



Press Release

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AES Announces Tender Offers for Up to a Total of \$300 Million of Its 7.75% Senior Notes due 2015, 9.75% Senior Notes due 2016 and 8.00% Senior Notes due 2017

ARLINGTON, Va., February 14, 2014 – The AES Corporation (NYSE: AES) announced today the commencement of tender offers to purchase (each offer a “Tender Offer” and collectively, the “Tender Offers”) for cash, subject to certain terms and conditions, up to a total of \$300 million aggregate principal amount of its outstanding 7.75% senior notes due 2015 (the “2015 Notes”), 9.75% senior notes due 2016 (the “2016 Notes”), and 8.00% senior notes due 2017 (the “2017 Notes” and, together with the 2015 Notes and the 2016 Notes, the “Securities”).

The Tender Offers are scheduled to expire at 11:59 p.m., New York City time, on March 14, 2014 (the “Expiration Date”), unless extended or earlier terminated by AES. The Tender Offers are being made pursuant to an Offer to Purchase dated February 14, 2014 and a related Letter of Transmittal dated February 14, 2014 (together, the “Tender Offer Materials”), which set forth a more detailed description of the Tender Offers. Holders of the Securities are urged to carefully read the Tender Offer Materials before making any decision with respect to the Tender Offers.

The principal amount of the Securities that may be purchased pursuant to the Tender Offers will not exceed \$300,000,000 (the “Tender Cap Amount”), subject to the acceptance priority level set forth in the table below (the “Acceptance Priority Level”). As discussed in more detail in the Tender Offer Materials, AES reserves the right, but is under no obligation, to increase or decrease the Tender Cap Amount, at any time, subject to compliance with applicable law.

The following table sets forth certain terms of the Tender Offers:

Title of Security	CUSIP Number	Principal Amount Outstanding	Acceptance Priority Level	Dollars per \$1,000 Principal Amount of Securities		
				Tender Offer Consideration ⁽¹⁾	Early Tender Premium	Total Consideration ⁽¹⁾⁽²⁾
8.00% Senior Notes due 2017	00130HBH7	\$1,150,000,000	1	\$1,175.00	\$30.00	\$1,205.00
7.75% Senior Notes due 2015	00130HBL8	\$356,000,000	2	\$1,081.80	\$30.00	\$1,111.80
9.75% Senior Notes due 2016	00130HBQ7	\$368,826,000	3	\$1,155.21	\$30.00	\$1,185.21

⁽¹⁾ Excludes accrued and unpaid interest up to, but not including, the applicable Settlement Date, which will be paid in addition to the Tender Offer Consideration or Total Consideration, as applicable.

⁽²⁾ Includes the Early Tender Premium.

The total consideration (the “Total Consideration”) payable for each \$1,000 principal amount of Securities validly tendered at or prior to 5:00 p.m., New York City time, on February 28, 2014 (such date and time, as it may be extended, the “Early Tender Date”) and accepted for purchase pursuant to the Tender Offers will be the applicable total consideration for such series of Securities set forth in the table above. The Total Consideration includes the early tender premium for such series of Securities also set forth in the table above (the “Early Tender Premium”). Holders must validly tender and not subsequently validly withdraw their Securities at or prior to the Early Tender Date in order to be eligible to receive the Total Consideration for such Securities purchased in the Tender Offers.

Subject to the terms and conditions of the Tender Offers, each Holder who validly tenders and does not subsequently validly withdraw their Securities at or prior to the Early Tender Date will be entitled to receive the Total Consideration, plus accrued and unpaid interest up to, but not including, the applicable

Settlement Date (as defined below) if and when such Securities are accepted for payment. Holders who validly tender their Securities after the Early Tender Date but at or prior to the Expiration Date will be entitled to receive the tender offer consideration equal to the applicable Total Consideration less the Early Tender Premium (the "Tender Offer Consideration"), plus accrued and unpaid interest up to, but not including, the applicable Settlement Date, if and when such Securities are accepted for payment.

AES reserves the right but is under no obligation, at any point following the Early Tender Date and before the Expiration Date, to accept for purchase any Securities validly tendered at or prior to the Early Tender Date (the "Early Settlement Date"). The Early Settlement Date will be determined at AES's option and is currently expected to occur on the fourth business day following the Early Tender Date, subject to all conditions to the Tender Offers having been satisfied or waived. The expected Early Settlement Date is March 6, 2014, unless extended by AES, assuming all conditions to the Tender Offers have been satisfied or waived. Irrespective of whether AES chooses to exercise its option to have an Early Settlement Date, AES will purchase any remaining Securities that have been validly tendered by the Expiration Date and that it chooses to accept for purchase, subject to the Tender Cap Amount, the application of the Acceptance Priority Levels and all conditions to the Tender Offers having been satisfied or waived by AES, on a date immediately following the Expiration Date (the "Final Settlement Date" and each of the Early Settlement Date and Final Settlement Date, a "Settlement Date"). The Final Settlement Date is expected to occur on the first business day following the Expiration Date, subject to all conditions to the Tender Offers having been satisfied or waived by AES. The expected Final Settlement Date is March 17, 2014, unless extended by AES, assuming all conditions to the Tender Offers have been satisfied or waived.

To receive either the Total Consideration or the Tender Offer Consideration, holders of the Securities must validly tender and not validly withdraw their Securities prior to the Early Tender Date or the Expiration Date, respectively. Securities tendered may be withdrawn from the Tender Offers at or prior to, but not after, 5:00 p.m., New York City time, on February 28, 2014, unless extended, by following the procedures described in the Tender Offer Materials.

Subject to the Tender Cap Amount, the application of the Acceptance Priority Levels and the other terms and conditions described in the Tender Offer Materials, including the Financing Condition (as defined below) and AES's right to increase or decrease the Tender Cap Amount, AES intends to accept for payment all Securities validly tendered at or prior to the Expiration Date, and will only prorate the Securities if the aggregate amount of Securities of all series validly tendered at or prior to the Early Tender Date or the Expiration Date, as applicable, exceeds the Tender Cap Amount. The amounts of each series of Securities that are purchased in the Tender Offer will be determined in accordance with the Acceptance Priority Levels set forth in the Offer to Purchase and referenced in the table above, with 1 being the highest Acceptance Priority Level and 3 being the lowest Acceptance Priority Level. At the applicable Settlement Date, all Securities validly tendered and not validly withdrawn in the Tender Offer having a higher (*i.e.*, lower numerical) Acceptance Priority Level will be accepted before any tendered Securities having a lower Acceptance Priority Level are accepted in the Tender Offer. If the aggregate principal amount of any Securities of a series tendered and not validly withdrawn in the Tender Offer exceeds the amount of the Tender Cap Amount remaining available for application, then, if any Securities of such series are purchased, AES will accept such Securities on a pro rata basis. In the event that Securities with a certain Acceptance Priority Level are accepted on such a pro rata basis, no series of Securities with a lower Acceptance Priority Level will be accepted for payment.

If the Tender Offers are not fully subscribed as of the Early Tender Date and we elect to have an Early Settlement Date, Holders who validly tender Securities after the Early Tender Date may be subject to proration, whereas Holders who validly tender Securities at or prior to the Early Tender Date will not be subject to proration. In addition, if the aggregate amount of Securities of all series validly tendered at or prior to the Early Tender Date exceeds the Tender Cap Amount and we elect to have an Early Settlement Date, Holders who validly tender Securities after the Early Tender Date will not have any of their Securities accepted for payment. However, in the event we do not elect to have an Early Settlement Date and the aggregate amount of Securities of all series validly tendered at or prior to the Final Settlement Date exceeds the Tender Cap Amount, all Holders who validly tendered Securities will be subject to

proration, subject to the application of the Acceptance Priority Levels. Securities which were not accepted for purchase due to the Tender Cap Amount or the application of the Acceptance Priority Levels may be accepted if we increase the Tender Cap Amount, which we are entitled to do at our sole discretion, and such increase is not fully used up by Securities validly tendered at or prior to the Early Tender Date (in the event we elect to have an Early Settlement Date) or by Securities purchased in a higher (i.e., lower numerical) Acceptance Priority Level. There can be no assurance that we will increase the Tender Cap Amount.

The obligation of AES to accept for purchase and to pay either the Total Consideration or Tender Offer Consideration and the accrued and unpaid interest on the Securities pursuant to the Tender Offers is not subject to any minimum tender condition, but is subject to the Tender Cap Amount, the application of the Acceptance Priority Levels and the satisfaction or waiver of the Financing Condition and certain other conditions described in the Tender Offer Materials.

AES's obligation to accept for purchase, and to pay for, Securities validly tendered pursuant to the Tender Offers is subject to, and conditioned upon, having obtained debt financing (the "New Debt Financing") in a minimum aggregate principal amount that will generate sufficient proceeds to purchase the tendered Securities, including payment of the Tender Offer Consideration or Total Consideration, as applicable, and any fees payable in connection with the Tender Offers, subsequent to the date hereof and on or prior to the Final Settlement Date, on terms and conditions reasonably satisfactory to AES (the "Financing Condition"). AES's current intention is to satisfy the Financing Condition by issuing long-term senior debt securities but, subject to market conditions and at AES's sole discretion, AES may elect to enter into alternative debt financing. There can be no assurance any such New Debt Financing will be available, and thus no assurance that the Financing Condition will be satisfied.

AES has retained Goldman, Sachs & Co. and Credit Suisse Securities (USA) LLC to serve as Dealer Managers for the Tender Offers. Global Bondholder Services Corporation has been retained to serve as the Information and Depositary Agent for the Tender Offers. Questions regarding the Tender Offers may be directed to Goldman, Sachs & Co. at 200 West Street, 7th Floor, New York, New York 10282, Attn: Liability Management Group, (800) 828-3182 (toll-free), (212) 902-6941 (collect) or Credit Suisse Securities (USA) LLC at 11 Madison Avenue New York, New York 10010, Attn: Liability Management Group, (800) 820-1653 (toll-free), (212) 325-2476 (collect). Requests for the Tender Offer Materials may be directed to Global Bondholder Services Corporation at 65 Broadway – Suite 404, New York, New York 10006, Attn: Corporate Actions, (212) 430-3774 (for banks and brokers) or (866) 470-4200 (for all others).

AES is making the Tender Offers only by, and pursuant to, the terms of the Tender Offer Materials. None of AES, the Dealer Managers, the Information and Depositary Agent make any recommendation as to whether Holders should tender or refrain from tendering their Securities. Holders must make their own decision as to whether to tender Securities and, if so, the principal amount of the Securities to tender. The Tender Offers are not being made to holders of Securities in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction. In any jurisdiction in which the securities laws or blue sky laws require the Tender Offers to be made by a licensed broker or dealer, the Tender Offers will be deemed to be made on behalf of AES by the Dealer Managers, or one or more registered brokers or dealers that are licensed under the laws of such jurisdiction.

This press release does not constitute an offer to purchase securities or a solicitation of an offer to sell any securities or an offer to sell or the solicitation of an offer to purchase any new securities, including in connection with the New Debt Financing, nor does it constitute an offer or solicitation in any jurisdiction in which such offer or solicitation is unlawful. Capitalized terms used in this press release but not otherwise defined herein have the meanings assigned to them in the Tender Offer Materials.

About AES

The AES Corporation (NYSE: AES) is a Fortune 200 global power company. We provide affordable, sustainable energy to 21 countries through our diverse portfolio of distribution businesses as well as thermal and renewable generation facilities. Our workforce of 25,000 people is committed to operational excellence and meeting the world's changing power needs. Our 2012 revenues were \$18 billion and we own and manage \$42 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. Forward-looking statements are not intended to be a guarantee of future results, but instead constitute AES's current expectations based on reasonable assumptions. Actual results could differ materially from those projected in AES's forward-looking statements due to risks, uncertainties and other factors. Important factors that could affect actual results are discussed in the Tender Offer Materials related to the Tender Offers and AES's filings with the SEC, including, but not limited to, the risks discussed under Item 1A "Risk Factors" and Item 7 "Management's Discussion & Analysis of Financial Condition and Results of Operations" in AES' 2012 Annual Report on Form 10-K and in subsequent reports filed with the SEC. Readers are encouraged to read AES's filings to learn more about the risk factors associated with AES's 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 AES's 2012 Annual Report on Form 10-K dated on or about February 26, 2013 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.

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