



## Press Release

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### **AES Sells Minority Stake in Masinloc Power Plant and Development Projects in the Philippines to EGCO Group for \$453 Million**

**ARLINGTON, Va., June 25, 2014** – The AES Corporation (NYSE: AES) announced today that it has entered into an agreement to sell 45% of its interest in Masin-AES Pte Ltd, a wholly-owned subsidiary of AES that owns AES' business interests in the Philippines, to Electricity Generating Public Company Limited (EGCO Group), a Thailand-based Independent Power Producer (IPP), for \$453 million. The sale includes indirect stakes in the following: the 630 MW Masinloc coal-fired power plant in operation since 1998; expansion of the existing Masinloc facility; and approximately 60 MW of potential energy storage projects in advanced development. After the sale, AES will own a 51% net stake in Masinloc, EGCO Group will own 41%, and the International Finance Corporation (IFC) will retain 8%. AES will continue to manage and operate the plant. AES and EGCO Group have agreed to use the Masinloc platform as their exclusive vehicle for growth in the Philippines.

“This transaction demonstrates how we are executing on our strategy, by bringing in partners to realize the value of our portfolio and capitalize on the growth potential across our markets,” said Andrés Gluski, AES President and Chief Executive Officer. “We see attractive growth opportunities in the Philippines and are well-positioned to invest in the expansion of our existing plant, as well as energy storage projects, with our partners.”

In 2008, AES purchased a 92% interest in Masinloc, with IFC as minority partner, for total enterprise value of \$1.1 billion. The acquisition was funded with equity contributed by AES and IFC and \$635 million of non-recourse debt. Since the acquisition, AES has executed a successful operational and commercial turnaround of the plant that has made Masinloc a significant contributor of earnings and cash distributions, as well as a reliable provider of power in the Philippines. Earlier this year, AES relocated its Asia Strategic Business Unit (SBU) headquarters to Manila, in order to generate cost savings and to demonstrate the Company's commitment to growing in the Philippines.

“The Philippines continues to experience robust economic growth, resulting in increasing demand for energy, which creates a great opportunity for companies like AES and EGCO to meet these needs by providing safe, reliable and affordable energy,” said Scott Kicker, President of AES' Asia SBU. “With this strategic partnership, we look forward to pursuing growth opportunities that will help meet the country's growing demand for energy.”

This transaction is expected to close in the third quarter of 2014. AES expects to invest the proceeds, after any closing price adjustments, in a credit neutral manner consistent with its capital allocation framework. The transaction is expected to be earnings neutral in 2014 and beyond.

### **About AES**

The AES Corporation (NYSE: AES) is a Fortune 200 global power company. We provide affordable, sustainable energy to 20 countries through our diverse portfolio of distribution businesses as well as thermal and renewable generation facilities. Our workforce of 17,800 people is committed to operational excellence and meeting the world's changing power needs. Our 2013 revenues were \$16 billion and we own and manage \$40 billion in total assets. To learn more, please visit [www.aes.com](http://www.aes.com). Follow AES on Twitter @TheAESCorp.

### **About EGCO Group**

EGCO (SET: EGCO) is the first independent power producer in Thailand and is listed on the Stock Exchange of Thailand. EGCO Group provides power generation and related energy services in Thailand, the Philippines, Laos, Indonesia and Australia. EGCO Group has established itself as one of Southeast Asia's premier independent power companies. Its 2013 revenues were \$584 million and they own and manage \$4 billion in total assets. For more information on EGCO Group, please visit [www.egco.com](http://www.egco.com).

### **AES Safe Harbor Disclosure**

This news release contains forward-looking statements within the meaning of the Securities Act of 1933 and of the Securities Exchange Act of 1934. 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, our accurate projections of future interest rates, commodity price and foreign currency pricing, continued normal levels of operating performance and electricity volume at our distribution companies and operational performance at our generation businesses consistent with historical levels, as well as achievements of planned productivity improvements and incremental growth investments at normalized investment levels and rates of return consistent with prior experience.

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 (the "SEC"), including, but not limited to, the risks discussed under Item 1A "Risk Factors" and Item 7: Management's Discussion & Analysis in AES' 2013 Annual Report on Form 10-K and in subsequent reports filed with the SEC. Readers are encouraged to read AES' filings to learn more about the risk factors associated with AES' business. AES undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Any Stockholder who desires a copy of the Company's 2013 Annual Report on Form 10-K dated on or about February 25, 2014 with the SEC may obtain a copy (excluding Exhibits) without charge by addressing a request to the Office of the Corporate Secretary, The AES Corporation, 4300 Wilson Boulevard, Arlington,

Virginia 22203. Exhibits also may be requested, but a charge equal to the reproduction cost thereof will be made. A copy of the Form 10-K may be obtained by visiting the Company's website at [www.aes.com](http://www.aes.com).

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