AES
the power of being global

2010 Annual Meeting of Stockholders

April 22, 2010

Safe Harbor Disclosure

Certain statements in the following presentation regarding AES' business operations may constitute "forward-looking statements." 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 accurate projections of future interest rates, commodity prices and foreign currency pricing, continued normal or better levels of operating performance and electricity demand 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 from investments at investment levels and rates of return consistent with prior experience. For additional assumptions see the Appendix to this presentation. 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 the Company's Annual Report on Form 10-K for the year ended December 31, 2009, as well as our other SEC filings. AES undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

AES 2010 Annual Meeting of Stockholders

- **Delivering results amidst challenging economic trends**
- **3,270 MW construction program on track to deliver growth**
- **Strong liquidity to accelerate 9,000 MW development pipeline**



Delivering 2009 Results in Volatile Economic Climate: Benefited from Diversity Across Markets & Energy Sources

Better performance in Latin America and Asia helped offset unfavorable trends in North America

Proportional Free Cash Flow

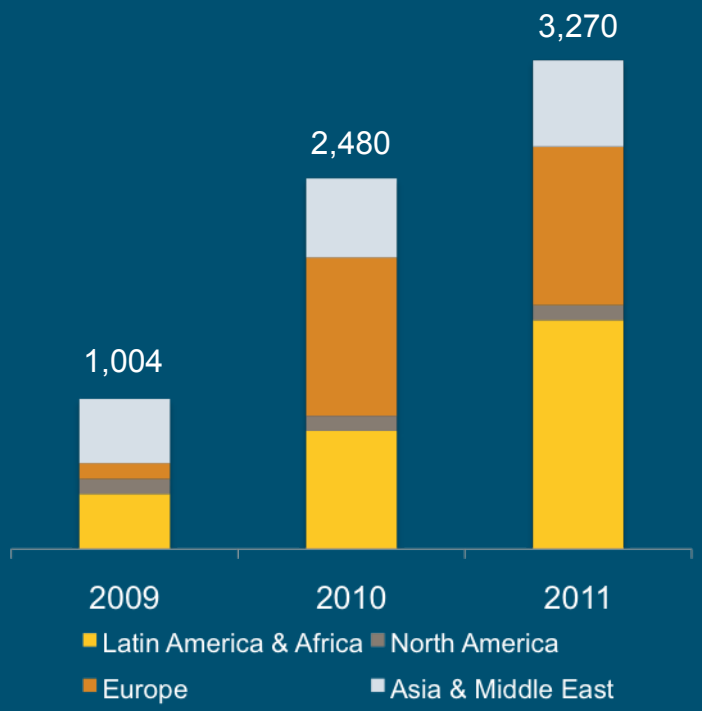


- All-time record cash from subsidiaries of $1.25 billion
- Met 2009 adjusted earnings per share guidance of $1.07-$1.11
- Exceeded cost reduction target of $150 million, establishing permanent efficiencies across operating platform
- Continued to execute on construction program, completing 1,004 MW

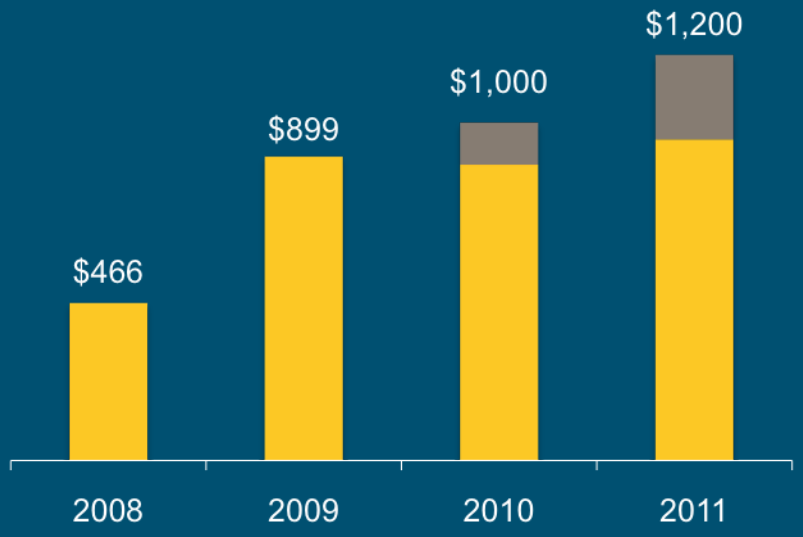
Proportional free cash flow and adjusted earnings per share are non-GAAP financial measures. See Appendix for definitions and reconciliations.
See Appendix for definition of cash from subsidiaries (subsidiary distributions).

Delivering 2009-2011 Results: Construction Program on Track to Increase Proportional Free Cash Flow by $200-$300 Million to $1.2 Billion in 2011

Cumulative 3,270 MW Construction Program



Proportional Free Cash Flow



Proportional free cash flow is a non-GAAP financial measure. See Appendix for definition and reconciliations.

AES Strategy: Maximize Regional & Regulatory Opportunities Where We have Experience & Operations

- Focus majority of development pipeline on highest growth markets
- Capitalize on government incentives for renewables to develop pipeline of wind and solar projects
- Use available liquidity to take advantage of improving M&A environment



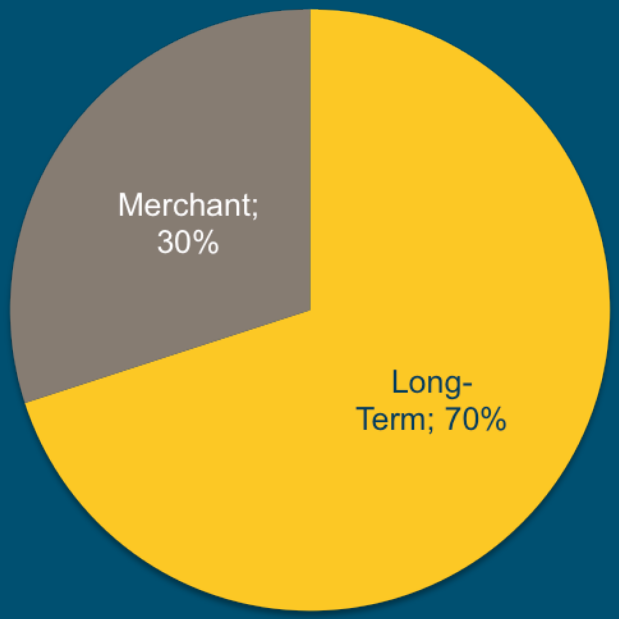



AES Competitive Advantage: While Volatile Commodity Prices Hurt Our Industry, AES has Limited Exposure to Gas Prices, Which Allows for Stable & Growing Cash Flows

Henry Hub Natural Gas Prices Declined by 37% Annually $/MMBTU



2009 Contract Status (MW)



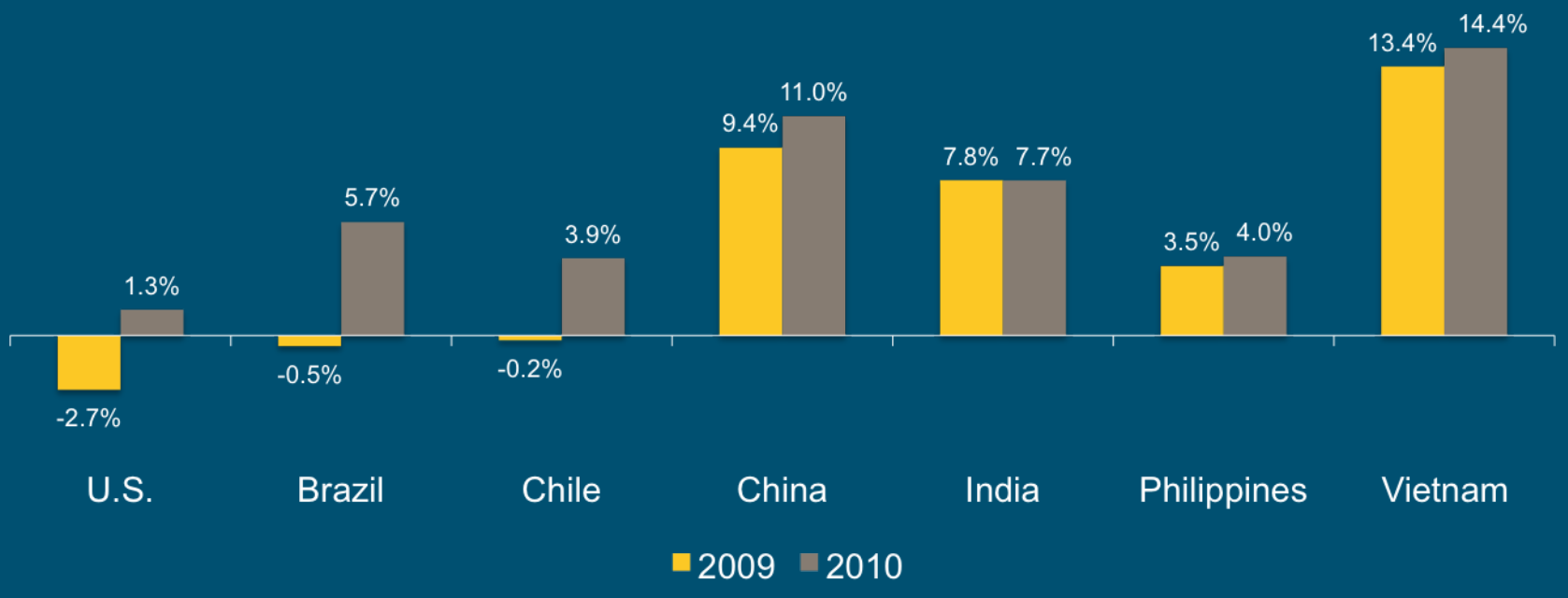
Increase in shale gas reserves drove gas prices down

But AES' commodity price sensitivity is relatively modest

Henry Hub Natural Gas Prices Source: Bloomberg.
Contract Status Source: 2009.

AES Competitive Advantage: We Benefit from Higher Electricity Demand Growth in Emerging Markets, Despite Weak Demand Growth in the U.S.

Electricity Demand Across Regions



Latin America | **Asia**

Source: Economist Intelligence Unit.

AES Competitive Advantage: Leverage Our Global Platform, Knowledge of Local Markets & Liquidity Position to Pursue Development in High Growth Regions



Currently 9% of AES Operating Capacity in Asia, While 60% of Our Development Pipeline is Located There

AES Competitive Advantage: Our Substantial Liquidity Positions Us to Capitalize on Improved M&A Environment

Drivers of Consolidation Trend

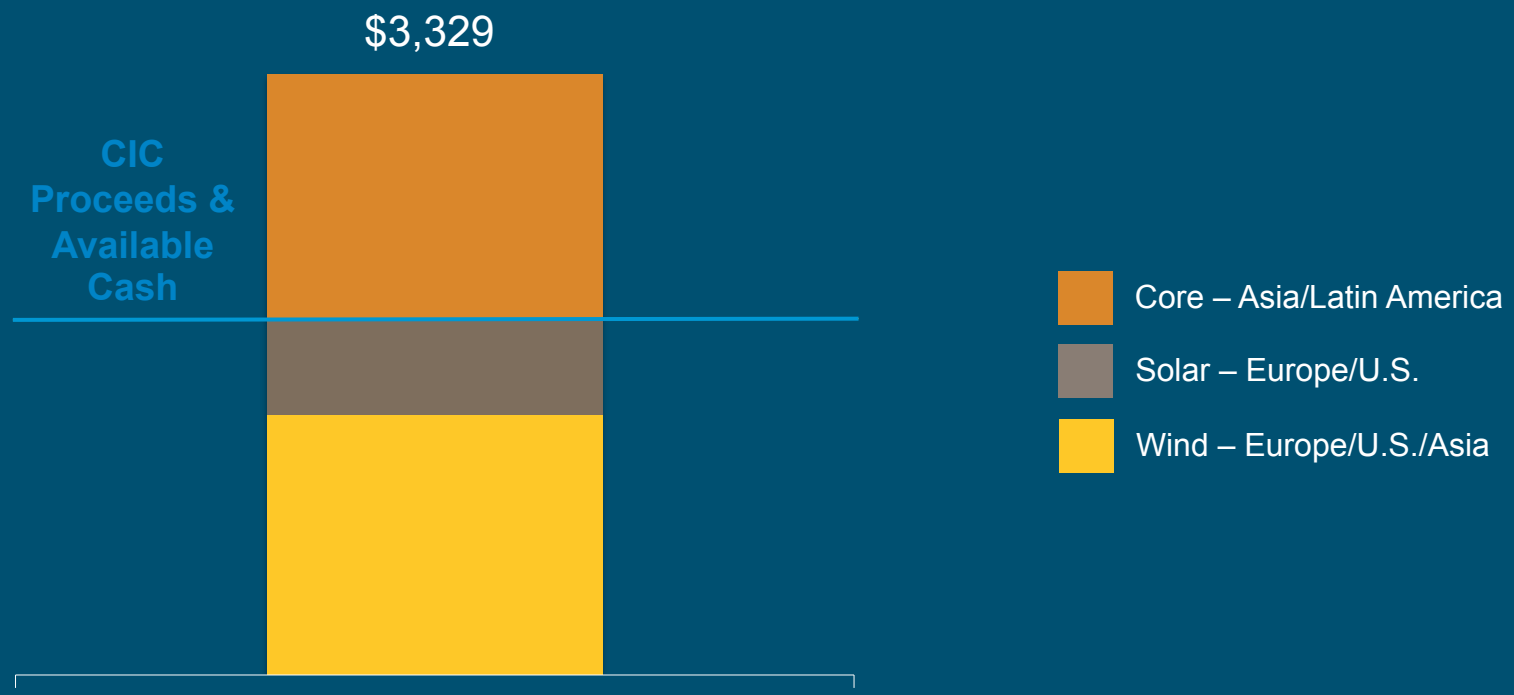
- Improved economic and capital markets outlook
- Price expectation gap has narrowed
- Commodity price pressure, opportunities to lower overhead and leverage shared geographic footprint

Transactions Announced in 2010

FirstEnergy	⇔	Allegheny Energy	$15.5 B
MIRANT	⇔	Reliant Energy	$3.0 B
conectiv energy — A New Generation of Energy	→	CALPINE (NYSE CPN)	$1.7 B
navasota energy — The Power of Texas	→	Constellation Energy Group	$385.0 M

AES Competitive Advantage: Robust 9,000 MW Accelerated Development Pipeline Provides More Than Enough Opportunities to Invest

Projected Cumulative Equity Investment Opportunities



AES Competitive Advantage: Robust 9,000 MW Advanced Development Pipeline

Examples	Location	MW	Fuel	Expected Financial Close	Expected COD	Equity $ in Millions
Thermal/Asia						
Mong Doung	Vietnam	1,200	Coal	1H 2011	2H 2014	$400
OPGC II	India	1,320	Coal	1H 2011	1H 2015	$200
Hydro/Latin America						
Alto Maipo	Chile	532	Hydro	1H 2011	2H 2015	$400
Wind						
USA	WV	92	Wind	2H 2010	2H 2011	$80
USA	CA	49	Wind	2H 2010-1H 2011	2H 2011	$25
USA	CA	83	Wind	2H 2010-1H 2011	2H 2011	$90
Europe	UK	48	Wind	2H 2010-1H 2011	2H 2011	$30
Europe	Poland	154	Wind	2H 2010-2H 2011	2H 2011-2H 2012	$103
Solar						
Europe	Italy/France/Spain	146	Solar	2H 2010	2H 2011	$100
Subtotal of Examples		***3,624***				***$1,428***
Total Advanced Pipeline		***9,000***				***$3,329***

Note: The table set forth above includes examples of some of the more advanced greenfield projects in our pipeline. Other projects not currently on the table, whether developed through acquisitions or otherwise, may be brought online before these projects. In addition, some of these examples may not close as anticipated due to uncertainty inherent in the development process.

AES Competitive Advantage: Strong History of Execution on all Stages of Development Pipeline

Examples









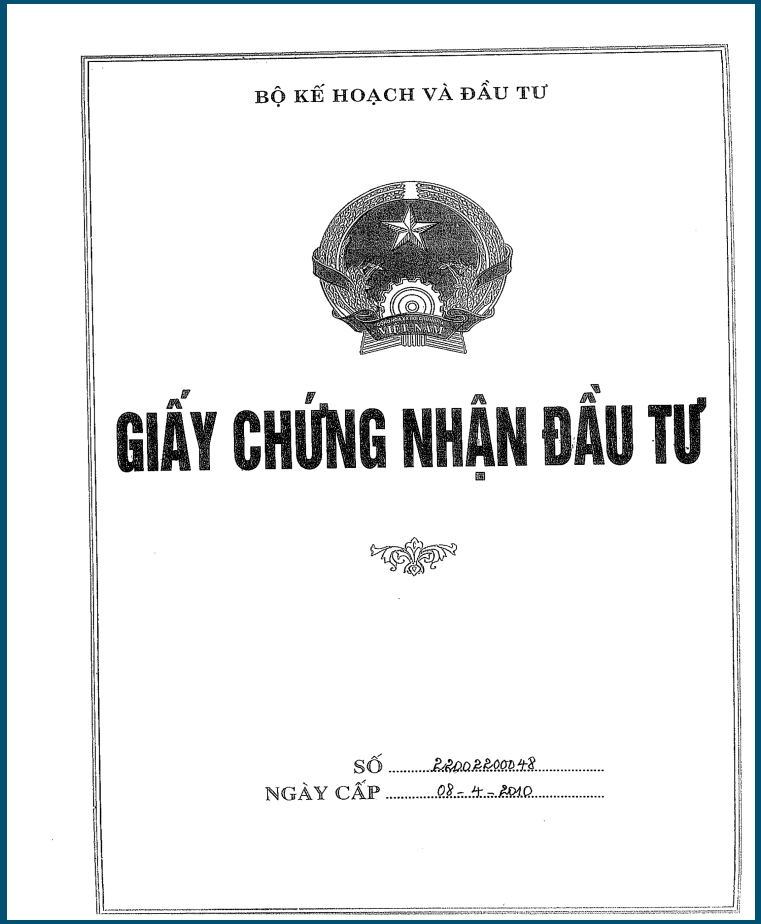
Project	Start of Development →	Financial Close →	Start of Operations
Cellino San Marco, Italy 43 MW, Solar	2009	2010	2010 (Expected)
Nueva Ventanas, Chile 270 MW, Coal	2005	2007	2010
Armenia Mountain, US-PA 101 MW, Wind	2005	2009	2010
Mong Duong, Vietnam 1,200 MW, Coal	2005	2011	2014 (Expected)

AES Signs Long-Term Purchase Commitments in Vietnam, Achieving Key Development Milestone

1,200 MW Mong Duong II Coal Plant

- 25-year power purchase and fuel supply agreements
- AES equity portion approximately $400 million

Vietnam Ministry of Planning & Investment Certificate



BỘ KẾ HOẠCH VÀ ĐẦU TƯ

GIẤY CHỨNG NHẬN ĐẦU TƯ

SỐ 2200220048

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AES: Delivering Results Today & Powering Tomorrow



- Delivering results amidst challenging economic trends
- 3,270 MW construction program on track to deliver growth
- Strong liquidity to accelerate 9,000 MW development pipeline

Thank You



Appendix

Reconciliation of Proportional Free Cash Flow

$ in Millions	2009		
	Consolidated	Adjustment Factors[1]	Proportional[1,2]
Operating Cash Flow	$2,213	($876)	$1,337
Maintenance Capital Expenditures[3]	$622	($184)	$438
Free Cash Flow[2]	$1,591	($692)	$899

$ in Millions	2008		
	Consolidated	Adjustment Factors[1]	Proportional[1,2]
Operating Cash Flow	$2,161	($1,135)	$1,026
Maintenance Capital Expenditures3	$780	($220)	$560
Free Cash Flow[2]	$1,381	($915)	$466

1. The AES Corporation (the "Company") is a holding company that derives its income and cash flows from the activities of its subsidiaries, some of which are not wholly-owned by the Company. Accordingly, the Company has presented certain financial metrics which are defined as Proportional (a non-GAAP financial measure) to account for the Company's ownership interest. See "definitions."
2. A non-GAAP financial measure. See "definitions".
3. Maintenance capital expenditures is defined as operational, plus environmental capital expenditures.

Reconciliation of Adjusted Earnings Per Share[1]

	Full Year	
	2009	2008
Diluted EPS from Continuing Operations	**$1.09**	**$1.76**
Derivative Mark-to-Market (Gains)/Losses	$0.02	$0.05
Currency Transaction (Gains)/Losses	($0.05)	$0.16
Disposition/Acquisition (Gains)/Losses	($0.19)[2]	($1.27)[3]
Impairment Losses	$0.21[4]	$0.13[5]
Debt Retirement (Gains)/Losses	-	$0.25[6]
Adjusted Earnings per Share[1]	**$1.08**	**$1.08**

1. A non-GAAP financial measure as reconciled above. See "definitions."
2. Amount includes: Kazakhstan gain of $98 million, or $0.15 per share, related to the termination of a management agreement, as well as a gain of $13 million, or $0.02 per share, related to the reversal of a withholding tax contingency. In addition, there was a gain on sale associated with the shutdown of the Hefei plant in China of $14 million, or $0.02 per share, net of noncontrolling interest and income tax. There was no income tax impact associated with any of these transactions.
3. Amount includes: Net gain on Kazakhstan sale of $905 million or $1.31 per share, and net loss on sale of subsidiary interests in Gener of $31 million, or $0.04 per share, as noted in footnote 2.
4. Amount includes: Goodwil impairments at Kilroot of $118 million, or $0.18 per share, and in the Ukraine of $4 million, or $0.01 per share; write-off of development project costs in Latin America and Asia of $19 million ($11 million net of noncontrolling interest, or $0.01 per share) and non-taxable impairment of the Company's investment in coal to gas technology of $10 million, or $0.01 per share.
5. Amount includes: Impairment charges primarily associated with development projects in North America of $75 million ($34 million net of noncontrolling interest and income taxes, or $0.06 per share) and an impairment of the Company's investment in coal to gas technology of $10 million, or $0.01 per share; Uruguaiana asset write down of $36 million ($17 million net of noncontrolling interest, or $0.02 per share); and South Africa peaker development cost write-off of $31 million ($28 million net of income taxes, or $0.04 per share).
6. Amount includes: $55 million ($34 million net of income taxes, or $0.05 per share) loss on the retirement of Parent Company debt; $131 million, or $0.19 per share, which represented the tax impact on the repatriation of a portion of the Kazakhstan sale proceeds that were used to fund the early retirement of Parent Company debt; and $14 million ($9 million net of income tax, or $0.01 per share) of debt refinancing at IPALCO.

Definitions

Non-GAAP Financial Measures

- Adjusted earnings per share (a non-GAAP financial measure) is defined as diluted earnings per share from continuing operations excluding gains or losses of the consolidated entity due to (a) mark-to-market amounts related to derivative transactions, (b) unrealized foreign currency gains or losses, (c) significant gains or losses due to dispositions and acquisitions of business interests, (d) significant losses due to impairments, and (e) costs due to the early retirement of debt. AES believes that adjusted earnings per share better reflects the underlying business performance of the Company, and is considered in the Company's internal evaluation of financial performance. Factors in this determination include the variability due to mark-to-market gains or losses related to derivative transactions, currency gains or losses, losses due to impairments and strategic decisions to dispose or acquire business interests or retire debt which affect results in a given period or periods. Adjusted earnings per share should not be construed as an alternative to earnings per share, which is determined in accordance with GAAP.
- Free cash flow (a non-GAAP financial measure) is defined as net cash from operating activities less maintenance capital expenditures (including environmental capital expenditures). AES believes that free cash flow is a useful measure for evaluating our financial condition because it represents the amount of cash provided by operations less maintenance capital expenditures as defined by our businesses, that may be available for investing or for repaying debt. Free cash flow should not be construed as an alternative to net cash from operating activities, which is determined in accordance with GAAP.
- The AES Corporation (the “Company”) is a holding company that derives its income and cash flows from the activities of its subsidiaries, some of which are not wholly-owned by the Company. Accordingly, the Company has presented certain financial metrics which are defined as Proportional (a non-GAAP financial measure) to account for the Company’s ownership interest.

  Proportional metrics present the Company’s estimate of its share in the economics of the underlying metric. The Company believes that the Proportional metrics are useful to investors because they exclude the economic share in the metric presented that is held by non-AES shareholders. For example, Operating Cash Flow is a GAAP metric which presents the Company’s cash flow from operations on a consolidated basis, including operating cash flow allocable to noncontrolling interests. Proportional Operating Cash Flow removes the share of operating cash flow allocable to noncontrolling interests and therefore may act as an aid in the valuation the Company.

  Proportional metrics are reconciled to the nearest GAAP measure. Certain assumptions have been made to estimate our proportional financial measures. These assumptions include: (i) the Company’s economic interest has been calculated based on a blended rate for each consolidated business when such business represents multiple legal entities; (ii) the Company’s economic interest may differ from the percentage implied by the recorded net income or loss attributable to noncontrolling interests or dividends paid during a given period; (iii) the Company’s economic interest for entities accounted for using the hypothetical liquidation at book value method is 100%; (iv) individual operating performance of the Company’s equity method investments is not reflected and (v) all intercompany amounts have been excluded as applicable.

Definitions, Cont'd.

Subsidiary Distributions

- Subsidiary Distributions should not be construed as an alternative to Net Cash Provided by Operating Activities which is determined in accordance with GAAP. Subsidiary Distributions are important to the Parent Company because the Parent Company is a holding company that does not derive any significant direct revenues from its own activities but instead relies on its subsidiaries' business activities and the resultant distributions to fund the debt service, investment and other cash needs of the holding company. The reconciliation of difference between the Subsidiary Distributions and Net Cash Provided by Operating Activities consists of cash generated from operating activities that is retained at the subsidiaries for a variety of reasons which are both discretionary and non-discretionary in nature. These factors include, but are not limited to, retention of cash to fund capital expenditures at the subsidiary, cash retention associated with non-recourse debt covenant restrictions and related debt service requirements at the subsidiaries, retention of cash related to sufficiency of local GAAP statutory retained earnings at the subsidiaries, retention of cash for working capital needs at the subsidiaries, and other similar timing differences between when the cash is generated at the subsidiaries and when it reaches the Parent Company and related holding companies.