The AES Corporation Third Quarter 2015 Financial Review

November 5, 2015

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 Slide 60 and 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" and Item 7: Management's Discussion & Analysis in AES' 2014 Annual Report on Form 10-K, 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.

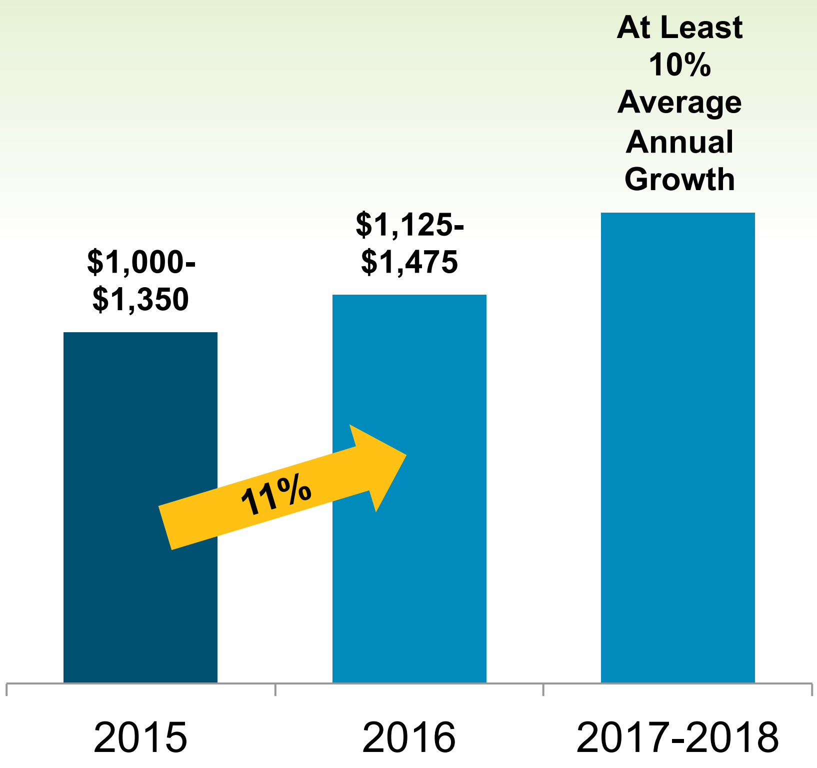
Taking Actions to Mitigate Macroeconomic Factors

- Significant macroeconomic factors pressuring future outlook
  - Devaluation in foreign currencies (~30%)
  - Changes in commodity prices (mainly oil)
  - Lower demand and higher interest rates in Brazil
- Launching a $150 million cost reduction and revenue enhancement initiative to largely offset macroeconomic factors by 2018
  - In addition to $370 million in initiatives announced since 2012

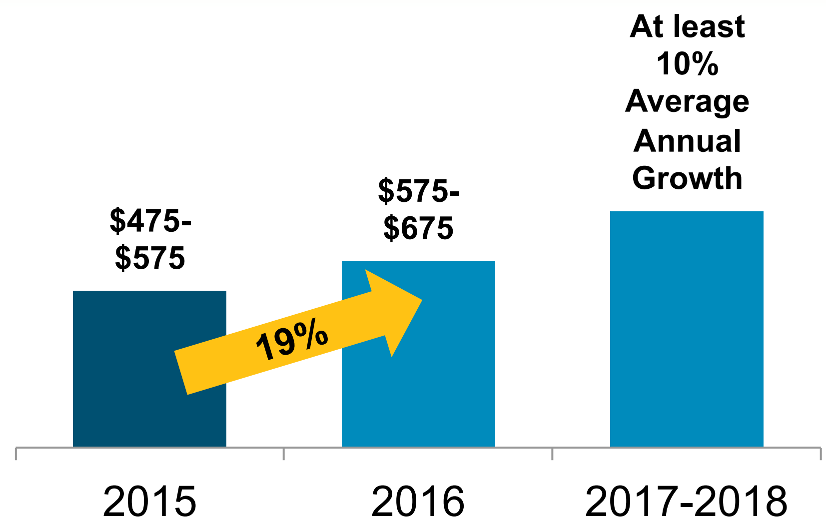
Expect 2015-2018 Average Annual Growth of at Least 10% in Cash Flow Versus Prior Expectation of 10%-15%

$ in Millions

Proportional Free Cash Flow[1] Guidance



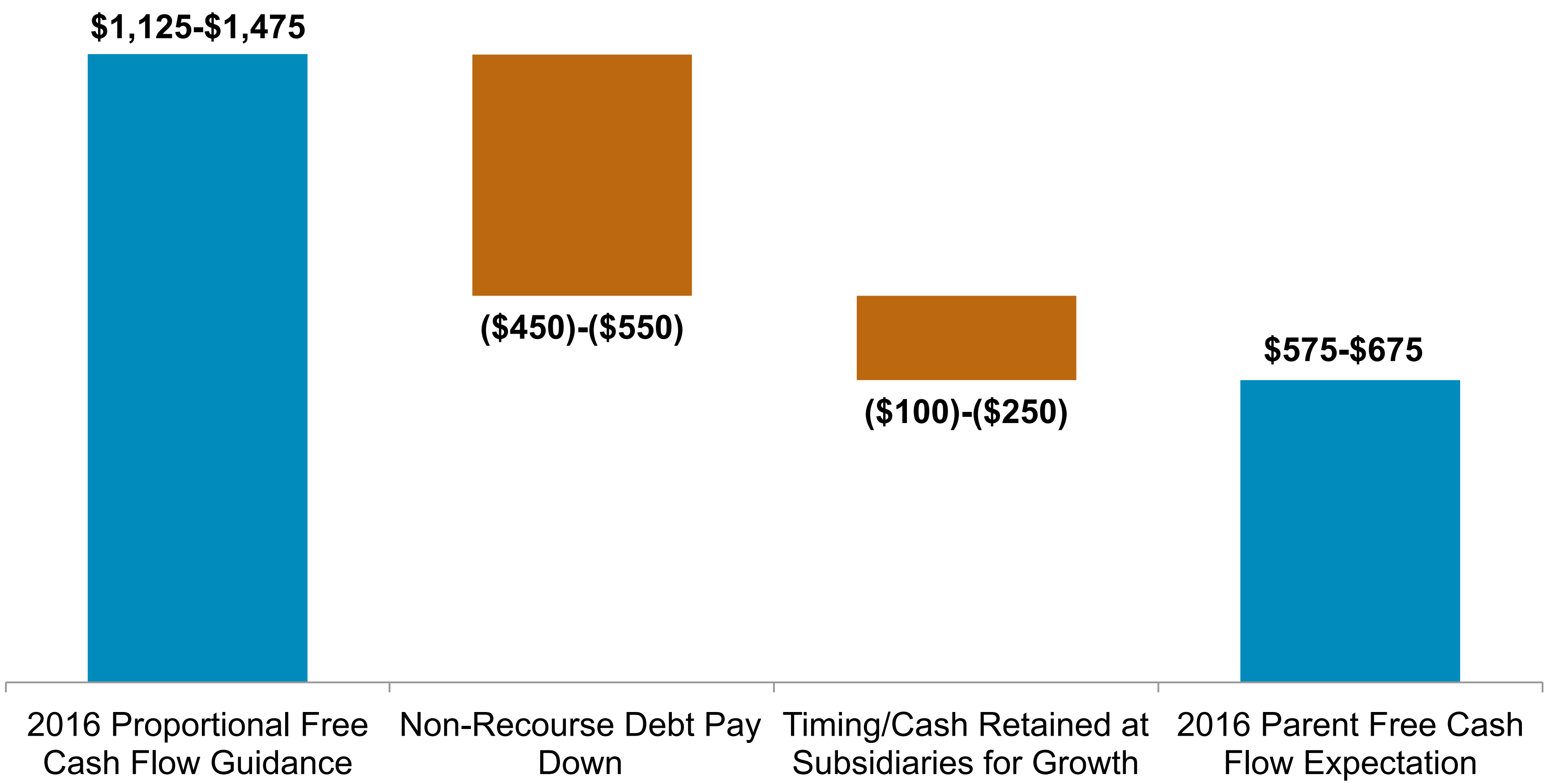
Parent Free Cash Flow[1] Available for Discretionary Uses



1. A non-GAAP financial measure. See Appendix for definition and reconciliation.

Proportional Free Cash Flow[1] is Largely Available for Non-Recourse Debt Pay Down and Parent Capital Allocation

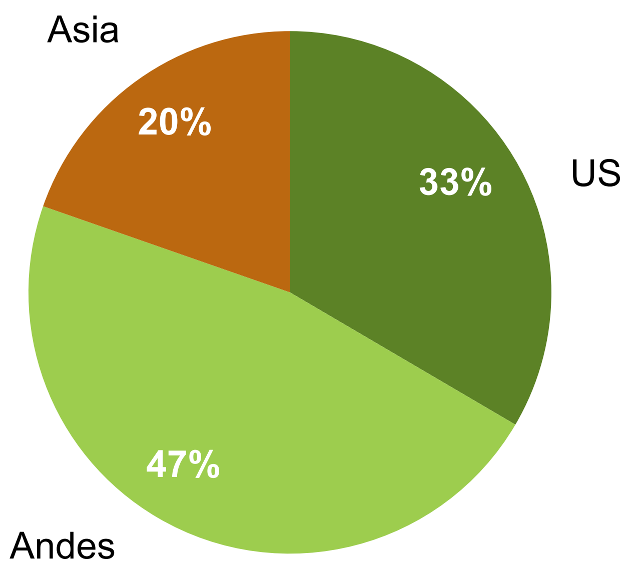
$ in Millions



1. A non-GAAP financial measure. See Appendix for definition and reconciliation.

Leveraging Our Platforms: 5,782 MW Under Construction Yield More Than 15% ROE[1]

80% of Required Equity is for Projects in the Americas

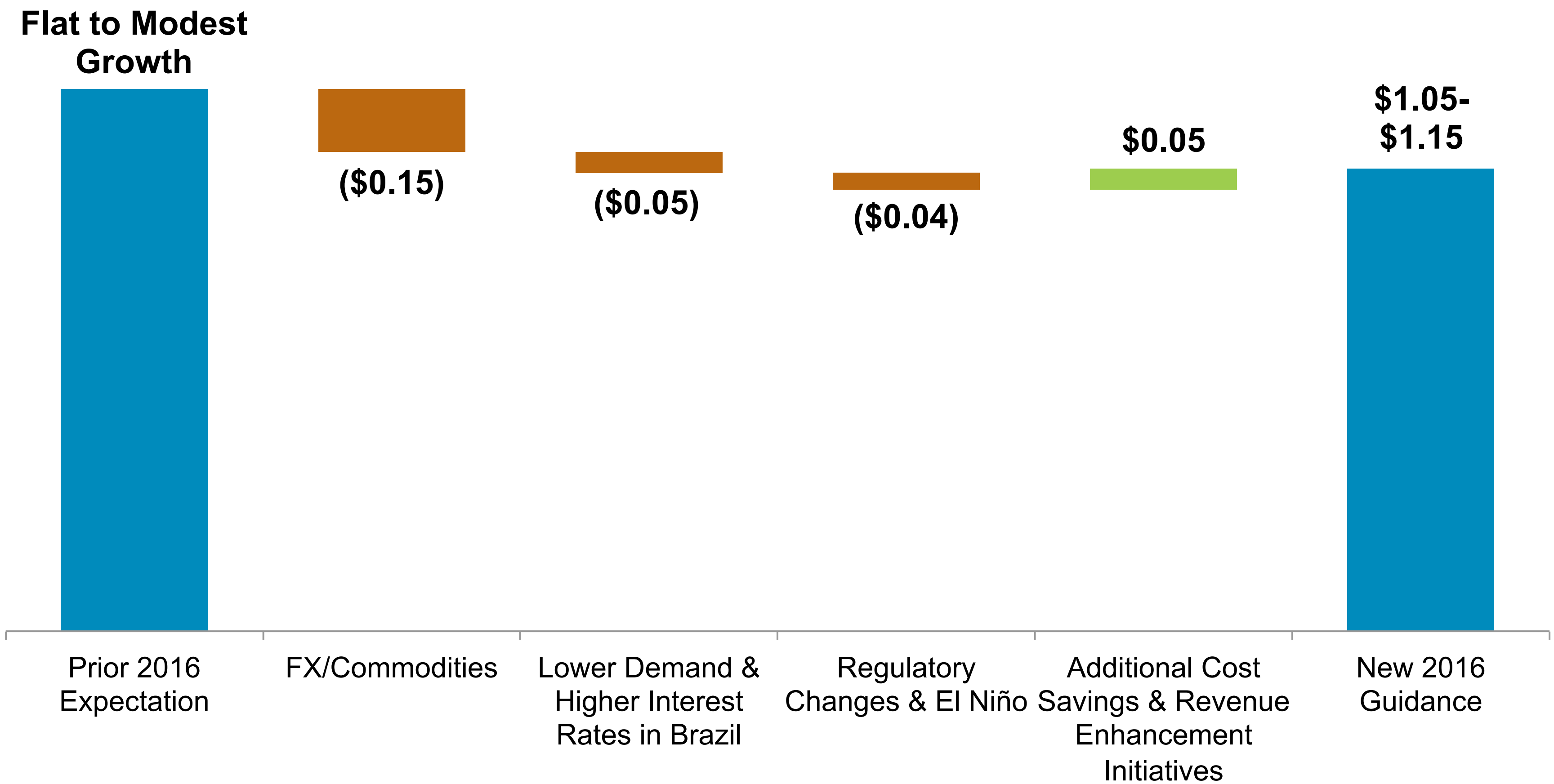


$7 Billion Total Cost; AES Equity Commitment of $1.1 Billion, of Which Only $160 Million is Still to be Funded

1. Based on 2018 contributions from all projects under construction and IPL MATS upgrades. Assumes a full year contribution from Alto Maipo, which is expected to come on-line in 2H 2018. Weighted Average Return on Equity is net income divided by AES equity contribution.

Note: These are some of our construction projects. Other projects not currently on this slide, whether developed through acquisitions or otherwise, may be brought on-line before these projects. In addition, some of these examples may not close or be completed as anticipated, or they may be delayed, due to uncertainty inherent in the development process.

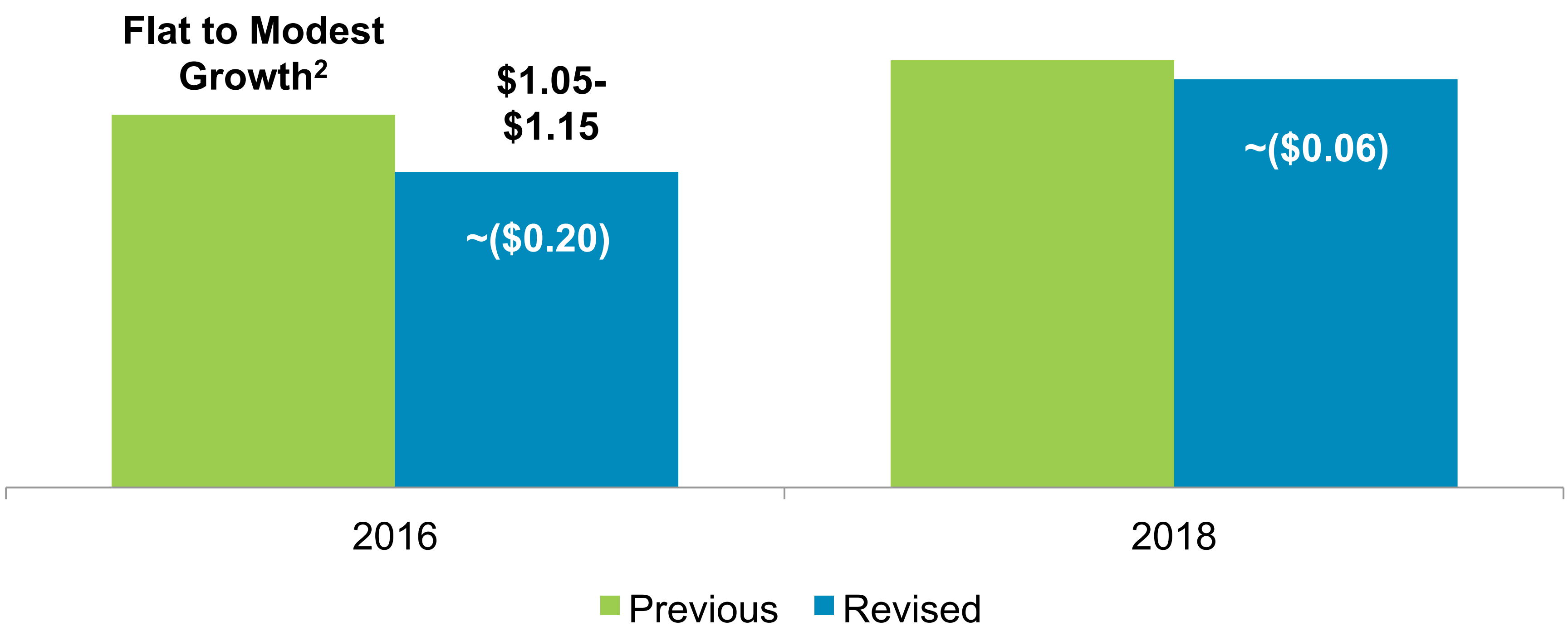
Adjusted EPS[1]: Prior 2016 Expectation v. New 2016 Guidance



1. A non-GAAP financial measure. See Appendix for definition and reconciliation.

Lowering 2016-2018 Adjusted EPS[1], Primarily Reflecting Macro Headwinds

2017-2018 Average Annual Growth of 12%-16% Off Lower 2016 Base vs. 6%-8% Previously

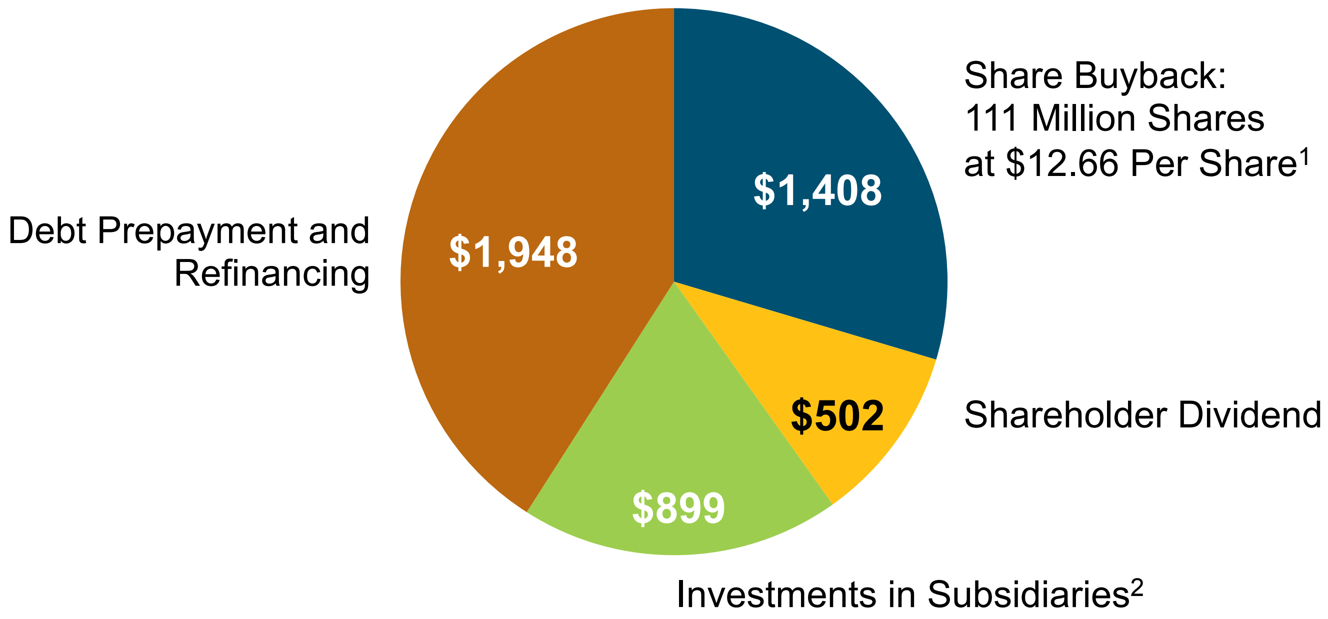


Taking Actions to Narrow Impact Over Time

1. A non-GAAP financial measure. See Appendix for definition and reconciliation.
2. Off prior 2015 guidance of $1.25-$1.35.

Invested $4.8 Billion of Discretionary Cash in Shareholder Returns, Debt Pay Down and Select Growth Projects

September 2011-September 2015; $ in Millions



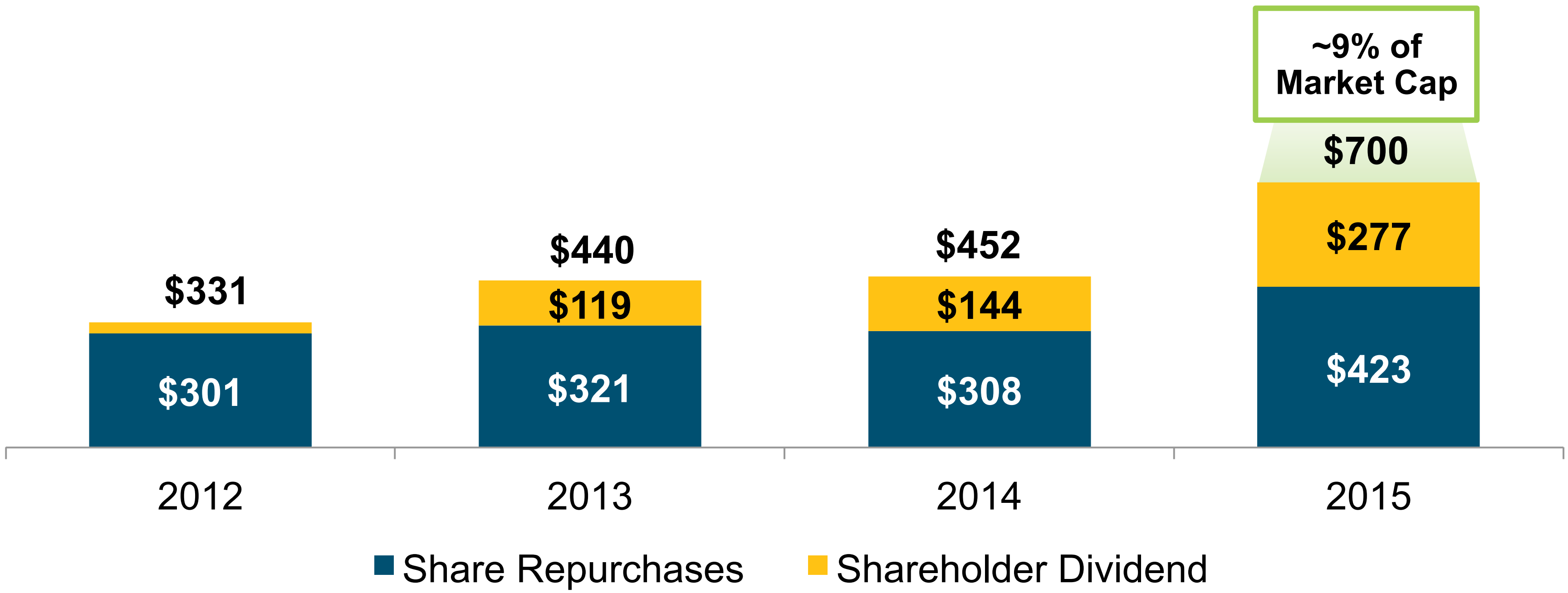
Reduced Parent Debt by 23% and Share Count by 14%

1. Includes share repurchases through November 4, 2015.
2. Excludes $2.3 billion investment in DPL.

Maximizing Risk-Adjusted Per Share Returns to Shareholders

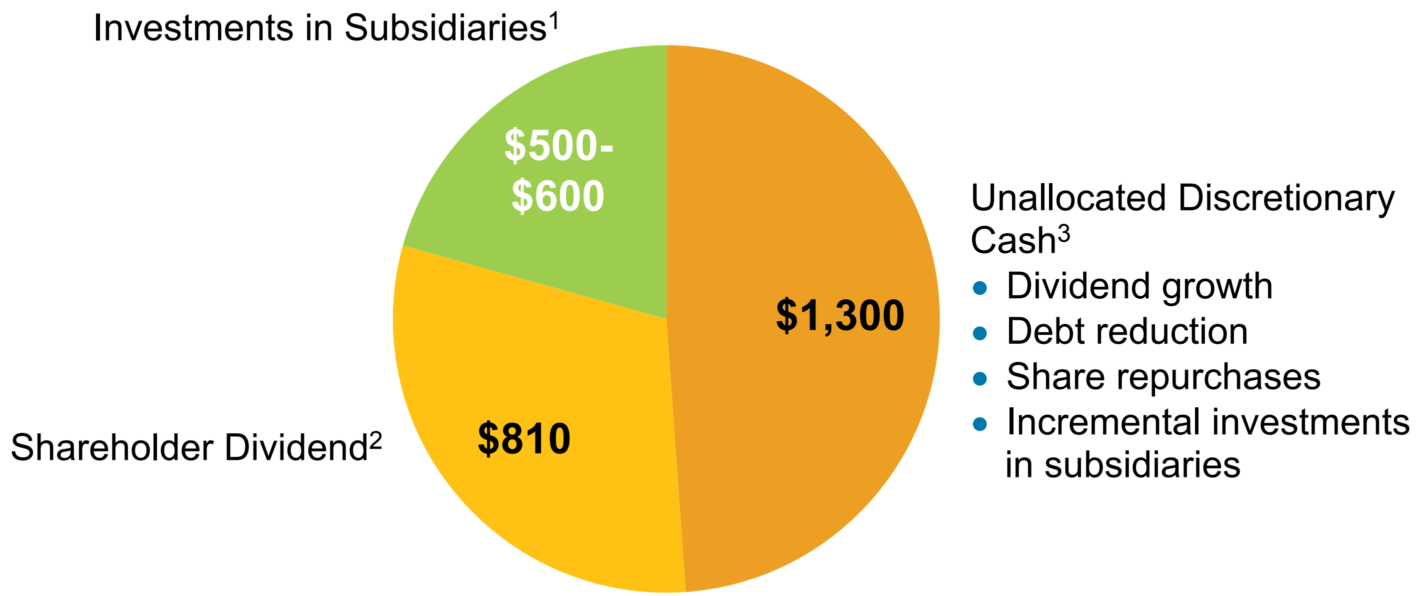
$ in Millions

Returned $2 Billion to Shareholders 2012-2015



$2.6 Billion Available for Value Creation

2016-2018; $ in Millions



Does Not Include Up to $1 Billion in Potential Asset Sale Proceeds

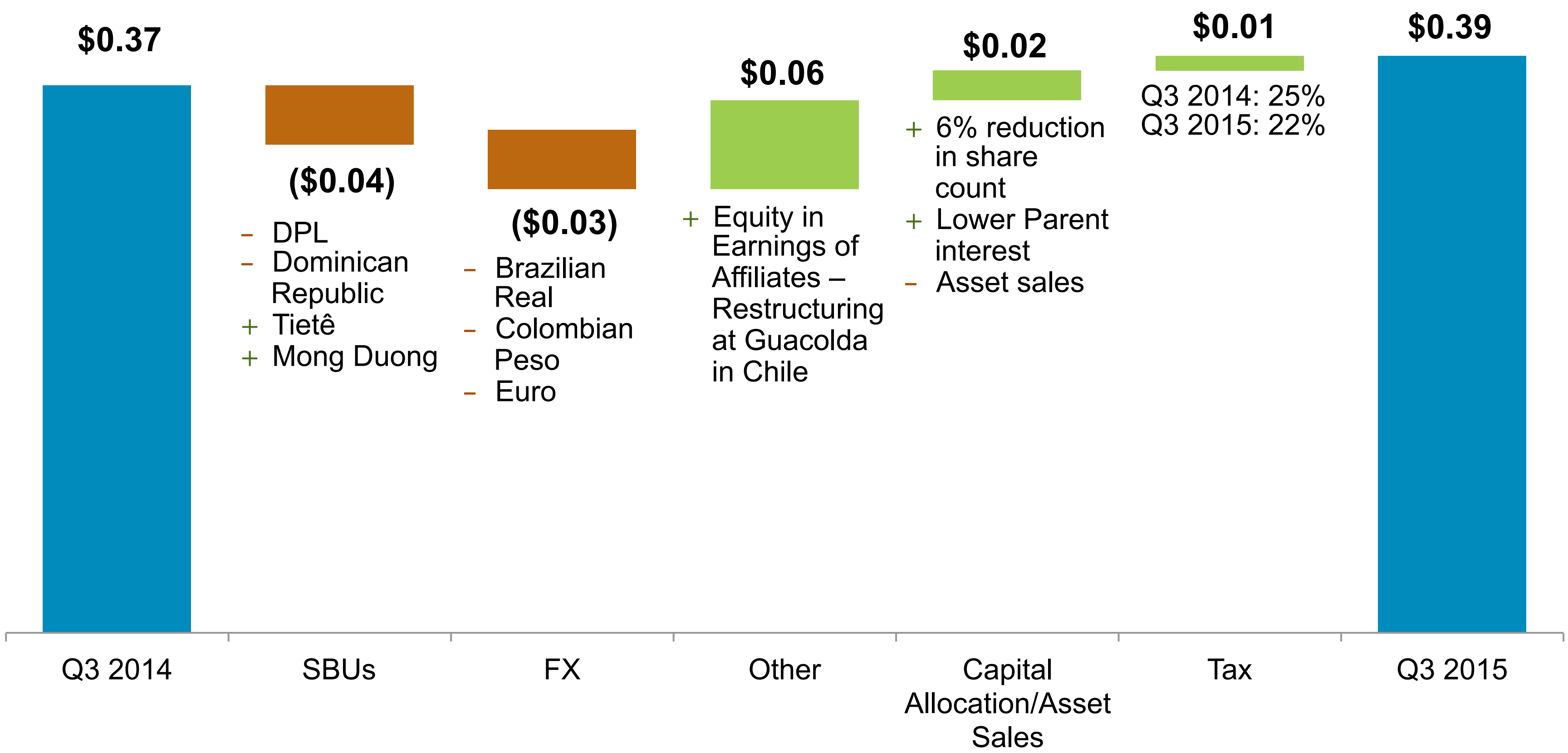
1. Includes approximately $160 million in investments in projects under construction.
2. Assumes constant payment of $0.10 per share each quarter on 673 million shares outstanding as of October 30, 2015.
3. Assumes sources as follows: Parent Free Cash Flow of $2.1 billion, which is based on the mid-point of 2016 expectation of $575-$675 million, growing at 10% through 2018; $190 million in asset sale proceeds ($40 million from sale of Sonel, Kribi and Dibamba in Cameroon, and additional potential asset sales in 2016); $280 million closing cash balance as of December 31, 2015; and $75 million in return of capital.

Q3 2015 Financial Review

- Q3 2015 results
  - Adjusted EPS[1]
  - Proportional Free Cash Flow and Adjusted PTC[1] by Strategic Business Unit (SBU)
- 2015 Guidance
- 2015-2016 Parent capital allocation plans

1. A non-GAAP financial measure. See Appendix for definition and reconciliation.

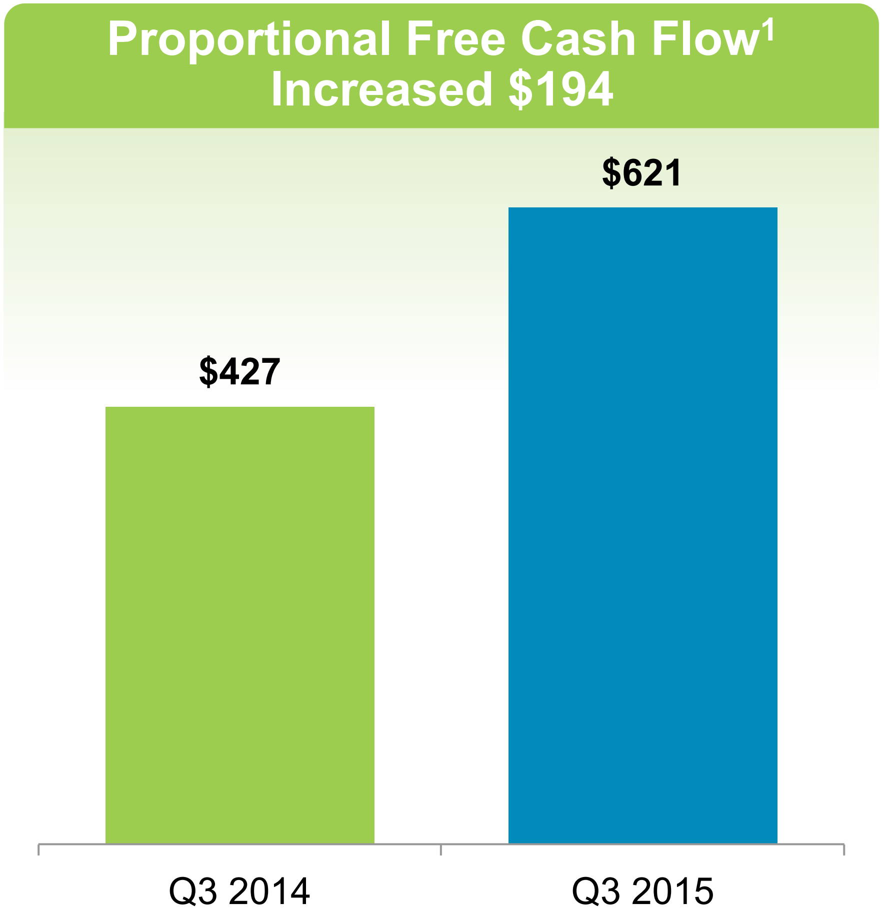
Q3 2015 Adjusted EPS Increased $0.02

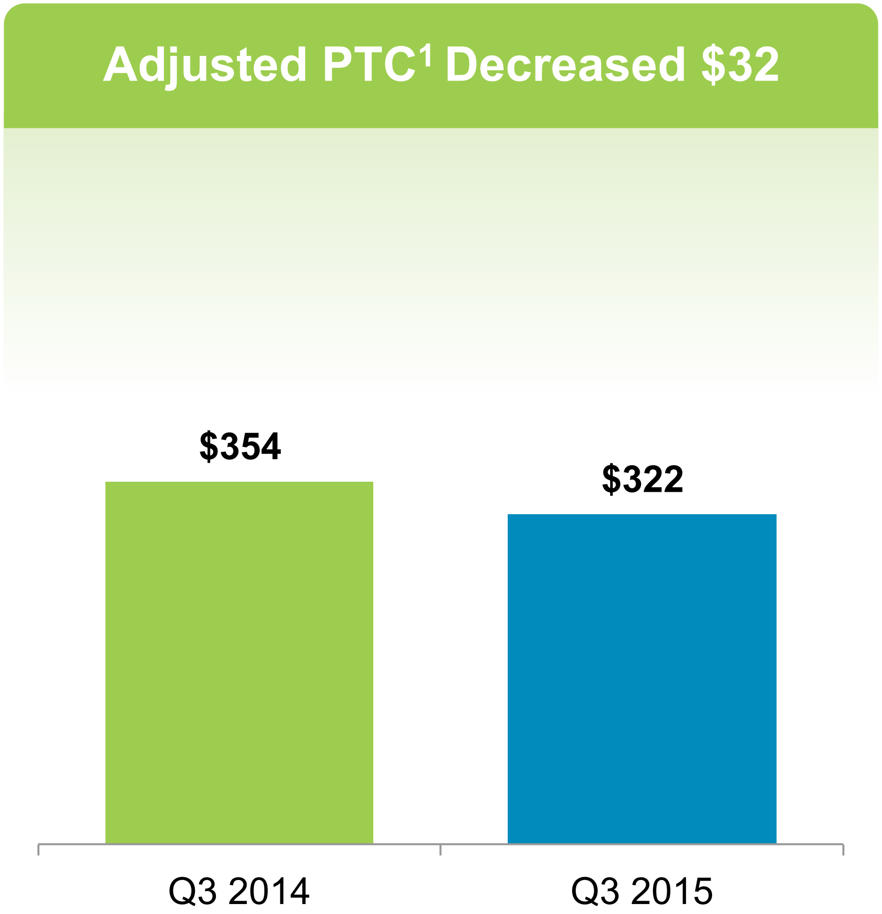


1. A non-GAAP financial measure. See Appendix for definition and reconciliation.

Q3 Financial Results Summary

$ in Millions





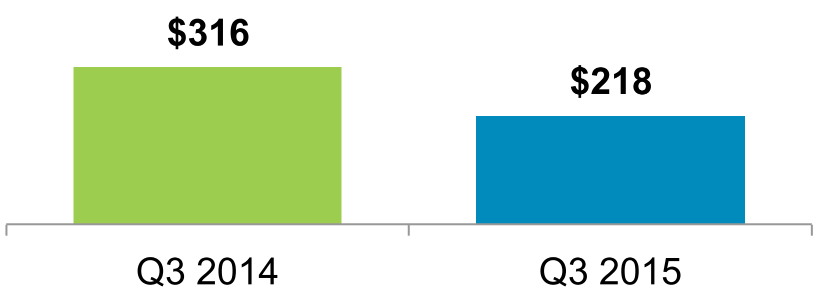
1. A non-GAAP financial measure. See Appendix for definition and reconciliation.

Q3 Financial Results: US SBU

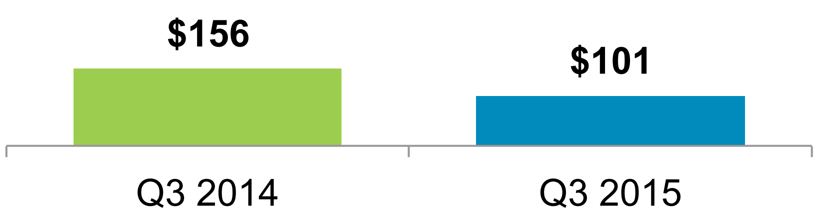
$ in Millions

- Lower operating contributions:
  - From the expected transition to market pricing for our regulated load, lower merchant volumes and prices and lower availability at DPL
  - Sale of a minority interest in IPL
- Proportional Free Cash Flow[1] also reflects lower collections and timing of working capital at IPL

Proportional Free Cash Flow[1] Decreased $98



Adjusted PTC[1] Decreased $55



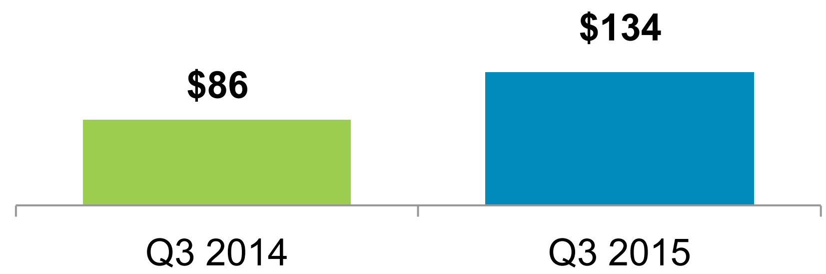
1. A non-GAAP financial measure. See Appendix for definition and reconciliation.

Q3 Financial Results: Andes SBU

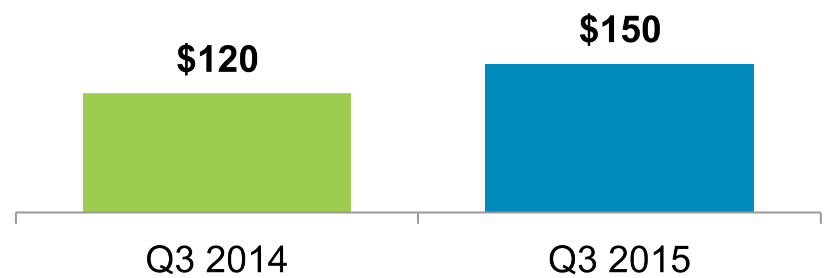
$ in Millions

- Higher operating contributions:
  - Gain on restructuring at Guacolda in Chile
  - Higher energy prices at Chivor in Colombia
  - Offset by Colombian Peso devaluation
- Proportional Free Cash Flow[1] also reflects increased VAT refunds related to the construction of Cochrane in Chile

Proportional Free Cash Flow[1] Increased $48



Adjusted PTC[1] Increased $30



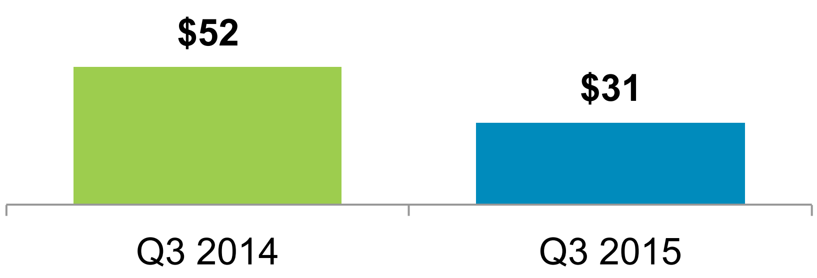
1. A non-GAAP financial measure. See Appendix for definition and reconciliation.

Q3 Financial Results: Brazil SBU

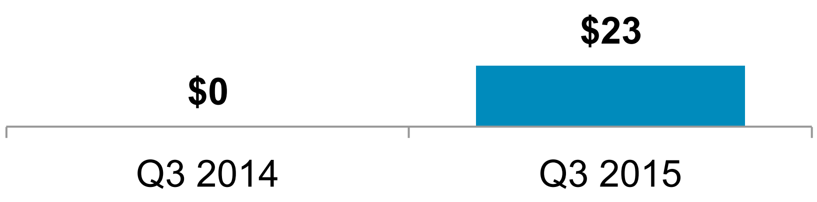
$ in Millions

- Higher operating contributions:
  - Lower spot purchases due to lower contracted requirements at Tietê
  - Offset by weaker Brazilian Real
- Proportional Free Cash Flow[1] also reflects increased working capital as a result of higher recoverable energy purchases at Eletropaulo

Proportional Free Cash Flow[1] Decreased $21



Adjusted PTC[1] Increased $23



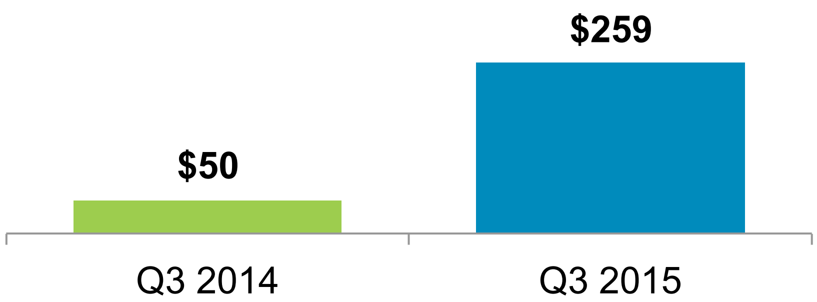
1. A non-GAAP financial measure. See Appendix for definition and reconciliation.

Q3 Financial Results: MCAC SBU

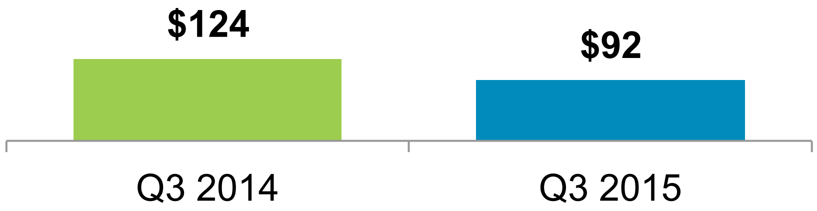
$ in Millions

- Lower operating contributions:
  - Lower spot energy and LNG sales and ancillary service revenue in the Dominican Republic
  - Offset by improved hydrology in Panama
- Proportional Free Cash Flow[1] also reflects timing of the collection of outstanding receivables in the Dominican Republic

Proportional Free Cash Flow[1] Increased $209



Adjusted PTC[1] Decreased $32



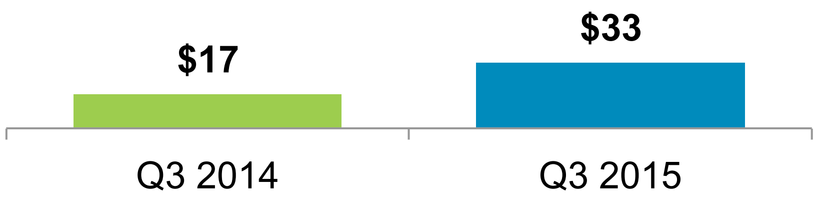
1. A non-GAAP financial measure. See Appendix for definition and reconciliation.

Q3 Financial Results: Europe SBU

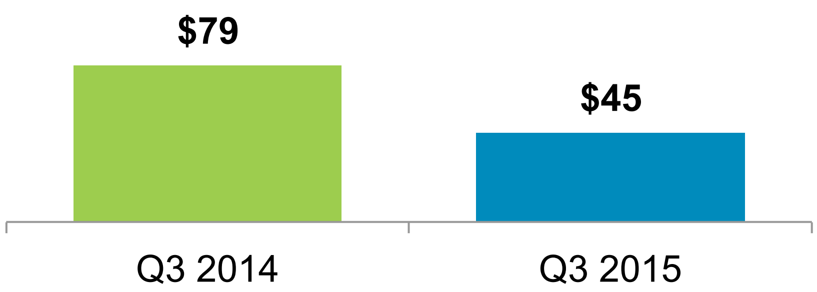
$ in Millions

- Lower operating contributions:
  - Weaker Euro and timing of planned outages at Maritza in Bulgaria
  - Sale of Ebute in 2014
  - Lower margins in the United Kingdom
  - Offset by commencement of operations at IPP4 in Jordan in 2014
- Proportional Free Cash Flow[1] also reflects:
  - Higher collections at Kavarna in Bulgaria

Proportional Free Cash Flow[1] Increased $16



Adjusted PTC[1] Decreased $34



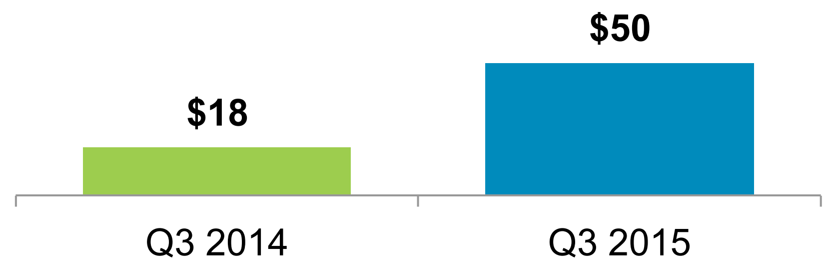
1. A non-GAAP financial measure. See Appendix for definition and reconciliation.

Q3 Financial Results: Asia SBU

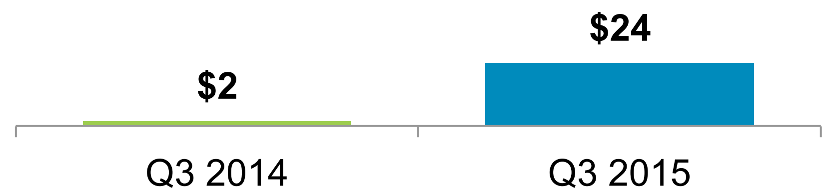
$ in Millions

- Higher operating contributions:
  - Improved availability at Masinloc in the Philippines
  - Commencement of operations at Mong Duong in Vietnam

Proportional Free Cash Flow[1] Increased $32



Adjusted PTC[1] Increased $22



1. A non-GAAP financial measure. See Appendix for definition and reconciliation.

2015 Guidance: Reaffirming Cash Flow and Lowering Adjusted EPS[1]

$ in Millions, Except Per Share Amounts

	YTD 2015	YTD 2014	FY 2015 Guidance
Proportional Free Cash Flow[1]	$948	$604	$1,000-$1,350
Consolidated Net Cash Provided by Operating Activities	$1,505	$1,216	$1,900-$2,700
Adjusted EPS[1]	$0.88	$0.89	$1.18-$1.25

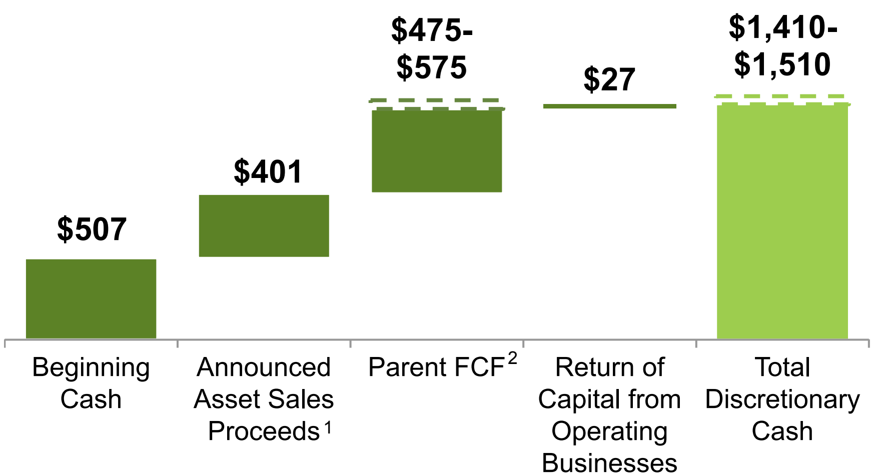
- Reaffirming Proportional Free Cash Flow[1] guidance
  - On track to achieve Parent Free Cash Flow[1] expectation of $475-$575 million
- Lowering Adjusted EPS[1] guidance from $1.25-$1.35 to $1.18-$1.25, reflecting:
  - $0.04 impact from foreign currencies and commodities
  - $0.03 impact from lower demand and higher interest rates in Brazil
  - $0.02 impact from outages at DPL and AES Hawaii

1. A non-GAAP financial measure. See Appendix for definition and reconciliation. See Slide 49 for assumptions.

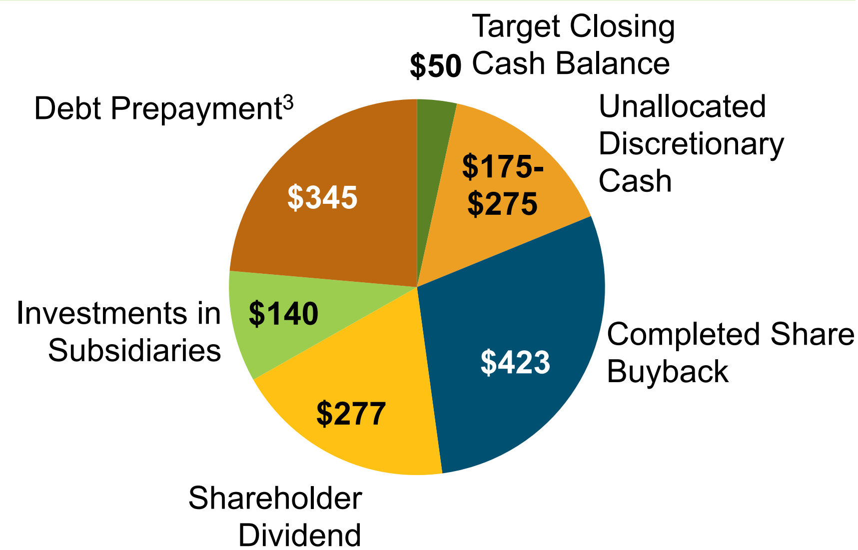
2015 Parent Capital Allocation Plan

$ in Millions

Discretionary Cash – Sources ($1,410-$1,510)



Discretionary Cash – Uses ($1,410-$1,510)



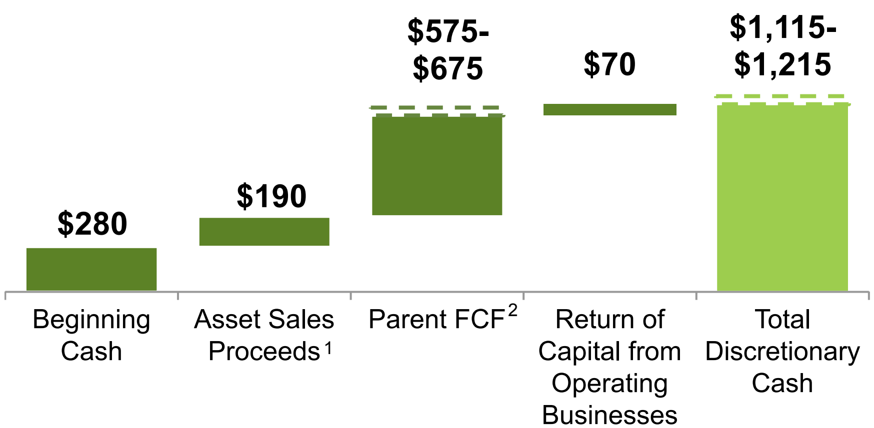
72% Allocated to Debt Prepayment, Dividends & Share Repurchases

1. Includes announced asset sale proceeds of: $239 million (IPALCO, US partnership), $59 million (Armenia Mountain, US), $30 million (IPP4, Jordan partnership), $42 million (Italy solar) and $31 million (Spain solar).
2. A non-GAAP financial metric. See Appendix for definition and reconciliation.
3. Includes $315 million Parent debt prepayment and costs associated with prepayment and refinancing near-term maturities.

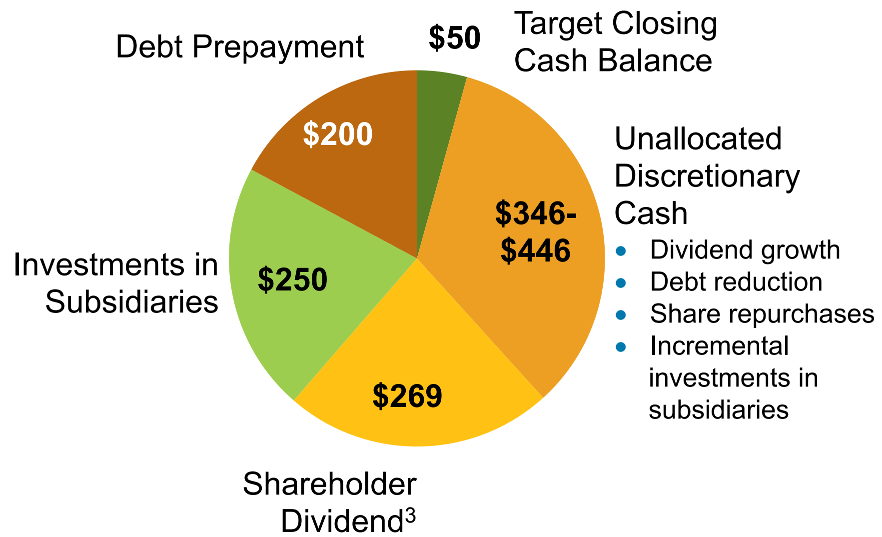
2016 Parent Capital Allocation Plan

$ in Millions

Discretionary Cash – Sources ($1,115-$1,215)



Discretionary Cash – Uses ($1,115-$1,215)



Maximizing Discretionary Cash to Increase Risk-Adjusted Returns for Shareholders

1. Includes announced asset sale proceeds of: $40 million (Sonel, Kribi and Dibamba, Cameroon) and proceeds from additional potential asset sales.
2. A non-GAAP financial metric. See Appendix for definition and reconciliation.
3. Assumes constant payment of $0.10 per share each quarter on 673 million shares outstanding as of October 30, 2015.

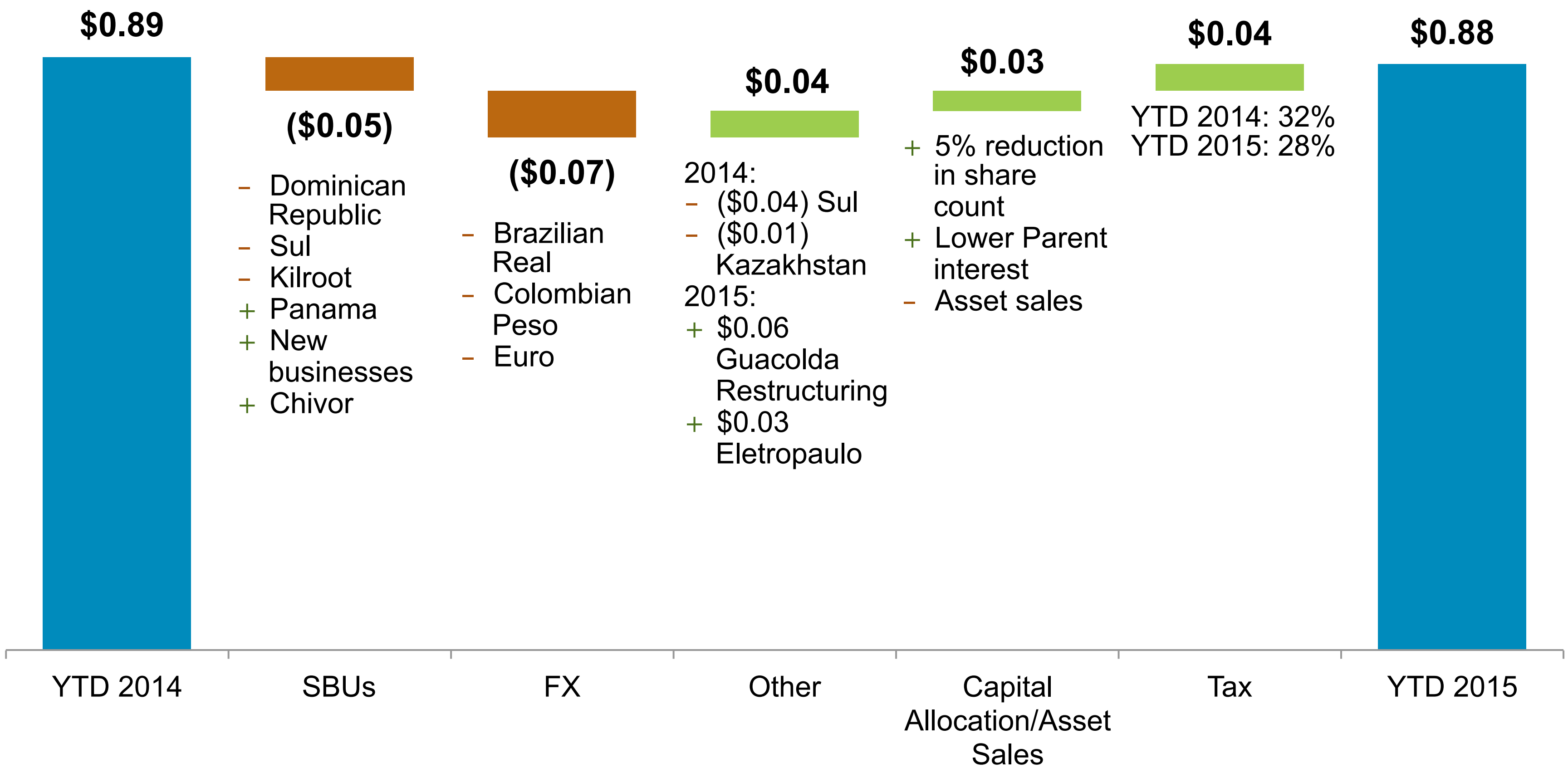
Conclusion

- We are pulling all levers to respond to the challenges presented by a generally weaker global economy
  - Cost reductions and capital allocation
- Strong and growing cash flow driven by largely funded construction projects
  - $2.6 billion in discretionary cash from 2016-2018
- We will continue to invest our discretionary cash to maximize returns to our shareholders

Appendix

1. A non-GAAP financial measure.

YTD 2015 Adjusted EPS Decreased $0.01



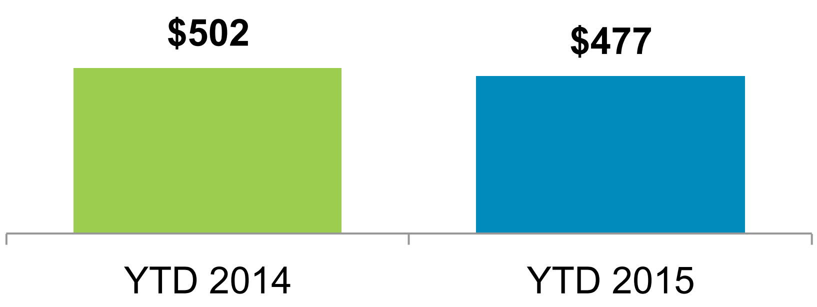
1. A non-GAAP financial measure. See Slide 56 for reconciliation and “definitions”.

YTD Financial Results: US SBU

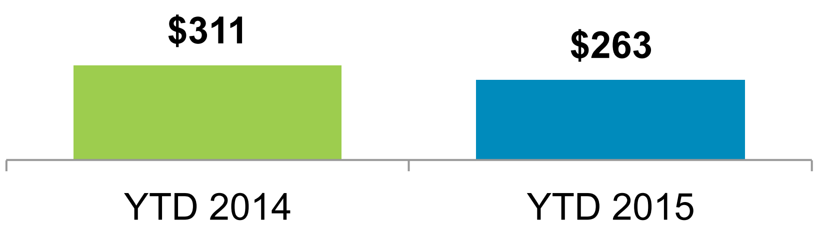
$ in Millions

- Lower operating contributions:
  - Lower wind generation across wind portfolio
  - Lower contributions from wholesale margins and as a result of the sale of a minority interest in IPL
  - Offset by improved availability and higher capacity prices at DPL
- Proportional Free Cash Flow[1] also reflects:
  - Higher maintenance costs at IPL
  - Offset by improved working capital and operating performance at DPL

Proportional Free Cash Flow[1] Decreased $25



Adjusted PTC[1] Decreased $48



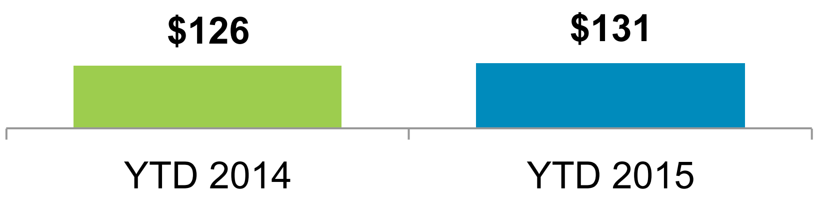
1. A non-GAAP financial measure. See Slide 56 for reconciliation and "definitions".

YTD Financial Results: Andes SBU

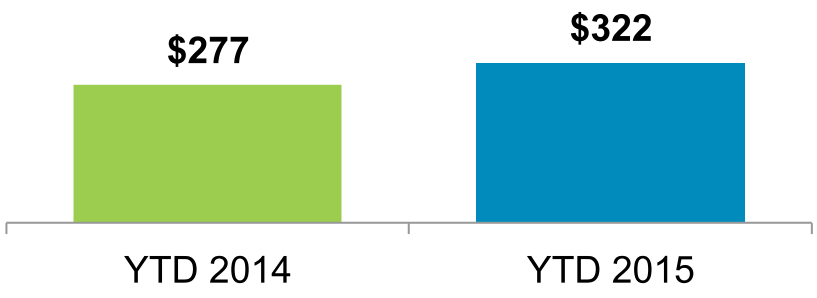
$ in Millions

- Higher operating contributions:
  - Gain on restructuring at Guacolda in Chile
  - Higher energy prices and generation at Chivor in Colombia
  - Offset by weaker Colombian Peso
- Proportional Free Cash Flow[1] also reflects:
  - Increased VAT refunds related to the construction of Cochrane in Chile
  - Offset by higher tax payment at Chivor in Colombia

Proportional Free Cash Flow[1] Increased $5



Adjusted PTC[1] Increased $45



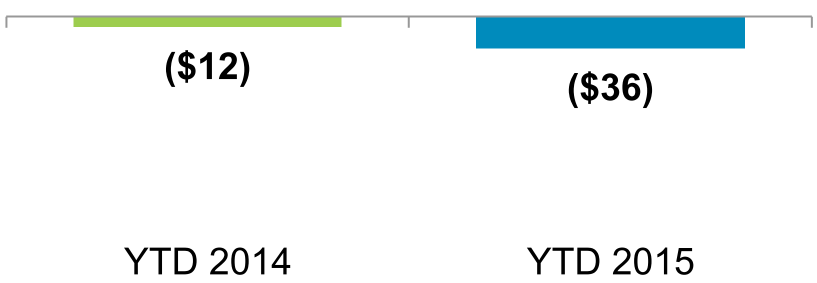
1. A non-GAAP financial measure. See Slide 56 for reconciliation and "definitions".

YTD Financial Results: Brazil SBU

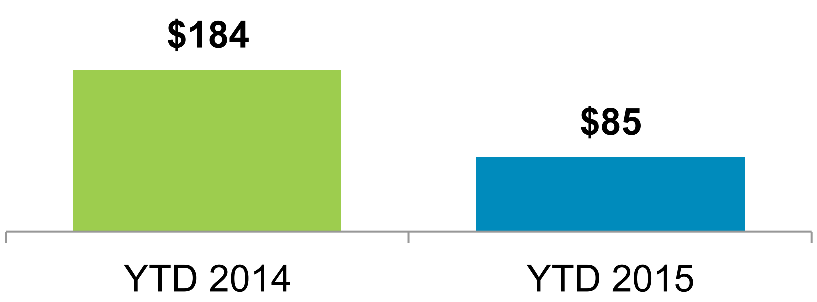
$ in Millions

- Lower operating contributions:
  - Lower demand and higher fixed costs at Sul
  - Devaluation of Brazilian Real
  - $21 million net impact of liability reversals at Sul in 2014 and Eletropaulo in 2015
- Proportional Free Cash Flow[1] also reflects:
  - Higher energy purchases in the spot market as a result of unfavorable hydrology at Tietê
  - Offset by lower maintenance costs and higher collections at Sul

Proportional Free Cash Flow[1] Decreased $24



Adjusted PTC[1] Decreased $99



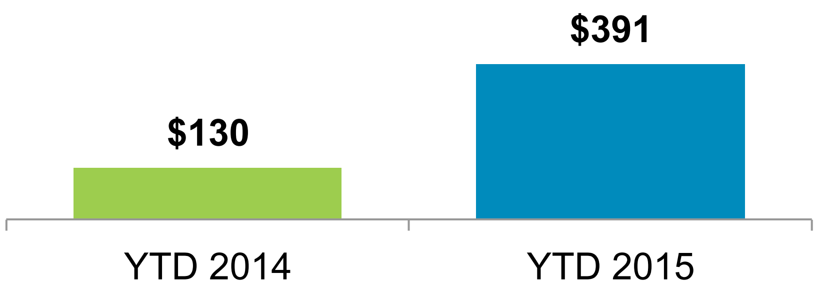
1. A non-GAAP financial measure. See Slide 56 for reconciliation and "definitions".

YTD Financial Results: MCAC SBU

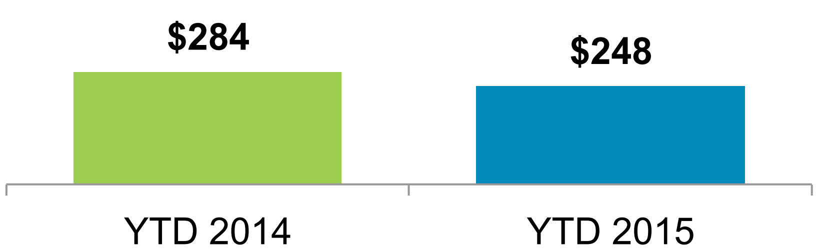
$ in Millions

- Lower operating contributions:
  - Lower spot sales, frequency regulation and planned maintenance in the Dominican Republic
  - Offset by higher generation as a result of improved hydrology in Panama
- Proportional Free Cash Flow[1] also reflects:
  - Timing of collection of outstanding receivables in the Dominican Republic
  - Improved working capital in El Salvador and Puerto Rico

Proportional Free Cash Flow[1] Increased $261



Adjusted PTC[1] Decreased $36



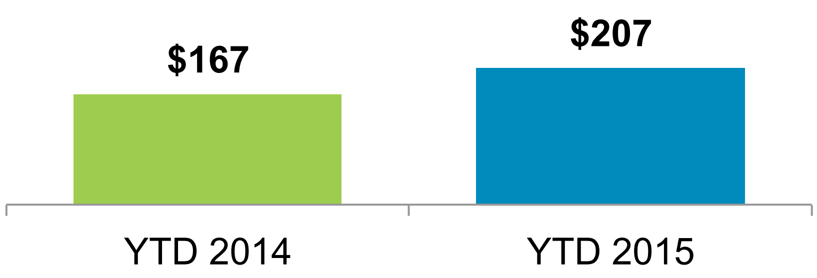
1. A non-GAAP financial measure. See Slide 56 for reconciliation and "definitions".

YTD Financial Results: Europe SBU

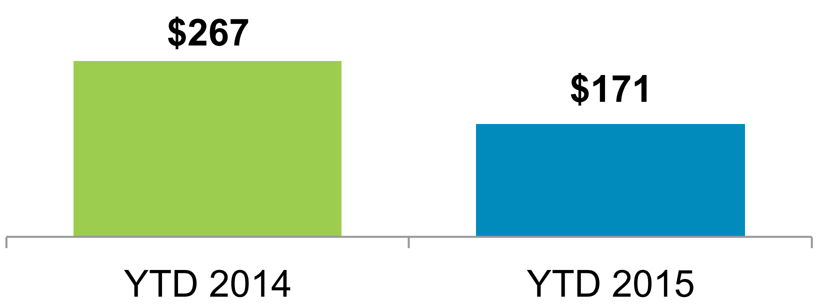
$ in Millions

- Lower operating contributions:
  - Lower dispatch and market prices, as well as outages at Kilroot in the United Kingdom
  - Sales of Ebute in Nigeria and wind businesses in the United Kingdom in 2014
  - Weaker Euro at Maritza in Bulgaria
- Proportional Free Cash Flow[1] also reflects:
  - Improved working capital at Maritza and at IPP4 in Jordan

Proportional Free Cash Flow[1] Increased $40



Adjusted PTC[1] Decreased $96



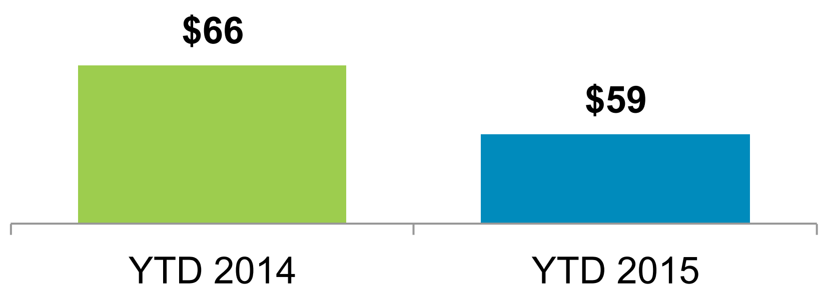
1. A non-GAAP financial measure. See Slide 56 for reconciliation and "definitions".

YTD Financial Results: Asia SBU

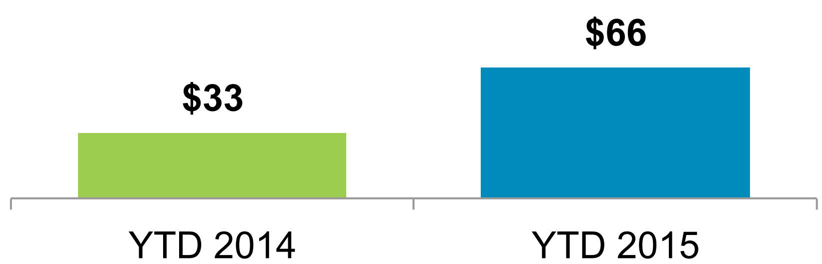
$ in Millions

- Higher operating contributions:
  - Commencement of operations at Mong Duong in Vietnam
  - Improved availability, offset by the sale of a minority interest at Masinloc in the Philippines
- Proportional Free Cash Flow[1] also reflects higher working capital at Masinloc

Proportional Free Cash Flow[1] Decreased $7



Adjusted PTC[1] Increased $33



1. A non-GAAP financial measure. See Slide 56 for reconciliation and "definitions".

Q3 2015 Adjusted PTC[1]: Reconciliation to Public Financials of Listed Subsidiaries & Public Filers

This table provides financial data of those operating subsidiaries of AES that are publicly listed or have publicly filed financial information on a stand-alone basis. The table provides a reconciliation of the subsidiary's Adjusted PTC as it is included in AES consolidated Adjusted PTC with the subsidiary's income/(loss) from continuing operations under US GAAP and the subsidiary's locally IFRS reported net income, if applicable. Readers should consult the subsidiary's publicly filed reports for further details of such subsidiary's results of operations.

AES SBU/Reporting Country	US				Andes/Chile		Brazil			
AES Company	IPL		DPL		AES Gener[2]		Eletropaulo[2]		Tietê[2]	
$ in Millions	Q3 2015	Q3 2014	Q3 2015	Q3 2014	Q3 2015	Q3 2014	Q3 2015	Q3 2014	Q3 2015	Q3 2014
US GAAP Reconciliation										
Business Unit Adjusted Earnings to AES [1,3]	**$20**	**$30**	**$12**	**$38**	**$92**	**$3**	**-**	**$2**	**$11**	**($9)**
AES Business Unit Adjusted PTC[1]	**$35**	**$44**	**$14**	**$59**	**$119**	**$91**	**($1)**	**$4**	**$17**	**($13)**
Impact of AES Adjustments excluded from Public Filings	-	-	-	-	-	-	-	-	-	-
Adjusted PTC[1,3] Public Filer (Stand-alone)	**$35**	**$44**	**$14**	**$59**	**$119**	**$91**	**($1)**	**$4**	**$17**	**($13)**
Unrealized Derivatives (Losses)/Gains	-	-	($3)	($2)	$3	($1)	-	-	-	-
Unrealized Foreign Currency Transaction Losses	-	-	-	-	-	($12)	-	-	-	-
Impairment Losses	-	-	-	-	-	-	-	-	-	-
Disposition/Acquisition Gains	-	-	-	-	-	-	-	-	-	-
Loss on extinguishment of debt	($2)	-	($2)	-	($14)	($2)	-	-	-	-
Non-Controlling Interest before Tax	$12	-	$1	$1	$40	$30	($9)	$35	$59	($34)
Income Tax Benefit/(Expenses)	($16)	($13)	($1)	$41	($24)	($120)	$3	($13)	($25)	$15
US GAAP Income/(Loss) from Continuing Operations[4]	**$29**	**$31**	**$9**	**$99**	**$124**	**($14)**	**($7)**	**$26**	**$51**	**($32)**
IFRS Reconciliation										
Adjustment to Depreciation & Amortization[5]					($10)	($13)	($8)	($13)	($4)	($5)
Adjustment to Regulatory Liabilities & Assets[6]					-	-	-	$65	-	-
Adjustment to Taxes[7]					$1	$84	($4)	($16)	$1	$4
Other Adjustments					($15)	$11	$18	($5)	($1)	($3)
IFRS Net Income					**$104**	**$68**	**($1)**	**$57**	**($47)**	**($36)**
BRL-USD Implied Exchange Rate							3.5366	2.2984	3.5295	2.3003

1. A non-GAAP financial measure. Reconciliation provided above. See "definitions" for descriptions of adjustments.
2. The listed subsidiary is a public filer in its home country and reports its financial results locally under IFRS. Accordingly certain adjustments presented under IFRS Reconciliation are required to account for differences between US GAAP and local IFRS standards.
3. Total Adjusted PTC, US GAAP Income from continuing operations and intervening adjustments are calculated before the elimination of inter-segment transactions such as revenue and expenses related to the transfer of electricity from AES generation plants to AES utilities within Brazil.
4. Represents the income/(loss) from continuing operations of the subsidiary included in the consolidated operating results of AES under US GAAP.
5. Adjustment to depreciation and amortization expense represents additional expense required due primarily to basis differences of long-lived and intangible assets under IFRS for each reporting period.
6. Adjustment to regulatory assets and liabilities in Brazil was required as IFRS does not recognize such assets or liabilities in Q3 2014. Since December 2014 these regulatory assets and liabilities became to be recognized in IFRS.
7. Adjustment to taxes represents mainly differences relating to the regulatory assets and liabilities impact on revenue (Eletropaulo) and depreciation for the difference in cost basis of PP&E (Eletropaulo and Tiete).

Q3 2015 Modeling Disclosures

$ in Millions

	Adjusted PTC[1]	Interest Expense			Interest Income			Depreciation & Amortization		
		Consolidated	Adjustment Factor	Proportional	Consolidated	Adjustment Factor	Proportional	Consolidated	Adjustment Factor	Proportional
US	**$101**	**$62**	**($6)**	**$56**	**-**	**-**	**-**	**$110**	**($11)**	**$99**
DPL	$14	$23	-	$23	-	-	-	$35	-	$35
IPL	$35	$30	($6)	$24	-	-	-	$46	($11)	$35
Andes	**$150**	**$46**	**($11)**	**$35**	**$13**	**($1)**	**$12**	**$52**	**($15)**	**$37**
AES Gener	$119	$37	($11)	$26	$3	($1)	$2	$49	($14)	$35
Brazil	**$23**	**$107**	**($69)**	**$38**	**$88**	**($52)**	**$36**	**$42**	**($27)**	**$15**
Tietê	$17	$20	($10)	$10	$3	($2)	$1	$8	($6)	$2
Eletropaulo	($1)	-	-	-	$56	($47)	$9	$25	($21)	$4
MCAC	**$92**	**$47**	**($9)**	**$38**	**$12**	**($2)**	**$10**	**$40**	**($9)**	**$31**
Europe	**$45**	**$18**	**($3)**	**$15**	**-**	**-**	**-**	**$34**	**($3)**	**$31**
Asia	**$24**	**$26**	**($13)**	**$13**	**$37**	**($18)**	**$19**	**-**	**-**	**-**
Subtotal	**$435**	**$306**	**($111)**	**$195**	**$150**	**($73)**	**$77**	**$278**	**($65)**	**$213**
Corp/Other	**($113)**	**$82**	**-**	**$82**	**-**	**-**	**-**	**$5**	**-**	**$5**
TOTAL	**$322**	**$388**	**($111)**	**$277**	**$150**	**($73)**	**$77**	**$283**	**($65)**	**$218**

1. A non-GAAP financial measure. See reconciliation on Slide 55 and “definitions”.

Q3 2015 Modeling Disclosures

$ in Millions

	Total Debt			Cash & Cash Equivalents, Restricted Cash, Short-Term Investments, Debt Service Reserves & Other Deposits		
	Consolidated	Adjustment Factor	Proportional	Consolidated	Adjustment Factor	Proportional
US	**$4,929**	**($565)**	**$4,364**	**$321**	**($31)**	**$290**
DPL	$2,019	-	$2,019	$57	-	$57
IPL	$2,266	($565)	$1,701	$127	($31)	$96
Andes	**$3,788**	**($1,351)**	**$2,437**	**$346**	**($94)**	**$252**
AES Gener	$3,570	($1,350)	$2,220	$297	($94)	$201
Brazil[1]	**$1,584**	**($1,014)**	**$570**	**$595**	**($412)**	**$183**
Tietê	$327	($247)	$80	$116	($88)	$28
Eletropaulo	$915	($767)	$148	$312	($259)	$53
MCAC	**$2,312**	**($387)**	**$1,925**	**$732**	**($127)**	**$605**
EMEA	**$1,136**	**($214)**	**$922**	**$171**	**($37)**	**$134**
Asia	**$1,801**	**($883)**	**$918**	**$232**	**($110)**	**$122**
Subtotal	**$15,550**	**($4,414)**	**$11,136**	**$2,397**	**($811)**	**$1,586**
Corp/Other	**$5,148**	**-**	**$5,148**	**$173**	**-**	**$173**
TOTAL	**$20,698**	**($4,414)**	**$16,284**	**$2,570**	**($811)**	**$1,759**

1. In addition to total debt, Eletropaulo has $736 million of pension plan liabilities. AES owns 16% of Eletropaulo.

DPL Inc. Modeling Disclosures

Based on Market Conditions and Hedged Position as of September 30, 2015

	Balance of Year 2015	Full Year 2016	Full Year 2017
Volume Production (TWh)	2.4	14.1	12.9
% Volume Hedged	~55%	~50%	~17%
Average Hedge Dark Spread ($/MWh)	$13.17	$12.11	$10.70
EBITDA Generation Business[1] ($ in Millions)	$115 to $125 per year (2016 – 2017)		
EBITDA DPL Inc. including Generation and T&D ($ in Millions)	~ $350 per year		
Reference Prices[2]			
Henry Hub Natural Gas ($/mmbtu)	2.6	2.8	3.0
AEP-Dayton Hub ATC Prices ($/MWh)	32	33	33
EBITDA Sensitivities (with Existing Hedges) ($ in Millions)			
+10% AD Hub Energy Price ATC ($/MWh)	$4	$24	$35
-10% AD Hub Energy Price ATC ($/MWh)	-$4	-$24	-$35

1. Includes capacity premium performance results.
2. Balance of Year 2015 based on forward curves as of September 30, 2015; Full Year 2016 and Full Year 2017 based on forward curves as of October 15, 2015.

Non-Recourse Debt at DP&L and DPL Inc.

$ in Millions

Series	Interest Rate	Maturity	Amount Outstanding as of September 30, 2015	Remarks
2013 First Mortgage Bonds	**1.875%**	**Sep 2016**	**$445.0**	• **Callable at make-whole T+20**
2005 Boone County, KY PCBs	4.7%	Jan 2028	-	• Retired on July 1
2005 OH Air Quality PCBs	4.8%	Jan 2034	-	• Retired Aug 3
2005 OH Water Quality PCBs	4.8%	Jan 2034	-	• Retired on July 1
2006 OH Air Quality PCBs	4.8%	Sep 2036	$100.0	• Non-callable; at par in Sep 2016
2008 OH Air Quality PCBs (VDRNs)	Variable	Nov 2040	-	• Retired Aug 3
2015 Direct Purchase Tax Exempt TL	Variable	Aug 2020 (put)	$200.0	• Redeemable at par on any day
Total Pollution Control	**Various**	**Various**	**$300.0**	
Wright-Patterson AFB Note	**4.2%**	**Feb 2061**	**$18.1**	• **No prepayment option**
2015 DP&L Revolver	Variable	**Jul 2020**	**$10.0**	• **Pre-payable on any day**
DP&L Preferred	**3.8%**	**N/A**	**$22.9**	• **Redeemable at pre-established premium**
Total DP&L			**$796.0**	
2018 Term Loan	**Variable**	**May 2018**	**$125.0**	• **No prepayment penalty**
2016 Senior Unsecured	6.50%	Oct 2016	$130.0	• Callable make-whole T+50
2019 Senior Unsecured	6.75%	Oct 2019	$200.0	• Callable at make-whole T+50
2021 Senior Unsecured	7.25%	Oct 2021	$780.0	• Callable at make-whole T+50
Total Senior Unsecured Bonds	**Various**	**Various**	**$1,110**	
2015 DPL Revolver	**Variable**	**Jul 2020**	**-**	• **Pre-payable on any day**
2001 Cap Trust II Securities	**8.125%**	**Sep 2031**	**$15.6**	• **Non-callable**
Total DPL Inc.			**$1,250.6**	
TOTAL			**$2,046.6**	

Parent Sources & Uses of Liquidity

$ in Millions	Q3		YTD	
	2015	2014	2015	2014
SOURCES				
Total Subsidiary Distributions[1]	$93	$295	$502	$736
Proceeds from Asset Sales, Net	$90	$649	$326	$838
Financing Proceeds, Net	-	-	$570	$1,508
Increased/(Decreased) Credit Facility Commitments	-	-	-	-
Issuance of Common Stock, Net	-	$2	$5	$3
Total Returns of Capital Distributions & Project Financing Proceeds	-	$31	$8	$66
Beginning Parent Company Liquidity[2]	$779	$694	$1,246	$931
Total Sources	**$962**	**$1,671**	**$2,657**	**$4,082**
USES				
Repayments of Debt	-	($356)	($915)	($2,018)
Shareholder Dividend	($68)	($36)	($209)	($109)
Repurchase of Equity	($101)	($108)	($407)	($140)
Investments in Subsidiaries, Net	($7)	($5)	($72)	($263)
Cash for Development, Selling, General & Administrative and Taxes	($63)	($51)	($178)	($215)
Cash Payments for Interest	($74)	($85)	($240)	($280)
Changes in Letters of Credit and Other, Net	($18)	($2)	($5)	($29)
Ending Parent Company Liquidity[2]	($631)	($1,028)	($631)	($1,028)
Total Uses	**($962)**	**($1,671)**	**($2,657)**	**($4,082)**

1. See “definitions”.
2. A non-GAAP financial measure. See “definitions”.

Q3 & YTD 2015 Subsidiary Distributions[1]

$ in Millions

Subsidiary Distributions[1] by SBU		
	Q3 2015	YTD 2015
US	$39	$280
Andes	-	$44
Brazil	-	$13
MCAC	$12	$67
Europe	$18	$52
Asia	$9	$17
Corporate & Other[2]	$15	$29
TOTAL	**$93**	**$502**

Top Ten Subsidiary Distributions[1] by Business							
Q3 2015				YTD 2015			
Business	Amount	Business	Amount	Business	Amount	Business	Amount
IPALCO (US)	$18	Itabo (MCAC)	$6	US Holdco (US)	$198	Masinloc (Asia)	$15
Global Insurance (Corporate)	$15	Altai (Europe)	$5	IPALCO (US)	$48	Elsta (Europe)	$15
Armenia Mountain (US)	$11	Energy Storage (Corporate)	$4	Gener (Andes)	$44	Itabo (MCAC)	$14
Masinloc (Asia)	$8	CAESS & EEO (MCAC)	$3	Global Insurance (Corporate)	$29	Brasiliana (Brazil)	$13
Elsta (Europe)	$7	Amman East (Europe)	$3	TEG TEP (MCAC)	$26	Laurel Mountain (US)	$13

1. See “definitions”.
2. Corporate & Other includes Global Insurance and solar.

Reconciliation of Subsidiary Distributions[1] & Parent Liquidity[2]

$ in Millions

	Quarter Ended			
	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014
Total Subsidiary Distributions[1] to Parent & QHCs[3]	$93	$235	$175	$414
Total Return of Capital Distributions to Parent & QHCs[3]	-	$8	-	$18
Total Subsidiary Distributions[1] & Returns of Capital to Parent	**$93**	**$243**	**$175**	**$432**

	Balance as of			
	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014
Cash at Parent & QHCs[3]	$6	$40	$292	$507
Availability Under Credit Facilities	$625	$739	$739	$739
Ending Liquidity	**$631**	**$779**	**$1,031**	**$1,246**

1. See "definitions".
2. A non-GAAP financial measure. See "definitions".
3. Qualified Holding Company. See "assumptions".

Reducing Complexity: Since September 2011, Exited 10 Countries

$ in Millions

Business	Country	Proceeds to AES					Remarks
		September 2011-December 2012	2013	2014	2015	Total	
Atimus (Telecom)	Brazil	$284				$284	Non-core asset; Paid down $197 million[1] in debt at Brasiliana subsidiary
Bohemia	Czech Republic	$12				$12	Limited growth
Edes and Edelap	Argentina	$4				$4	Underperforming businesses
Cartagena	Spain	$229	$24			$253	No expansion potential
Red Oak and Ironwood	U.S.	$228				$228	No expansion potential
French Wind	France	$42				$42	Limited growth/no competitive advantage
Hydro, Coal and Wind	China	$87	$46			$133	Limited growth/no competitive advantage
Tisza II	Hungary	$14				$14	Limited growth/no competitive advantage
Two Distribution Companies	Ukraine		$108			$108	Limited growth/no competitive advantage
Trinidad	Trinidad		$30			$30	Limited growth/no competitive advantage
Wind Turbines	U.S.		$26			$26	No suitable project
Sonel, Dibamba and Kribi	Cameroon			$162		$202[2]	
Wind Project & Pipeline	India & Poland			$16		$16	
3 Wind Projects	U.S.			$27		$27	Limited growth
Silver Ridge Power (Solar)	Various			$178		$178	
Masinloc Partnership	Philippines			$443		$443	Strategic partnership
4 Wind Projects	United Kingdom			$161		$161	
Dominicana Partnership	Dominican Republic			$84		$84	Strategic partnership
Turkey JV	Turkey			$125		$125	
Ebute	Nigeria			$11		$11	Limited growth/no competitive advantage
IPALCO Partnership	U.S.-Indiana				$453	$588[3]	Strategic partnership
IPP4	Jordan				$30	$30	
Armenia Mountain	U.S.-Pennsylvania				$59	$59	Limited growth
Spain Solar	Spain				$31	$31	
Italy Solar	Italy				$42	$42	
TOTAL		**$900**	**$234**	**$1,207**	**$615**	**$3,091**	

1. AES owns 46% of its Brasiliana subsidiary. Proceeds and debt reflect AES' ownership percentage.
2. $40 million to be received in 2016.
3. $135 million to be received in 2016.

Year-to-Go 2015 Guidance Estimated Sensitivities

Interest Rates[1]

- 100 bps move in interest rates over year-to-go 2015 is equal to a change in EPS of approximately $0.005
- 10% appreciation in USD against the following key currencies is equal to the following negative EPS impacts:

Currencies

	2015	
	Average Rate	Sensitivity
Argentine Peso (ARS)	9.83	Less than $0.005
Brazilian Real (BRL)	4.01	Less than $0.005
Colombian Peso (COP)	3,105	Less than $0.005
Euro (EUR)	1.12	Less than $0.005
Great British Pound (GBP)	1.51	Less than $0.005
Kazakhstan Tenge (KZT)	280.5	Less than $0.005

Commodity Sensitivity

10% increase in commodity prices is forecasted to have the following EPS impacts:	2015	
	Average Rate	Sensitivity
NYMEX Coal	$42/ton	$0.005, negative correlation
Rotterdam Coal (API 2)	$51/ton	
NYMEX WTI Crude Oil	$45/bbl	Less than $0.005, positive correlation
IPE Brent Crude Oil	$49/bbl	
NYMEX Henry Hub Natural Gas	$2.6/mmbtu	Less than $0.005, positive correlation
UK National Balancing Point Natural Gas	£0.42/therm	
US Power (DPL) – PJM AD Hub	$ 32/MWh	$0.005, positive correlation

Note: Guidance provided on November 5, 2015. Sensitivities are provided on a standalone basis, assuming no change in the other factors, to illustrate the magnitude and direction of changing market factors on AES' results. Estimates show the impact on year-to-go 2015 Adjusted EPS. Actual results may differ from the sensitivities provided due to execution of risk management strategies, local market dynamics and operational factors. Year-to-go 2015 guidance is based on currency and commodity forward curves and forecasts as of September 30, 2015. There are inherent uncertainties in the forecasting process and actual results may differ from projections. The Company undertakes no obligation to update the guidance presented today. Please see Item 3 of the Form 10-Q for a more complete discussion of this topic. AES has exposure to multiple coal, oil, and natural gas, and power indices; forward curves are provided for representative liquid markets. Sensitivities are rounded to the nearest ½ cent per share.

1. The move is applied to the floating interest rate portfolio balances as of September 30, 2015.

Full Year 2016 Guidance Estimated Sensitivities

Interest Rates[1]

- 100 bps move in interest rates over FY 2016 is equal to a change in EPS of approximately $0.020
- 10% appreciation in USD against the following key currencies is equal to the following negative EPS impacts:

Currencies

	2016	
	Average Rate	Sensitivity
Argentine Peso (ARS)	14.17	$0.005
Brazilian Real (BRL)	4.13	$0.005
Colombian Peso (COP)	2,988	$0.010
Euro (EUR)	1.14	$0.005
Great British Pound (GBP)	1.54	Less than $0.005
Kazakhstan Tenge (KZT)	315.2	$0.005

Commodity Sensitivity

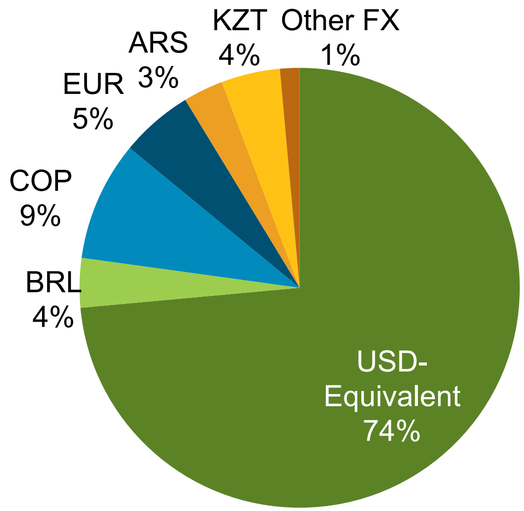
10% increase in commodity prices is forecasted to have the following EPS impacts:	2016	
	Average Rate	Sensitivity
NYMEX Coal	$45/ton	$0.015, negative correlation
Rotterdam Coal (API 2)	$48/ton	
NYMEX WTI Crude Oil	$50/bbl	$0.010, positive correlation
IPE Brent Crude Oil	$54/bbl	
NYMEX Henry Hub Natural Gas	$2.8/mmbtu	$0.010, positive correlation
UK National Balancing Point Natural Gas	£0.40/therm	
US Power (DPL) – PJM AD Hub	$ 33/MWh	$0.020, positive correlation

Note: Guidance provided on November 5, 2015. Sensitivities are provided on a standalone basis, assuming no change in the other factors, to illustrate the magnitude and direction of changing market factors on AES' results. Estimates show the impact on full year 2016 Adjusted EPS. Actual results may differ from the sensitivities provided due to execution of risk management strategies, local market dynamics and operational factors. Full year 2016 guidance is based on currency and commodity forward curves and forecasts as of October 15, 2015. There are inherent uncertainties in the forecasting process and actual results may differ from projections. The Company undertakes no obligation to update the guidance presented today. Please see Item 3 of the Form 10-Q for a more complete discussion of this topic. AES has exposure to multiple coal, oil, and natural gas, and power indices; forward curves are provided for representative liquid markets. Sensitivities are rounded to the nearest ½ cent per share.

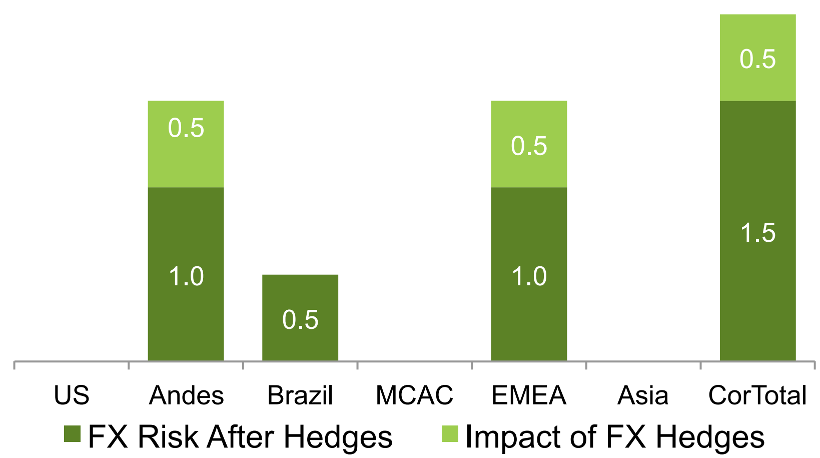
1. The move is applied to the floating interest rate portfolio balances as of October 15, 2015.

2016 Foreign Exchange (FX) Risk Mitigated Through Structuring of Our Businesses and Active Hedging

2016 Adjusted PTC[1] by Currency



2016 Full Year FX Sensitivity[2,3] by SBU (Cents Per Share)

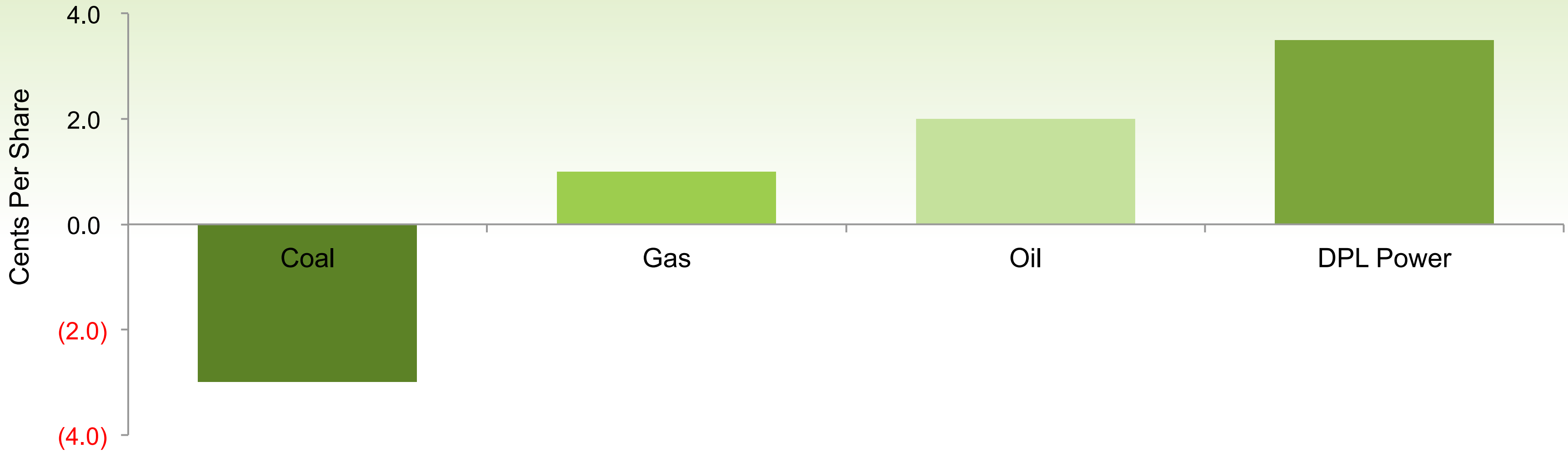


- 2016 correlated FX risk after hedges is $0.015 for 10% USD appreciation
- 74% of 2015 earnings effectively USD
  - USD-based economies (i.e. U.S., Panama)
  - Structuring of our contracts
- FX risk mitigated on 12-month rolling basis by shorter-term active FX hedging programs

1. Before Corporate Charges. A non-GAAP financial measure. See “definitions” and Slide 58 for reconciliation.
2. Sensitivity represents full year 2016 exposure to a 10% appreciation of USD relative to foreign currency as of October 15, 2015.
3. Andes includes Argentina and Colombia businesses only due to limited translational impact of USD appreciation to Chilean businesses.

Commodity Exposure is Largely Hedged Through 2016, Long on Natural Gas and Oil in Medium- to Long-Term

Full Year 2018 Adjusted EPS[1] Commodity Sensitivity[2] for 10% Change in Commodity Prices



- Mostly hedged through 2016, more open positions in a longer term is the primary driver of increase in commodity sensitivity

1. A non-GAAP financial measure. See "definitions".
2. Domestic and International sensitivities are combined and assumes each fuel category moves 10%. Adjusted EPS is negatively correlated to coal price movement, and positively correlated to gas, oil and power price movements.

Full Year 2015 Adjusted PTC[1] Modeling Ranges

$ in Millions

SBU	2015 Adjusted PTC Modeling Ranges[1]	Drivers of Growth Versus 2014
US	$355-$375	+ Lower outages + Lower fixed costs – Lower prices at IPL and DPL – Lower wind production
Andes	$450-$480	+ Guacolda restructuring + Higher prices in Colombia + Hydrology in Colombia – FX in Colombia
Brazil	$100-$110	– One-time gain at Sul in Q2 2014 – FX – Lower demand and higher interest rates at Sul
MCAC	$325-$340	+ Hydrology in Panama + Oil-fired barge in Panama – Ancillary services in the Dominican Republic
Europe	$215-$235	– Sale of Ebute – One-time gain in Kazakhstan in Q2 2014 – FX – UK margins + IPP4 in Jordan on-line
Asia	$85-$95	+ Masinloc performance + Mong Duong on-line
Total SBUs	**$1,530-$1,635**	
Corp/Other	($410)-($445)	
Total AES Adjusted PTC[1,2]	**$1,120-$1,190**	

1. A non-GAAP financial metric. See “definitions”. Provided on November 5, 2015.
2. Total AES Adjusted PTC includes after-tax adjusted equity in earnings.

Full Year 2016 Adjusted PTC[1] Modeling Ranges

$ in Millions

SBU	2016 Adjusted PTC Modeling Ranges[1]	Drivers of Growth Versus 2015
US	$385-$410	+ Better availability in Hawaii + Lower fixed costs – Commodities – Expiration of Buffalo Gap PPA
Andes	$390-$420	– Guacolda restructuring
Brazil	$30-$60	– Tietê contract step-down – Eletropaulo cable reversal in 2015 – Lower demand, higher interest rates and FX
MCAC	$330-$360	+ Full year of oil-fired barge in Panama – Ancillary services in the Dominican Republic
Europe	$160-$215	– Commodities – FX – Maritza PPA negotiations
Asia	$85-$105	+ Full year of Mong Duong
Total SBUs	**$1,380-$1,570**	
Corp/Other	($380)-($455)	
Total AES Adjusted PTC[1,2]	**$1,000-$1,115**	

1. A non-GAAP financial metric. See "definitions". Provided on November 5, 2015.
2. Total AES Adjusted PTC includes after-tax adjusted equity in earnings.

AES Modeling Disclosures

$ in Millions

	2015 Assumptions	2016 Assumptions
Parent Company Cash Flow Assumptions		
Subsidiary Distributions (a)	$1,075-$1,175	$1,110-$1,210
Cash Interest (b)	$350	$300
Cash for Development, General & Administrative and Tax (c)	$250	$235
Parent Free Cash Flow[1] (a – b – c)	$475-$575	$575-$675

1. A non-GAAP financial measure. See "definitions".

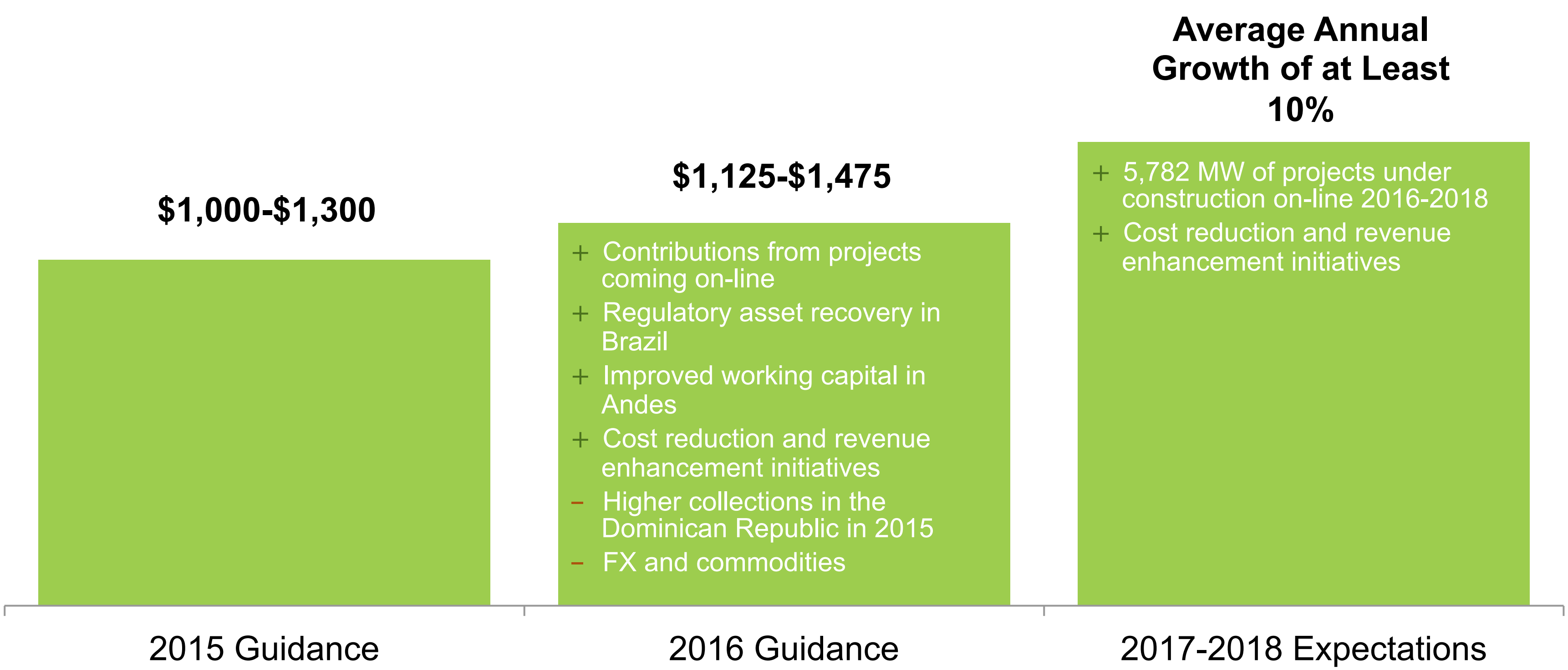
Key Assumptions for Guidance

- 2015
  - Currency and commodity forward curves as of September 30, 2015 (versus June 30, 2015 in prior guidance)
  - If previously announced agreement at Maritza in Bulgaria does not close before year-end, expect Proportional Free Cash Flow[1] to be in the low end of the range
  - Full year tax rate of 29%-31% versus year-to-date tax rate of 28% and full year 2014 tax rate of 30%
- 2016-2018
  - Currency and commodity forward curves as of October 15, 2015
  - Full year tax rate of 31%-33% versus expected 2015 tax rate of 29%-31%

1. A non-GAAP financial measure. See “definitions”.

Proportional Free Cash Flow[1] Drivers

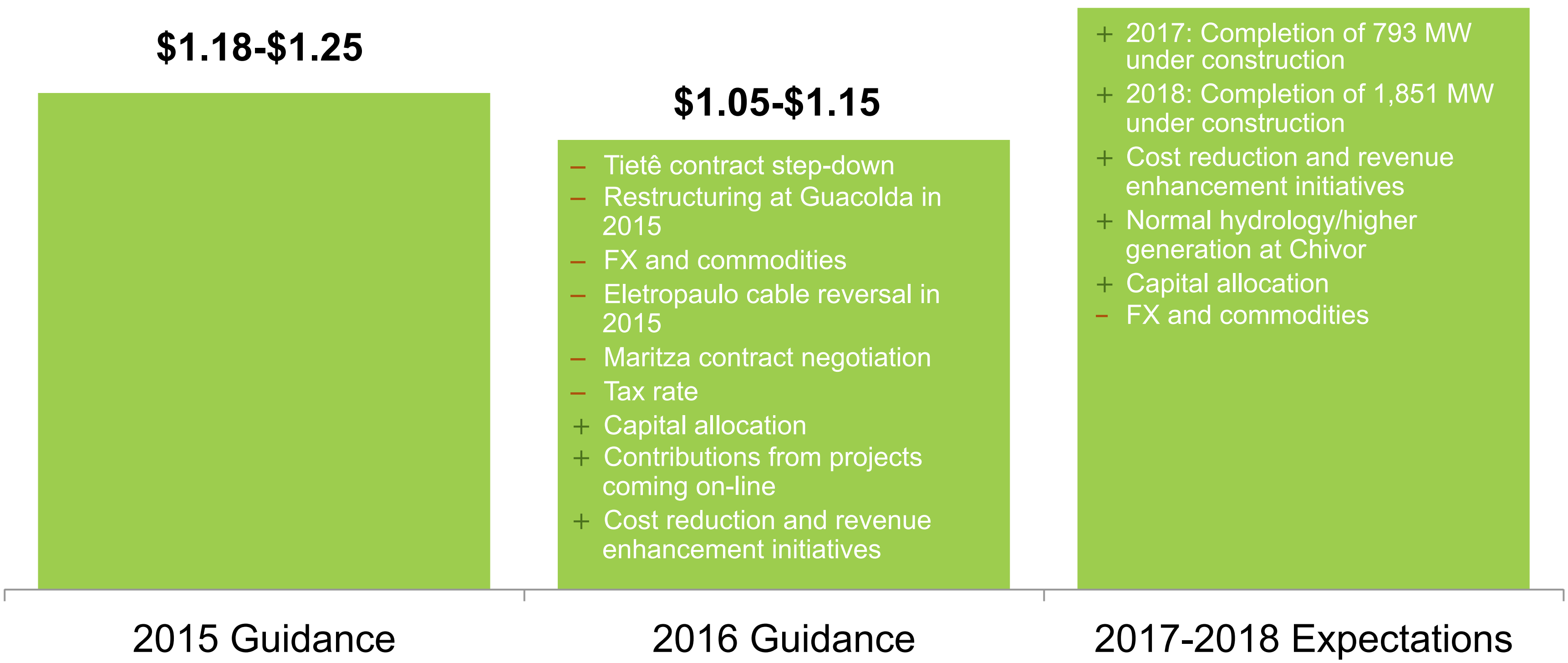
$ in Millions



Continued Strong and Growing Proportional Free Cash Flow[1]

1. A non-GAAP financial measure. See “definitions”.

Adjusted EPS[1] Growth Drivers



2017-2018 Average Annual Growth of 12%-16% Off Lower 2016 Base vs. 6%-8% Previously

1. A non-GAAP financial measure. See “definitions”.

Attractive Returns from 2015-2018 Construction Pipeline

$ in Millions, Unless Otherwise Stated

Project	Country	AES Ownership	Fuel	Gross MW	Expected COD	Total Capex	Total AES Equity	ROE	Comments
Construction Projects Coming On-Line 2015-2018									
Guacolda V	Chile	35%	Coal	152	2H 2015	$454	$48		
Andes Solar	Chile	71%	Solar	21	2H 2015	$44	$22		
Tunjita	Colombia	71%	Hydro	20	1H 2016	$67	$2[1]		Lease capital structure at Chivor
IPL MATS	US-IN	75%[2]	Coal		1H 2016	$448	$141		Environmental (MATS) upgrades of 1,713 MW
Harding Street Units 5-7	US-IN	75%[2]	Gas	630	1H 2016	$178	$56		
Cochrane	Chile	42%	Coal	532	2H 2016	$1,350	$130		
Eagle Valley CCGT	US-IN	75%[2]	Gas	671	1H 2017	$590	$186		
DPP Conversion	Dominican Republic	92%	Gas	122	1H 2017	$260	$0		
OPGC 2	India	49%	Coal	1,320	1H 2018	$1,600	$225		
Alto Maipo	Chile	42%	Hydro	531	2H 2018	$2,050	$335		
ROE[3] IN 2018								**>15%**	**Weighted average; net income divided by AES equity contribution**
CASH YIELD[2] IN 2018								**~14%**	**Weighted average; subsidiary distributions divided by AES equity contribution**

1. AES equity contribution equal to 71% of AES Gener's equity contribution to the project.
2. CDPQ will invest an additional $135 million in IPALCO through 2016, by funding existing growth and environmental projects at Indianapolis Power & Light (IPL). After completion, CDPQ's direct and indirect interests in IPALCO will total 30%, AES will own 85% of AES US Investments and AES US Investments will own 82.35% of IPALCO.
3. Based on projections. See our 2014 Form 10-K for further discussion of development and construction risks. Based on 2018 contributions from all projects under construction and IPL MATS upgrades. Assumes a full year contribution from Alto Maipo, which is expected to come on-line in 2H 2018.

Reconciliation of Q3 Capex and Free Cash Flow[1]

$ in Millions

	Consolidated Q3	
	2015	2014
Operational Capex (a)	$111	$169
Environmental Capex (b)	$63	$62
Maintenance Capex (a + b)	$174	$131
Growth Capex (c)	$371	$298
Total Capex[2] (a + b + c)	**$545**	**$529**

	Consolidated Q3		Proportional[1] Q3	
	2015	2014	2015	2014
Operating Cash Flow	$915[2]	$763	$677[2]	$555
Add: Capital Expenditures Related to Service Concession Assets[3]	$77	-	$39	-
Less: Maintenance Capex, net of Reinsurance Proceeds and Non-Recoverable Environmental Capex	($128)	($185)	($95)	($128)
Free Cash Flow[1]	**$864**	**$578**	**$621**	**$427**

1. A non-GAAP financial measure as reconciled above. See "definitions".
2. Beginning in Q1 2015, the definition of free cash flow and proportional operating cash flow was revised to also exclude cash flows related to service concession assets.
3. Service concession asset expenditures excluded from free cash flow and proportional free cash flow non-GAAP metrics.

Reconciliation of YTD Capex and Free Cash Flow[1]

$ in Millions

	Consolidated YTD	
	2015	2014
Operational Capex (a)	$417	$458
Environmental Capex (b)	$193	$172
Maintenance Capex (a + b)	$610	$630
Growth Capex (c)	$1,187	$1,119
Total Capex[2] (a + b + c)	**$1,797**	**$1,749**

	Consolidated YTD		Proportional[1] YTD	
	2015	2014	2015	2014
Operating Cash Flow	$1,505[2]	$1,216	$1,216[2]	$965
Add: Capital Expenditures Related to Service Concession Assets[3]	$148	-	$76	-
Less: Maintenance Capex, net of Reinsurance Proceeds and Non-Recoverable Environmental Capex	($460)	($510)	($344)	($361)
Free Cash Flow[1]	**$1,193**	**$706**	**$948**	**$604**

1. A non-GAAP financial measure as reconciled above. See "definitions".
2. Beginning in Q1 2015, the definition of free cash flow and proportional operating cash flow was revised to also exclude cash flows related to service concession assets.
3. Service concession asset expenditures excluded from free cash flow and proportional free cash flow non-GAAP metrics.

Reconciliation of Q3 Adjusted PTC[1] & Adjusted EPS[1]

$ in Millions, Except Per Share Amounts	Q3 2015		Q3 2014	
	Net of NCI[2]	Per Share (Diluted) Net of NCI[2] and Tax	Net of NCI[2]	Per Share (Diluted) Net of NCI[2] and Tax
Income (Loss) from Continuing Operations Attributable to AES and Diluted EPS	$180	$0.26	$488	$0.67
Add Back Income Tax Expense (Benefit) from Continuing Operations Attributable to AES	$11		$64	
Pre-Tax Contribution	$191		$552	
Adjustments				
Unrealized Derivative (Gains)/Losses[3]	($12)	($0.01)	$11	$0.01
Unrealized Foreign Currency Transaction (Gains)/Losses[4]	$6	-	$62	$0.06
Disposition/Acquisition (Gains)/Losses	($23)	($0.02)[5]	($367)	($0.51)[6]
Impairment Losses	$139	$0.14[7]	$30	$0.08[8]
Loss on Extinguishment of Debt	$21	$0.02[9]	$66	$0.06[10]
ADJUSTED PTC[1] & ADJUSTED EPS[1]	**$322**	**$0.39**	**$354**	**$0.37**

1. A non-GAAP financial measure as reconciled above. See "definitions".
2. NCI is defined as Noncontrolling Interests.
3. Unrealized derivative (gains) losses were net of income tax per share of (0.01) and $0.00 in the three months ended September 30, 2015 and 2014, respectively.
4. Unrealized foreign currency transaction (gains) losses were net of income tax per share of $0.01 and $0.03 in the three months ended September 30, 2015 and 2014, respectively.
5. Amount primarily relates to the gain from the sale of Armenia Mountain of $22 million ($14 million, or $0.02 per share, net of income tax per share of $0.01).
6. Amount primarily relates to the gain from the sale of a noncontrolling interest in Masinloc of $283 million ($283 million, or $0.39 per share, net of income tax per share of $0.00), the gain from the sale of the UK Wind projects of $78 million ($78 million, or $0.11 per share, net of income tax per share of $0.00), the tax benefit of $12 million ($0.02 per share) associated with the agreement executed in September 2014 to sell a noncontrolling interest in our Dominican Republic businesses, and the tax expense of $4 million ($0.01 per share) related to the Silver Ridge Power transaction.
7. Amount primarily relates to the asset impairments at Kilroot of $113 million ($74 million, or $0.11 per share, net of income tax per share of $0.05) and at Buffalo Gap III of $118 million ($18 million, or $0.03 per share, net of noncontrolling interest of $90 million and of income tax per share of $0.01).
8. Amount primarily relates to the other-than-temporary impairment of our equity method investment at Entek of $18 million ($12 million, or $0.02 per share, net of income tax per share of $0.01), the asset impairment at Ebute of $15 million ($23 million, or $0.03 per share, net of noncontrolling interest of $1 million and of income tax per share of $(0.01)), and a tax benefit of $25 million ($0.03 per share) associated with the previously recognized goodwill impairment at DPLER.
9. Amount primarily relates to the loss on early retirement of debt at Gener of $11 million ($5 million, or $0.01 per share, net of income tax per share of $0.00), at Electrica Ventanas of $7 million ($3 million, or $0.00 per share, net of income tax per share of $0.00), at the Parent Company of $3 million ($0 million, or $0.00 per share, net of income tax per share of $0.00), and at IPL of $3 million ($1 million, or $0.00 per share, net of income tax per share of $0.00).
10. Amount primarily relates to the loss on early retirement of debt at the Parent Company of $43 million ($25 million, or $0.03 per share, net of income tax per share of $0.03), at UK Wind projects of $18 million ($14 million, or $0.02 per share, net of income tax per share of $0.01), at Gener of $6 million ($3 million, or $0.00 per share, net of noncontrolling interest of $2 million and income tax per share of $0.00).

Reconciliation of YTD Adjusted PTC[1] & Adjusted EPS[1]

$ in Millions, Except Per Share Amounts	YTD 2015		YTD 2014	
	Net of NCI[2]	Per Share (Diluted) Net of NCI[2] and Tax	Net of NCI[2]	Per Share (Diluted) Net of NCI[2] and Tax
Income (Loss) from Continuing Operations Attributable to AES and Diluted EPS	$391	$0.56	$583	$0.81
Add Back Income Tax Expense from Continuing Operations Attributable to AES	$107		$138	
Pre-Tax Contribution	$498		$721	
Adjustments				
Unrealized Derivative (Gains)/Losses[3]	($29)	($0.03)	($21)	($0.02)
Unrealized Foreign Currency Transaction (Gains)/Losses[4]	$50	$0.05	$95	$0.07
Disposition/Acquisition (Gains)/Losses	($32)	($0.04)[5]	($366)	($0.51)[6]
Impairment Losses	$175	$0.18[7]	$295	$0.34[8]
Loss on Extinguishment of Debt	$163	$0.16[9]	$213	$0.20[10]
ADJUSTED PTC[1] & ADJUSTED EPS[1]	**$825**	**$0.88**	**$937**	**$0.89**

1. A non-GAAP financial measure as reconciled above. See "definitions".
2. NCI is defined as Noncontrolling Interests.
3. Unrealized derivative (gains) losses were net of income tax per share of $(0.01) and $(0.01) in the nine months ended September 30, 2015 and 2014, respectively.
4. Unrealized foreign currency transaction (gains) losses were net of income tax per share of $0.03 and $0.04 in the nine months ended September 30, 2015 and 2014, respectively.
5. Amount primarily relates to the gain from the sale of Armenia Mountain of $22 million ($14 million, or $0.02 per share, net of income tax per share of $0.01).
6. Amount primarily relates to the gain from the sale of a noncontrolling interest in Masinloc of $283 million ($283 million, or $0.39 per share, net of income tax per share of $0.00), the gain from the sale of the UK Wind projects of $78 million ($78 million, or $0.11 per share, net of income tax per share of $0.00), the tax benefit of $12 million ($0.02 per share) associated with the agreement executed in September 2014 to sell a noncontrolling interest in our Dominican Republic businesses, and the tax expense of $4 million ($0.01 per share) related to the Silver Ridge Power transaction.
7. Amount primarily relates to the asset impairments at Kilroot of $113 million ($74 million, or $0.11 per share, net of income tax per share of $0.05), at UK Wind of $38 million ($30 million, or $0.04 per share, net of income tax per share of $0.00), and at Buffalo Gap III of $118 million ($18 million, or $0.03 per share, net of noncontrolling interest of $90 million and of income tax per share of $0.01).
8. Amount primarily relates to the goodwill impairments at DPLER of $136 million ($117 million, or $0.16 per share, net of income tax per share of $0.03), and at Buffalo Gap of $18 million ($18 million, or $0.03 per share, net of income tax per share of $0.00) and asset impairments at Ebute of $67 million ($57 million, or $0.08 per share, net of noncontrolling interest of $3 million and of income tax per share of $0.01), at DPL of $12 million ($8 million, or $0.01 per share, net of income tax per share of $0.01), and at Newfield of $11 million ($6 million, or $0.00 per share, net of noncontrolling interest of $6 million and of income tax per share of $0.00) as well as the other-than-temporary impairments of our equity method investment at Silver Ridge Power of $42 million ($28 million, or $0.04 per share, net of income tax per share of $0.02) and at Entek of $18 million ($12 million, or $0.02 per share, net of income tax per share of $0.01).
9. Amount primarily relates to the loss on early retirement of debt at the Parent Company of $113 million ($76 million, or $0.11 per share, net of income tax per share of $0.05), at IPL of $22 million ($11 million, or $0.02 per share, net of income tax per share of $0.01), at Panama of $15 million ($5 million, or $0.01 per share, net of income tax per share of $0.00), at Gener of $11 million ($5 million, or $0.01 per share, net of income tax per share of $0.00), at Electrica Ventanas of $7 million ($3 million, or $0.00 per share, net of income tax per share of $0.00), and at Sul of $4 million ($3 million, or $0.00 per share, net of income tax per share of $0.00).
10. Amount primarily relates to the loss on early retirement of debt at the Parent Company of $188 million ($123 million, or $0.17 per share, net of income tax per share of $0.09), at UK Wind projects of $18 million ($14 million, or $0.02 per share, net of income tax per share of $0.01), at Gener of $8 million ($4 million, or $0.01 per share, net of noncontrolling interest of $2 million and income tax per share of $0.00).

Reconciliation of 2015 Guidance

$ in Millions, Except Per Share Amounts

2015 Guidance	
Proportional Free Cash Flow[1]	$1,000-$1,350
Consolidated Net Cash Provided by Operating Activities	$1,900-$2,700
Adjusted EPS[1]	$1.18-$1.25

Reconciliation	Consolidated	Adjustment Factor	Proportional
Consolidated Net Cash Provided by Operating Activities (a)	$1,900-$2,700	$300-$750	$1,600-$1,950
Maintenance & Environmental Capital Expenditures (b)	$650-$950	$200	$450-$750
Free Cash Flow[1] (a - b)	$1,100-$1,900	$100-$550	$1,000-$1,350

- Commodity and foreign currency exchange rates and forward curves as of September 30, 2015

1. A non-GAAP financial measure. See "definitions".

Reconciliation of 2016 Guidance

$ in Millions, Except Per Share Amounts

2016 Guidance	
Proportional Free Cash Flow[1]	$1,125-$1,475
Consolidated Net Cash Provided by Operating Activities	$2,200-$3,000
Adjusted EPS[1]	$1.05-$1.15

Reconciliation	Consolidated	Adjustment Factor	Proportional
Consolidated Net Cash Provided by Operating Activities (a)	$2,200-$3,000	$575-$1,025	$1,625-$1,975
Maintenance & Environmental Capital Expenditures (b)	$550-$850	$200	$350-$650
Free Cash Flow[1] (a - b)	$1,500-$2,300	$375-$825	$1,125-$1,475

- Commodity and foreign currency exchange rates and forward curves as of October 15, 2015

1. A non-GAAP financial measure. See "definitions".

Reconciliation of Net Debt[1] as of September 30, 2015

$ in Millions

Recourse Debt (Current)	-
Non-Recourse Debt (Current)	$2,300
Recourse Debt (Noncurrent)	$5,107
Non-Recourse Debt (Noncurrent)	$13,291
Total Debt	**$20,698**
LESS	
Cash & Cash Equivalents	$1,437
Restricted Cash	$341
Short-Term Investments	$453
Debt Service Reserves & Other Deposits	$339
Total	**$2,570**
NET DEBT	**$18,128**

1. A non-GAAP financial measure. See “definitions”.

Assumptions

Forecasted financial information is based on certain material assumptions. Such assumptions include, but are not limited to: (a) no unforeseen external events such as wars, depressions, or economic or political disruptions occur; (b) businesses continue to operate in a manner consistent with or better than prior operating performance, including achievement of planned productivity improvements including benefits of global sourcing, and in accordance with the provisions of their relevant contracts or concessions; (c) new business opportunities are available to AES in sufficient quantity to achieve its growth objectives; (d) no material disruptions or discontinuities occur in the Gross Domestic Product (GDP), foreign exchange rates, inflation or interest rates during the forecast period; and (e) material business-specific risks as described in the Company's SEC filings do not occur individually or cumulatively. In addition, benefits from global sourcing include avoided costs, reduction in capital project costs versus budgetary estimates, and projected savings based on assumed spend volume which may or may not actually be achieved. Also, improvement in certain KPIs such as equivalent forced outage rate and commercial availability may not improve financial performance at all facilities based on commercial terms and conditions. These benefits will not be fully reflected in the Company's consolidated financial results.

The cash held at qualified holding companies ("QHCs") represents cash sent to subsidiaries of the Company domiciled outside of the U.S. Such subsidiaries had no contractual restrictions on their ability to send cash to AES, the Parent Company, however, cash held at qualified holding companies does not reflect the impact of any tax liabilities that may result from any such cash being repatriated to the Parent Company in the U.S. Cash at those subsidiaries was used for investment and related activities outside of the U.S. These investments included equity investments and loans to other foreign subsidiaries as well as development and general costs and expenses incurred outside the U.S. Since the cash held by these QHCs is available to the Parent, AES uses the combined measure of subsidiary distributions to Parent and QHCs as a useful measure of cash available to the Parent to meet its international liquidity needs. AES believes that unconsolidated parent company liquidity is important to the liquidity position of AES as a parent company because of the non-recourse nature of most of AES' indebtedness.

Definitions

- **Adjusted Earnings Per Share** (a non-GAAP financial measure) is defined as diluted earnings per share from continuing operations excluding gains or losses of both consolidated entities and entities accounted for under the equity method due to (a) unrealized gains or losses related to derivative transactions, (b) unrealized foreign currency gains or losses, (c) gains or losses due to dispositions and acquisitions of business interests, (d) losses due to impairments, and (e) costs due to the early retirement of debt, adjusted for the same gains or losses excluded from consolidated entities. The GAAP measure most comparable to Adjusted EPS is diluted earnings per share from continuing operations. AES believes that Adjusted EPS 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 unrealized gains or losses related to derivative transactions, unrealized foreign 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 EPS should not be construed as an alternative to diluted earnings per share from continuing operations, which is determined in accordance with GAAP.
- **Adjusted Pre-Tax Contribution** (a non-GAAP financial measure) represents pre-tax income from continuing operations attributable to AES excluding gains or losses of both consolidated entities and entities accounted for under the equity method due to (a) unrealized gains or losses related to derivative transactions, (b) unrealized foreign currency gains or losses, (c) gains or losses due to dispositions and acquisitions of business interests, (d) losses due to impairments, and (e) costs due to the early retirement of debt, adjusted for the same gains or losses excluded from consolidated entities. It includes net equity in earnings of affiliates, on an after-tax basis. The GAAP measure most comparable to Adjusted PTC is income from continuing operations attributable to AES. AES believes that Adjusted PTC 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 unrealized gains or losses related to derivative transactions, unrealized foreign 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. Earnings before tax represents the business performance of the Company before the application of statutory income tax rates and tax adjustments, including the affects of tax planning, corresponding to the various jurisdictions in which the Company operates. Adjusted PTC should not be construed as an alternative to income from continuing operations attributable to AES, 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 non-recoverable environmental capital expenditures), net of reinsurance proceeds from third parties. 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.
- **Net Debt** (a non-GAAP financial measure) is defined as current and non-current recourse and non-recourse debt less cash and cash equivalents, restricted cash, short term investments, debt service reserves and other deposits. AES believes that net debt is a useful measure for evaluating our financial condition because it is a standard industry measure that provides an alternate view of a company's indebtedness by considering the capacity of cash. It is also a required component of valuation techniques used by management and the investment community.
- **Parent Company Liquidity** (a non-GAAP financial measure) is defined as cash at the Parent Company plus availability under corporate credit facilities plus cash at qualified holding companies ("QHCs"). AES believes that unconsolidated Parent Company liquidity is important to the liquidity position of AES as a Parent Company because of the non-recourse nature of most of AES' indebtedness.
- **Parent Free Cash Flow** (a non-GAAP financial measure) should not be construed as an alternative to Net Cash Provided by Operating Activities which is determined in accordance with GAAP. Parent Free Cash Flow is equal to Subsidiary Distributions less cash used for interest costs, development, general and administrative activities, and tax payments by the Parent Company. Parent Free Cash Flow is used for dividends, share repurchases, growth investments, recourse debt repayments, and other uses by the Parent Company.

Definitions (Continued)

- **Proportional Free Cash Flow** – The Company defines Proportional Free Cash Flow as cash flows from operating activities less maintenance capital expenditures (including non-recoverable environmental capital expenditures), adjusted for the estimated impact of noncontrolling interests. The proportionate share of cash flows and related adjustments attributable to noncontrolling interests in our subsidiaries comprise the proportional adjustment factor presented in the reconciliation below. Upon the Company's adoption of the accounting guidance for service concession arrangements effective January 1, 2015, capital expenditures related to service concession assets that would have been classified as investing activities on the Condensed Consolidated Statement of Cash Flows are now classified as operating activities.

  Beginning in the first quarter of 2015, the Company changed the definition of Proportional Free Cash Flow to exclude the cash flows for capital expenditures related to service concession assets that are now classified within net cash provided by operating activities on the Condensed Consolidated Statement of Cash Flows. The proportional adjustment factor for these capital expenditures is presented in the reconciliation below.

  The Company excludes environmental capital expenditures that are expected to be recovered through regulatory, contractual or other mechanisms. An example of recoverable environmental capital expenditures is IPL's investment in MATS-related environmental upgrades that are recovered through a tracker.

  The GAAP measure most comparable to proportional free cash flow is cash flows from operating activities. We believe that proportional free cash flow better reflects the underlying business performance of the Company, as it measures the cash generated by the business, after the funding of maintenance capital expenditures, that may be available for investing or repaying debt or other purposes. Factors in this determination include the impact of noncontrolling interests, where AES consolidates the results of a subsidiary that is not wholly owned by the Company.
- **Proportional Metrics –** 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. Beginning in Q1 2015, the definition was revised to also exclude cash flows related to service concession assets.

  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) inter-segment transactions are included as applicable for the metric presented.

  The proportional adjustment factor, proportional maintenance capital expenditures (net of reinsurance proceeds), and proportional non-recoverable environmental capital expenditures are calculated by multiplying the percentage owned by non-controlling interests for each entity by its corresponding consolidated cash flow metric and adding up the resulting figures. For example, the Company owns approximately 70% of AES Gener, its subsidiary in Chile. Assuming a consolidated net cash flow from operating activities of $100 from AES Gener, the proportional adjustment factor for AES Gener would equal approximately $30 (or $100 x 30%). The Company calculates the proportional adjustment factor for each consolidated business in this manner and then adds these amounts together to determine the total proportional adjustment factor used in the reconciliation. The proportional adjustment factor may differ from the proportion of income attributable to non-controlling interests as a result of (a) non-cash items which impact income but not cash and (b) AES' ownership interest in the subsidiary where such items occur.
- **Subsidiary Liquidity** (a non-GAAP financial measure) is defined as cash and cash equivalents and bank lines of credit at various subsidiaries.
- **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 the 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.