

AES CORP
Form FWP
May 12, 2016

Registration File No. 333-209671

Supplementing the Preliminary

Prospectus Supplement

dated May 11, 2016

PRICING TERM SHEET

THE AES CORPORATION

May 11, 2016

\$500,000,000 6.000% Senior Notes due 2026

Summary of Terms

| | |
|--|--|
| Issuer: | The AES Corporation |
| Issue: | Senior Notes |
| Maturity: | May 15, 2026 |
| Principal Amount: | \$500,000,000 |
| Price to Public: | 100.000% |
| Coupon (Interest Rate): | 6.000% |
| Yield to Maturity: | 6.000% |
| Spread to Benchmark Treasury: | T + 426bps |
| Benchmark Treasury: | UST 1.625% due February 15, 2026 |
| Benchmark Treasury Yield: | 1.737% |
| Interest Payment Dates: | May 15 and November 15, commencing on November 15, 2016 |
| Change of Control Triggering Event: | Upon the occurrence of a Change of Control Triggering Event, the Issuer will be required to offer to repurchase the notes at 101% of their principal amount, plus accrued and unpaid interest, if any, to, but not including, the date of repurchase. |
| Optional Redemption: | On and after May 15, 2021, the Issuer may redeem all or part of the notes, on one or more occasions, at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest thereon, if any, to, but not including, the applicable redemption date, if |

redeemed during the twelve month period beginning on May
15 of the years indicated

below:

| <u>Year</u> | <u>Price</u> |
|---------------------|---------------------|
| 2021 | 103.000% |
| 2022 | 102.000% |
| 2023 | 101.000% |
| 2024 and thereafter | 100.000% |

At any time prior to May 15, 2021, the Issuer may also redeem all or a part of the notes at a redemption price equal to 100% of the principal amount of notes redeemed plus the applicable make-whole premium (T+50) as of, and accrued and unpaid interest, if any, to, but not including, the redemption date.

In addition, at any time and on one or more occasions, prior to May 15, 2019, the Issuer may redeem in the aggregate for all such redemptions up to 35% of the aggregate principal amount of notes issued (including the aggregate principal amount of any additional notes) using the net cash proceeds from certain equity offerings, at a redemption price equal to 106.000% of the principal amount of the notes redeemed, plus accrued and unpaid interest, if any, to, but not including, the date of redemption.

Joint Book-Running Managers:

Morgan Stanley & Co. LLC

Barclays Capital Inc.

Merrill Lynch, Pierce, Fenner & Smith

Incorporated

Deutsche Bank Securities Inc.

J.P. Morgan Securities LLC

Co-Managers:

BNP Paribas Securities Corp.

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Credit Agricole Securities (USA) INC.

HSBC Securities (USA) Inc.

Samuel A. Ramirez & Company, Inc.

SG Americas Securities, LLC

Trade Date:

May 11, 2016

Settlement Date (T+10):

May 25, 2016

CUSIP / ISIN

00130HBX2 / US00130HBX26

The information in this communication supersedes the information in the preliminary prospectus supplement to the extent it is inconsistent with such information. Other information presented in the preliminary prospectus supplement is deemed to have changed to the extent affected by the changes described herein.

We expect that delivery of the notes will be made to investors on or about May 25, 2016, which will be the tenth business day following the date of this prospectus supplement. Under Rule 15c6-1 under the Exchange Act, trades in the secondary market are required, subject to certain exceptions, to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the notes on the date of pricing or the next six succeeding business days will be required, by virtue of the fact that the notes will initially settle in T+10, to specify an alternate settlement arrangement at the time of any such trade to prevent a failed settlement. Those purchasers should consult their advisors.

The issuer has filed a registration statement, including a prospectus and a preliminary prospectus supplement, with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus and the preliminary prospectus supplement in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, copies may be obtained from Morgan Stanley & Co. LLC, Attention: Prospectus Department, 180 Varick Street, New York, NY 10014, by telephone at (866) 718-1649, or by e-mail at prospectus@morganstanley.com; or Barclays Capital Inc., c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgwood, NY 11717, by telephone at (888) 603-5847, or by e-mail at barclaysprospectus@broadridge.com.

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