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AES to sell stakes in Oman and Pakistan units for \$200 million

Arlington firm looking to invest in other global energy projects.

BY V. DION HAYNES

Arlington-based AES Corp. has reached an agreement to sell its interest in several power-generating facilities in Oman and Pakistan to help finance expansion of other energy projects around the world, the company said Monday.

In an agreement that would garner \$200 million, the company said it is selling the Pakistan operations to Nishat Mills Limited, an industrial firm in the country, and the Oman facilities to ACWA Power International of Saudi Arabia. The deal, which would require the buyers to assume about \$276 million in debt from the facilities, is expected to close by the middle of 2010, the company said.

"These facilities have been very successful investments for AES, particularly when we look at operational and financial performance indicators," Paul Hanrahan, AES president and chief executive, said in a statement. "Our decision to sell the busi-



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CEO Paul Hanrahan says AES "continues to see compelling development opportunities."

nesses is in line with our strategy to unlock the value of our portfolio. We continue to see compelling development opportunities throughout the world as countries look for more sources of afford-

able and sustainable power."

Victoria D. Harker, the company's executive vice president and chief financial officer, said in an interview Monday that AES, which owns 61 percent of the Oman and Pakistan facilities through a subsidiary called AES Oasis, put them on the auction block earlier this year. She said the deal is subject to approval from the countries' regulators.

Properties involved include cycle-gas and desalination plants in Oman and two oil-fired facilities in Pakistan. The company began operating in Pakistan in 1997 and in Oman in 2003, Harker said.

Company officials would not detail their future investments. But industry analysts speculated that AES would invest in renewable-energy projects in Asia, given that it recently signed a deal to operate such facilities in China.

"They're going to have a large amount of money they can [devote to] wind investment," said Christopher B. Muir, senior industry analyst at Standard & Poor's. "AES probably sees a number of opportunities . . . and they are selling to find investment in the wind business."

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