

Press Release



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AES Acquires Two 230 MW Petroleum Coke-Fired Power Plants in Mexico

Arlington, VA, February 12, 2007—The AES Corporation (NYSE: AES) today announced it has purchased two 230 MW petroleum coke-fired circulating fluidized bed (CFB) power generation facilities in Tamuín, Mexico from subsidiaries of Exelon Corporation and ALSTOM. The total value of the transaction is approximately \$611 million including the acquisition of equity and subordinated debt totaled at \$190 million and the assumption of \$421 million in project debt.

The plants, Termoelectrica del Golfo (TEG) and Termoelectrica del Peñoles (TEP), are fully contracted facilities that supply power to two major Mexican industrial companies, CEMEX and Peñoles, respectively, under 20-year agreements in accordance with Mexican self-supply regulations. Both plants also secure petroleum coke from CEMEX under 20-year contracts. Constructed in 2004, the facilities utilize CFB technology, providing a cleaner way to burn petroleum coke compared to some other technologies. Petroleum coke is a by-product of petroleum refining and provides competitive fuel cost advantages relative to natural gas, the major fuel for power generation in Mexico.

“These assets fit well with AES given our expertise in operating CFB plants and skills at structuring complex international transactions,” said David Gee, President of AES’s North America region.

AES helped pioneer CFB technology in the US in the early 1990s. Today, it owns and operates five CFB plants in North America and one in Asia, all of which provide world-class reliability to their customers.

AES named Pete Convery as Plant Manager of TEG and TEP. Convery, who has been with AES since 1993, has 10 years experience managing CFB facilities, including AES Shady Point in Oklahoma and AES Warrior Run in Maryland. He will manage plant operations and will be supported initially by an interim on-site team of CFB technology experts assembled from other AES plants.

“Mexico has very high per capita income and is experiencing steady economic growth. The acquisition of these two plants enables AES to expand our strong platform in Mexico,” said Mark Woodruff, AES Vice President of North America Development.

AES has operated in Mexico since 2000, when it completed construction of the country's first independent power plant: AES Mérida III, a 484 MW natural gas and diesel-fired power plant.

In addition to TEG and TEP, AES's CFB facilities include AES Hawaii, AES Puerto Rico, AES Shady Point in Oklahoma, AES Thames in Connecticut, AES Warrior Run in Maryland and Aixi in China. AES also operates one petroleum coke-fired power plant, AES Deepwater, in Texas.

About AES

AES is one of the world's largest global power companies, with 2005 revenues of \$11 billion. With operations in 26 countries on five continents, AES's generation and distribution facilities have the capacity to serve 100 million people worldwide. Our 14 regulated utilities amassed 2005 annual sales of over 82,000 GWh and our 123 generation facilities have the capacity to generate more than 44,000 megawatts. Our global workforce of 30,000 people is committed to operational excellence and meeting the world's growing power needs. To learn more about AES, please visit www.aes.com or contact AES media relations at media@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's current expectations based on reasonable assumptions. Forecasted financial information is based on certain material assumptions. These assumptions include, but are not limited to, continued normal levels of operating performance and electricity demand at our distribution companies and operational performance at our contract 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's filings with the Securities and Exchange Commission, including, but not limited to, the risks discussed under Item 1A "Risk Factors" in AES's 2005 Annual Report on Form 10-K. Investors and other interested parties 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.

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