

Press Release



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AES Installs First Energy Storage System in Chile Project Uses A123 Systems' Lithium-Ion Technology

Arlington, Virginia and Watertown, Massachusetts, November 18, 2009. AES Energy Storage and A123 Systems announced the commercial operation of a 12 MW frequency regulation and spinning reserve project at AES Gener's Los Andes substation in the Atacama Desert, Chile. The commissioning ceremony took place November 16 and included Marcelo Tokman, Chilean Minister of Energy. The project will help improve the reliability of the electric grid in Northern Chile and uses A123 Systems' Hybrid Ancillary Power Units (Hybrid-APU™), a lithium-ion battery system. AES Energy Storage and AES Gener are both subsidiaries of The AES Corporation (NYSE: AES).

The project helps the system operator manage fluctuations in demand, delivering frequency regulation in a less expensive, more responsive and more accurate manner than traditional methods. In addition, because the project replaces unpaid reserve from the power plant, AES Gener can receive payment for its full output capacity by selling directly to the electric grid.

Andrés Gluski, Executive Vice President and Chief Operating Officer of AES, said, "This project establishes AES Gener's leadership in this new technology in Latin America. In addition, it demonstrates how AES can leverage its global platform to develop new approaches that increase the efficiency of power generation and distribution."

Chris Shelton, President of AES Energy Storage, said, "This approach to providing ancillary services and grid reserves lowers the cost and improves the performance of power systems. The project in Chile builds on the progress of our demonstration projects in the U.S., and we believe that battery systems have the potential to support greater integration of renewable energy sources."

Robert Johnson, Vice President of the Energy Solutions Group for A123 Systems, stated, "We believe that in addition to creating a more efficient power facility and electric grid in Chile today, A123's Hybrid-APU advanced capabilities can be extended to allow greater

use of renewable energy sources, such as wind and solar. This project demonstrates the flexibility of our battery technology to provide a scalable solution for rapid deployment to the grid, utilizing the same core technology employed in hybrid and electric vehicle battery systems. We're pleased to be working with a partner like AES to innovate for the electric grid."

AES Energy Storage and A123 Systems developed the project at AES Gener with Parker Hannifin and ABB. Lithium for the batteries was supplied from the same region in Northern Chile where the system was installed. AES has been working with A123 Systems since 2008 to develop grid applications for regional transmission operators in order to improve the capacity, responsiveness, and efficiency of power systems.

This is AES Energy Storage's first project outside the U.S. and is also the first lithium-ion battery system to be deployed to the electric grid in Chile. In 2008 AES and another supplier deployed a 1 MW Ancillary Services unit to PJM to provide ancillary services. Earlier this year AES and A123 Systems installed a 2 MW Hybrid-APU™ at one of AES' Southern California power plants to help meet reserve requirements.

About A123 Systems

A123 Systems, Inc. (Nasdaq:AONE) develops and manufactures advanced lithium ion batteries and battery systems for the transportation, electric grid services and consumer markets. Headquartered in Massachusetts and founded in 2001, A123 was funded initially with a \$100,000 grant from the U.S. Department of Energy. A123 Systems' proprietary nanoscale electrode technology is built on initial developments from the Massachusetts Institute of Technology. Among the companies selecting A123 batteries, battery systems and technology in the fields of transportation, grid energy storage and consumer products are Chrysler, Delphi/Shanghai Automotive Industry Corporation, AES Energy Storage, LLC and The Black & Decker Corporation. For additional information please visit www.a123systems.com.

About AES

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 energy sources, we provide affordable and sustainable energy to 29 countries. Our workforce of 25,000 people is committed to operational excellence and meeting the world's changing power needs. Our 2008 revenues were \$16 billion and we own and manage \$35 billion in total assets. BusinessWeek named AES to its 2009 "BW 50 Best Performers" list. 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's 2008 Annual Report on Form 10-K. Readers are encouraged to read AES' 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.

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