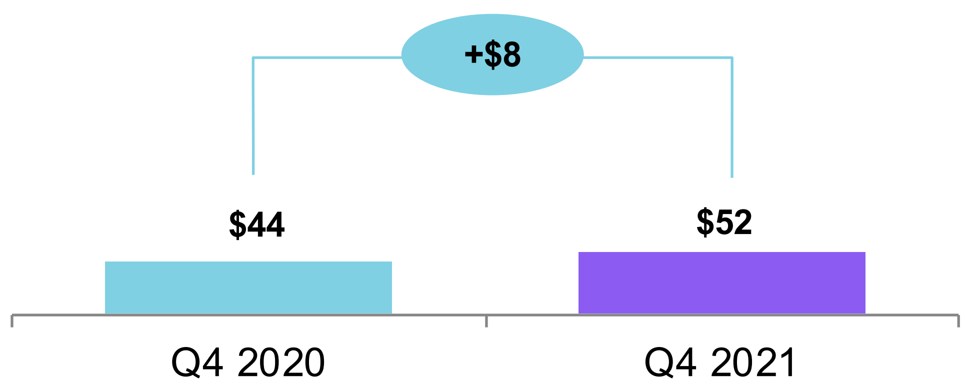
1. A non-GAAP financial measure. See "definitions".

Q4 Financial Results: Eurasia SBU

$ in Millions

→ Higher Adjusted PTC[1] driven primarily by higher contributions from Bulgaria

Adjusted PTC[1]



1. A non-GAAP financial measure. See "definitions".

FY 2021 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 & Utilities	$660	$362	($71)	$291	$28	($6)	$22	$549	($104)	$445
South America	$423	$239	($96)	$143	$100	($18)	$82	$273	($114)	$159
MCAC	$314	$140	($11)	$129	$7	($3)	$4	$155	($26)	$129
Eurasia	$196	$98	($38)	$60	$162	($80)	$82	$66	($3)	$63
Subtotal	$1,593	$839	($216)	$623	$297	($107)	$190	$1,043	($247)	$796
Corp/Other	($175)	$72	-	$72	$1	-	$1	$13	-	$13
Total	$1,418	$911	($216)	$695	$298	($107)	$191	$1,056	($247)	$809

1. A non-GAAP financial measure. See Slide 55 for reconciliation to the nearest GAAP measure and “definitions”.

FY 2021 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 & Utilities	$8,420	($1,637)	$6,783	$587	($68)	$519
South America	$3,817	($1,573)	$2,244	$632	($237)	$395
MCAC	$2,365	($104)	$2,261	$237	($38)	$199
Eurasia	$364	($11)	$353	$131	($8)	$123
Subtotal	$14,966	($3,325)	$11,641	$1,587	($351)	$1,236
Corp/Other	$3,733	-	$3,733	$129	-	$129
Total	$18,699	($3,325)	$15,374	$1,716	($351)	$1,365

Q4 2021 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 & Utilities	$234	$87	($17)	$70	$7	($2)	$5	$141	($26)	$115
South America	$156	$63	($25)	$38	$38	($9)	$29	$61	($27)	$34
MCAC	$101	$36	($3)	$33	$1	-	$1	$39	($7)	$32
Eurasia	$52	$23	($9)	$14	$40	($20)	$20	$16	-	$16
Subtotal	$543	$209	($54)	$155	$86	($31)	$55	$257	($60)	$197
Corp/Other	($103)	$33	-	$33	-	-	-	$4	-	$4
Total	$440	$242	($54)	$188	$86	($31)	$55	$261	($60)	$201

1. A non-GAAP financial measure. See Slide 54 for reconciliation to the nearest GAAP measure and "definitions".

2022 Adjusted PTC Modeling Ranges

$ in Millions

SBU	2021 Adjusted PTC[1]	2022 Adjusted PTC Modeling Ranges as of 2/25/22[1]	Drivers of Growth Versus 2021
US & Utilities	$660	$740-$780	+ Renewables growth + Growth at US utilities
South America	$423	$530-$570	+ Increased ownership of AES Andes + Normalized hydrology + Renewables growth
MCAC	$314	$310-$330	+ Relatively flat YoY
Eurasia	$196	$160-$170	– Announced asset sales – Normalized operations at Bulgaria wind
Total SBUs	$1,593	$1,740-$1,850	
Corporate & Other	($175)	($220)-($230)	– Assumed dilution from additional asset sales – Others
Total AES Adjusted PTC[1,2]	$1,418	$1,520-$1,620	

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

	2022
Subsidiary Distributions (a)	$1,185-$1,235
Cash Interest (b)	($115)
Corporate Overhead	($100)
Parent-Funded SBU Overhead	($95)
Business Development/Taxes	($15)
Cash for Development, General & Administrative and Tax (c)	($210)
Parent Free Cash Flow[1] (a – b – c)	$860-$910

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".

FY 2022 Guidance Estimated Sensitivities

Interest Rates[1]	100 bps increase in interest rates over 2022 is forecasted to have a change in Adjusted EPS of less than ($0.005)		
Currencies	10% appreciation of USD against following currencies is forecasted to have the following Adjusted EPS impacts:	FY 2022	
		Average Rate	Sensitivity
	Argentine Peso (ARS) [2]	134.07	Less than ($0.005)
	Brazilian Real (BRL) [2]	5.85	Less than $0.005
	Chilean Peso (CLP)	875.79	Less than $0.005
	Colombian Peso (COP)	4,157	Less than ($0.010)
	Dominican Peso (DOP)	58.3	$0.015
	Euro (EUR)	1.14	Less than ($0.010)
	Mexican Peso (MXN)	21.24	$0.015
Commodity	10% increase in commodity prices is forecasted to have the following Adjusted EPS impacts:	FY 2022	
		Average Rate	Sensitivity
	IPE Brent Crude Oil	$75.48/bbl	Less than $0.005
	NYMEX Henry Hub Natural Gas	$3.69/mmbtu	Less than ($0.015)
	Rotterdam Coal (API 2)	$99.89/ton	Less than ($0.005)
	US Power – SP15	$57.47/MWh	Less than $0.005

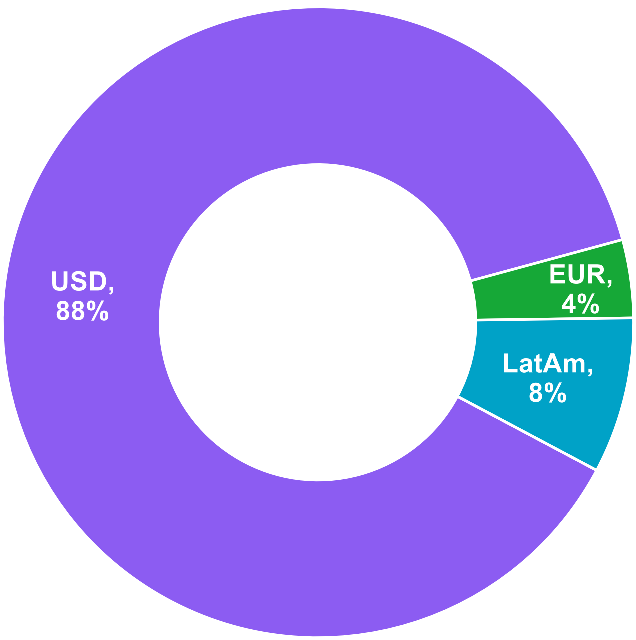
Note: Guidance provided on February 25, 2022. Sensitivities are provided on a standalone basis, assuming no change in the other factors, to illustrate the magnitude and direction of changing key market factors on AES' results. Estimates show the impact on full year 2022 Adjusted EPS. Actual results may differ from the sensitivities provided due to execution of risk management strategies, local market dynamics and operational factors. Full year 2022 guidance is based on currency and commodity forward curves and forecasts as of December 31, 2021. 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 1 of the Form 10-K 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 December 31, 2021.
2. Argentine Peso and Brazilian Real sensitivities are based on AES internal FX rate assessment.

Limited Exposure to Fluctuations in Foreign Currency

2022-2024 Cumulative Exposure

Composition by Currency



Annualized Impact[1] of 10% USD Appreciation on Adjusted PTC[2,3] After Hedging

Non-USD Currencies	$ in Millions
Argentine Peso (ARS)	($7.0)
Euro (EUR)	($7.0)
Colombian Peso (COP)	($12.0)
Chilean Peso (CLP)	$9.0
Brazilian Real (BRL)	($3.0)
Others	<($0)
% of Annualized Adjusted PTC[2]	1.2%

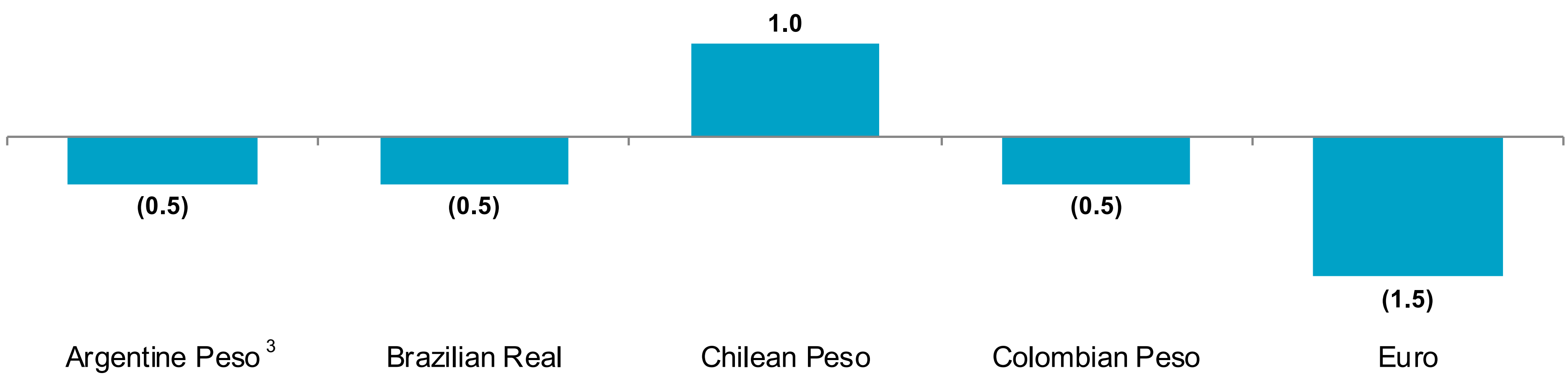
$0.02 Annualized EPS Impact From 10% Appreciation of USD

1. 10% USD appreciation relative to currency market forward curves as of December 31, 2021. Exception: Argentine Peso and Brazilian Real forward curves are based on AES internal FX rate assessment. Sensitivities are rounded to the nearest $1 million. Excludes inflation adjustments earned through contracts in Argentina and Colombia that provide additional benefit.
2. Annualized values are cumulative exposure as of December 31, 2021.
3. As of December 31, 2021. A non-GAAP financial measure. See “definitions”.

Foreign Exchange (FX) Risk Before Hedges

Cents Per Share

Full Year 2024 Adjusted EPS[1] FX Sensitivity[2]



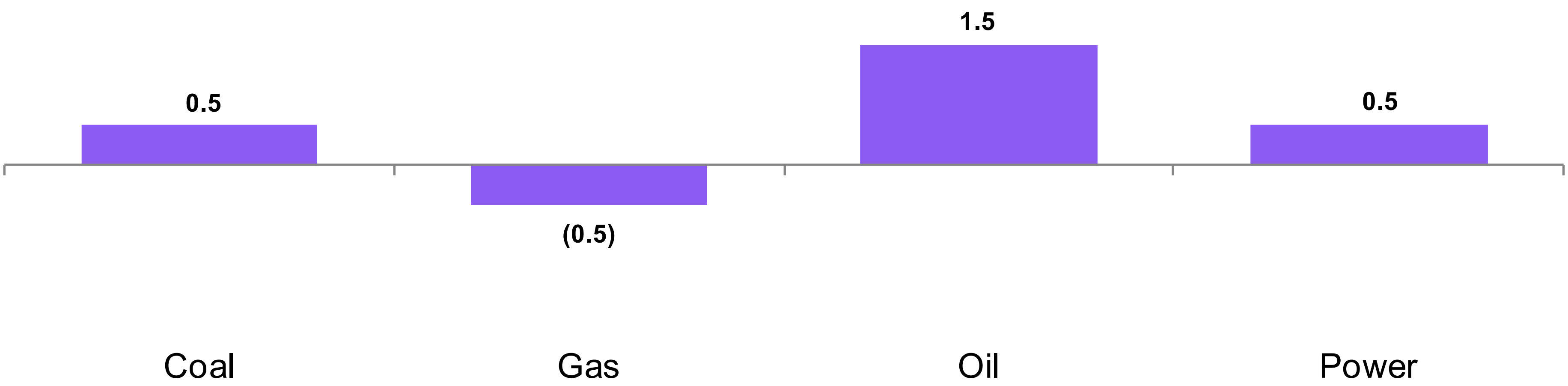
- 2024 FX risk for 10% US Dollar appreciation against foreign currency, before impact of financial hedge instruments
- Estimated realized FX moves include inflation adjustments earned through contracts in Argentina and Colombia; historic analysis indicates that such adjustments could offset FX risk by at least 60% in Argentina and 80% in Colombia over a 3-year period

1. A non-GAAP financial measure. See “definitions”.
2. Sensitivity represents full year 2024 exposure as of December 31, 2021.
3. Argentine Peso 2024 sensitivity based on AES internal FX rate assessment (Average USD/ARS rate = 180) due to lack of liquidity in forward market.

Commodity Risk

Cents Per Share

Full Year 2024 Adjusted EPS[1] Commodity Sensitivity[2]



1. A non-GAAP financial measure. See "definitions".
2. Sensitivities assumes fuel moves 10% relative to commodities as of December 31, 2021. Adjusted EPS is negatively correlated to coal and oil price movement, and positively correlated gas and power price movements.

PPAs Signed in FY 2021

Project	Location	Technology	Gross MW	AES Equity Interest	Expected COD[1]	PPA Length (Years)
AES Indiana	US-IN	Solar	445	70%	1H 2023-1H 2024	N/A[2]
		Energy Storage	45			
AES Clean Energy[3]	US-Various	Solar	961	50%-100%	1H 2022-2H 2023	10-25
		Wind	1,515			
		Energy Storage	660			
		Hydro	24			
AES Andes[4]	Chile, Colombia	Solar	26	67%	2H 2022-2H 2023	15
		Wind	268			
		Energy Storage	40			
AES Brasil	Brazil	Wind	799	47%	1H 2023-1H 2025	15-20
AES Dominicana	Dominican Republic	Solar	100	85%	1H 2023	15
AES El Salvador	El Salvador	Solar	20	100%	1H-2H 2023	15
AES Panama	Panama	Solar	55	49%	1H 2022-1H 2024	10
AES Puerto Rico	US-PR	Solar	3.5	100%	1H 2023	1H 2023
		Energy Storage	3.5			
Total FY 2021			4,965			

1. Commercial Operations Date.
2. Projects will be built under build-transfer structures and will be owned by AES Indiana project companies.
3. 625 MW of wind and solar acquisitions closed in November and December 2021.
4. As of February 2022, AES owns 99% of outstanding shares of AES Andes.

Reconciliation of Q4 Adjusted PTC[1] and Adjusted EPS[1]

	Q4 2021		Q4 2020	
$ in Millions, Except Per Share Amounts	Net of NCI[2]	Per Share (Diluted) Net of NCI[2]	Net of NCI[2]	Per Share (Diluted) Net of NCI[2]
Income (Loss) from Continuing Operations, Net of Tax, Attributable to AES and Diluted EPS	($632)	($0.89)	$318	$0.47
Add: Income Tax Expense from Continuing Operations Attributable to AES	($122)		$92	
Pre-Tax Contribution	($754)		$410	
Adjustments				
Unrealized Derivative and Equity Securities Losses (Gains)	($25)	($0.04)[3]	($21)	($0.03)
Unrealized Foreign Currency Losses (Gains)	$9	$0.01	($3)	-
Disposition/Acquisition Losses	$1,138	$1.60[4]	($18)	($0.02)[5]
Impairment Losses	$32	$0.05[6]	$50	$0.07[7]
Loss on Extinguishment of Debt	$40	$0.06[8]	$120	$0.18[9]
Net Gains from Early Contract Terminations at Angamos	-	-	($110)	($0.16)[10]
U.S. Tax Law Reform Impact	-	($0.25)[11]	-	-
Less: Net Income Tax Benefit	-	($0.09)[12]	-	($0.03)[13]
Adjusted PTC[1] & Adjusted EPS[1]	$440	$0.45	$428	$0.48

1. A Non-GAAP financial measure. See "definitions".
2. NCI is defined as Noncontrolling Interests.
3. Amount primarily relates to unrealized gains on commodities swaps at Integrated Energy of $23 million, or $0.03 per share.
4. Amount primarily relates to loss on deconsolidation of Alto Maipo of $1.5 billion, or $2.07 per share, and additional loss on Uplight transaction with shareholders of $14 million, or $0.02 per share; partially offset by a gain on initial public offering of Fluence of $325 million, or $0.46 per share, and a gain on remeasurement of our equity interest in sPower to acquisition-date fair value of $35 million, or 0.05 per share.
5. Amount primarily relates to gain on sale of OPGC of $23 million, or $0.03 per share.
6. Amount primarily relates to asset impairments at Buffalo Gap of $22 million, or $0.03 per share, and at Laurel Mountain of $7 million, or $0.01 per share.
7. Amount primarily relates to asset impairments at our sPower equity affiliate, impacting equity earnings by $41 million, or $0.06 per share.
8. Amount primarily relates to loss on early retirement of debt at AES Brasil of $27 million, or $0.04 per share, and at Argentina of $9 million, or $0.01 per share.
9. Amount primarily relates to losses on early retirement of debt at the Parent Company of $108 million, or $0.16 per share, and at Angamos of $6 million, or $0.01 per share.
10. Amounts relate to net gains at Angamos associated with the early contract terminations with Minera Escondida and Minera Spence of $110 million, or $0.16 per share.
11. Amount relates to the tax benefit on reversal of uncertain tax positions effectively settled upon closure of the Company's 2017 U.S. tax return exam of $176 million, or $0.25 per share.
12. Amount primarily relates to income tax benefits associated with the loss on deconsolidation of Alto Maipo of $209 million, or $0.29 per share; partially offset by income tax expense associated with the gain on initial public offering of Fluence of $73 million, or $0.10 per share, income tax expense adjustments associated with the impairments of Puerto Rico and AES Andes of $50 million, or $0.07 per share, and $28 million, or $0.04 per share, respectively, and income tax expense associated with the gain on remeasurement of our equity interest in sPower of $8 million, or $0.01 per share.
13. Amount primarily relates to income tax benefits associated with the loss on early retirement of debt at the Parent Company of $21 million, or $0.03 per share, and income tax benefits associated with the impairments of AES Andes of $17 million, or $0.02 per share, and at sPower of $10 million, or $0.01 per share; partially offset by income tax expense related to net gains at Angamos associated with the early contract terminations with Minera Escondida and Minera Spence of $32 million, or $0.05 per share.

Reconciliation of FY Adjusted PTC[1] and Adjusted EPS[1]

$ in Millions, Except Per Share Amounts	FY 2021		FY 2020	
	Net of NCI[2]	Per Share (Diluted) Net of NCI[2]	Net of NCI[2]	Per Share (Diluted) Net of NCI[2]
Income (Loss) from Continuing Operations, Net of Tax, Attributable to AES and Diluted EPS	($413)	($0.59)	$43	$0.06
Add: Income Tax Expense from Continuing Operations Attributable to AES	($31)		$130	
Pre-Tax Contribution	($444)		$173	
Adjustments				
Unrealized Derivative and Equity Securities Losses	($1)	-	$3	$0.01
Unrealized Foreign Currency Losses (Gains)	$14	$0.02	($10)	($0.01)
Disposition/Acquisition Losses	$861	$1.22[3]	$112	$0.17[4]
Impairment Losses	$1,153	$1.65[5]	$928	$1.39[6]
Loss on Extinguishment of Debt	$91	$0.13[7]	$223	$0.33[8]
Net Gains from Early Contract Terminations at Angamos	($256)	($0.37)[9]	($182)	($0.27)[10]
U.S. Tax Law Reform Impact	-	($0.25)[11]	-	$0.02[12]
Less: Net Income Tax Benefit	-	($0.29)[13]	-	($0.26)[14]
Adjusted PTC[1] & Adjusted EPS[1]	$1,418	$1.52	$1,247	$1.44

1. A Non-GAAP financial measure. See "definitions".
2. NCI is defined as Noncontrolling Interests.
3. Amount primarily relates to loss on deconsolidation of Alto Maipo of $1.5 billion, or $2.09 per share, loss on Uplight transaction with shareholders of $25 million, or $0.04 per share, and a day-one loss recognized at commencement of a sales-type lease at AES Renewable Holdings of $13 million, or $0.02 per share, partially offset by gain on initial public offering of Fluence of $325 million, or $0.46 per share, gain on remeasurement of our equity interest in sPower to acquisition-date fair value of $249 million, or $0.35 per share, gain on Fluence issuance of shares of $60 million, or $0.09 per share, and gain on sale of Guacolda of $22 million, or $0.03 per share.
4. Amount primarily relates to loss on sale of Uruguaiana of $85 million, or $0.13 per share, loss on sale of the Kazakhstan HPPs of $30 million, or $0.05 per share, as a result of the final arbitration decision, and advisor fees associated with the successful acquisition of additional ownership interest in AES Brasil of $9 million, or $0.01 per share; partially offset by gain on sale of OPGC of $23 million, or $0.03 per share.
5. Amount primarily relates to asset impairments at AES Andes of $540 million, or $0.77 per share, at Puerto Rico of $475 million, or $0.68 per share, at Mountain View of $67 million, or $0.10 per share, at our sPower equity affiliate, impacting equity earnings by $24 million, or $0.03 per share, at Buffalo Gap of $22 million, or $0.03 per share, at Clean Energy of $14 million, or $0.02 per share, and at Laurel Mountain of $7 million, or $0.01 per share.
6. Amount primarily relates to asset impairments at AES Andes of $527 million, or $0.79 per share, other-than-temporary impairment of OPGC of $201 million, or $0.30 per share, impairments at our Guacolda and sPower equity affiliates, impacting equity earnings by $85 million, or $0.13 per share, and $57 million, or $0.09 per share, respectively; impairment at AES Hawaii of $38 million, or $0.06 per share, and impairment at Panama of $15 million, or $0.02 per share.
7. Amount primarily relates to losses on early retirement of debt at AES Brasil of $27 million, or $0.04 per share, at Argentina of $17 million, or $0.02 per share, at AES Andes of $15 million, or $0.02 per share, and at Andres and Los Mina of $15 million, or $0.02 per share.
8. Amount primarily relates to losses on early retirement of debt at the Parent Company of $146 million, or $0.22 per share, DPL of $32 million, or $0.05 per share, Angamos of $17 million, or $0.02 per share, and Panama of $11 million, or $0.02 per share.
9. Amount relates to net gains at Angamos associated with the early contract terminations with Minera Escondida and Minera Spence of $256 million, or $0.37 per share.
10. Amounts relate to net gains at Angamos associated with the early contract terminations with Minera Escondida and Minera Spence of $182 million, or $0.27 per share.
11. Amount relates to the tax benefit on reversal of uncertain tax positions effectively settled upon closure of the Company's 2017 U.S. tax return exam of $176 million, or $0.25 per share.
12. Amount represents adjustment to tax law reform remeasurement due to incremental deferred taxes related to DPL of $16 million, or $0.02 per share.
13. Amount primarily relates to income tax benefits associated with the loss on deconsolidation of Alto Maipo of $209 million, or $0.30 per share, income tax benefits associated with the impairments at AES Andes of $146 million, or $0.21 per share, at Puerto Rico of $20 million, or $0.03 per share, and at Mountain View of $15 million, or $0.02 per share, partially offset by income tax expense associated with the gain on initial public offering of Fluence of $73 million, or $0.10 per share, income tax expense related to net gains at Angamos associated with the early contract terminations with Minera Escondida and Minera Spence of $69 million, or $0.10 per share, and income tax expense associated with the gain on remeasurement of our equity interest in sPower of $55 million, or $0.08 per share.
14. Amount primarily relates to income tax benefits associated with the impairments at AES Andes and Guacolda of $164 million, or $0.25 per share, and income tax benefits associated with losses on early retirement of debt at the Parent Company of $31 million, or $0.05 per share; partially offset by income tax expense related to net gains at Angamos associated with the early contract terminations with Minera Escondida and Minera Spence of $49 million, or $0.07 per share.

Reconciliation of Parent Free Cash Flow[1]

$ in Millions	2021	2020	2019
Net Cash Provided by Operating Activities at the Parent Company[2]	$570	$434	$583
Subsidiary Distributions to QHCs Excluded from Schedule 1[3]	$47	$198	$183
Subsidiary Distributions Classified in Investing Activities[4]	$290	$238	$60
Parent-Funded SBU Overhead and Other Expenses Classified in Investing Activities[5]	($69)	($85)	($97)
Other	$1	($8)	($3)
Parent Free Cash Flow[1]	$839	$777	$726

1. Parent Free Cash Flow (a non-GAAP financial measure) should not be construed as an alternative to Consolidated Net Cash Provided by Operating Activities, which is determined in accordance with US GAAP. Parent Free Cash Flow is the primary, recurring source of cash that is available for use by the Parent Company. 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. Management uses Parent Free Cash Flow to determine the cash available to pay dividends, repay recourse debt, make equity investments, fund share buybacks, pay Parent Company hedging costs and make foreign exchange settlements. We believe that Parent Free Cash Flow is useful to investors because it better reflects the Parent Company's cash available to make growth investments, pay shareholder dividends, and make principal payments on recourse debt. Factors in this determination include availability of subsidiary distributions to the Parent Company and the Company's investment plan.
2. Refer to Net Cash Provided by Operating Activities at the Parent Company as reported at Part IV—Item 15—Schedule I—Condensed Financial Information of Registrant included in the Company's most recent 10-K filed with the SEC.
3. Subsidiary distributions received by Qualified Holding Companies ("QHCs") excluded from Schedule 1. Subsidiary Distributions should not be construed as an alternative to Consolidated Net Cash Provided by Operating Activities, which is determined in accordance with US 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 Consolidated 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.
4. Subsidiary distributions that originated from the results of operations of an underlying investee but were classified as investing activities when received by the relevant holding company included in Schedule 1.
5. Net cash payments for parent-funded SBU overhead, business development, taxes, transaction costs, and capitalized interest that are classified as investing activities or excluded from Schedule 1.

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 have 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, and gains and losses recognized at commencement of sales-type leases; (d) losses due to impairments; (e) gains, losses and costs due to the early retirement of debt; (f) net gains at Angamos, one of our businesses in the South America SBU, associated with the early contract terminations with Minera Escondida and Minera Spence; 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 to include the 2021 tax benefit on reversal of uncertain tax positions effectively settled upon the closure of the Company's 2017 U.S. tax return exam.

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, and gains and losses recognized at commencement of sales-type leases; (d) losses due to impairments; (e) gains, losses and costs due to the early retirement of debt; and (f) net gains at Angamos, one of our businesses in the South America SBU, associated with the early contract terminations with Minera Escondida and Minera Spence.

NCI is defined as noncontrolling interests.

Parent Company Liquidity (a non-GAAP financial measure) is defined as as cash available to the Parent Company, including cash at qualified holding companies (“QHCs”), plus available borrowings under our existing credit facility. 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 Consolidated Net Cash Provided by Operating Activities, which is determined in accordance with US GAAP. Parent Free Cash Flow is the primary, recurring source of cash that is available for use by the Parent Company. 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. Management uses Parent Free Cash Flow to determine the cash available to pay dividends, repay recourse debt, make equity investments, fund share buybacks, pay Parent Company hedging costs and make foreign exchange settlements. We believe that Parent Free Cash Flow is useful to investors because it better reflects the Parent Company’s cash available to make growth investments, pay shareholder dividends, and make principal payments on recourse debt. Factors in this determination include availability of subsidiary distributions to the Parent Company and the Company’s investment plan.

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 Consolidated 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 Consolidated 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.