The AES Corporation

Parent Liquidity Schedules





Q3 2026

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 the execution of PPAs, conversion of our backlog and 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" and Item 7: "Management's Discussion & Analysis" in AES' 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, except as required by law.

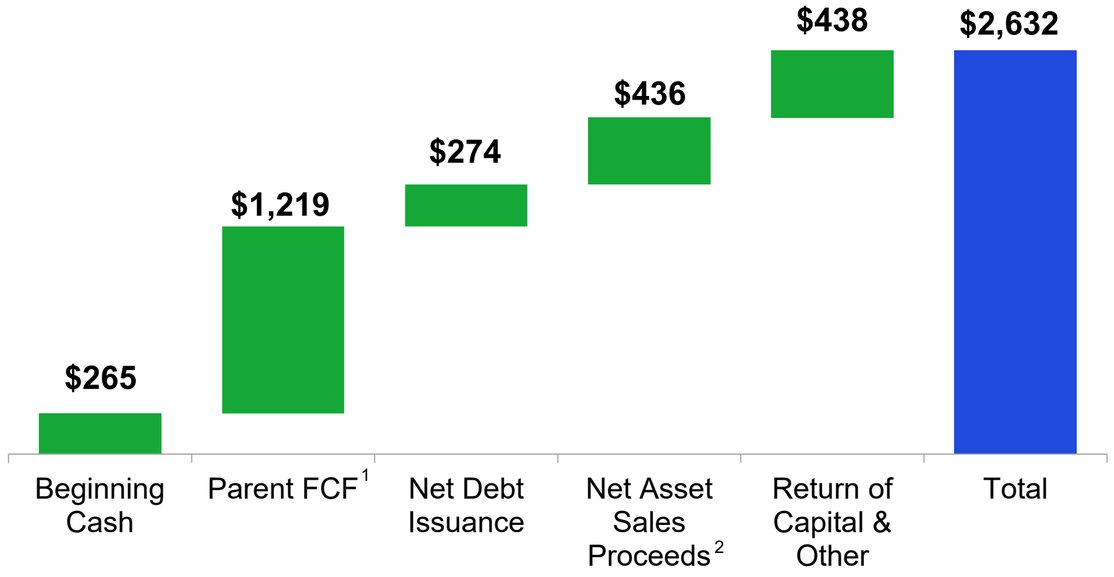
Reconciliation to U.S. GAAP Financial Information

The following presentation includes certain "non-GAAP financial measures" as defined in Regulation G under the Securities Exchange Act of 1934, as amended. Schedules are included herein that reconcile the non-GAAP financial measures included in the following presentation to the most directly comparable financial measures calculated and presented in accordance with U.S. GAAP.

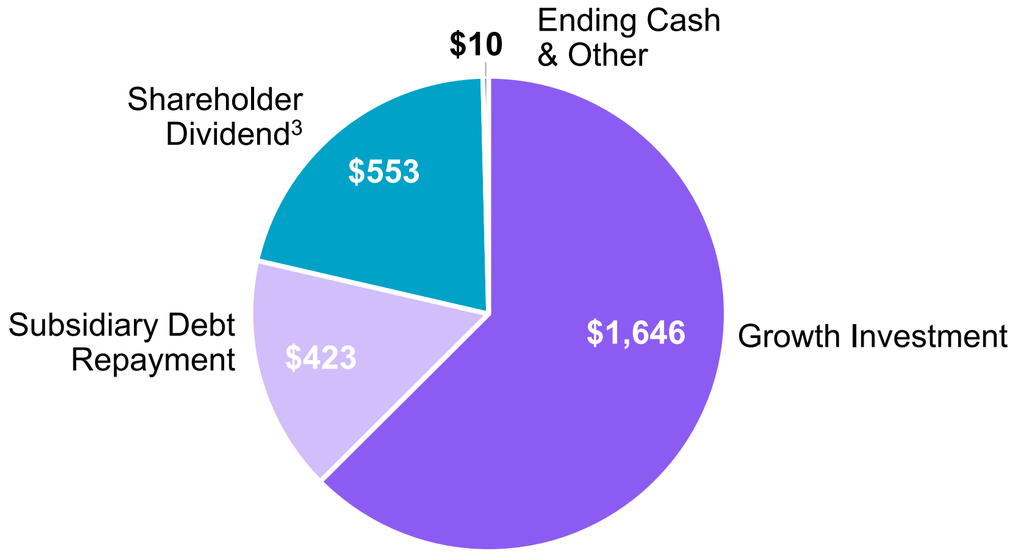
2025 Parent Capital Allocation

$ in Millions

Discretionary Cash – Sources ($2,632)



Discretionary Cash – Uses ($2,632)



1. A non-GAAP financial measure. The Company is not able to provide a corresponding GAAP equivalent or reconciliation for its Parent Free Cash Flow expectation without unreasonable effort. See Appendix for definition and a description of the adjustments to reconcile Parent Free Cash Flow to Net Cash Provided by Operating Activities at the Parent Company for 2024.
2. Sell-down of global insurance business and unannounced asset sales.
3. Includes 2025 payment of $0.17595 per share each quarter on 711 million shares outstanding as of December 31, 2024 and coupon on $1,450 million of hybrid debt issued in 2024.

Parent Sources and Uses of Liquidity

$ in Millions	Q3		YTD[3]	
	2025	2026	2025	2026
Sources				
Total Subsidiary Distributions[1]	$423	$369	$1,210	$1,070
Proceeds from Asset Sales, Net	-	-	$439	$207
Financing Proceeds, Net	-	($2)	$796	$1,790
Increased/(Decreased) Credit Facility Commitments	-	-	$500	($800)
Total Returns of Capital Distributions & Project Financing Proceeds	$200	$25	$47	$29
Beginning Parent Company Liquidity[2]	$2,194	$1,833	$2,047	$2,181
Total Sources	$2,817	$2,225	$5,239	$4,477
Uses				
Shareholder Dividend	($154)	($152)	($428)	($430)
Investments in Subsidiaries, Net	($620)	($451)	($1,670	($770)
Repayments of Debt	($124)	($300)	($900)	($1,600)
Cash for Development, Selling, General & Administrative and Taxes	($95)	($29)	($220)	($141)
Cash Payments for Interest	($97)	($87)	($210)	($232)
Changes in Letters of Credit and Other, Net	($77)	$52	($161)	($46)
Ending Parent Company Liquidity[2]	($1,650)	($1,258)	($1,650)	($1,258)
Total Uses	($2,817)	($2,225)	($5,239)	($4,477)

1. See “definitions”.
2. A non-GAAP financial measure. See “definitions”.
3. For the 9 months ended September 30, 2026.

Q3 & YTD 2026 Subsidiary Distributions[1]

$ in Millions

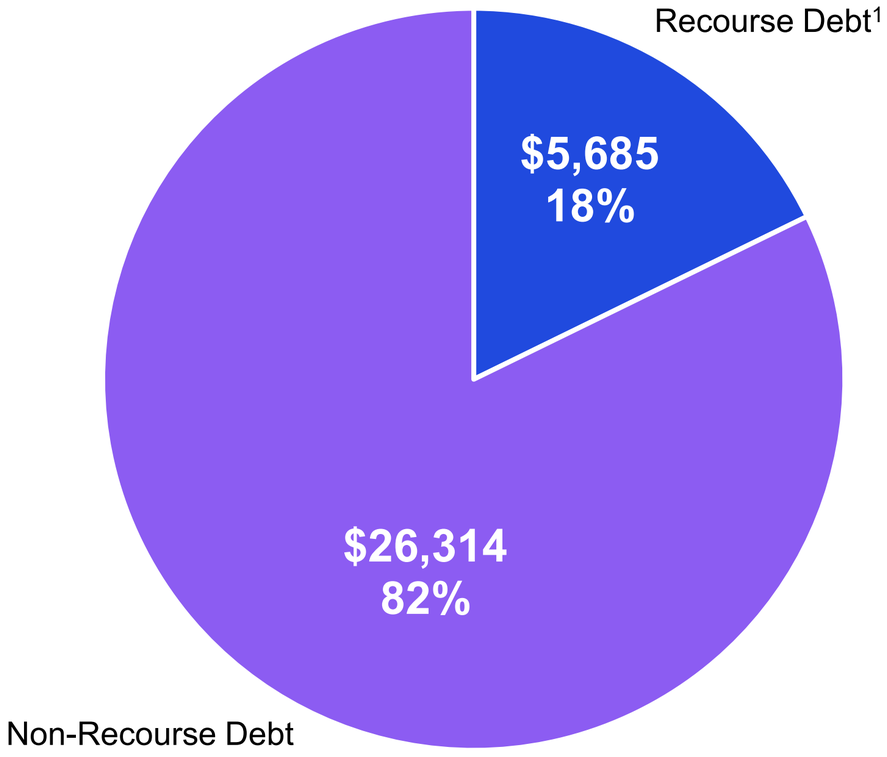
Subsidiary Distributions[1] by SBU		
	Q3 2026	YTD 2026
Renewables	$219	$542
Utilities	$51	$163
Energy Infrastructure	$79	$248
New Energy Technologies	-	-
Corporate[2]	$20	$117
Total	$369	$1,070

Top Subsidiary Distributions[1] by Business							
Q3 2026				YTD 2026			
Business	Amount	Business	Amount	Business	Amount	Business	Amount
AES Andes (Renewables)	$120	Global Insurance (Corporate)	$20	AES Clean Energy (Renewables)	$282	US Holdco (Energy Infrastructure)	$73
AES Clean Energy (Renewables)	$71	Southland (Energy Infrastructure)	$13	AES Andes (Renewables)	$203	AES Argentina (Energy Infrastructure)	$44
AES Indiana (Utilities)	$51	US Holdco (Energy Infrastructure)	$12	AES Indiana (Utilities)	$163	Southland (Energy Infrastructure)	$27
AES Argentina (Energy Infrastructure)	$44	Changuinola (Renewables)	$6	Global Insurance (Corporate)	$117	AES Panama (Renewables)	$24
AES Panama (Renewables)	$22	Los Mina (Energy Infrastructure)	$6	Maritza East (Energy Infrastructure)	$81	Mong Duong (Energy Infrastructure)	$14

1. See “definitions”.
2. Corporate includes Global Insurance.

Interest Rate Exposure: Substantial Majority is Hedged Through Swaps or Contractual Arrangements

$ in Millions, as of September 30, 2026



	Recourse Debt[2]	Non-Recourse Debt[2]
Long-Term Weighted Average All-in Cost	5.3%	5.8%
Long-Term Weighted Average Maturity	9.8 years	12.2 years
Long-Term Debt[2] Percentage Fixed or Hedged	100%	94%
Percentage in Functional Currency	100%	~100%

1. Includes $725 million of rating agency equity credit for Junior Subordinated Hybrid Notes.
2. Long-term debt does not include $7.8 billion of construction debt, temporary drawings under revolvers and commercial paper issuance.

Reconciliation of Parent Free Cash Flow[1]

$ in Millions	2025	2024	2023
Net Cash Provided by Operating Activities at the Parent Company[2]	$820	$731	$608
Subsidiary Distributions to QHCs Excluded from Schedule 1[3]	$202	$233	$247
Subsidiary Distributions Classified in Investing Activities[4]	$494	$344	$179
Parent-Funded SBU Overhead and Other Expenses Classified in Investing Activities[5]	($294)	($200)	($31)
Other	($3)	($1)	-
Parent Free Cash Flow[1]	$1,219	$1,107	$1,003

1. Parent Free Cash Flow is a non-GAAP financial measure. See ”definitions”.
2. Refer to Net Cash Provided by Operating Activities at the Parent Company as reported at Part IV—Item 15—Schedule I—Condensed Financial Information of Registrant included in the Company's most recent 10-K filed with the SEC.
3. Subsidiary distributions received by Qualified Holding Companies ("QHCs") excluded from Schedule 1. See “definitions”
4. Subsidiary distributions that originated from the results of operations of an underlying investee but were classified as investing activities when received by the relevant holding company included in Schedule 1.
5. Net cash payments for parent-funded SBU overhead, business development, taxes, transaction costs, and capitalized interest that are classified as investing activities or excluded from Schedule 1.

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 Key Performance Indicators (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 have 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

Parent Company Liquidity (a non-GAAP financial measure) is defined as cash available to the Parent Company, including cash at qualified holding companies ("QHCs"), plus available borrowings under our existing credit facilities and commercial paper program. The cash held at qualified holding companies represents cash sent to subsidiaries of the Company domiciled outside of the U.S. Such subsidiaries have no contractual restrictions on their ability to send cash to the Parent Company.

Parent Free Cash Flow (a non-GAAP financial measure) should not be construed as an alternative to Consolidated Net Cash Provided by Operating Activities, which is determined in accordance with US GAAP. Parent Free Cash Flow is the primary, recurring source of cash that is available for use by the Parent Company. 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. Management uses Parent Free Cash Flow to determine the cash available to pay dividends, repay recourse debt, make equity investments, fund share buybacks, pay Parent Company hedging costs and make foreign exchange settlements. We believe that Parent Free Cash Flow is useful to investors because it better reflects the Parent Company's cash available to make growth investments, pay shareholder dividends, and make principal payments on recourse debt. Factors in this determination include availability of subsidiary distributions to the Parent Company and the Company's investment plan.

Subsidiary Distributions should not be construed as an alternative to Consolidated 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 Consolidated 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.