



Press Release

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AES Signs Agreements to Sell Equity Interests in Coal, Hydro and Wind Assets in China for Aggregate Proceeds Totaling \$134 Million

ARLINGTON, Va., May 7, 2012 – The AES Corporation (NYSE: AES) announced that it has signed two agreements to sell a substantial majority of its businesses in China for \$134 million in total aggregate proceeds. Subject to local customary approvals, the transactions are expected to close in the second half of 2012.

“The sale of these businesses is in line with our strategy to exit those markets where we do not have a competitive advantage,” said Andrés Gluski, AES President and Chief Executive Officer. “Narrowing our geographic focus and investing in our core markets better positions us for long term earnings growth.”

Since September 2011, the Company has announced eight asset sale transactions totaling \$890 million. Six of those transactions, totaling \$756 million, have already closed.

On May 4, 2012 AES agreed to sell its 25 percent equity interest in the 2,100 MW coal-fired Yangcheng plant and its 49 percent equity interest in the 248 MW China Wind joint venture to Sembcorp Utilities for a total of \$86 million. AES also disclosed in its first quarter 2012 earnings press release that it signed an agreement on May 4, 2012 to sell its 49 percent equity interest in Jianghe Rural Electrification Development Company Limited (“JHRH”) to its JV partner, China Three Gorges New Energy Corporation, for \$48 million. JHRH includes seven small hydroelectric plants, one wind farm and one co-generation plant with a total gross capacity of 379 MW.

Total gross capacity of the plants to be sold is 2,727 MW, or 717 MW on an ownership-adjusted basis. Once these asset sales are completed, AES’ generation footprint in China will consist of one hydro and one gas-fired plant, which together have a total gross capacity of 75 MW, or 31 MW on an ownership-adjusted basis.

Use of proceeds from asset sales will be evaluated in accordance with AES’ capital allocation policy to maximize total shareholder returns by paying down debt, investing in new businesses and/or repurchasing shares.

About AES

The AES Corporation (NYSE: AES) is a Fortune 200 global power company. We provide affordable, sustainable energy to 27 countries through our diverse portfolio of distribution businesses as well as thermal and renewable generation facilities. Our workforce of 27,000 people is committed to operational excellence and meeting the world’s changing power needs. Our 2011 revenues were \$17 billion and we own and manage \$45 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' 2011 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 2011 Annual Report on Form 10-K dated on or about February 24, 2012 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.

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