

Press Release



Media Contact Meghan Dotter 703 682 6670
Investor Contact Ahmed Pasha 703 682 6451

The AES Corporation and Koç Holding form Joint Venture to Develop Power Projects in Turkey

Arlington, VA, December 1, 2010. The AES Corporation (NYSE: AES) announced today that it has entered into an agreement with Koç Holding to form a joint venture in Turkey, AES-Entek, that will develop and operate power generation projects. AES and Koç Holding will have equal interests in Entek Elektik Uretim A.Ş. (Entek), which includes 300 MW of natural gas facilities. AES-Entek will diversify into other energy sources – coal, hydroelectric, wind, as well as natural gas – by pursuing greenfield projects, acquisitions, and other opportunities through the Government of Turkey’s plan to privatize 15 GW of generation assets. The companies will benefit from Turkey’s position as an energy corridor for Europe, the Middle East and Russia by collaborating on projects throughout the region.

AES-Entek combines AES’ global development and operations experience with Koç Holding’s market strength and local energy sector insight. As Turkey’s largest conglomerate, Koç Holding includes industrial sites, as well as mining and refinery businesses. Closing on the share purchase agreement is subject to approval by Turkish regulatory authorities and is expected to occur before the second quarter of 2011.

At a signing ceremony today in Istanbul, leaders of each company remarked on the significance of the joint venture and the potential for Turkey’s power sector.

Mustafa V. Koç, Chairman of Koç Holding, said, “Today Koç Holding formed an important partnership in the field of energy with AES, one of the world’s leading power companies. As we have in the past, we are forming a foreign partnership to bring expertise and capital to an extremely important sector for Turkey. This partnership demonstrates a collective trust in the Turkish economy and its people, and both companies are well capitalized to take advantage of growth opportunities.”

Paul Hanrahan, President and Chief Executive Officer of AES, stated, “We value Koç Holding’s extensive knowledge of the Turkish market and see enormous opportunity to develop and modernize electricity generation projects that will deliver a compelling return on investment. In so doing, we see the potential

to strengthen Turkey's role as a regional leader in the power sector, building upon its geographically strategic position.”

Erol Memioglu, President, Koç Energy Group, stated, “Koç Holding has been operating in all branches of Turkish energy: oil refining and distribution; gas distribution; electricity production; as well as coal mining. We are optimistic about building on our successes in the energy sector through our partnership with AES, and believe we can diversify risk and apply our resources more effectively if we combine our experience with our partner's international power expertise. With a shared vision and a complementary corporate culture, we believe AES-Entek is well positioned to meet our goal to become one of the five largest Independent Power Producers in Turkey by 2015.”

AES entered Turkey as an investor in the power sector in 2007, consistent with the Company's strategy to pursue opportunities in markets with increasing demand for electricity. Turkey is one of the world's fastest growing economies with its annual Gross Domestic Product projected to more than five percent, according to Eurostat. Turkey's operating capacity of 46 GW of coal, geothermal, hydroelectric, natural gas and wind facilities is expected to increase 30 percent by 2015.

The Turkish electricity market uses three systems to determine prices: balancing mechanism; bilateral contracts; and regulated tariffs. Entek's facilities sell power to the spot market and through bilateral contracts, and can benefit from peak period operations. AES-Entek will be one of the ten largest Independent Power Producers in Turkey with assets including a 142 MW combined cycle natural gas facility in the Bursa Demirtas Industrialized Zone, and a 157 MW combined cycle natural gas facility in Kocaeli.

AES' subsidiary, AES Mont Blanc Holdings B.V., (a Netherlands company) will acquire a 49.6 percent interest from Aygaz, which is controlled by Koç Group. Upon closing the shareholders of AES-Entek Elektrik Üretim A.Ş (AES-Entek) will consist of the AES (49.62 percent), the Koç Group (49.62 percent), and certain minority shareholders (0.76 percent).

About Koç Holding

The Koç Group is Turkey's leading conglomerate operating in a variety of sectors including energy, consumer durables, automotive, finance, IT and telecommunications and tourism. The Group has been a driving force of the Turkish economy with total sales that make up about seven percent of Turkey's GDP and exports that comprise eight percent of Turkey's total exports. As of 2009, Koç Holding is the only Turkish company in the Fortune Global 500 list of companies, in 273rd place. In addition to its leading market positions in low-penetrated consumer driven sectors, its extensive distribution network, which is yet the largest in Turkey with over 12,000 points of reach and the largest customer database with strong

CRM capabilities, the Group is also active abroad with about 21 percent of revenues stemming from international operations and exports. To learn more, please visit www.koc.com.tr.

About The AES Corporation

The AES Corporation (NYSE: AES) is a Fortune 500 global power company with generation and distribution businesses. Through our diverse portfolio of thermal and renewable fuel sources, we provide affordable and sustainable energy to 29 countries. Our workforce of 27,000 people is committed to operational excellence and meeting the world's changing power needs. Our 2009 revenues were \$14 billion and we own and manage \$40 billion in total assets. To learn more, please visit www.aes.com.

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, including, but not limited to, the risks discussed under Item 1A "Risk Factors" in AES' 2009 Annual Report on Form 10-K. 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 2009 Annual Report on Form 10-K filed on or about February 25, 2010 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. Stockholders may also obtain a copy by visiting the Company's website at www.aes.com.

#