

AES PANAMÁ, S.R.L.

OFFER TO PURCHASE (AS REPAYMENT) AND CONSENT SOLICITATION STATEMENT

Offer to Purchase for Cash (as repayment) and Consent Solicitation with respect to Any and All of its Outstanding 6.35% Senior Notes due 2016

(Rule 144A: Common Code No. 027946461, CUSIP No. 00105R AA2 and ISIN US00105RAA23)

(Regulation S: Common Code No. 027334598 and ISIN XS0273345982)

The Tender Offer will expire at 5:00 PM, New York City time, on July 2, 2015, unless extended or earlier terminated by AES Panamá, S.R.L. (“AES Panamá”), a limited liability company organized under the laws of the Republic of Panama (“Panama”), in its sole discretion (such date and time, as the same may be extended or earlier terminated, the “Expiration Time”). Registered Holders of the Notes (each, a “Holder”) must validly tender and not validly withdraw their Notes and validly deliver and not validly revoke consents to the Proposed Amendments before 5:00 p.m., New York City time, on June 17, 2015, unless extended or earlier terminated by AES Panamá in its sole discretion (such date and time, as the same may be extended or earlier terminated, the “Consent Expiration Time”) to be eligible to receive the Total Consideration, which consists of the Tender Offer Consideration and the Consent Payment, on the Initial Settlement Date. Holders who tender their Notes after the Consent Expiration Time and on or prior to the Expiration Time will be eligible to receive the Tender Offer Consideration, but not the Consent Payment, on the Final Settlement Date. Tendered Notes may be withdrawn and consents may be revoked in accordance with the terms of the Tender Offer and the Consent Solicitation prior to 5:00 p.m., New York City time, on June 17, 2015, but not thereafter, unless such time is extended by AES Panamá in its sole discretion (such date and time, as the same may be extended, the “Withdrawal Deadline”).

AES Panamá hereby offers to purchase for cash as repayment (the “Tender Offer”) any and all of its outstanding 6.35% Senior Notes due 2016, (Rule 144A: Common Code No. 027946461, CUSIP No. 00105R AA2, and ISIN US00105RAA23 (the “DTC Notes”); Regulation S: Common Code No. 027334598 and ISIN XS0273345982) (the “Euronotes”, and together with the DTC Notes, the “Notes”), at the prices set forth in the table below and upon the terms and subject to the conditions set forth in this Offer to Purchase (as Repayment) and Consent Solicitation Statement (as it may be amended or supplemented from time to time, this “Statement”) and in the related Letter of Transmittal and Consent (as it may be amended or supplemented from time to time, the “Letter of Transmittal”). The Tender Offer is contingent upon the tender by Holders of at least a majority of the aggregate principal amount of the outstanding Notes.

The total consideration for each \$1,000 principal amount of Notes validly tendered and accepted for purchase pursuant to the Tender Offer (the “Total Consideration”) is described in the table below and consists of the base purchase price of \$1,047.50 per \$1,000 principal amount of Notes (the “Tender Offer Consideration”) and an additional benefit in the form of a consent payment of \$10.00 per \$1,000 principal amount of Notes (the “Consent Payment”). Holders must validly tender and not validly withdraw their Notes and validly deliver and not validly revoke their corresponding consent to the Proposed Amendments (as defined herein) prior to the Consent Expiration Time in order to be eligible to receive the Total Consideration on the Initial Settlement Date (as defined below). Holders validly tendering their Notes after the Consent Expiration Time and on or prior to the Expiration Time will only be eligible to receive the Tender Offer Consideration on the Final Settlement Date (as defined below).

Notes	CUSIP No. (DTC Notes)	ISIN (DTC Notes / Euronotes)	Common Code (DTC Notes / Euronotes)	Principal Amount Outstanding	Tender Offer Consideration ¹	Consent Payment ¹	Total Consideration ¹
6.35% Senior Notes due 2016	00105R AA2	US00105RAA23 / XS0273345982	027946461/02 7334598	\$300,000,000	\$1,047.50	\$10.00	\$1,057.50

⁽¹⁾ Per \$1,000 principal amount of Notes and excluding accrued and unpaid interest. Accrued and unpaid interest will be paid in addition to the Total Consideration or the Tender Offer Consideration, as applicable.

THIS STATEMENT AND THE LETTER OF TRANSMITTAL SHOULD BE READ CAREFULLY BEFORE A DECISION IS MADE WITH RESPECT TO THE TENDER OFFER AND THE CONSENT SOLICITATION.

NEITHER THIS STATEMENT NOR ANY OF THE OTHER DOCUMENTS RELATING TO THE TENDER OFFER OR THE CONSENT SOLICITATION (AS DEFINED HEREIN) HAVE BEEN FILED WITH OR REVIEWED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY OF ANY COUNTRY, NOR HAS ANY SUCH COMMISSION OR AUTHORITY PASSED UPON THE ACCURACY OR ADEQUACY OF THIS STATEMENT OR ANY OF THE OTHER DOCUMENTS RELATING TO THE TENDER OFFER OR THE CONSENT SOLICITATION. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL AND MAY BE A CRIMINAL OFFENSE.

The Dealer Managers for the Tender Offer and Solicitation Agents for the Consent Solicitation are:

Banco General

Deutsche Bank Securities

June 4, 2015

The initial settlement date for the Tender Offer (the “Initial Settlement Date”) will be the business day selected by AES Panamá following both the Consent Expiration Time and the satisfaction or waiver of the conditions to the consummation of the Tender Offer and the Consent Solicitation, and is expected to be June 25, 2015. The final settlement date for the Tender Offer (the “Final Settlement Date”) and each of the Initial Settlement Date and the Final Settlement Date, a “Settlement Date”) will be promptly following the Expiration Time, and is expected to be the business day following the Expiration Time.

Upon the terms and subject to the conditions set forth in the Tender Offer, AES Panamá is also conducting a solicitation of consents (the “Consent Solicitation”) of the Holders to certain proposed amendments (the “Proposed Amendments”) to the indenture governing the Notes (as amended and supplemented, the “Indenture”). The Proposed Amendments would amend the Indenture to eliminate substantially all of the restrictive covenants and certain events of default and other related provisions contained in the Indenture. The delivery of a consent to the Proposed Amendments by a Holder will constitute a consent to all of the Proposed Amendments. Delivery of consents to the Proposed Amendments by Holders of at least a majority of the aggregate principal amount of the outstanding Notes is required for the adoption of the Proposed Amendments (the “Requisite Consents”). If AES Panamá obtains the Requisite Consents, it will execute a supplement to the Indenture, substantially in the form of Annex A to this Statement (the “Supplemental Indenture”), which AES Panamá expects to execute promptly following the Consent Expiration Time. The Supplemental Indenture will become effective upon execution by AES Panamá and HSBC Bank USA, National Association, as trustee under the Indenture (the “Trustee”), but will provide that the Proposed Amendments will not become operative until AES Panamá purchases at least a majority of the aggregate principal amount of the outstanding Notes in the Tender Offer. AES Panamá will issue a public announcement if and when the Requisite Consents have been obtained. If the Tender Offer is terminated or withdrawn, the Indenture will remain in effect in its present form, and no Consent Payment will be made to any Holder.

The purpose of the Tender Offer is for AES Panamá to acquire all outstanding Notes from Holders, and the purpose of the Consent Solicitation is to obtain the consents necessary to eliminate most of the covenants and certain events of default applicable to the Notes. The Tender Offer is being made in connection with, and is conditioned upon, among other things, the Financing Condition and the Supplemental Indenture Condition (each as defined herein).

Any Holder who tenders Notes pursuant to the Tender Offer must also deliver a consent to the Proposed Amendments and to the execution and delivery of the Supplemental Indenture. Holders who validly tender their Notes pursuant to the Tender Offer will be deemed to have delivered their consents by virtue of such tender. Holders may not deliver consents without also tendering their Notes. A Holder may not revoke a consent without withdrawing the previously tendered Notes to which such consent relates. Notes tendered and consents delivered prior to the Withdrawal Deadline may be validly withdrawn and revoked at any time prior to the Withdrawal Deadline, but not thereafter (except in certain limited circumstances where additional withdrawal rights are required by law). A valid withdrawal of tendered Notes prior to the Withdrawal Deadline will constitute the concurrent valid revocation of such Holder’s related consent. Notes tendered after the Withdrawal Deadline may not be validly withdrawn at any time (except in certain limited circumstances where additional withdrawal rights are required by law).

Holders who validly tender their Notes and thereby deliver their consents to the Information and Tender Agent identified on the back cover page of this Statement prior to the Consent Expiration Time, and do not validly withdraw their Notes and concurrently revoke their consents prior to the Withdrawal Deadline, will receive the Consent Payment in addition to the Tender Offer Consideration, subject to AES Panamá’s acceptance of their Notes for purchase. Holders who validly tender their Notes after the Consent Expiration Time, but prior to the Expiration Time, will receive the Tender Offer Consideration if AES Panamá accepts their Notes for purchase, but will not be entitled to receive the Consent Payment even if the Proposed Amendments become operative. If the Proposed Amendments become operative, Holders who do not tender their Notes in the Tender Offer will be bound by the Proposed Amendments, meaning that such Notes will no longer have the benefit of most of the covenants and certain events of default formerly contained in the Indenture. In addition, such Holders will not receive either the Tender Offer Consideration or the Consent Payment. In the event that the Tender Offer is terminated or otherwise not completed, the Total Consideration or Tender Offer Consideration, as the case may be, will not be paid or become payable to Holders of the Notes who have validly tendered their Notes and delivered consents in connection with the Tender Offer and Consent Solicitation, and all tendered Notes will be returned promptly.

Notwithstanding any other provision of the Tender Offer or the Consent Solicitation, AES Panamá’s obligation to accept for purchase, and to pay for, Notes validly tendered and not validly withdrawn and consents delivered and not validly revoked pursuant to the Tender Offer and the Consent Solicitation is subject to, and conditioned upon, the satisfaction of or, where applicable, its waiver of the conditions set forth under “Terms of the Tender Offer and the Consent Solicitation—Conditions to the Tender Offer and the Consent Solicitation.”

Subject to the terms and conditions set forth in this Statement and the Letter of Transmittal, the aggregate Total Consideration or the aggregate Tender Offer Consideration, as applicable, to which a tendering Holder is entitled pursuant to the Tender Offer, will be paid on the applicable Settlement Date. Under no circumstances will any interest on the Total Consideration or the Tender Offer Consideration be payable because of any delay in the transmission of funds to Holders by the

Information and Tender Agent (as defined below), The Depository Trust Company (“DTC”), the European Clearing Systems (as defined herein) or any other party.

D.F. King & Co., Inc. is acting as the Information and Tender Agent (the “Information and Tender Agent”) for the Tender Offer and the Consent Solicitation.

AES Panamá reserves the right to acquire any Notes that remain outstanding after the Expiration Time, through open market or privately negotiated transactions, one or more additional tender offers, through its right to redeem Notes under, and as set forth in, the Indenture, or otherwise, upon such terms and at such prices as they may determine, which may be more or less than the prices to be paid pursuant to the Tender Offer or in a redemption.

Unless the context otherwise requires, the terms “we”, “us” and “our” refer to AES Panamá and its consolidated subsidiaries. All references in this Statement to “\$” are to U.S. dollars. All references in this Statement to “business day” are to days that are not a Saturday, Sunday or federal holidays in the United States.

Holders of Notes should note the following times relating to the Tender Offer and the Consent Solicitation:

<u>Date</u>	<u>Calendar Date</u>	<u>Event</u>
Launch Date.....	June 4, 2015.	Commencement of the Tender Offer and the Consent Solicitation.
Consent Expiration Time.....	5:00 p.m., New York City time, on June 17, 2015, unless extended or earlier terminated by AES Panamá in its sole discretion.	The deadline for Holders to tender Notes and thereby deliver their consents in order to qualify for the payment of the Consent Payment, in addition to the Tender Offer Consideration, on the Initial Settlement Date. Notes tendered and consents delivered after the Consent Expiration Time cannot be withdrawn or revoked.
Withdrawal Deadline.....	5:00 p.m., New York City time, on June 17, 2015, unless extended or earlier terminated by AES Panamá in its sole discretion.	The deadline for Holders who validly tendered Notes and delivered consents to validly withdraw Notes and revoke consents, except where additional withdrawal rights are required by law. Notes tendered and consents delivered after the Withdrawal Deadline will be irrevocable, except where additional withdrawal rights are required by law.
Initial Settlement Date	The business day selected by AES Panamá following the Consent Expiration Time and the satisfaction or waiver of the conditions to the consummation of the Tender Offer and the Consent Solicitation. The Initial Settlement Date is expected to be June 25, 2015.	AES Panamá will deposit the amount of cash necessary to pay to each Holder of such Notes the Total Consideration in respect of Notes tendered prior to the Consent Expiration Time and accepted by AES Panamá for payment.
Expiration Time.....	5:00 p.m, New York City time, on July 2, 2015, unless extended or earlier terminated by AES Panamá in its sole discretion.	The deadline for Holders to tender Notes in order to qualify for the payment of the Tender Offer Consideration on the Final Settlement Date, an amount that will not include the Consent Payment.
Final Settlement Date	Promptly following the Expiration Time. The Final Settlement date is expected to be the business day after the Expiration Time.	AES Panamá will deposit the amount of cash necessary to pay each tendering Holder the Tender Offer Consideration in respect of any Notes tendered after the Consent Expiration Time and accepted by AES Panamá for payment.

AES Panamá reserves the right to extend any deadline related to the Tender Offer and the Consent Solicitation for the Notes, if necessary, so that the Consent Expiration Time or the Expiration Time, as the case may be, occurs upon or shortly after the satisfaction or waiver of the conditions to the Tender Offer and the Consent Solicitation, in each case subject to applicable law.

Subject to applicable securities laws and the terms set forth in this Statement, AES Panamá reserves the right, with respect to the Notes, (i) to waive or modify in whole or in part any and all conditions to the Tender Offer or the Consent Solicitation, (ii) to extend the Consent Expiration Time or the Expiration Time or the Withdrawal

Deadline, (iii) to modify or terminate the Tender Offer or the Consent Solicitation, or (iv) otherwise to amend the Tender Offer or Consent Solicitation in any respect. In the event that the Tender Offer is terminated or otherwise not completed with respect to the Notes, the Total Consideration or Tender Offer Consideration, as the case may be, relating to the Notes will not be paid or become payable to Holders of such Notes, without regard to whether such Holders have validly tendered their Notes or provided their consents to the Proposed Amendments (in which case such tendered Notes will be promptly returned to the Holders and such consents revoked).

IMPORTANT

A beneficial owner of Notes that are held of record by a broker, dealer, custodian bank, depository, trust company or other nominee must instruct such nominee to tender the Notes on the beneficial owner's behalf. See "Terms of the Tender Offer and the Consent Solicitation—Procedure for Tendering Notes and Delivering Consents."

DTC has authorized DTC participants that hold DTC Notes on behalf of beneficial owners of DTC Notes through DTC to tender their DTC Notes as if they were Holders. To effect a tender, DTC participants may, in lieu of physically completing and signing the Letter of Transmittal, transmit their acceptance to DTC through the DTC Automated Tender Offer Program ("ATOP"). To effect such a tender, DTC participants should transmit their acceptance through ATOP and follow the procedure for book-entry transfer set forth under "Terms of the Tender Offer and the Consent Solicitation—Procedure for Tendering Notes and Delivering Consents—Tender of DTC Notes Held in Book-Entry Form."

Similarly, participants that hold the Euronotes on behalf of beneficial owners of the Euronotes through Clearstream Banking, *société anonyme* ("Clearstream"), or Euroclear Bank S.A./N.V. ("Euroclear", and collectively with Clearstream, the "European Clearing Systems"), as operator of the Euroclear System, (including beneficial interests of the Euronotes inside of Panama may be represented by a global Euronote through *Central Latinoamericana de Valores, S.A.*, a clearing house that is a participant in Clearstream) are authorized to tender their Euronotes as if they were Holders. To effect a tender, European Clearing Systems participants must transmit their acceptance to the European Clearing Systems through an electronic tender instruction. To effect such a tender, participants in the European Clearing Systems should transmit their acceptance through an electronic tender instruction and follow the procedure for book-entry transfer set forth under "Terms of the Tender Offer and the Consent Solicitation—Procedure for Tendering Notes and Delivering Consents—Tender of Euronotes Held in Book-Entry Form."

Neither Holders nor beneficial owners of tendered Notes will be obligated to pay brokerage fees or commissions to the Dealer Managers and Solicitation Agents and the Information and Tender Agent in their respective roles thereas, or AES Panamá. Holders of Notes held by a broker, dealer, commercial bank, trust company or other nominee should contact that nominee to ascertain if such nominee will charge a service fee in connection with tendering such Notes.

Questions and requests for assistance may be directed to the Dealer Managers and Solicitation Agents or the Information Agent at their addresses and telephone numbers set forth on the back cover of this Statement. Additional copies of this Statement and the Letter of Transmittal and other related materials may be obtained from the Information Agent at its address and telephone numbers set forth on the back cover of this Statement. Beneficial owners may also contact their brokers, dealers, custodian banks, depositories, trust companies or other nominees through which they hold the Notes with questions and requests for assistance.

The statements made in this Statement are made as of the date on the cover page and the statements incorporated by reference are made as of the date of the document incorporated by reference. The delivery of this Statement and the Letter of Transmittal shall not under any circumstances create any implication that the information contained herein or incorporated by reference is correct as of any time subsequent to the dates of such information or that there has been no change in such information or in the affairs of AES Panamá or any of its subsidiaries or affiliates since such dates.

This Statement does not constitute an offer to purchase any Notes in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such offer under applicable securities or "blue sky" or other laws.

No dealer, salesperson or other person has been authorized to give any information or to make any representation not contained in this Statement and, if given or made, such information or representation may not be relied upon as having been authorized by AES Panamá or the Dealer Managers and Solicitation Agents.

None of AES Panamá, its board of directors, the Trustee, the Information and Tender Agent, the Dealer Managers and Solicitation Agents or any of their respective affiliates makes any recommendation as to whether Holders should tender, or refrain from tendering, all or any portion of the principal amount of their Notes pursuant to the Tender Offer or deliver, or refrain from delivering, any consent to the Proposed Amendments pursuant to the Consent Solicitation.

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SUMMARY

This Statement and the Letter of Transmittal contain important information that should be read carefully before any decision is made with respect to the Tender Offer and the Consent Solicitation.

The following summary is provided solely for the convenience of Holders. This summary is not intended to be complete and is qualified in its entirety by reference to the full text and more specific details contained elsewhere in this Statement, the information incorporated by reference herein, the Letter of Transmittal and any amendments or supplements hereto or thereto. Holders are urged to read this Statement and the Letter of Transmittal in their entirety. Each of the capitalized terms used but not defined in this summary has the meaning set forth elsewhere in this Statement.

If you have questions, please call the Information Agent or the Dealer Managers and Solicitation Agents at their respective telephone numbers on the back cover of this Statement.

- The Purchaser AES Panamá, S.R.L., a limited liability company organized under the laws of Panama.
- The Notes..... 6.35% Senior Notes due 2016 (Rule 144A: Common Code No. 027946461, CUSIP No. 00105R AA2 and ISIN US00105RAA23; Regulation S: Common Code No. 027334598 and ISIN XS0273345982).
- Principal Amount
Outstanding..... \$300,000,000.
- The Tender Offer AES Panamá is offering to purchase for cash, upon the terms and subject to the conditions set forth in this Statement and in the Letter of Transmittal, any and all outstanding Notes validly tendered but not validly withdrawn prior to the Expiration Time and accepted for purchase by AES Panamá. Each Holder who tenders Notes pursuant to the Tender Offer will be deemed to consent to the Proposed Amendments. See “Terms of the Tender Offer and the Consent Solicitation.”
- The Consent Solicitation AES Panamá is soliciting consents from the Holders to (i) the Proposed Amendments which eliminate most of the restrictive covenants and certain events of default applicable to the Notes and (ii) the execution and delivery of a supplement to the Indenture in order to effect the Proposed Amendments. Each Holder that tenders Notes pursuant to the Tender Offer is deemed to have delivered a consent to the Proposed Amendments and to the execution and delivery of the Supplemental Indenture. Holders may not deliver consents without tendering their Notes.
- Consent Expiration Time..... 5:00 p.m., New York City time, on June 17, 2015, unless the Consent Expiration Time is extended or earlier terminated by AES Panamá in its sole discretion for any reason. AES Panamá retains the right to extend the Consent Expiration Time with respect to the Notes without extending the Withdrawal Deadline.
- Expiration Time..... 5:00 p.m., New York City time, on July 2, 2015, unless the Expiration Time is extended or earlier terminated by AES Panamá in its sole discretion for any reason.
- Total Consideration The Total Consideration for the Notes shall be \$1,057.50 per \$1,000 principal amount of Notes, which includes the Tender Offer Consideration and the Consent Payment. Holders must validly tender and not withdraw Notes before the Consent Expiration Time to be eligible to receive the Consent Payment.

Tender Offer Consideration.....	The Tender Offer Consideration for the Notes shall be \$1,047.50 per \$1,000 principal amount of Notes validly tendered prior to the Expiration Time and accepted for payment pursuant to the Tender Offer. In addition, Holders will receive accrued and unpaid interest from the last interest payment date for the Notes to, but not including, the applicable Settlement Date.
Consent Payment.....	Each Holder who validly tenders and does not validly withdraw Notes, and thereby delivers consent to the Proposed Amendments, prior to the Consent Expiration Time, will also be entitled, subject to the satisfaction or waiver of the conditions to the consummation of the Tender Offer and the Consent Solicitation, to a benefit in the form of a Consent Payment in the amount of \$10.00 per \$1,000 principal amount of Notes tendered and accepted for purchase in the Tender Offer. Such benefit payment will be made on the Initial Settlement Date.
Accrued Interest.....	The Total Consideration or the Tender Offer Consideration, as the case may be, for the Notes will be paid together with accrued and unpaid interest from the last interest payment date for the Notes to, but not including, the applicable Settlement Date.
Settlement Dates.....	With respect to Notes that are validly tendered and not validly withdrawn prior to the Consent Expiration Time, payment of the Total Consideration will be made on the Initial Settlement Date. The Initial Settlement Date will be the business day selected by AES Panamá following both the Consent Expiration Time and the satisfaction or waiver of the conditions to the Tender Offer and the Consent Solicitation. The Initial Settlement Date is expected to be June 25, 2015. With respect to Notes validly tendered and not validly withdrawn after the Consent Expiration Time but prior to the Expiration Time, payment of the Tender Offer Consideration will be made promptly following the Expiration Time on the Final Settlement Date, provided that the remaining conditions to the Tender Offer and the Consent Solicitation have been satisfied or waived. The Final Settlement Date is expected to be the business day following the Expiration Time.
Withdrawal and Revocation Rights.....	Except to the extent required by applicable law or as provided herein, Notes tendered prior to the Withdrawal Deadline may only be withdrawn, in writing, prior to the Withdrawal Deadline and Notes tendered after the Withdrawal Deadline and prior to the Expiration Time may not be withdrawn. Proper withdrawal of Notes will be deemed to revoke the related consent to the Proposed Amendments. Holders may not validly revoke consents unless previously tendered Notes are validly withdrawn.
Extension and Termination	Subject to applicable law, AES Panamá may extend or otherwise amend the Consent Expiration Time or the Expiration Time with respect to the Notes or may terminate the Tender Offer. In the event of a termination of the Tender Offer with respect to the Notes, all Notes tendered pursuant to the Tender Offer will be promptly returned to the tendering Holders. See “Terms of the Tender Offer and the Consent Solicitation—Withdrawal of Tenders and Revocation of Consents.”

Requisite Consents If AES Panamá obtains consents representing at least a majority of the aggregate principal amount of the outstanding Notes (excluding any Notes owned by AES Panamá or any of its affiliates), as provided in the Indenture, AES Panamá and the Trustee will execute the Supplemental Indenture, promptly following the Consent Expiration Time. The Supplemental Indenture will become effective upon execution by AES Panamá and the Trustee, but will provide that the Proposed Amendments will become operative only upon AES Panamá's purchase, pursuant to the Tender Offer, of more than a majority of the aggregate principal amount of the outstanding Notes (excluding any Notes owned by AES Panamá or any of its affiliates). Otherwise, the Indenture will remain in effect in its current form.

Each Holder should read the discussion under "Proposed Amendments."

Proposed Amendments The Proposed Amendments would eliminate most of the covenants and certain events of default applicable to the Notes. For additional information related to the Proposed Amendments, see "Proposed Amendments—Description of Proposed Amendments to the Indenture" and Annex A to this Statement. The Proposed Amendments will be contained in the Supplemental Indenture, a form of which is set forth in Annex A to this Statement. The Proposed Amendments will not become operative unless and until at least a majority of the aggregate principal amount of the outstanding Notes (excluding any Notes owned by AES Panamá or any of its affiliates) is purchased by AES Panamá pursuant to the Tender Offer (although the Supplemental Indenture will be executed promptly following the Consent Expiration Time).

Effect of Proposed
Amendments on

Unpurchased Notes Notes not tendered or otherwise not purchased pursuant to the Tender Offer will remain outstanding immediately after the consummation of the Tender Offer. If the Requisite Consents are obtained and the Proposed Amendments become operative, any Notes that are not purchased pursuant to the Tender Offer will no longer have the benefit of most of the covenants and certain events of default formerly applicable to such Notes. See "Certain Significant Consequences—Effect of the Proposed Amendments on Unpurchased Notes." If the Tender Offer is consummated, the aggregate principal amount of the Notes that remain outstanding after the consummation of the Tender Offer will be reduced. This reduction may adversely affect the liquidity of and, consequently, the market price for the Notes that remain outstanding after the consummation of the Tender Offer. See "Certain Significant Consequences."

How to Tender Notes and Deliver Consents.....

Any beneficial owner desiring to tender Notes, and thereby deliver consent to the Proposed Amendments, pursuant to the Tender Offer should request such beneficial owner's custodian or nominee to effect the transaction for such beneficial owner. Participants in DTC may electronically transmit their acceptance of the Tender Offer by causing DTC to transfer DTC Notes to the Information and Tender Agent in accordance with DTC's ATOP procedures for transfers. See "Terms of the Tender Offer and the Consent Solicitation—Procedure for Tendering Notes and Delivering Consents—Tender of DTC Notes Held in Book-Entry Form." Participants in the European Clearing Systems may electronically transmit their acceptance of the Tender Offer by causing the relevant European Clearing System to block the Euronotes in accordance with an electronic tender instruction, as per the customary procedures in place at each European Clearing System. See "Terms of the Tender Offer and the Consent Solicitation—Procedure for Tendering Notes and Delivering Consents—Tender of Euronotes Held in Book-Entry Form."

For further information, call the Information Agent or the Dealer Managers and Solicitation Agents at the telephone numbers set forth on the back cover of this Statement or consult your broker, dealer, custodian bank, depository, trust company or other nominee for assistance.

Purpose of the Tender Offer and the Consent Solicitation.....

The purpose of the Tender Offer is to improve AES Panamá's capital structure by acquiring any and all of its outstanding Notes which will effectively be replaced by the New Financing, and the Consent Solicitation is intended to eliminate most of the covenants and certain events of default applicable to the Notes. See "Purpose of the Tender Offer and the Consent Solicitation."

Conditions to the Tender Offer and the Consent Solicitation.....

AES Panamá's obligation to accept for purchase, and to pay the Total Consideration or Tender Offer Consideration, as the case may be, for Notes validly tendered and not validly withdrawn pursuant to the Tender Offer, is conditioned upon satisfaction or waiver of the General Conditions, the Financing Condition and the Supplemental Indenture Condition (each as defined under "Terms of the Tender Offer and the Consent Solicitation—Conditions to the Tender Offer and the Consent Solicitation"). AES Panamá reserves the right to waive any and all conditions to the Tender Offer and the Consent Solicitation. See "Terms of the Tender Offer and the Consent Solicitation—Conditions to the Tender Offer and the Consent Solicitation."

Source of Funds.....

The Total Consideration, accrued interest and the costs and expenses of the Tender Offer and the Consent Solicitation are expected to be paid with available cash and funds provided by the Financing Transaction. See "Terms of the Tender Offer and the Consent Solicitation—Conditions to the Tender Offer and the Consent Solicitation."

Certain U.S. Federal Income Tax Consequences

The receipt of the Tender Offer Consideration and the Consent Payment will generally be a taxable transaction for U.S. federal income tax purposes. For a summary of the U.S. federal income tax consequences of the Tender Offer and the Consent Solicitation, see "Certain United States Federal Income Tax Consequences." However, each Holder is urged to seek advice from such Holder's own independent tax advisor about the U.S. federal income tax consequences of the Tender Offer and the Consent as they apply to such Holder's individual circumstances.

Brokerage Commissions..... No brokerage commissions are payable by Holders to the Dealer Managers and Solicitation Agents, the Information and Tender Agent or the Trustee, in their respective roles thereas, or AES Panamá.

Dealer Managers and
Solicitation Agents Banco General, S.A. and Deutsche Bank Securities Inc.

Information and Tender
Agent D. F. King & Co., Inc.

Further Information Questions may be directed to the Dealer Managers and Solicitation Agents or the Information Agent, and additional copies of this Statement and the Letter of Transmittal may be obtained by contacting the Information Agent, at their telephone numbers and addresses set forth on the back cover of this Statement.

INCORPORATION BY REFERENCE

AES Panamá is “incorporating by reference” certain information in this Statement, which means that AES Panamá is disclosing important information to you by referring you to those documents. AES Panamá incorporates by reference into this Statement, the documents listed below, each as filed with the Bolsa de Valores de Panama, S.A. (the “Panama Stock Exchange”) and made available at <http://www.panabolsa.com/en/emisor/aesp/>, and as may be amended or supplemented from time to time. Such documents form an integral part of this Statement:

- AES Panamá’s annual report on Form IN-A for the years ended December 31, 2014 and December 31, 2013 with the independent auditor’s report (the “Annual Report”) ; and
- AES Panamá’s quarterly report on Form IN-T for the quarterly period ended on March 31, 2015 (the “Quarterly Report”).

English language translations of the documents incorporated by reference into this Statement may be obtained at no cost at:

- <http://www.aesPanama.com/uploads/userfiles/file/EF/Anuales/311213%20EF%20AES%20Panama%20US%20GAAP%20Ingl%C3%A9s%20Emitido.pdf>, with respect to the Annual Report; and
- <http://www.aesPanama.com/quarterly-financial-statements.html>, with respect to the Quarterly Report.

Except where otherwise expressly specified herein, information on the websites of AES Panamá and of the Panama Stock Exchange are not part of the Tender Offer or the Consent Solicitation and are not incorporated by reference in this Statement.

Copies of each of the documents incorporated by reference into this Statement may also be obtained at no cost, by contacting the Information Agent at its telephone number set forth on the back cover of this Statement or by writing or calling AES Panamá at the following address and telephone number:

AES Panamá, S.R.L.
Business Park II, Tower V, 11th Floor
Paseo Roberto Motta, Costa del Este
Panama City, Republic of Panama
Phone: +507 206 2600

The Information Agent or AES Panamá will also provide without charge to each Holder of Notes to whom this Statement and the Letter of Transmittal and related documents are delivered, upon request of such person, a copy of the Indenture and of any information incorporated by reference.

Any statement contained in this Statement or in a document (or part thereof) incorporated or considered to be incorporated by reference in this Statement shall be considered to be modified or superseded for purposes of this Statement to the extent that a statement contained in this Statement or in any other subsequently filed document (or part thereof) which is or is considered to be incorporated by reference in this Statement modifies or supersedes that statement. **The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. Any statement so modified or superseded shall not be considered, except as so modified or superseded, to constitute part of this Statement.**

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This Statement and the documents incorporated by reference herein contain statements that AES Panamá believes are, or may be considered to be, “forward-looking statements,” as defined in Section 27A of the U.S. Securities Act of 1933, as amended (the Securities Act”) and Section 21E of the U.S. Securities Exchange Act (the

“Exchange Act”), relating to AES Panamá’s business. These statements are subject to change and uncertainty, which are, in many instances, beyond AES Panamá’s control and have been made based upon management’s current expectations, estimates and projections. Words such as “believes,” “expects,” “intends,” “plans,” “projects,” “estimates,” “anticipates” and similar words and expressions are used to identify such forward-looking statements. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict. Forward-looking statements are only AES Panamá’s current expectations and are based on its management’s belief and assumptions and on information currently available to its management. Therefore, actual outcomes and results may differ materially from these expressed or implied in such forward-looking statements.

Forward-looking statements speak only as of the date they are made, and AES Panamá does not undertake any obligation to update them in light of new information or future developments or to release publicly any revisions to these statements in order to reflect later events or circumstances or to reflect the occurrence of unanticipated events. Holders should consider these cautionary statements together with any written or oral forward-looking statements that AES Panamá may issue in the future.

THE COMPANY

We are the largest electricity generation company in Panama both in terms of installed capacity and average energy dispatched, as well as the largest privately controlled hydro generation company in Central America, based on information provided by the CND. Our total assets as of March 31, 2015 were U.S.\$617.1 million. Our electricity sales for the year ended December 31, 2014 were U.S.\$261.8 million, which consisted of U.S.\$224.3 million from sales under PPAs and U.S.\$37.5 million from spot market sales and regional exports and, for the three months ended March 31, 2015, were U.S.\$59.3 million, which consisted of U.S.\$53.1 million from sales under PPAs and U.S.\$6.2 million from spot market sales.

We derive substantially all of our revenues from the sale of electricity through firm capacity and energy supply agreements, spot market sales and regional market sales. Our principal customers are Panama’s three energy distribution companies, Elektra Noreste, S.A., Empresa de Distribución Eléctrica Metro-Oeste, S.A. and Empresa de Distribución Eléctrica Chiriquí, S.A. (the “Distribution Companies”), which represented approximately 78% of our total electricity sales in 2014. Our remaining electricity sales were divided among Large Customer (13%) and spot market sales and regional exports (9%). As of March 31, 2015, our installed capacity was 554 MW, which represented 19.3% of the total installed capacity in Panama, according to information provided by the CND, and our firm capacity was 373.6 MW. In the three months ended March 31, 2015, we supplied 543.2GWh of energy to the market, including the energy supplied by the Changuinola plant pursuant to our physical contract with AES Changuinola.

Our electricity generation facilities are composed of five geographically diverse facilities (four hydroelectric plants and one thermal plant) that contain 16 generation units located in eastern and western Panama. The majority of Panama’s hydroelectric resources are located in the western region of Panama, where rainfall tends to be highest, although the highest demand for energy is in the eastern region of the country at the main population center of Panama City. We believe that the location of our plants in different hydrology regions and the increasing diversity of our generation systems help mitigate the impact on our business of weather-related volatility as well as of potential transmission constraints.

AES Energy, our managing shareholder, is owned by the AES Corporation (NYSE: AES) a Fortune 200 global power company that provides affordable, sustainable energy to 18 countries on three continents (America, Asia and Europe), through a diverse portfolio of distribution businesses as well as thermal and renewable generation facilities.

Corporate Information

Our principal executive offices are located at Ave. La Rotonda, Business Park II, Torre V, Piso 11, Panama City, Panama. Our telephone number is +507 206 2600. AES Panamá is registered in jacket 340437, reel 57983, frame 20 of the Mercantile Section of the Public Registry of Panama. Our website is <http://www.aesPanama.com/>. Information on our website is not part of the Tender Offer or the Consent Solicitation and is not incorporated in this Statement.

PURPOSE OF THE TENDER OFFER AND THE CONSENT SOLICITATION

AES Panamá's objective is to improve its capital position by acquiring any and all of its outstanding Notes which will be effectively replaced by the New Financing issued in the Financing Transaction, whether pursuant to the Tender Offer or in connection with any redemption of any Notes outstanding after the consummation of the Tender Offer. The Consent Solicitation is intended to eliminate most of the covenants and certain events of default applicable to the Notes.

SOURCE OF FUNDS

AES Panamá expects to use the net cash proceeds from one or more debt financing transactions, including potential debt securities offerings, to provide the total amount of funds required to purchase the Notes pursuant to the Tender Offer, to pay the Consent Payment pursuant to the Consent Solicitation and to pay all related fees and expenses in connection therewith.

TERMS OF THE TENDER OFFER AND THE CONSENT SOLICITATION

General

Upon the terms and subject to the conditions set forth in this Statement and in the Letter of Transmittal and any supplements or amendments hereto or thereto, AES Panamá hereby offers to purchase for cash any and all outstanding Notes for the Total Consideration or Tender Offer Consideration, as the case may be, payable on the applicable Settlement Date.

Subject to the terms and conditions of the Tender Offer and the Consent Solicitation, Holders that validly tender and do not validly withdraw their Notes and validly deliver and do not validly revoke their consents to the Proposed Amendments before the Consent Expiration Time will be eligible to receive the Total Consideration, plus accrued and unpaid interest from the last interest payment date for the Notes to, but not including, the Initial Settlement Date. Subject to the terms and conditions of the Tender Offer and the Consent Solicitation, Holders that validly tender their Notes after the Consent Expiration Time and before the Expiration Time will be eligible to receive the Tender Offer Consideration, plus accrued and unpaid interest from the last interest payment date for the Notes to, but not including, the Final Settlement Date, but such Holders will not be eligible to receive the Consent Payment. Only Notes that are validly tendered in accordance with the procedures set forth herein before the Expiration Time will, upon the terms and subject to the conditions hereof, be eligible for acceptance by AES Panamá. If so accepted, payment will be made therefor on (i) the Initial Settlement Date, which will be the business day that AES Panamá selects following both the Consent Expiration Time and the satisfaction or waiver of the conditions to the Tender Offer and the Consent Solicitation, and which is expected to be June 25, 2015, or (ii) the Final Settlement Date, which is expected to be the business day following the Expiration Time, as applicable. No such payments will be made with respect to the Notes if the Tender Offer is terminated. All conditions to the Tender Offer and the Consent Solicitation, including the General Conditions, the Financing Condition and the Supplemental Indenture Condition, must be either satisfied or waived by AES Panamá prior to or concurrently with the expiration of the Tender Offer at the Expiration Time.

In the event of any dispute or controversy regarding the Total Consideration, the Tender Offer Consideration or the amount of accrued interest for Notes tendered pursuant to the Tender Offer, AES Panamá's determination shall be conclusive and binding, absent manifest error.

Except as set forth below and as required by applicable law, Notes tendered and consents delivered prior to the Withdrawal Deadline may only be withdrawn or revoked, in writing, prior to the Withdrawal Deadline. Notes tendered after the Withdrawal Deadline and prior to the Expiration Time may not be withdrawn. In the event of a termination of the Tender Offer with respect to the Notes, all Notes tendered pursuant to the Tender Offer will be promptly returned to the tendering Holders. AES Panamá or its affiliates may seek to acquire any Notes that remain outstanding following termination or expiration of the Tender Offer, through open market purchases, privately negotiated transactions, tender offers, exchange offers or otherwise, upon such terms and at such prices as they may determine, which may be more or less than the price to be paid pursuant to the Tender Offer and could be for cash or other consideration.

The Tender Offer is contingent upon the tender by Holders of at least a majority of the aggregate principal amount of the outstanding Notes (the “Requisite Consent”). AES Panamá’s obligation to accept and pay for Notes validly tendered pursuant to the Tender Offer is also conditioned upon satisfaction or waiver of certain conditions as set forth under “Terms of the Tender Offer and the Consent Solicitation—Conditions to the Tender Offer and the Consent Solicitation.” Pursuant to the securities law of Panama, the effectiveness of any amendment to the Indenture, including the Supplemental Indenture which contains the Proposed Amendments, is conditioned upon obtaining the Requisite Consent and the registration of such amendment with the Superintendency of the Securities Markets of the Republic of Panama (“SMV”). The Tender Offer is contingent upon the Supplemental Indenture being registered with the SMV. **Subject to applicable securities laws and the terms set forth in this Statement, with respect to the Notes, AES Panamá reserves the right (i) to waive or modify in whole or in part any and all conditions to the Tender Offer and the Consent Solicitation, (ii) to extend the Consent Expiration Time or the Expiration Time or the Withdrawal Deadline, (iii) to modify or terminate the Tender Offer or the Consent Solicitation, or (iv) otherwise to amend the Tender Offer or the Consent Solicitation in any respect.** The rights reserved by AES Panamá in this paragraph are in addition to AES Panamá’s rights to terminate the Tender Offer and the Consent Solicitation described in “Terms of the Tender Offer and the Consent Solicitation—Conditions to the Tender Offer and the Consent Solicitation.”

If AES Panamá modifies the Total Consideration or the Tender Offer Consideration with respect to the Notes, it will announce that fact and extend the Tender Offer with respect to the Notes, if necessary and as applicable, so that the Tender Offer remains open for at least ten business days from and including the date of announcement of that change.

Any extension or amendment of the Consent Expiration Time or the Expiration Time with respect to the Notes will be followed by public announcement thereof no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled Consent Expiration Time or Expiration Time, as the case may be. Without limiting the manner in which any public announcement may be made, AES Panamá shall have no obligation to publish, advertise or otherwise communicate any such public announcement other than by issuing a press release to *PRNewswire* or *Business Wire*.

If AES Panamá makes a material change in the terms of the Tender Offer or the Consent Solicitation or the information concerning the Tender Offer or the Consent Solicitation, with respect to the Notes, AES Panamá will disseminate additional offering materials and extend the Tender Offer to the extent required by law. If any such material change occurs after the Consent Expiration Time, AES Panamá may decline to execute the Supplemental Indenture, and AES Panamá may solicit consents for a revised Supplemental Indenture.

AES Panamá also reserves the right to terminate the Tender Offer or the Consent Solicitation if any condition of the Tender Offer or the Consent Solicitation is not satisfied or for any other reason as determined by AES Panamá in its sole discretion. In the event that the Tender Offer and the Consent Solicitation are terminated or otherwise not completed, the Tender Offer Consideration and Consent Payment will not be paid or become payable, and the Indenture will remain in its current form.

In the event of a termination of the Tender Offer with respect to the Notes, all Notes tendered pursuant to the Offer will be promptly returned to the tendering Holders. AES Panamá reserves the right to acquire any Notes that remain outstanding after the Expiration Time, through open market or privately negotiated transactions, one or more additional tender offers, through its right to redeem Notes under, and as set forth in, the Indenture, or otherwise, upon such terms and at such prices as AES Panamá may determine, which may be more or less than the prices to be paid pursuant to the Tender Offer or in a redemption.

No Recommendation

None of AES Panamá, its board of directors, the Trustee, the Information and Tender Agent, the Dealer Managers and Solicitation Agents or any of their respective affiliates makes any recommendation as to whether Holders should tender, or refrain from tendering, all or any portion of the principal amount of their Notes pursuant to the Tender Offer or deliver, or refrain from delivering, their consent to the Proposed Amendments. Holders must make their own decisions with regard to tendering Notes and delivering consents, and no one has been authorized by

any of the aforementioned parties to make such a recommendation. Holders must make their own decisions as to whether to tender Notes, and, if so, the principal amount of Notes to tender.

Acceptance for Payment and Payment for Notes

Upon the terms and subject to the conditions of the Tender Offer and the Consent Solicitation (including, if the Consent Expiration Time or the Expiration Time with respect to the Notes is extended or amended, the terms and conditions of any such extension or amendment) and applicable law, AES Panamá will purchase and promptly pay for any and all Notes that are validly tendered pursuant to the Tender Offer and accepted by AES Panamá for purchase. For purposes of the Tender Offer, tendered Notes will be deemed to have been accepted for purchase, if, as and when AES Panamá gives oral or written notice thereof to the Information and Tender Agent. AES Panamá intends to accept Notes that have been validly tendered and not validly withdrawn pursuant to the Tender Offer promptly, following the Consent Expiration Time or the Expiration Time, as the case may be. Payment for Notes accepted for purchase shall be made on the applicable Settlement Date by the deposit of the aggregate Total Consideration or the aggregate Tender Offer Consideration, as the case may be, plus accrued and unpaid interest from the last interest payment date for the Notes to, but not including, the applicable Settlement Date in immediately available funds with DTC and the relevant European Clearing Systems, for further distribution to the relevant Holders. Under no circumstances will interest on the Total Consideration or Tender Offer Consideration, as the case may be, be paid by AES Panamá by reason of any delay on the part of the Information and Tender Agent, DTC, the European Clearing Systems or any other party in making payment to Holders.

AES Panamá expressly reserves the right, in its sole discretion and subject to Rule 14e-1(c) under the Exchange Act, to delay acceptance for purchase of or payment for Notes in order to comply, in whole or in part, with any applicable law. See “Terms of the Tender Offer and the Consent Solicitation—Conditions to the Tender Offer and the Consent Solicitation.” In all cases, payment by the DTC and the European Clearing Systems to Holders or beneficial owners of the Total Consideration or Tender Offer Consideration, as the case may be, for Notes purchased pursuant to the Tender Offer will be made only after receipt by the Information and Tender Agent of (i) a timely confirmation of a book-entry transfer of such Notes into the Information and Tender Agent’s account at DTC, and, with respect to Euronotes a confirmation of the European Clearing Systems of the final amounts of Notes blocked at each European Clearing Systems in connection with the Tender Offer, pursuant to the procedures set forth under “Terms of the Tender Offer and the Consent Solicitation—Procedure for Tendering Notes and Delivering Consents,” (ii) with respect to DTC Notes only, a properly completed and duly executed Letter of Transmittal (or manually signed facsimile thereof) or a properly transmitted Agent’s Message (as defined below) through ATOP, and (iii) any other documents required by the Letter of Transmittal.

Tendering Holders will not be obligated to pay brokerage fees or commissions to the Dealer Managers and Solicitation Agents, the Information and Tender Agent or the Trustee in their roles thereas or AES Panamá. Holders of Notes held by a broker, dealer, commercial bank, trust company or other nominee should contact that nominee to ascertain if such nominee will charge a service fee in connection with tendering such Notes.

AES Panamá will pay or cause to be paid all transfer taxes with respect to the purchase of any Notes unless, with respect to DTC Notes only, the box titled “Special Payment Instructions” or the box titled “Special Delivery Instructions” on the Letter of Transmittal has been completed, as described in the Instructions thereto. If payment is to be made to, or if Notes not tendered or purchased are to be registered in the name of or delivered to, any persons other than the registered owners, or if tendered Notes are registered in the name of any persons other than the persons signing the Letter of Transmittal, the amount of any transfer taxes (whether imposed on the registered Holder or such other person) payable on account of the transfer to such other person will be deducted from the payment unless satisfactory evidence of the payment of such taxes or exemption therefrom is submitted.

AES Panamá reserves the right to transfer or assign, in whole at any time or in part from time to time, to one or more affiliates, the right to purchase Notes tendered pursuant to the Tender Offer, but any such transfer or assignment will not relieve AES Panamá of its obligations under the Tender Offer or prejudice the rights of tendering Holders to receive payment of the Total Consideration or Tender Offer Consideration, as the case may be, for Notes validly tendered pursuant to the Tender Offer and accepted for purchase by AES Panamá.

Procedure for Tendering Notes and Delivering Consents

The tender of Notes pursuant to the Tender Offer and in accordance with the procedures described below will constitute a valid tender of Notes and will also be deemed to constitute delivery of a consent to the Proposed Amendments and to the execution and delivery of the Supplemental Indenture. No further action is required by a Holder to deliver a consent to the Proposed Amendments and to the execution and delivery of the Supplemental Indenture. Holders who tender their Notes pursuant to the Tender Offer are obligated to deliver their consents to the Proposed Amendments and to the execution and delivery of the Supplemental Indenture. Holders may not deliver consents without tendering their Notes pursuant to the Tender Offer. Any reference to the tender or delivery of Notes below shall also be deemed to refer to the delivery of consents to the Proposed Amendments and to the execution and delivery of the Supplemental Indenture. In the Tender Offer, the Proposed Amendments are being presented as one proposal and, consequently, the delivery of a consent by a Holder will constitute a consent to all of the Proposed Amendments with respect to each Note tendered by a tendering Holder.

Holders will not be eligible to receive the Total Consideration unless they tender their Notes pursuant to the Tender Offer prior to the Consent Expiration Time. Holders who validly tender and do not validly withdraw their Notes after the Consent Expiration Time and prior to the Expiration Time will be eligible to receive only the Tender Offer Consideration and not the Consent Payment. All Holders whose Notes are purchased pursuant to the Tender Offer will also receive accrued and unpaid interest from the last interest payment date for the Notes to, but not including, the applicable Settlement Date.

Tenders of Notes pursuant to the Tender Offer (and the corresponding consents to the Proposed Amendments) will be accepted only in minimum denominations of \$10,000 and integral multiples of \$1,000 in excess thereof. The method of delivery of Notes and the Letter of Transmittal, any required signature guarantees and all other required documents, including delivery through DTC or the European Clearing System, as the case may be, and any acceptance of an Agent's Message transmitted through ATOP, or an electronic tender instruction through the European Clearing Systems, as the case may be, is at the election and risk of the Holder tendering Notes and delivering the Letter of Transmittal or transmitting an Agent's Message or electronic tender instruction, as the case may be, and, except as otherwise provided in the Letter of Transmittal, delivery will be deemed made only when actually received by the Information and Tender Agent. If delivery is by mail, it is suggested that the Holder use properly insured, registered mail with return receipt requested, and that the mailing be made sufficiently in advance of the Consent Expiration Time or the Expiration Time, as applicable, to permit delivery to the Information and Tender Agent on or prior to such date. With respect to the DTC Notes only, manually signed facsimile copies of the Letter of Transmittal, properly completed and duly executed, will be accepted. **No alternative, conditional or contingent tender of Notes will be accepted. In no event shall the Holder send any Notes to the Dealer Managers and Solicitation Agents, the Information Agent or AES Panamá.**

Tender of DTC Notes Held in Book-Entry Form. For a tender of DTC Notes held of record by DTC to be valid and for a Holder to be eligible to receive payment for DTC Notes that are tendered, the DTC Notes must be delivered to the Information and Tender Agent pursuant to the book-entry delivery procedures described below; and either

- the Information and Tender Agent must receive from the DTC participant in whose account the DTC Notes are held at DTC, at the address of the Information and Tender Agent set forth on the back cover of this Statement, a properly completed and duly executed Letter of Transmittal (or a manually signed facsimile thereof); or
- an acceptance of the Tender Offer must be transmitted to the Information and Tender Agent in accordance with DTC's ATOP procedures,

in each case prior to the Consent Expiration Time or the Expiration Time, as the case may be.

A beneficial owner of DTC Notes held through a custodian or nominee that is a direct or indirect DTC participant, such as bank, broker, trust company or other financial intermediary, must instruct the custodian or nominee to tender the beneficial owner's Note on behalf of the beneficial owner.

The Information and Tender Agent and DTC have confirmed that the Tender Offer is eligible for ATOP. Accordingly, DTC participants may electronically transmit their acceptance of the Tender Offer by causing DTC to transfer DTC Notes to the Information and Tender Agent in accordance with DTC's ATOP procedures for transfer. DTC will then send an Agent's Message to the Information and Tender Agent. Holders using ATOP must allow sufficient time for completion of the ATOP procedures during normal business hours of DTC at or prior to the Consent Expiration Time or the Expiration Time, as the case may be. If the ATOP procedures are used, the DTC participant in whose account the Notes are held at DTC need not complete and physically deliver the Letter of Transmittal to the Information and Tender Agent. Holders whose Notes are held through the European Clearing Systems, either as direct or indirect participants, must transmit their acceptance in accordance with the requirements of Clearstream and Euroclear in sufficient time for such tenders to be timely made prior to the Consent Expiration Time or the Expiration Time, as the case may be. Holders should note that such clearing systems may require that action be taken a day or more prior to the Consent Expiration Time or the Expiration Time, as the case may be. See "Tender of Euronotes Held in Book-Entry Form" below.

The term "Agent's Message" means a message transmitted by DTC, received by the Information and Tender Agent and forming part of the Book-Entry Confirmation (as defined below), which states that DTC has received an express acknowledgment from the DTC participant tendering DTC Notes that are the subject of such Book-Entry Confirmation that such DTC participant has received and agrees to be bound by the terms of this Statement and the Letter of Transmittal and that AES Panamá may enforce such agreement against such DTC participant.

Tender of Euronotes Held in Book-Entry Form. To tender Euronotes by electronic tender instruction, as set forth below, a Holder should either (1) contact Euroclear or Clearstream for participation procedures and deadlines regarding the submission of an electronic tender instruction to authorize the tendering of Euronotes, delivery of the related consents and the blocking of the relevant Euronotes in the relevant accounts of the European Clearing System (an "electronic tender instruction"); or (2) in case of Holders that are not direct participants of the European Clearing Systems, request such Holder's broker, dealer, bank, trust company or other nominee to effect the submission of an electronic tender instruction to authorize the tendering of Euronotes, delivery of the related consents and the blocking of the relevant Euronotes in the relevant accounts of the European Clearing System for such Holder. Holders whose Euronotes are held on their behalf by a broker, dealer, bank, trust company or other nominee must contact such entity if they desire to tender their Euronotes pursuant to the Tender Offer and deliver the related consents.

The receipt of an electronic tender instruction by Euroclear or Clearstream may be acknowledged in accordance with the standard practices of Euroclear or Clearstream, as applicable. For the avoidance of doubt, any such acknowledgement does not constitute an acceptance of the tender by or on behalf of AES Panamá.

Euronotes held in book-entry form through Euroclear or Clearstream must be tendered through Euroclear or Clearstream, as applicable. The participant through which such Euronotes are held on the records of Euroclear or Clearstream must submit an electronic tender instruction to Euroclear or Clearstream to authorize the tender of the Euronotes, delivery of the related consents and the blocking of the relevant Euronotes in the relevant account in Euroclear or Clearstream in which such Euronotes are credited. The tender of such Euronotes and delivery of consents through Euroclear or Clearstream will be deemed to have occurred upon receipt by the applicable European Clearing System of a valid electronic acceptance instruction in accordance with the requirements of such European Clearing System at or prior to the Consent Expiration Date or the Expiration Date, as the case may be. The receipt of such electronic tender instruction by the applicable European Clearing System will be acknowledged in accordance with the standard practices of such European Clearing System and will result in the blocking of such Euronotes in the relevant account of that European Clearing System so that no transfers may be effected in relation to such Euronotes. By blocking such Euronotes in the relevant European Clearing System, the Holder thereof will be deemed to consent to have the relevant European Clearing System provide details concerning such Holder's identity to the Information and Tender Agent, including the account name and number through which Euronotes are held.

Each Holder submitting an electronic tender instruction must ensure that Euroclear or Clearstream, as the case may be, is authorized to block the account(s) in which the tendered Euronotes are held so that no transfers may be effected in relation to such Euronotes at any time from and including the date on which the Holder submits its electronic tender instruction. Euronotes should be blocked in accordance with the procedures of the relevant European Clearing System and the deadlines required by the relevant European Clearing System. We and the Information and Tender Agent shall be entitled to accept submission of an electronic tender instruction as deemed confirmation that such Euronotes have been so blocked. The Information and Tender Agent shall require the relevant European Clearing System to confirm that such Euronotes have been blocked with effect from the date of submission of the electronic tender instruction, as per the customary procedures in place at each European Clearing System (a "European Book-Entry Confirmation"). In the event that the relevant European Clearing System fails to do so, the Information and Tender Agent shall inform AES Panamá who shall be entitled, but not obliged, to reject the electronic tender instruction.

Beneficial owners of Euronotes who are not direct participants in a European Clearing System must contact their broker, dealer, bank, custodian, trust company or other nominee to arrange for their direct participant in the European Clearing System through which they hold Euronotes to submit a valid electronic tender instruction to the relevant European Clearing System at or prior to the Expiration Date. The beneficial owners of Euronotes that are held in the name of a broker, dealer, bank, custodian, trust company or other nominee or custodian should contact such entity sufficiently in advance of the Consent Expiration Date if they wish to tender Euronotes and deliver the related consents and be eligible to receive the Total Consideration, or sufficiently in advance of the Expiration Date if they wish to tender Euronotes and deliver the related consents and be eligible to receive the Tender Offer Consideration, as the case may be, and procure that the Euronotes are blocked in accordance with the normal procedures of the relevant European Clearing System and the deadlines imposed by such European Clearing System.

Holders should note that the deadlines set by Euroclear or Clearstream for the submission of electronic tender instructions to such European Clearing System may be earlier than the relevant deadlines specified in this Statement. Accordingly, Holders desiring to tender their Euronotes and deliver the related consents at or prior to the Expiration Date must allow sufficient time for the completion of the electronic tender instruction at or prior to such date.

By submitting a valid electronic tender instruction to Euroclear or Clearstream, the Holder, or a participant on behalf of the Holder, will have agreed to be bound by the terms and subject to the conditions set forth in this Statement and in the Letter of Transmittal, and AES Panamá may enforce such agreement against the Holder and/or its participant.

Tender of DTC Notes Held in Physical Form. For a Holder to validly tender DTC Notes held in physical form pursuant to the Tender Offer, a properly completed and validly executed Letter of Transmittal (or a manually signed facsimile thereof), together with any signature guarantees and any other documents required by the Instructions to the Letter of Transmittal, must be received by the Information and Tender Agent at its address set forth on the back cover of this Statement and either certificates for tendered DTC Notes must be received by the Information and Tender Agent at such address or such DTC Notes must be transferred pursuant to the procedures for book-entry transfer described above and a confirmation of such book-entry transfer must be received by the Information and Tender Agent, in either case, prior to the Expiration Time.

THE LETTER OF TRANSMITTAL AND DTC NOTES SHOULD BE SENT ONLY TO THE INFORMATION AND TENDER AGENT, AND NOT TO AES PANAMÁ, THE DEALER MANAGERS AND SOLICITATION AGENTS OR TO ANY BOOK-ENTRY TRANSFER FACILITY.

THE METHOD OF DELIVERY OF DTC NOTES AND THE LETTER OF TRANSMITTAL, ANY REQUIRED SIGNATURE GUARANTEES AND ALL OTHER REQUIRED DOCUMENTS TO THE INFORMATION AND TENDER AGENT IS AT THE ELECTION AND RISK OF THE HOLDER TENDERING DTC NOTES. DELIVERY OF SUCH DOCUMENTS WILL BE DEEMED MADE ONLY WHEN ACTUALLY RECEIVED BY THE INFORMATION AND TENDER AGENT. IF SUCH DELIVERY IS BY MAIL, IT IS SUGGESTED THAT THE HOLDER USE PROPERLY INSURED, REGISTERED MAIL WITH RETURN RECEIPT REQUESTED, AND THAT THE MAILING BE MADE SUFFICIENTLY IN ADVANCE OF THE CONSENT EXPIRATION TIME OR THE EXPIRATION TIME,

AS THE CASE MAY BE, TO PERMIT DELIVERY TO THE INFORMATION AND TENDER AGENT ON OR PRIOR TO SUCH DATE. NO ALTERNATIVE, CONDITIONAL OR CONTINGENT TENDERS OF DTC NOTES WILL BE ACCEPTED.

Signature Guarantees. Signatures on the Letter of Transmittal must be guaranteed by a firm that is a participant in the Security Transfer Agents Medallion Program, the New York Stock Exchange Medallion Signature Program or the Stock Exchange Medallion Program (a “Medallion Signature Guarantor”) (generally a member of a registered national securities exchange, a member of the Financial Industry Regulatory Authority, or a commercial bank or trust company having an office in the United States) (an “Eligible Institution”), unless (a) the Letter of Transmittal is signed by the registered Holder of the DTC Notes tendered therewith (or by a participant in DTC whose name appears on a security position listing it as the owner of such Notes) and payment of the Total Consideration or Tender Offer Consideration, as the case may be, is to be made, or if any Notes for principal amounts not tendered or not accepted for purchase are to be issued, directly to such Holder (or, if tendered by a participant in DTC, any DTC Notes for principal amounts not tendered or not accepted for purchase are to be credited to such participant’s account at DTC) and neither the “Special Payment Instructions” box nor the “Special Delivery Instructions” box on the Letter of Transmittal has been completed, or (b) such DTC Notes are tendered for the account of an Eligible Institution.

Book-Entry Transfer. The Information and Tender Agent will establish a new account with respect to the DTC Notes (DTC being a Book-Entry Transfer Facility) for purposes of the Tender Offer promptly following the date of this Statement (to the extent such arrangements have not been made previously by the Information and Tender Agent), and any financial institution that is a participant in DTC and whose name appears on a security position listing as the owner of the DTC Notes may make book-entry delivery of DTC Notes by causing DTC to transfer such DTC Notes into the Information and Tender Agent’s account in accordance with DTC’s procedures for such transfer. Delivery of documents to DTC in accordance with such Book-Entry Transfer Facility’s procedures does not constitute delivery to the Information and Tender Agent. The confirmation of a book-entry transfer of DTC Notes into the Information and Tender Agent’s account at a Book-Entry Transfer Facility as described above, is referred to herein as a “Book-Entry Confirmation.”

No Guaranteed Delivery. AES Panamá does not intend to permit tenders of Notes by guaranteed delivery procedures.

Other Matters. Notwithstanding any other provision hereof, payment for Notes accepted for purchase pursuant to the Tender Offer will in all cases be made only after timely receipt by the Information and Tender Agent of (i) certificates for (or a timely Book-Entry Confirmation or European Book-Entry Confirmation with respect to) such Notes, (ii) with respect to DTC Notes only, a Letter of Transmittal (or a manually signed facsimile thereof), properly completed and duly executed, with any required signature guarantees, or, in the case of a book-entry transfer through DTC, an Agent’s Message, and (iii) any other documents required by the Letter of Transmittal.

Tenders of Notes pursuant to any of the procedures described above, and acceptance thereof by AES Panamá for purchase, will constitute a binding agreement between AES Panamá and the tendering Holder of the Notes, upon the terms and subject to the conditions of the Tender Offer and the Consent Solicitation in effect on the Consent Expiration Time or the Expiration Time, as the case may be.

By executing a Letter of Transmittal or delivering an Agent’s Message or electronic tender instruction, as the case may be, and subject to and effective upon acceptance for purchase of, and payment for, the Notes tendered therewith, a tendering Holder irrevocably sells, assigns and transfers to or upon the order of AES Panamá all right, title and interests in and to all the Notes tendered thereby, delivers consent to the Proposed Amendments and to the execution and delivery of the Supplemental Indenture, waives any and all other rights with respect to the Notes and releases and discharges AES Panamá from any and all claims such Holder may have now, or may have in the future, arising out of, or related to, the Notes, including without limitation any claims that such Holder is entitled to receive additional principal or interest payments with respect to the Notes or to participate in any redemption of the Notes.

All questions as to the form of all documents and the validity (including time of receipt) and acceptance of all tenders of Notes and deliveries of consents will be determined by AES Panamá, in its sole discretion, the determination of which shall be conclusive and binding. Alternative, conditional or contingent tenders of Notes or

deliveries of consents will not be considered valid. AES Panamá reserves the right to reject any or all tenders of Notes and deliveries of consents that are not in proper form or the acceptance of which, in AES Panamá's opinion, would be unlawful. AES Panamá also reserves the right to waive any defects, irregularities or conditions of tender as to particular Notes or delivery of consent as to particular Holders. A waiver of any defect or irregularity with respect to the tender of one Note or delivery of a consent with respect to any particular Holder shall not constitute a waiver of the same or any other defect or irregularity with respect to the tender of any other Note or the delivery of a consent by any other Holder.

Any defect or irregularity in connection with tenders of Notes or deliveries of consents must be cured within such time as AES Panamá determines, unless waived by AES Panamá. Tenders of Notes and deliveries of consents shall not be deemed to have occurred until all defects and irregularities have been waived by AES Panamá or cured. None of AES Panamá, the Dealer Managers and Solicitation Agents, the Information and Tender Agent, the Information Agent or any other person will be under any duty to give notice of any defects or irregularities in tenders of Notes or deliveries of consents or will incur any liability to Holders for failure to give such notice.

Withdrawal of Tenders and Revocation of Consents

Except as set forth below and as required by applicable law, Notes tendered prior to the Withdrawal Deadline may only be withdrawn, in writing, prior to the Withdrawal Deadline and Notes tendered after the Withdrawal Deadline and prior to the Expiration Time may not be withdrawn. Withdrawal of the Notes will be deemed revocation of the related consents to the Proposed Amendments. Consent may not be revoked unless a Holder also withdraws its Notes from the Tender Offer, except that, if a Holder tenders Notes in the Tender Offer and AES Panamá does not purchase such Notes, such consent will also be deemed to be revoked when the Notes are returned to the Holder. **Subject to applicable law, AES Panamá may extend or otherwise amend the Consent Expiration Time or the Expiration Time with respect to the Notes without extending the Withdrawal Deadline or otherwise reinstating withdrawal rights of Holders.** In the event of a termination of the Tender Offer, all Notes tendered pursuant to the Tender Offer will be promptly returned to the tendering Holders.

For a withdrawal of a tender of DTC Notes (and the concurrent revocation of consents) to be effective, a written or facsimile transmission notice of withdrawal, or a properly transmitted "Request Message" through ATOP, must be received by the Information and Tender Agent before the Withdrawal Deadline at its address set forth on the back cover of this Statement. Any such written or facsimile notice of withdrawal must (i) specify the name of the person that tendered the DTC Notes to be withdrawn, (ii) contain the description(s), CUSIP number(s) and the aggregate principal amount of the DTC Notes to be withdrawn and (iii) be signed by the Holder of such DTC Notes in the same manner as the original signature on the Letter of Transmittal by which such DTC Notes were tendered (including any required signature guarantees), if any, or be accompanied by documents of transfer sufficient to have the trustee under the Indenture register the transfer of the DTC Notes into the name of the person withdrawing such DTC Notes. The signature(s) on the notice of withdrawal of any tendered DTC Notes must be guaranteed by a Medallion Signature Guarantor unless the relevant DTC Notes have been tendered for the account of an Eligible Institution. If the DTC Notes to be withdrawn have been delivered or otherwise identified to the Information and Tender Agent, a signed notice of withdrawal is effective immediately upon written or facsimile notice of withdrawal even if physical release is not yet effected by the Information and Tender Agent. Any DTC Notes validly withdrawn will be deemed to be not validly tendered for purposes of the Tender Offer.

For a withdrawal of a tender of Euronotes (and the concurrent revocation of consents) to be effective, a Holder must to revoke their electronic instructions in accordance with the procedures of Euroclear or Clearstream, as applicable, (by submitting an "Electronic Withdrawal Instruction" to Euroclear or Clearstream, as applicable), and a confirmation of such Electronic Withdrawal Instruction must be transmitted by the relevant European Clearing System to the Information and Tender Agent before the Withdrawal Deadline, before any withdrawal would be reflected in accordance with the foregoing procedures.

The receipt of an Electronic Withdrawal Instruction by Euroclear or Clearstream may be acknowledged in accordance with the standard practices of Euroclear or Clearstream, as applicable. For the avoidance of doubt, such acknowledgement does not constitute a confirmation by or on behalf of the Company that a purchase agreement is concluded. None of the Company, the Dealer Manager, the Information and Tender Agent or Euroclear or Clearstream shall accept any responsibility for failure of delivery of any such notice or instruction.

Withdrawals of Notes can be accomplished only in accordance with the foregoing procedures. If a Holder withdraws any Notes, such Holder will have the right to re-tender such Notes prior to the Expiration Time in accordance with the procedures described above for tendering outstanding Notes, but such Holder will not be entitled to the Consent Payment if such Holder re-tenders the Notes after the Consent Expiration Time.

All questions as to the validity (including time of receipt) of notices of withdrawal of tenders or revocation of consents will be determined by AES Panamá in its sole discretion, which determination shall be final and binding. None of AES Panamá, the Information and Tender Agent, the Dealer Managers and Solicitation Agents, the Information Agent, the Trustee or any other person will be under any duty to give notification of any defects or irregularities in any notice of withdrawal of tenders or revocation of consents, or incur any liability for failure to give any such notification.

Changes in Ratings

AES Panamá may from time to time approach the rating agencies in an effort to obtain more favorable ratings, including more favorable ratings for the Notes. More favorable ratings may not be obtained in connection with any such effort, and even if more favorable ratings are obtained, such ratings may not have a favorable impact on the market price at which the Notes trade or increase the market price for the Notes above the Tender Offer Consideration. If the market price for the Notes increases, AES Panamá will have no obligation to make any additional payments in respect of any such increase to Holders who tender their Notes and receive payment for Notes which are accepted all in accordance with the terms of the Tender Offer and the Consent Solicitation.

Conditions to the Tender Offer and the Consent Solicitation

Notwithstanding any other provision of the Tender Offer or the Consent Solicitation, and in addition to (and not in limitation of) AES Panamá's rights to terminate, extend and/or amend any or all of the Tender Offer or the Consent Solicitation with respect to the Notes, in its sole discretion, AES Panamá shall not be required to accept for payment, purchase or pay for, and may delay the acceptance for payment of, any tendered Notes, in each event subject to Rule 14e-1(c) under the Exchange Act, and may terminate any or all of the Tender Offer or the Consent Solicitation, if any of the following has occurred:

The Financing Condition. AES Panamá has not successfully completed one or more debt financing transactions, including potential debt securities offerings, in an amount sufficient to fund the purchase the Notes pursuant to the Tender Offer, to pay the Consent Payment pursuant to the Consent Solicitation and to pay all related fees and expenses in connection therewith (the "Financing Condition").

The Supplemental Indenture Condition. The Supplemental Indenture shall not have been registered with the SMV and executed and delivered in accordance with its terms or shall not have become effective (the "Supplemental Indenture Condition"). Pursuant to the securities law of Panama, the effectiveness of any amendment to the Indenture, including the Supplemental Indenture which contains the Proposed Amendments, is conditioned upon obtaining the Requisite Consent and the registration of such amendment with the SMV. Once the Requisite Consent has been obtained from the Holders of the Notes, AES Panamá will file such Requisite Consent with the SMV along with the Supplemental Indenture executed by AES and the Trustee to complete the registration process. After the Supplemental Indenture has been registered with the SMV, the Supplemental Indenture will become effective, however, in accordance with its terms, the Proposed Amendments will not become operative until AES Panamá purchases at least a majority of the aggregate principal amount of the outstanding Notes in the Tender Offer.

The General Conditions. If any of the following events has occurred (collectively, the "General Conditions"):

- there shall have been instituted, threatened or be pending any action, proceeding or investigation (whether formal or informal) (or there shall have been any material adverse development to any action or proceeding currently instituted, threatened or pending) before or by any court, governmental, regulatory or administrative agency or instrumentality, or by any other person, in

connection with the Tender Offer or the Consent Solicitation that, in the sole judgment of AES Panamá, either (a) is, or is reasonably likely to be, materially adverse to the business, operations, properties, condition (financial or otherwise), assets, liabilities or prospects of AES Panamá, (b) would or might prohibit, prevent, restrict or delay consummation of the Tender Offer or the Proposed Amendments to the Indenture, or (c) would or might materially impair the contemplated benefits of the Tender Offer or the Consent Solicitation to AES Panamá or be material to Holders in deciding whether to accept the Tender Offer and the Consent Solicitation;

- an order, statute, rule, regulation, executive order, stay, decree, judgment or injunction shall have been proposed, enacted, entered, issued, promulgated, enforced or deemed applicable by any court or governmental, regulatory or administrative agency or instrumentality that, in the sole judgment of AES Panamá, either (a) would or might prohibit, prevent, restrict or delay consummation of the Tender Offer or the Consent Solicitation or (b) is, or is reasonably likely to be, materially adverse to the business, operations, properties, condition (financial or otherwise), assets, liabilities or prospects of AES Panamá;
- there shall have occurred or be likely to occur any event affecting the business or financial affairs of AES Panamá and its subsidiaries that, in the sole judgment of AES Panamá, cause any of the effects referred to in clause (a), (b) or (c) in the first bullet above;
- the Trustee shall have objected in any respect to or taken action that could, in the sole judgment of AES Panamá, adversely affect the consummation of the Tender Offer or the Proposed Amendments to the Indenture or shall have taken any action that challenges the validity or effectiveness of the procedures used by AES Panamá in the making of the Tender Offer or the Consent Solicitation or the acceptance of, or payment for, the Notes or acceptance of the Requisite Consents; or
- there has occurred (a) any general suspension of, or limitation on prices for, trading in securities in the United States or Panama securities or financial markets, (b) any significant adverse change in the price of the Notes in the United States, Panama or other major securities or financial markets, (c) a material impairment in the trading market for debt securities, (d) a declaration of a banking moratorium or any suspension of payments in respect to banks in the United States, Panama or other major financial markets, (e) any limitation (whether or not mandatory) by any government or governmental, administrative or regulatory authority or agency, domestic or foreign, or other event that, in the reasonable judgment of AES Panamá, might affect the extension of credit by banks or other lending institutions, (f) a commencement of a war, armed hostilities, terrorist acts or other national or international calamity directly or indirectly involving the United States or Panama, (g) in the case of any of the foregoing existing on the date hereof, a material acceleration or worsening thereof, or (h) any event that has resulted, or may in the sole judgment of AES Panamá result, in a material adverse change in the business, operations, properties, condition (financial or otherwise), assets, liabilities or prospects of AES Panamá and its subsidiaries, taken as a whole.

If the foregoing conditions are satisfied or waived prior to the Initial Settlement Date and such settlement occurs, AES Panamá's obligation to accept for payment, and to pay for, any Notes validly tendered and not validly withdrawn pursuant to the Tender Offer after the Consent Expiration Time but prior to the Expiration Time shall be conditioned only upon satisfaction or waiver of the General Conditions described in the first, second, third and fifth bullet points thereof.

The foregoing conditions are for the sole benefit of AES Panamá and may be asserted by AES Panamá regardless of the circumstances giving rise to any such condition (including any action or inaction by AES Panamá) and may be waived by AES Panamá with respect to the Notes, in whole or in part, at any time and from time to time, in the sole discretion of AES Panamá. All conditions to the Tender Offer and the Consent Solicitation will, if any Notes are to be accepted for purchase promptly following the Consent Expiration Time or the Expiration Time, as the case may be, be either satisfied or waived by AES Panamá concurrently with or before the Consent Expiration Time or the Expiration Time, as the case may be. If any of the conditions are not satisfied at the Consent Expiration

Time or the Expiration Time, as the case may be, AES Panamá may, in its sole discretion and without giving any notice, terminate the Tender Offer and the Consent Solicitation or extend the Tender Offer and the Consent Solicitation and continue to accept tenders and consents. The failure by AES Panamá at any time to exercise any of the foregoing rights will not be deemed a waiver of any other right and each right will be deemed an ongoing right that may be asserted at any time and from time to time.

If the Tender Offer is terminated by AES Panamá, upon notice by AES Panamá to the European Clearing Systems, the tendered Euronotes will be unblocked in the relevant European Clearing System.

OTHER PURCHASES OF NOTES

AES Panamá reserves the right to acquire any Notes that remain outstanding after the Expiration Time, through open market or privately negotiated transactions, one or more additional tender offers, through its right to redeem Notes under, and as set forth in, the Indenture, or otherwise, upon such terms and at such prices as they may determine, which may be more or less than the prices to be paid pursuant to the Tender Offer or in a redemption.

MARKET FOR NOTES

The Notes are listed on the Panama Stock Exchange. Trading prices for the Notes may fluctuate greatly depending on the trading volume and the balance between buy and sell orders. Quotations for securities that are not widely traded may differ from actual trading prices and should be viewed as approximations. Holders are urged to obtain current information with respect to the market price for the Notes.

CERTAIN SIGNIFICANT CONSEQUENCES

In deciding whether to participate in the Tender Offer and the Consent Solicitation, each Holder should consider carefully, in addition to the other information contained in this Statement, the following:

Effect of the Proposed Amendments

If the Tender Offer is consummated and the Proposed Amendments become operative, Holders whose Notes are not purchased pursuant to the Tender Offer for any reason will no longer be entitled to the benefit of most of the restrictive covenants in the Indenture. The elimination of these covenants may permit AES Panamá to take actions that could increase the credit risks faced by the Holders of any Notes that remains outstanding, adversely affect the market price of any Notes that remain outstanding and otherwise be adverse to the interests of the Holders of the Notes that remain outstanding. In addition, certain events of default in the Indenture will be eliminated so that Holders of the Notes that remain outstanding will no longer be able to exercise certain rights currently exercisable upon the occurrence of these events of default, including the right to accelerate payment of the Notes. See “Proposed Amendments—Description of Proposed Amendments to the Indenture” and “Certain United States Federal Income Tax Consequences.”

The Proposed Amendments will not relieve AES Panamá from its obligation to make scheduled payments of principal and accrued interest on any Notes not purchased pursuant to the Tender Offer.

Limited Trading Market

To the extent that Notes are tendered and accepted in the Tender Offer, the trading market for Notes that remain outstanding will become more limited. A bid for a debt security with a smaller outstanding principal amount available for trading (a smaller “float”) may be lower than a bid for a comparable debt security with greater float. Therefore, the market price of any untendered or otherwise unpurchased Notes may be affected adversely to the extent that the Notes tendered and purchased pursuant to the Tender Offer reduce the float. The reduced float may also tend to make the trading price more volatile. Holders of untendered or unpurchased Notes may attempt to obtain quotations for such Notes from their brokers; however, an active trading market may not exist for the Notes following the Tender Offer. The extent of the public market for the Notes following the consummation of the

Tender Offer would depend upon the number of Holders holding Notes remaining at such time, and the interest in maintaining a market in the Notes on the part of securities firms and other factors.

Withdrawal Rights

Notes tendered prior to the Withdrawal Deadline may only be withdrawn, in writing, prior to the Withdrawal Deadline (5:00 p.m., New York City time, on June 17, 2015, unless extended by AES Panamá in its sole discretion). Notes tendered after the Withdrawal Deadline and prior to the Expiration Time may not be withdrawn. AES Panamá is not required to extend the Withdrawal Deadline in connection with any extension of the Consent Expiration Time or the Expiration Time except to the extent required by applicable law. Accordingly, Holders should not tender any Notes that they do not wish to be accepted for purchase.

Subsequent Repurchases of Notes; Redemption

AES Panamá reserves the absolute right, in its sole discretion, from time to time to purchase any Notes that remain outstanding after the Expiration Time through open-market purchases, privately negotiated transactions, tender offers, exchange offers, redemptions or otherwise, upon such terms and at such prices as it may determine (or as may be provided by the terms of the indenture governing the Notes), which may be more or less than the price paid pursuant to the Tender Offer and could be for cash or other consideration. AES Panamá has the right but not the obligation to redeem any Notes that remain outstanding after the Tender Offer when and as permitted under the Indenture, and the selection of any particular redemption date is in its discretion.

PROPOSED AMENDMENTS

Description of Proposed Amendments to the Indenture

AES Panamá is proposing to amend a number of provisions of the Indenture. This section sets forth a brief description of the Proposed Amendments. These summaries are qualified in their entirety by reference to the complete provisions contained in the Indenture and the Supplemental Indenture. Capitalized terms appearing below but not defined in this section of this Statement have the meanings assigned to such terms in the Indenture. A Holder that tenders all or any portion of its Notes will, by the act of tendering, be consenting to the Proposed Amendments.

Elimination of Many of the Restrictive Covenants in Article Nine of the Indenture.

The Proposed Amendments would, among other things, delete the following sections of Article Nine of the Indenture:

- Section 905 (Limitation on Indebtedness). By eliminating this covenant, the Indenture would no longer restrict the ability of AES Panamá to incur additional indebtedness.
- Section 906 (Limitation on Restricted Payments). By eliminating this covenant, the Indenture would no longer restrict the ability of AES Panamá to (i) declare or pay dividends or make other distributions in respect of its capital stock, (ii) purchase, redeem or otherwise acquire its capital stock, (iii) repurchase, redeem or otherwise acquire obligations that are subordinated to the Notes prior to their scheduled maturity or (iv) make investments.
- Section 907 (Limitation on Liens). By eliminating this covenant, the Indenture would no longer restrict the ability of AES Panamá to incur or create liens on its property and assets.
- Section 908 (Limitation on Sales of Assets). By eliminating this covenant, the Indenture would no longer restrict the ability of AES Panamá to sell assets, to use the proceeds from assets sales or, under certain circumstances, apply the net cash proceeds for certain asset sales to make an offer to repurchase the Notes at par plus accrued interest.

- Section 909 (Limitation on Sale and Leaseback Transactions). By eliminating this covenant, the Indenture would no longer restrict the ability of AES Panamá to engage in sale and leaseback transactions.
- Section 910 (Limitation on Layering). By eliminating this covenant, the Indenture would no longer prohibit AES Panamá from incurring indebtedness that by its terms expressly ranks senior to the Notes.
- Section 914 (Compliance with Laws). By eliminating this covenant, the Indenture would no longer make it a contractual obligation of AES Panamá to comply with all laws that are applicable to AES Panamá at all times.
- Section 917 (Further Assurances). By eliminating this covenant, the Indenture would no longer make it a contractual obligation of AES Panamá to execute such further documents and do all acts and things as are required by applicable law or are reasonably necessary in order to give effect to the Transaction Documents (the Indenture, the Notes and the Pledge and Security Agreement).
- Section 918 (Authorization). By eliminating this covenant, the Indenture would no longer make it a contractual obligation of AES Panamá to obtain and maintain in force all material authorizations necessary for carrying out its business and operations generally.
- Section 920 (Repurchase of Notes upon a Change of Control). By eliminating this covenant, the Indenture would no longer require AES Panamá to make an offer to repurchase the Notes at 101% of the principal amount thereof, plus accrued interest, upon the occurrence of a Change in Control of AES Panamá.
- Section 924 (No Transfer of or Encumbrance on Collateral). By eliminating this covenant, the Indenture would no longer prohibit AES Panamá from pledging, assigning, granting a security interest in, or otherwise convey any of the Collateral, except to the extent otherwise prescribed by Article Eleven (Debt Service Reserve Account) of the Indenture.
- Section 925 (Future Subsidiary Guarantors). By eliminating this covenant, the Indenture would no longer require AES Panamá to cause any of its future subsidiaries to guarantee the Notes.

Amendments to Section 401 (Events of Default).

The Proposed Amendments would, among other things, delete the following clauses of Section 401 (Events of Default) of the Indenture:

- Clause (4) – By eliminating this clause, there would no longer be an Event of Default under the Indenture if there were a default in the performance, or breach, of any covenant or warranty of AES Panamá in any of the Transaction Documents (other than to the extent such default or breach was specifically addressed by another clause of Section 401 of the Indenture).
- Clause (6) – By eliminating this clause, there would no longer be an Event of Default under the Indenture if there occurred one or more defaults under any indebtedness for borrowed money by AES Panamá in excess of \$10 million (or the equivalent thereof in other currencies) and such default either (i) constituted a failure to pay principal and interest on such indebtedness when due or (ii) resulted in such indebtedness being declared due and payable prior to its scheduled maturity.

In addition, the Proposed Amendments would amend clause (3) of Section 401. Prior to the Proposed Amendments becoming operative, the term “Event of Default” under clause (3) includes any “failure of the Issuer to comply with its obligations described under Article Nine.” The Proposed Amendments will amend and restate clause (3) in its entirety to read as follows:

“(c) failure of the Issuer to comply with its obligations described under the following sections of Article Nine:

- Section 901 (Payment of Principal, any Premium, Interest and Additional Amounts),
- Section 902 (Maintenance of Office of Agency),
- Section 903 (Money for Notes Payments to Be Held In Trust),
- Section 904 (Payment for Obligations), but only to extent such noncompliance relates to the failure to make a payment that constitutes a default under Section 401(1) or 401(2) hereof, and
- Section 915 (Performance of Transaction Documents), but only to the extent such noncompliance relates to the failure to make a payment that constitutes a default under Section 401(1) or 401(2) hereof.”

By amending clause (3) of Section 401 in this manner, except to the extent expressly prescribed by clause (3), a default by the Company of any of the remaining covenants under Article Nine would no longer constitute an Event of Default under the Indenture.

The Supplemental Indenture will effect the Proposed Amendments, and the form thereof attached to this Statement as Annex A sets forth the full text of the Proposed Amendments.

When Amendments Become Effective

AES Panamá intends to execute the Supplemental Indenture promptly following the Consent Expiration Time if it has received the Requisite Consents. The Supplemental Indenture will be substantially in the form of Annex A hereto. The Supplemental Indenture will become effective when executed by AES Panamá and the Trustee. However, the Supplemental Indenture provides that the Proposed Amendments will become operative only upon AES Panamá’s purchase, pursuant to the Tender Offer, of at least a majority of the aggregate principal amount of the outstanding Notes (excluding any Notes owned by AES Panamá or any of its affiliates), which means that the amendments to the Indenture effected by the Supplemental Indenture will be deemed to be revoked retroactive to the date of the Supplemental Indenture, and the Indenture will remain in its current form, if such purchase does not occur, whether because the Tender Offer is terminated by AES Panamá or for any other reason.

CERTAIN REPUBLIC OF PANAMA INCOME TAX CONSEQUENCES

The following discussion summarizes certain material Panamanian income tax consequences to Holders in connection with the Tender Offer and Consent Solicitation. The summary does not purport to be a comprehensive description of all potential tax considerations that may be relevant to a decision to tendering and consenting and is not intended as tax advice to any particular Holder or an investor. This summary does not describe any tax consequence arising under the laws of any country, state, locality or other taxing jurisdiction other than Panama, nor does it purport to furnish information in the level of detail or with attention to a Holder or an investor’s specific tax circumstances that would be provided by a Holder or an investor’s own tax advisor.

Holders should consult their own tax advisors as to the Panamanian or other tax consequences in connection with the Tender Offer and Consent Solicitation, including, in particular, the application of the tax considerations discussed below to their particular situations, as well as the application of state, local, foreign or other tax laws.

Payment of the Tender Offer Consideration with respect to validly tendered and accepted Notes can be characterized, and will be considered by AES Panamá, as a cancellation of such Notes. Therefore, the acceptance of the Tender Offer would constitute a pre-cancellation of an obligation by AES Panamá, and, as such, the payment of principal to Holders in connection with the Notes should not be subject to income tax or withholding requirements in Panama.

Similarly, pursuant to article 335 of the amended and restated text of Decree-Law N°1 of July 8, 1999, as published in Official Gazette N°26,979-A of February 23, 2012, interest or other benefits payable with respect to securities will be exempt from income tax or withholding requirements in Panama, provided that such securities are (i) registered with the SMV and, (ii) placed through a securities exchange or through an organized market. The Notes are registered with the SMV and were placed through the Panama Stock Exchange; therefore, the payment to Holders of accrued and unpaid interest in connection with the Notes, if any, and of a benefit in the form of the Consent Payment should be exempt from income tax or withholding requirements in Panama.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES

The following is a summary of certain U.S. federal income tax consequences to U.S. Holders (as defined below) of Notes in connection with the Offer and the Consent Solicitation. This discussion is a general summary only and does not address all of the tax consequences that may be relevant to specific U.S. Holders of the Notes in light of their particular circumstances. This discussion deals only with U.S. federal income tax consequences to U.S. Holders who are beneficial owners of Notes and who hold such Notes as “capital assets” (generally, property held for investment) within the meaning of the Internal Revenue Code of 1986, as amended (the “Code”) and the Treasury regulations thereunder (the “Regulations”), and does not deal with the consequences to special classes of U.S. Holders of the Notes, such as banks, financial institutions or “financial services entities,” insurance companies, tax-exempt entities, regulated investment companies, real estate investment trusts, retirement plans, individual retirement or other tax-deferred accounts, dealers in securities or currencies, brokers, traders that mark-to-market their securities, expatriates and former long-term residents of the United States, partnerships, S corporations or other pass-through entities for U.S. federal income tax purposes, investors in partnerships, S corporations or other pass-through entities that hold the Notes, persons who hold their Notes as part of a straddle, hedge, conversion transaction or other integrated investment, U.S. Holders whose functional currency is not the U.S. dollar and persons subject to the alternative minimum tax. This discussion does not address any state, local or non-U.S. tax consequences, non-income tax consequences (such as U.S. federal estate and gift tax consequences) or “Medicare” unearned income tax or surtax consequences. This discussion is based upon the provisions of the Code, the Regulations, and administrative and judicial interpretations thereof, all as available on the date hereof and all of which are subject to change, possibly with retroactive effect, or different interpretations. AES Panamá has not sought any ruling from the U.S. Internal Revenue Service (the “IRS”) with respect to any statement or conclusion in this discussion, and there can be no assurance that the IRS will not challenge such statement or conclusion in the following discussion or, if challenged, a court will uphold such statement or conclusion.

For purposes of the following discussion, a “U.S. Holder” is a beneficial owner of a Note that is, for U.S. federal income tax purposes: (i) an individual who is a citizen or resident of the United States, including an alien resident who is a lawful permanent resident of the United States or meets the “substantial presence” test under Section 7701(b) of the Code, (ii) a corporation or other entity taxable as a corporation that is created or organized in or under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income tax regardless of its source, or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust.

If an entity or arrangement that is treated as a partnership for U.S. federal income tax purposes holds a Note, the U.S. federal income tax treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership. Accordingly, partnerships that hold Notes and partners in such partnerships should consult their tax advisors about the U.S. federal income tax consequences of the Tender Offer and Consent Solicitation.

U.S. Holders of Notes are urged to seek advice from their own independent tax advisors regarding the U.S. federal income tax consequences of the Tender Offer and the Consent Solicitation based on such Holder’s particular circumstances.

Consequences to Tendering and Consenting U.S. Holders

Tenders of Notes Pursuant to the Tender Offer. In general, subject to the discussion of the Consent Payment below, a U.S. Holder that receives cash in exchange for Notes pursuant to the Tender Offer will recognize gain or

loss for U.S. federal income tax purposes in an amount equal to the difference between (i) the amount of cash received in exchange for such Notes, (less any amounts attributable to accrued but unpaid interest, which will be subject to tax as ordinary income to the extent not previously included in your gross income), and (ii) such U.S. Holder's adjusted tax basis in such Notes at the time of the disposition. Generally, a U.S. Holder's adjusted tax basis for a Note will be equal to the cost of the Note to such U.S. Holder increased by any market discount (as defined below) previously included in income by such U.S. Holder pursuant to an election to include market discount in gross income currently as it accrues, and reduced by any amortizable bond premium which the U.S. Holder has previously deducted.

Subject to the market discount rules discussed below and rules relating to accrued but unpaid interest, described above, any gain or loss so recognized generally will be capital gain or loss and will be long-term capital gain or loss if the U.S. Holder has held the Notes for more than one year at the time of disposition. A reduced tax rate on long-term capital gain may apply to individual and other non-corporate U.S. Holders. The deductibility of capital losses is subject to limitations.

Market Discount. An exception to the capital gain treatment described above may apply to a U.S. Holder that purchased a Note at a "market discount." Subject to a statutory de minimis exception, market discount generally is the excess of the "stated redemption price" at maturity of such Note (generally, the principal amount of the Note) over the U.S. Holder's tax basis in such Note immediately after its acquisition by such U.S. Holder. In general, unless the U.S. Holder has elected to include market discount in income currently as it accrues, any gain realized by a U.S. Holder on the sale or other disposition of a Note that has market discount will be treated as ordinary income to the extent of the market discount that has accrued while such Note was held by the U.S. Holder.

Consent Payment. The U.S. federal income tax treatment of the receipt of a Consent Payment by a U.S. Holder whose Note is purchased pursuant to the Tender Offer is uncertain. If treated as additional consideration for the Note, the Consent Payment would be treated as part of the total consideration received, in the manner described in the discussion above under "—Consequences to Tendering and Consenting U.S. Holders—Sale of Notes Pursuant to the Tender Offer." It is also possible that the Consent Payment may be treated as a separate fee rather than as additional consideration for the Note, in which case the Consent Payment would be subject to tax as ordinary income. Although the issue is not free from doubt, to the extent it is required to take a position for U.S. federal income tax purposes, AES Panamá intends to treat the Consent Payments as additional consideration received in exchange for tendered Notes rather than a separate fee. However, there can be no assurance that the IRS will not attempt to treat the Consent Payments as a separate fee subject to tax as ordinary income. U.S. Holders are urged to seek advice from their own independent tax advisors as to the proper treatment of the Consent Payments.

Consequences to Non-Tendering U.S. Holders

If the Proposed Amendments become effective, the tax treatment of a U.S. Holder that does not tender its Notes will depend on whether the modification to the Notes results in a "deemed" exchange of such Notes for U.S. federal income tax purposes. Generally, the modification of a debt instrument will be treated, for U.S. federal income tax purposes, as resulting in a "deemed" exchange of the debt instrument for a new debt instrument if such modification is "significant" as specially defined for U.S. federal income tax purposes. A modification generally is "significant" if the legal rights and obligations that are altered and the degree to which they are altered are economically significant, based on all the facts and circumstances, and taking into account all modifications of the debt instrument collectively, so that a series of such modifications may be significant when considered together although each modification, if considered alone, would not be significant. A specific rule provides that a modification that adds, deletes, or alters customary accounting or financial covenants is not a "significant modification," although the Regulations do not define "customary accounting or financial covenants" and do not otherwise directly address the exact types of modifications of the Notes that would occur upon adoption of the applicable Proposed Amendments.

If the adoption of such amendments does not constitute a "significant modification" of the terms of the Notes for U.S. federal income tax purposes, a U.S. Holder who does not tender its Notes pursuant to the Tender Offer would not recognize any gain or loss for U.S. federal income tax purposes as a result of the adoption of the Proposed Amendments, and such Holder should continue to have the same tax basis, holding period and accrued market discount (if any) with respect to the Notes as it had before the adoption of the Proposed Amendments. However, if such Proposed Amendments are treated as a significant modification of the terms of such Notes, a non-tendering

Holder would be treated as having exchanged its “old” Notes for “new” Notes for U.S. federal income tax purposes, which would be a taxable event unless the deemed exchange constituted a “recapitalization” for U.S. federal income tax purposes. Such a deemed exchange would qualify as a recapitalization for U.S. federal income tax purposes if both the “old” Notes and “new” Notes are “securities” for U.S. federal income tax purposes. Whether an instrument constitutes a security is determined based on all the facts and circumstances, but most authorities have held that the length of the term of a debt instrument is an important factor in determining whether such instrument is a security for U.S. federal income tax purposes. A debt instrument with a term to maturity of five years or less generally does not qualify as a security, and a debt instrument with a term to maturity of ten years or more generally does qualify as a security. The Notes had an original maturity of 10 years.

If a deemed exchange were to qualify as a recapitalization, a non-tendering U.S. Holder would generally not recognize any gain or loss (other than any amount attributable to the right to receive accrued interest, which generally would be subject to tax as ordinary income to the extent not previously included in income) and such U.S. Holder would continue to have the same tax basis, holding period and accrued market discount (if any) with respect to the “new” Notes.

If the deemed exchange were treated as a taxable transaction, the non-tendering U.S. Holder would recognize gain or, subject to the possible application of the wash sale rules, loss in an amount equal to the difference between the “issue price” of the “new” Notes deemed to be received by such U.S. Holder in the exchange and the tax basis of the “old” Notes deemed to have been surrendered in the exchange. Any such gain attributable to accrued but unrecognized market discount would be subject to tax as ordinary income (as discussed above). The non-tendering U.S. Holder’s holding period in the “new” Notes would begin the day after the deemed exchange and such non-tendering U.S. Holder’s basis in the “new” Notes would equal the issue price thereof.

If an exchange were deemed to occur, the “new” Notes issued in the deemed exchange may be treated as having been issued with “amortizable bond premium” or “original issue discount.” Whether the “new Notes” are issued with “amortizable bond premium” or “original issue discount” depends on the “issue price” of the “new” Notes. The issue price of notes that are publicly traded (within the meaning of the applicable Treasury Regulations), including the Notes, will be the fair market value of such publicly traded notes on their issue date (excluding the amount of deemed pre-issuance accrued interest on such Notes).

In addition, if the “new” notes were treated as being issued with original issue discount (“OID”) for U.S. federal income tax purposes, a U.S. Holder would be required to include the U.S. dollar value of such OID in gross income as ordinary income as it accrues. In general, the amount of OID with respect to a Note will equal the excess of the Note’s stated redemption price at maturity over its issue price. The “stated redemption price at maturity” of the Notes is equal to the sum of all payments to be made on the Notes. Each U.S. Holder, regardless of such U.S. Holder’s accounting method, must generally include in ordinary income the U.S. dollar value of a portion of the OID for each day during each taxable year in which a Note is held, determined by using a constant yield to maturity method that reflects compounding of interest. A U.S. Holder of “new” Notes with a tax basis greater than the “issue price” of the “new” Notes may amortize such excess, which may reduce the amount of OID includible in income.

A U.S. Holder of “new” Notes with a tax basis greater than the stated redemption price at maturity of the “new” Notes will be considered to have acquired such “new” Notes with bond premium, and may elect to amortize such premium (as an offset to interest income), using a constant-yield method, over the remaining term of the “new” Notes. Such election, once made, generally applies to all securities held or subsequently acquired by the U.S. Holder on or after the beginning of the first taxable year to which the election applies and may not be revoked without the consent of the IRS. A U.S. Holder that elects to amortize such premium must reduce tax basis in the “new” Notes by the amount of premium amortized during its holding period.

Whether or not a deemed exchange qualified as a recapitalization, any accrued but unpaid interest at the time of the deemed exchange would be immediately taxable as ordinary income (to the extent not previously included in income).

U.S. Holders are urged to seek advice from their own independent tax advisors regarding the potential tax consequences of not tendering their Notes pursuant to the Tender Offer.

AES Panamá reserves the right to acquire any Notes that remain outstanding after the Expiration Time through its right to redeem Notes. A U.S. Holder that does not tender its Notes and has its Notes redeemed by AES Panamá following consummation of the Tender Offer would generally recognize any gain or loss on the redemption of a Note in the same manner as described above under “Consequences to Tendering and Consenting U.S. Holders—Tender of Notes Pursuant to the Tender Offer.”

Backup Withholding and Information Reporting

Payment on the Notes and sales or redemption proceeds may be subject to information reporting to the IRS and to backup withholding unless (i) the holder is a corporation or other exempt recipient, or (ii) in the case of backup withholding, the holder provides a correct taxpayer identification number and certifies that it is not subject to backup withholding.

Any amounts withheld under the backup withholding rules from a payment to a holder will be refunded (or credited against such holder's U.S. federal income tax liability, if any), provided the required information is timely furnished to the IRS.

This summary is of a general nature only and is not intended to be, and should not be interpreted as, legal or tax advice to any particular U.S. Holder. Holders are urged to seek advice from their own independent tax advisors concerning the U.S. federal income tax consequences in connection with the Tender Offer and the Consent Solicitation in light of such Holder's particular circumstances and any consequences arising under other federal tax laws and the laws of any state, local or non-U.S. taxing jurisdiction.

DEALER MANAGERS AND SOLICITATION AGENTS, INFORMATION AND TENDER AGENT

In connection with the Tender Offer and the Consent Solicitation, AES Panamá has retained Banco General, S.A. and Deutsche Bank Securities Inc. to act on its behalf as Dealer Managers and Solicitation Agents and D.F. King & Co., Inc. to act as Information and Tender Agent, each of which will receive customary fees for its services. AES Panamá has agreed to reimburse each of the Dealer Managers and Solicitation Agents, the Information Agent and the Information and Tender Agent for its respective out-of-pocket expenses and to indemnify it against certain liabilities, including certain liabilities under federal securities laws. In connection with this Statement, AES Panamá will also pay brokerage houses and other custodians, nominees and fiduciaries the reasonable out-of-pocket expenses incurred by them in forwarding copies of this Statement and related documents to the beneficial owners of the Notes and in handling or forwarding tenders of Notes and consents by their customers.

Any Holder that has questions concerning the terms of the Tender Offer or the Consent Solicitation may contact the Dealer Managers and Solicitation Agents at their respective addresses and telephone numbers set forth on the back cover of this Statement. Questions and requests for assistance or additional copies of this Statement or the Letter of Transmittal may be directed to the Information Agent at its address and telephone numbers set forth on the back cover of this Statement. Holders of Notes may also contact their broker, dealer, custodian bank, depository, trust company or other nominee for assistance concerning the Tender Offer and the Consent Solicitation.

Letters of Transmittal and all correspondence in connection with the Tender Offer and the Consent Solicitation should be sent or delivered to the Information and Tender Agent at its address or to the facsimile number set forth on the back cover of this Statement. Any Holder or beneficial owner that has questions concerning tender procedures should contact the Information and Tender Agent at its address and telephone numbers set forth on the back cover of this Statement.

The Dealer Managers and Solicitation Agents may contact Holders of Notes regarding the Tender Offer and the Consent Solicitation and may request brokers, dealers, custodian banks, depositories, trust companies and other nominees to forward this Statement and related materials to beneficial owners of Notes.

The Dealer Managers and Solicitation Agents could act as initial purchasers of any of AES Panamá's debt securities sold in the Financing Transaction, for which they will receive customary compensation. The Dealer Managers and Solicitation Agents and their respective affiliates have from time to time provided certain commercial banking, financial advisory and investment banking services to AES Panamá and its affiliates for which they have received customary fees. In the ordinary course of their businesses, the Dealer Managers and Solicitation Agents or their respective affiliates may at any time hold long or short positions, and may trade for their own account or the accounts of customers, in the debt or equity securities of AES Panamá, including any of the Notes and, to the extent that the Dealer Managers and Solicitation Agents or their respective affiliates own Notes during the Tender Offer, they may tender such Notes pursuant to the terms of the Tender Offer. The Dealer Managers and Solicitation Agents and their respective affiliates may from time to time in the future engage in other transactions with AES Panamá and its affiliates and provide services to AES Panamá and its affiliates in the ordinary course of their respective businesses.

None of the Dealer Managers and Solicitation Agents, the Information Agent or the Information and Tender Agent assumes any responsibility for the accuracy or completeness of the information concerning AES Panamá contained or incorporated by reference in this Statement or for any failure by AES Panamá to disclose events that may have occurred and may affect the significance or accuracy of such information.

MISCELLANEOUS

No person has been authorized to give any information or make any representations other than those contained or incorporated by reference herein or in the Letter of Transmittal and other materials, and, if given or made, such information or representations must not be relied upon as having been authorized by AES Panamá, the

Trustee, the Dealer Managers and Solicitation Agents, the Information Agent, the Information and Tender Agent or any other person. The statements made in this Statement are made as of the date on the cover page of this Statement and the statements incorporated by reference are made as of the date of the document incorporated by reference. The delivery of this Statement and the Letter of Transmittal shall not, under any circumstances, create any implication that the information contained herein or incorporated by reference is correct as of a later date.

Recipients of this Statement and the Letter of Transmittal should not construe the contents hereof or thereof as legal, business or tax advice. Each recipient should consult its own attorney, business advisor and tax advisor as to legal, business, tax and related matters concerning the Tender Offer and the Consent Solicitation.

The Information and Tender Agent for this Offer to Purchase (as Repayment) and Consent Solicitation is:

D. F. King & Co., Inc.

In New York:

By Overnight Delivery, Mail or Hand:
48 Wall Street, 22nd floor
New York, NY 10005

Banks and Brokers Call Collect: +1 (212) 269-5550
All Others, Call Toll Free: +1 (800) 252-7164

By Facsimile Transmission:
(for eligible institutions only)
+1 (212) 709-3328
Attn: Krystal Scrudato

Confirm by telephone: +1(212) 493-6940

aespanama@dfking.com
www.dfking.com/aespanama

Any questions regarding procedures for tendering Notes, delivering consents or requests for additional copies of this Statement or the Letter of Transmittal should be directed to the Information Agent at the telephone numbers and address listed above.

Any questions regarding the terms of the Tender Offer and Consent Solicitation may be directed to the Dealer Managers and Solicitation Agents. Requests for additional copies of documentation related to the Tender Offer and Consent Solicitation, requests for copies of the Indenture and any questions or requests for assistance in tendering may be directed to the Information and Tender Agent and Information Agent. Beneficial owners of Notes may also contact their brokers, dealers, commercial banks or trust companies for assistance concerning the Tender Offer and Consent Solicitation. **In no event shall the Holder send any Notes to the Dealer Managers and Solicitation Agents, the Information Agent or AES Panamá.**

The Dealer Managers for the Tender Offer and the Solicitation Agents for the Consent Solicitation are:

Banco General, S.A.

Aquilino de la Guardia Street and Ave. 5B Sur
P.O. Box 0816-00843
Panama City
Republic of Panama
(507) 303 7000

Attention: Michelle Nuñez or Gary Chong-Hon, Investment Banking

Deutsche Bank Securities Inc.

60 Wall Street
New York, New York 10005
United States
(866) 627-0391 (toll-free)
(212) 250-7527 (collect)
Attn: Liability Management Group

ANNEX A

FORM OF THIRD SUPPLEMENTAL INDENTURE

THIRD SUPPLEMENTAL INDENTURE

_____, 2015

between

AES PANAMÁ, S.R.L., as Issuer,

and

HSBC BANK USA, NATIONAL ASSOCIATION,

as Indenture Trustee

6.35% SENIOR NOTES DUE 2016

THIRD SUPPLEMENTAL INDENTURE (this "Third Supplemental Indenture"), dated as of _____, 2015, between AES Panamá, S.R.L. (the "Issuer"), a limited liability company organized under the laws of the Republic of Panama ("Panama") having its principal executive office located at Costa del Este, Ave. La Rotonda, Business Park II, Torre V, Piso 11, Panama, Republica de Panama, Apartado Postal 0816-01990, and HSBC Bank USA, National Association, a national banking association, as indenture trustee (the "Indenture Trustee").

RECITALS

WHEREAS, AES Panamá, S.A. ("the "Original Issuer") has heretofore executed and delivered to the Indenture Trustee an Indenture dated as of December 13, 2006 (the "Original Indenture"), by and among the Original Issuer, the Indenture Trustee, HSBC Bank USA, National Association, as Registrar, Principal Paying Agent, Transfer Agent and Calculation Agent, and HSBC Bank USA, National Association, as Bank and Securities Intermediary, and HSBC Bank USA, National Association, as Collateral Agent, pursuant to which the Original Issuer issued its 6.35% Senior Notes due 2016 (the "Notes"), which Original Indenture was amended and supplemented by the First Supplemental Indenture dated as of August 22, 2014 (the "First Supplemental Indenture") and the Second Supplemental Indenture dated as of June 3, 2015 (the "Second Supplemental Indenture" and the Original Indenture, as amended and supplemented by the First Supplemental Indenture and the Second Supplemental Indenture, is hereinafter referred to as the "Indenture".

WHEREAS, Section 8.02 of the Indenture provides that, subject to certain exceptions inapplicable hereto, the Issuer and the Indenture Trustee may modify or amend the Indenture for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions thereof with the written consent of the Holders of not less than a majority in aggregate principal amount of the Outstanding Notes (including consents obtained in connection with a tender offer for the Notes).

WHEREAS, pursuant to that certain Offer to Purchase (as Repayment) and Consent Solicitation Statement, dated June 4, 2015, as amended or supplemented from time to time, the Issuer has offered to purchase for cash any and all outstanding Notes (the "Tender Offer") and, in connection therewith, has solicited the consent (the "Consent Solicitation") from the Holders of the Notes to certain proposed amendments to the Indenture which are set forth in this Third Supplemental Indenture.

WHEREAS, pursuant to the Consent Solicitation, the Holders of a majority in aggregate principal amount of the Outstanding Notes have duly delivered their consent to the proposed amendments to the Indenture as set forth in this Third Supplemental Indenture in accordance with Section 8.02 of the Indenture.

WHEREAS, the Issuer has heretofore delivered or is delivering contemporaneously herewith to the Indenture Trustee (i) evidence of the written consent of the Holders set forth in the immediately preceding recital and (ii) the Officers' Certificate and the Opinion of Counsel described in Sections 1.02 and 803 of the Indenture.

WHEREAS, all conditions necessary to authorize the execution and delivery of this Third Supplemental Indenture and to make this Third Supplemental Indenture valid and binding have been complied with or have been done or performed.

NOW, THEREFORE, THIS THIRD SUPPLEMENTAL INDENTURE WITNESSETH:

It is mutually covenanted and agreed, for the equal and proportionate benefit of all Holders of the Notes, as follows:

ARTICLE I

AMENDMENT OF INDENTURE

Section 1.1 Amendments.

Subject to Section 2.1 of this Third Supplemental Indenture, the Indenture is hereby amended by eliminating in their entireties the following provisions of the Indenture:

- Clauses (4), (6), (7) and (8) of Section 401 (Events of Default),
- Section 905 (Limitation on Indebtedness),
- Section 906 (Limitation on Restricted Payments),
- Section 907 (Limitation on Liens),
- Section 908 (Limitation on Sales of Assets),
- Section 909 (Limitation on Sale and Leaseback Transactions),
- Section 910 (Limitation on Layering),
- Section 914 (Compliance with Laws),
- Section 917 (Further Assurances).
- Section 918 (Authorizations),
- Section 920 (Repurchase of Notes upon a Change of Control),
- Section 924 (No Transfer of or Encumbrance on Collateral), and
- Section 925 (Future Subsidiary Guarantors),

and replacing such sections or clause, as the case may be, with the phrase “[Intentionally Omitted.]”. The Issuer, the Indenture Trustee or other parties to or beneficiaries of the Indenture shall not have any rights, obligations or liabilities under such sections, and such sections or clause shall not be considered in determining whether an Event of Default has occurred or whether the Issuer has observed, performed or complied with the provisions of the Indenture.

In addition, clause (3) of Section 401(Events of Default) of the Indenture is hereby deleted in its entirety and restated to read as follows:

“(c) failure of the Issuer to comply with its obligations described under the following sections of Article Nine:

- Section 901 (Payment of Principal, any Premium, Interest and Additional Amounts),

- Section 902 (Maintenance of Office of Agency),
- Section 903 (Money for Notes Payments to Be Held In Trust),
- Section 904 (Payment for Obligations), but only to extent such noncompliance relates to the failure to make a payment that constitutes a default under Section 401(1) or 401(2) hereof, and
- Section 915 (Performance of Transaction Documents), but only to the extent such noncompliance relates to the failure to make a payment that constitutes a default under Section 401(1) or 401(2) hereof.”

Section 1.2 Amendments to Definitions and Section References.

(a) Subject to Section 2.1 hereof, the Indenture is hereby amended by deleting any definitions from the Indenture with respect to which references have been eliminated as a result of the amendments to the Indenture pursuant to Section 1.1 hereof.

(b) Subject to Section 2.1 hereof, the Indenture is hereby amended by deleting therefrom any references to sections of the Indenture which have been deleted as a result of the amendments to the Indenture pursuant to Section 1.1 hereof and replacing such references with the phrase “[Intentionally Omitted.]”.

ARTICLE II

MISCELLANEOUS PROVISIONS

Section 2.1 Effect of Third Supplemental Indenture.

The provisions of this Third Supplemental Indenture shall be effective only upon (i) execution and delivery of this instrument by the parties hereto and (ii) this Third Supplemental Indenture being registered with the Superintendency of the Securities Market of the Republic of Panama. . Notwithstanding the foregoing sentence, even after this Third Supplemental Indenture has become effective, the provisions of Section 1.1 and 1.2 of this Third Supplemental Indenture shall become operative only upon the purchase by the Issuer, pursuant to the Tender Offer, of at least a majority in aggregate principal amount of the outstanding Notes, with the result that the amendments to the Indenture effected by this Third Supplemental Indenture shall be deemed to be revoked retroactive to the date hereof if such purchase shall not occur. The Issuer shall notify the Indenture Trustee in writing promptly after the occurrence of such purchase or promptly after the Issuer shall determine that such purchase will not occur. Except as amended hereby, the Indenture is in all respects ratified and confirmed and all the terms shall remain in full force and effect. This Third Supplemental Indenture shall form a part of the Indenture for all purposes, and every Holder of Notes heretofore or hereafter authenticated and delivered under the Indenture shall be bound hereby and all terms and conditions of both shall be read together as though they constitute a single instrument, except that in the case of conflict the provisions of this Third Supplemental Indenture shall control.

Section 2.2 Capitalized Terms.

Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

Section 2.3 Successors.

All covenants and agreements in this Third Supplemental Indenture by the Issuer shall bind its successors and assigns, whether so expressed or not.

Section 2.4 Separability Clause.

In case any provision in this Third Supplemental Indenture shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 2.5 Governing Law.

This Third Supplemental Indenture shall be governed by and construed in accordance with the laws of the State of New York.

Section 2.6 Counterparts.

This Third Supplemental Indenture may be signed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

Section 2.7 Certain Duties and Responsibilities of the Indenture Trustee.

In entering into this Third Supplemental Indenture, the Indenture Trustee shall be entitled to the benefit of every provision of the Indenture relating to the conduct or affecting the liability of or affording protection to the Indenture Trustee (including, without limitation, the right to be indemnified), whether or not elsewhere herein so provided. The Indenture Trustee, for itself and its successor or successors, accepts the terms of the Indenture as amended by this Third Supplemental Indenture, and agrees to perform the same, but only upon the terms and provisions defining and limiting the liabilities and responsibilities of the Indenture Trustee, which terms and provisions shall in like manner define and limit its liabilities and responsibilities in the performance of the trust created by the Indenture. The Indenture Trustee shall not be responsible in any manner whatsoever for or in respect of and makes no representations (i) as to the validity or sufficiency of this Third Supplemental Indenture or any of the terms or provisions hereof, other than as to the validity of its execution and delivery by the Indenture Trustee, (ii) in respect of recitals contained herein (all of which recitals or statements are made solely by the Issuer), (iii) as to the due execution hereof by the Issuer, or (iv) as to the consequences of any amendment and/or waiver herein provided for.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Third Supplemental Indenture to be duly executed and delivered to all as of the day and year first above written.

AES PANAMÁ, S.R.L.,
as Issuer

By: _____
Name: _____
Title: _____

HSBC BANK USA, NATIONAL ASSOCIATION,
as Indenture Trustee

By: _____
Name: _____
Title: _____

AES PANAMÁ, S.R.L. COMMENCES TENDER OFFER FOR ANY AND ALL OF ITS 6.35% SENIOR NOTES DUE 2016 AND RELATED CONSENT SOLICITATION

Panama City, Panama — June 4, 2015 — AES Panamá, S.R.L. (“AES Panamá” or the “Company”) today announced that it has commenced a tender offer (the “Tender Offer”) to purchase for cash (as repayment) any and all of its outstanding 6.35% Senior Notes due 2016 (Rule 144A: Common Code No. 027946461, CUSIP No. 00105R AA2, and ISIN US00105RAA23; Regulation S: Common Code No. 027334598 and ISIN XS0273345982) (the “Notes”) on the terms and subject to the conditions set forth in the Offer to Purchase (as Repayment) and Consent Solicitation Statement, dated June 4, 2015, and the related Consent and Letter of Transmittal (together, the “Tender Offer Documents”). In conjunction with the Tender Offer, the Company is also soliciting consents (the “Consent Solicitation”) to certain proposed amendments (the “Proposed Amendments”) to the indenture governing the Notes (the “Indenture”), providing for, among other things, the elimination of most of the restrictive covenants and certain events of default applicable to the Notes.

The Tender Offer will expire at 5:00 PM, New York City time, on July 2, 2015, unless extended or earlier terminated by the Company (such date and time, as the same may be extended or earlier terminated, the “Expiration Time”). Holders of the Notes must validly tender and not validly withdraw their Notes and validly deliver and not validly revoke the related consents to the Proposed Amendments before 5:00 p.m., New York City time, on June 17, 2015, unless extended or earlier terminated by the Company (such date and time, as the same may be extended or earlier terminated, the “Consent Expiration Time”) to be eligible to receive the Total Consideration, which consists of the Tender Offer Consideration and the Consent Payment (as defined below). Holders who tender their Notes after the Consent Expiration Time and on or prior to the Expiration Time will be eligible to receive the Tender Offer Consideration, but not the Consent Payment. Tendered Notes may be withdrawn and consents may be revoked in accordance with the terms of the Tender Offer and the Consent Solicitation prior to 5:00 p.m., New York City time, on June 17, 2015, but not thereafter, unless such time is extended by the Company (such date and time, as the same may be extended, the “Withdrawal Deadline”).

The total consideration to be paid for each \$1,000 principal amount of Notes validly tendered at or prior to the Consent Expiration Time and not validly withdrawn at or prior to the Withdrawal Deadline will be \$1,057.50 (the “Total Consideration”). The Total Consideration includes a benefit of a payment of \$10.00 per \$1,000 principal amount of Notes (the “Consent Payment”) payable only in respect of Notes validly tendered and related consents validly delivered at or prior to the Consent Expiration Time. Holders validly tendering Notes after the Consent Expiration Time, but at or prior to the Expiration Time, will be eligible to receive only \$1,047.50 per \$1,000 principal amount of Notes (the “Tender Offer Consideration”), equal to the Total Consideration less the Consent Payment. Subject to the terms and conditions of the Tender Offer being satisfied or waived, the Company will (i) after the Consent Expiration Time, accept for purchase all Notes validly tendered and not validly withdrawn at or prior to the Consent Expiration Time and pay the Total Consideration for such Notes on a business day selected by the Company (the “initial settlement date”) which is expected to be June 25, 2015, and (ii) after the Expiration Time, accept for purchase all Notes validly tendered after the Consent Expiration Time and at or prior to the Expiration Time and will pay the Tender Offer Consideration for such Notes on a business day (the “final settlement date”) promptly following the Expiration Time. Holders whose Notes are purchased in the Tender Offer will receive accrued and unpaid interest in respect of their purchased Notes from the most recent interest payment date to, but not including, the applicable settlement date for the Notes.

Delivery of consents to the Proposed Amendments by Holders of at least a majority of the aggregate principal amount of the outstanding Notes is required for the adoption of the

Proposed Amendments (the “Requisite Consents”). If AES Panama obtains the Requisite Consents, it will execute a supplement to the Indenture containing the Proposed Amendments (the “Supplemental Indenture”), which the Company expects to execute promptly following the Consent Expiration Time. The Supplemental Indenture will become effective upon execution by the Company and the Trustee under the Indenture, but will provide that the Proposed Amendments will not become operative until AES Panama purchases at least a majority of the aggregate principal amount of the outstanding Notes in the Tender Offer.

The Company’s obligation to accept for purchase, and to pay for, Notes validly tendered and not validly withdrawn pursuant to the Tender Offer is conditioned upon the satisfaction or, when applicable, waiver of certain conditions, which are more fully described in the Tender Offer Documents, including, among others, (1) with respect to the Consent Solicitation, the Company’s receipt of the Requisite Consents”, and the registration of the Supplemental Indenture with the Superintendency of the Securities Markets of the Republic of Panama and (2) the Company’s successful completion of one or more debt financing transactions in an amount sufficient to fund the purchase the Notes pursuant to the Tender Offer, to pay the Consent Payment pursuant to the Consent Solicitation and to pay all related fees and expenses in connection therewith.

In addition, subject to applicable securities laws and the terms set forth in the Tender Offer Documents, the Company reserves the right (i) to waive or modify in whole or in part any and all conditions to the Tender Offer and the Consent Solicitation, (ii) to extend the Consent Expiration Time, the Withdrawal Deadline or the Expiration Time, (iii) to modify or terminate the Tender Offer or the Consent Solicitation, or (iv) otherwise to amend the Tender Offer or the Consent Solicitation in any respect.

Banco General, S.A. and Deutsche Bank Securities Inc. are acting as dealer managers for the Tender Offer and as solicitation agents for the Consent Solicitation. Banco General, S.A. can be contacted at (507) 303-8187. Deutsche Bank Securities Inc. can be contacted at (866) 627-0391 (toll-free) and (212) 250-7527 (collect). D. F. King & Co., Inc. is the information agent and tender agent for the Tender Offer and the Consent Solicitation.

The Tender Offer Documents will be distributed to holders of Notes promptly. Additional copies of the Tender Offer Documents and other related documents may be obtained by calling D.F. King & Co., as information agent, at +1 (212) 269-5550 (for banks and brokers only) , +1 (800) 252-7164 (toll free) or +44 2077 76 75 74.

The Tender Offer and the Consent Solicitation are being made solely on the terms and conditions set forth in the Tender Offer Documents. Under no circumstances shall this press release constitute an offer to buy or the solicitation of an offer to sell the Notes or any other securities of the Company. The Tender Offers and the related Consent Solicitations are not being made to, nor will the Company accept tenders of Notes and deliveries of consents from, holders in any jurisdiction in which the Tender Offers and the Consent Solicitations or the acceptance thereof would not be in compliance with the securities or blue sky laws of such jurisdiction.

This press release also is not a solicitation of consents to the Proposed Amendments to the Indenture. No recommendation is made as to whether holders of Notes should tender their Notes in the Tender Offer or deliver their consent in the Consent Solicitation. Holders of Notes should carefully read the Tender Offer Documents because they contain important information, including the various terms and conditions of the Tender Offer and the Consent Solicitation.

About AES Panama, S.R.L.

We are the largest electricity generation company in Panama both in terms of installed capacity and average energy dispatched, as well as the largest privately controlled hydro generation company in Central America, based on information provided by the CND. We derive substantially all of our revenues from the sale of electricity through firm capacity and energy supply agreements, spot market sales and regional market sales. Our principal customers are Panama's three energy distribution companies. We also have capacity and energy supply agreements with 11 Large Customers. Our remaining electricity sales revenues derive from spot market sales and regional exports. Our electricity generation facilities are composed of five geographically diverse facilities (four hydroelectric plants and one thermal plant) that contain 16 generation units located in eastern and western Panama. The majority of Panama's hydroelectric resources are located in the western region of Panama, where rainfall tends to be highest, although the highest demand for energy is in the eastern region of the country at the main population center of Panama City. Additional information about AES Panama can be found at our website located at <http://www.aespanama.com>.

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*** S893 START OF PROCESSING FOR RF41N ACCOUNT:47478

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| ACCOUNT: 47478 - USER #: P4814015 |
| DACE NOTICES |
| DEFINITIVE INFORMATION |
| EUROCLEAR DATE & TIME: 08/06/15 13:16 |
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----- EVENT NUMBER 4052127 --- FIRST NOTIFICATION -----

EVENT TYPE 221 PURCHASE OFFER
+ CONSENT + DISCLOSURE + FEE
Preliminary Announcement Confirmed
MANDATORY/VOLUNTARY INDICATOR: VOLUNTARY

----- BALANCES -----

S/N XS0273345982 AES PANAMA REGS 6.35000 21/12/16 (STRA/USD)

BALANCES IN USD (DATED 05/06/2015):
SEC.CLEARANCE ACCT: 1,143,000

-----MAIN UNDERLYING SECURITY-----

- SECURITY XS0273345982 AES PANAMA REGS 6.35000 21/12/16
(STRAIGHT) NOMINAL USD 1,000 MATURITY 21/12/16
QUOTATION PCT 102.750000 ON 05/06/15

MINIMUM FOR EXERCISE: 10,000
MULTIPLE FOR EXERCISE: 1,000

----- ACTION TO BE TAKEN -----

INFORMATION ON PURCHASE OFFER
FINAL SETTLEMENT DATE: 03/07/2015
ELECTR.CERTIF:N/ NO CERTIFICATION REQUIRED
PAYMENT DATE: 25/06/15

ACTIONS TO BE TAKEN TO BE CONFIRMED

PROVISIONAL TIMETABLE:

EXPECTED EARLY MARKET EXPIRY DATE: 17/06/2015
EXPECTED MARKET EXPIRY DATE: 02/07/2015
EXPECTED MARKET WITHDRAWAL DATE: 17/06/2015

FOR A COPY OF THE DOCUMENT(S), PLEASE INPUT THE CORPORATE ACTION
NOTIFICATION NUMBER IN THE TEXT BOX ON MY.EUROCLEAR.COM / MY APPS
/ CORPORATE ACTIONS 4052127

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SECURITIES FOR WHICH INSTRUCTIONS ARE RECEIVED WILL BE BLOCKED.
SECURITIES FOR WHICH INSTRUCTIONS ARE RECEIVED WILL BE DELIVERED.
SECURITIES BUYER: I/AES PANAMA
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FOR DETAILS, CONTACT CORPORATE ACTIONS - DRIT INFO 4245

----- EVENT DETAILS -----
EVENT DETAILS TO BE CONFIRMED

THIS CORPORATE ACTION NOTIFICATION DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES BY ANYONE IN ANY JURISDICTION.

IT IS NOT, AND SHOULD NOT BE CONSTRUED OR TREATED AS, INVESTMENT OR FINANCIAL ADVICE. IN PROVIDING THIS INFORMATION, EUROCLEAR BANK IS NOT ACTING AS AGENT OF THE ISSUER.

BY SENDING AN INSTRUCTION TO EUROCLEAR BANK, YOU CONFIRM THAT YOU (AND ANY BENEFICIAL OWNER(S) FOR WHOM YOU ACT) COMPLY WITH THE TERMS AND CONDITIONS OF THE CORPORATE EVENT AND COMPLY WITH APPLICABLE LOCAL LAWS OR REQUIREMENTS, INCLUDING BUT NOT LIMITED TO HOLDING AND TRANSFER RESTRICTIONS.

IF HOLDING AND TRANSFER RESTRICTIONS WOULD PROHIBIT YOU (AND ANY BENEFICIAL OWNER(S) FOR WHOM YOU ACT) TO HOLD THE PROCEEDS OF A CORPORATE EVENT IN YOUR ACCOUNT IN EUROCLEAR BANK, YOU (AND ANY BENEFICIAL OWNER(S) FOR WHOM YOU ACT) MUST ENSURE TO SEND AN INSTRUCTION TO ALLOW THE TRANSFER OF THESE PROCEEDS TO AN ACCOUNT OUTSIDE THE EUROCLEAR SYSTEM

=====END OF NOTICE=====