

AES DOMINICANA

Relevant Results First Quarter 2020

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Santo Domingo, Dominican Republic, June 30, 2020 - Andres-DPP and Itabo announced today financial results for the quarter ended March 31, 2020. All operating and financial information, except where otherwise specified, are expressed in US Dollars and prepared in accordance with United States General Accepted Accounting Principles, as of any date of determination, or "US GAAP".

AES Andres B.V. and Subsidiaries and Dominican Power Partners announced a Combined Net Comprehensive Income of \$30 million for the first quarter 2020.

- First quarter 2020 revenue decreased (5)% and operating costs decreased (17)%, compared to the first quarter 2019.
- Net comprehensive income decreased (9)% to \$30 million.

Table 1: Summary of Financial Results - Andres & DPP

ANDRES - DPP			
(Millions of US\$)	2020	March 31	2019
Revenues	158		166
Operating costs and expenses	(113)		(136)
Operating income	45		30
Operating income margin	29%		18%
Net Comprehensive Income	30		32
Net Cash Provided by Operating Activities	39		87

Itabo announced a Net Comprehensive Income of \$15 million for the first quarter 2020.

- First quarter 2020 revenue and operating costs decreased (12)% and (32)%, respectively, compared to the first quarter 2019.
- Net comprehensive income was \$15 million in 2020 and \$11 million in 2019.

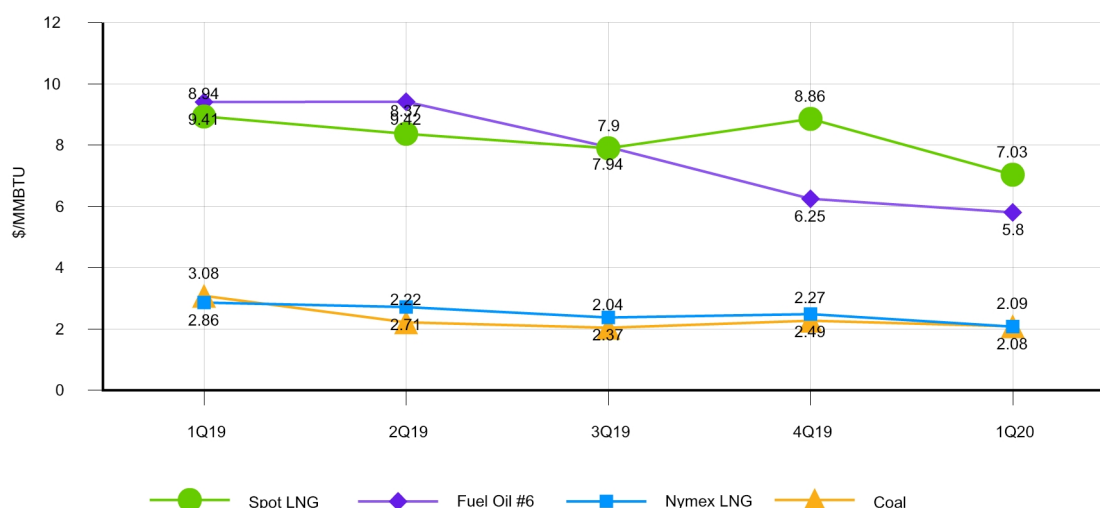
Table 2: Summary of Financial Results of Itabo

Itabo			
(Millions of US\$)	2020	March 31	2019
Revenues	49		56
Operating costs and expenses	(27)		(40)
Operating income	22		16
Operating income margin	45%		29%
Net Comprehensive Income	15		11
Net Cash Provided by Operating Activities	16		82

External Factors¹

- Dominican Republic's annual GDP grew 0.0% as of March 31, 2020 .²
- The accumulated Inflation stood at -0.32% as of March 2020.
- The exchange rate for Financial Entities as of March 31, 2020 was RD\$53.84 per US dollar (Ask) and RD\$53.93 per US dollar (Bid).
- Average Nymex Henry Hub natural gas prices were \$2.08 per MMBtu for the first quarter of 2020, with a peak of \$2.31 per MMBtu and a low of \$1.86 per MMBtu.³
- Average coal prices were \$2.09 per MMBtu for the first quarter of 2020, with a peak of \$2.12 per MMBtu and a low of \$2.05 per MMBtu.
- Average spot liquefied natural gas ("LNG") prices were \$7.03 per MMBtu for the first quarter of 2020, with a peak of \$8.88 per MMBtu and a low of \$4.46 per MMBtu.
- Total electricity demand for Q1 2020 reached 4.1 GWh, an increase of 4.5% versus the same period of 2019.

Chart 1: Fuel Prices Evolution



Spot LNG: As reference, it is used the 14% of Dated Brent Index, published in the Platts Crude Oil Marketwire, which in the current market represents a valid reference price for spot LNG purchases in the Atlantic Basin.

¹Source: Dominican Central Bank of the Dominican Republic (Macro-economic Data), Organismo Coordinador del Sistema Eléctrico Dominicano (Electric Sector Data) and FOB, 6000 kcal/kg NAR Colombia, Platts International Coal Report (Commodity Prices).

²Source: March 2020 Central Bank's Dominican Republic Economy Performance Report.

³Pricing under the BP Contract is at a premium to the Henry Hub natural gas price per MMBtu on the NYMEX Index.

Analysis of Andres-DPP⁴ Financial Results

Table 3: Financial results for the first quarter 2020

	2020	March 31 2019
	<i>(Millions of US\$)</i>	
Revenues	158	166
Electricity sales - Contracts	112	118
Electricity sales - spot market	9	14
Natural Gas Sales	37	35
Operating Costs and Expenses	(113)	(136)
Cost of sales - electricity purchases and fuel costs used for generation	(65)	(93)
Cost of sales - fuel and fuel related costs purchased for resale	(22)	(21)
Operating, maintenance and general expenses	(15)	(13)
Depreciation and amortization	(10)	(9)
Other Income (expense)	(6)	16
Interest expense - financial - net	(9)	(9)
Interest income - commercial - net	2	3
Other income (expense) -net	—	23
Cash Flows Variations - Provided by Operating Activities	39	87
Increase in accounts payable	9	32
(Increase) decrease in accounts receivable	(2)	23
(Decrease) increase in income tax payable	(4)	4
Decrease (increase) in Inventory	9	(9)
Increase in other assets	(14)	(9)
Positive adjustment	11	13
Net comprehensive income	30	32
Free Cash Flow	13	69
Net Cash Provided by Operating Activities	39	87
(Less) Maintenance and environmental CAPEX	(26)	(18)

⁴The accompanying combined financial results include the accounts of AES Andres, B.V. and its subsidiary AES Andres DR, S.A. and DPP. Intercompany balances and transactions have been eliminated in these combined financial statements.

Key drivers of first quarter 2020 - Andres-DPP Financial Results

- **Revenue** Decreased (5)% to \$158 million in 2020. The variation of \$(7.7) million, compared to the prior year, was mainly driven by decreases of :
 - (\$10.1) million in contracted and spot market sales due to lower sale prices mainly by lower LNG cost. DPP since February 2019 until April 2019 was out of service due to a vibration correction. Combine cycle of Andres began operations in September 2019. Andres steam turbine since March 19, 2020 is out of service to vibration correction.
 - \$2.4 million in natural gas sales to third parties due to increase in volume sales as a result of a new costumers in 2020 partially offset by lower sales price as a consequence of the international LNG prices.
- **Operating Costs and Expenses** decreased (17)% to \$113 million. The variance of \$23 million when compared to the same period of 2019 was mainly due to decreases of:
 - \$28 million in "electricity purchases and fuel cost used for generation" mainly due to a decrease in cost on LNG.
 - (\$2) million in fuel purchased for resale mainly due to higher sale to third parties.
 - Increases of: (\$2) million in operating, maintenance and general expenses due to higher insurance expenses.
- **Other Income (Expense)** was \$(6) million, 136% lower than 2019. The variance of \$22 million when compared to the same period of 2019 was mainly due to decrease of \$22 million in other income due to insurance claim received from the Insurance Company related to the write off and property damage of Andres Steam Turbine.
- **Net Cash Provided by Operating Activities** Decreased from \$87 million to \$39 million in 2020. The variation of \$48 million was primarily driven by:
 - Lower net comprehensive income by \$(3) million mostly to the drivers discussed above.
 - Positive impact by \$(2) million decrease in non-cash adjustments to net comprehensive income mainly related to the variances in disposal of assets described above.
 - Negative impact in accounts receivable by \$(25) million mainly to the increase in account receivable due to lower collection.
 - Positive impact of income tax by \$(7) million due to lower of income taxes expense in 2020.
 - Decrease of accounts payable by \$(23) million mainly due to higher LNG payment.
 - Positive impact in inventory and other asset by \$13 million related to LNG Brent.

Analysis of Itabo Financial Results

Table 4: Financial results for the first quarter 2020

	2020	March 31 2019
	<i>(Millions of US\$)</i>	
Revenues	49	56
Electricity Sales	49	55
Other revenues	1	1
Operating Costs and Expenses	(27)	(40)
Cost of electricity sales	(16)	(26)
Operating, general and maintenance expenses	(7)	(9)
Depreciation and amortization	(5)	(5)
Other Income (Expenses)	(1)	(1)
Interest (expense) - financial - net	(2)	(2)
Interest income - commercial - net	—	2
Cash Flows Variations - Provided by Operating Activities	16	82
Decrease in accounts payable	(6)	(4)
Decrease in accounts receivable	2	68
Decrease in inventory	2	2
Increase in income tax payable	2	1
Increase in prepaid expense and other assets	(4)	(3)
Positive adjustment	5	7
Net income	15	11
Free Cash Flow	14	80
Net Cash Provided by in Operating Activities	16	82
(Less) Maintenance and environmental CAPEX	(2)	(2)

Key drivers of first quarter 2020 - Itabo Financial Results

- **Revenue** decreased (12)% to \$49 million. The variation of \$(7) million compared to 2019 was mainly driven by decrease of:
 - \$(1) million in contracted electricity sales mainly due lower prices partially offset with higher volume sold.
 - \$(5) million in lower spot electricity sales due to lower prices.
- **Operating Costs and Expenses** decreased (32)% to \$27 million. The variance of \$13 million was primarily due to:
 - \$11 million in cost of sales due to lower coal prices.
 - \$2 million due to lower expenses maintenances by minor outages.
- **Other Income (Expense)** was \$(1) million, 92% higher than the first quarter 2019 by lower interest income from costumers, mainly by higher collections.
- **Net Cash Provided by Operating Activities** Decreased from \$82 million in 2019 to \$16 million in 2020. The variation of \$(66) million is primarily driven by a:
 - Decrease of accounts receivable by \$66 million due to higher collections on March 2019 compared to the same period in 2020.

Financial Debt Summary

Table 5: Summary of Debt Profile of Andres-DPP

Financial Debt	Mar-20	Dec-19
(expressed in millions of US\$)		
Local Currency	—	—
Foreign Currency	620	555
Total Debt	620	555
Fixed Rate	85%	95%
Variable Rate	15%	5%
Short Term	15%	5%
Long Term	85%	95%
Financing Cost (*)	6.66%	7.4%
Average Life (years)	6.6	6.8

(*) (1) After tax rates

Table 6: Summary of Debt Profile of Itabo

Financial Debt	Mar-20	Dec-19
(expressed in millions of US\$)		
Local Currency	—	—
Foreign Currency	125	100
Total Debt	125	100
Fixed Rate	80%	100%
Variable Rate	20%	—%
Short Term	20%	—%
Long Term	80%	100%
Financing Cost (*)	7.49%	8.83%
Average Life (years)	5.3	6.4

(*) (1) After tax rates

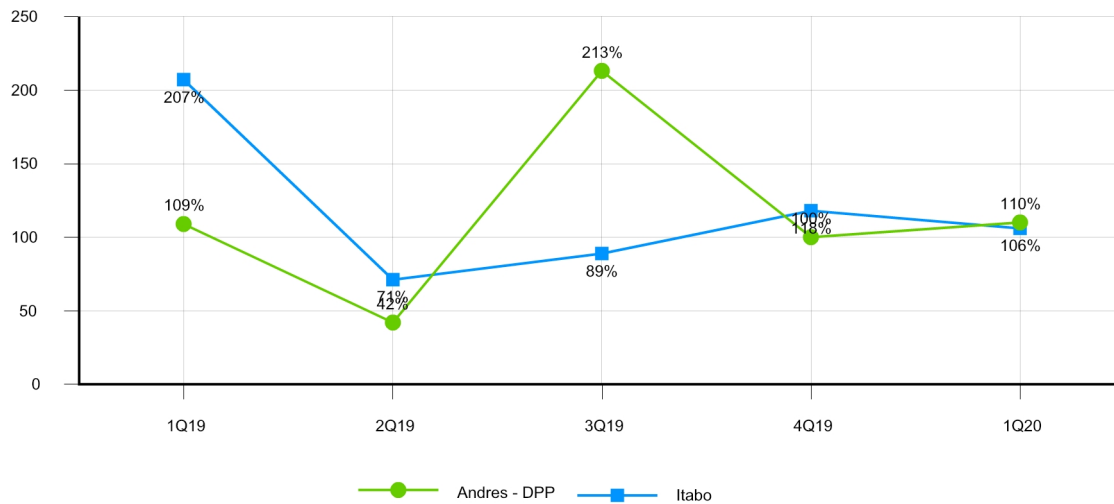
Table 7: Summary of International & Local Ratings

Rating Agency	Market	Type of Debt	Rating	Outlook
Fitch Ratings (AES Andres/DPP)	International	Senior Notes 2026	BB-	Negative
Standard & Poor's (AES Andres/Itabo/DPP)	International	Senior Notes 2020	BB-	Negative
Feller Rate Dominicana (Andres/DPP)	Local	Guaranteed Ordinary Bonds	AA (dom)	Stable
Fitch Dominicana (DPP)	Local	Guaranteed Ordinary Bonds	AA (dom)	Stable
Fitch Ratings (Itabo)	International	Senior Notes 2026	BB-	Negative

Collections

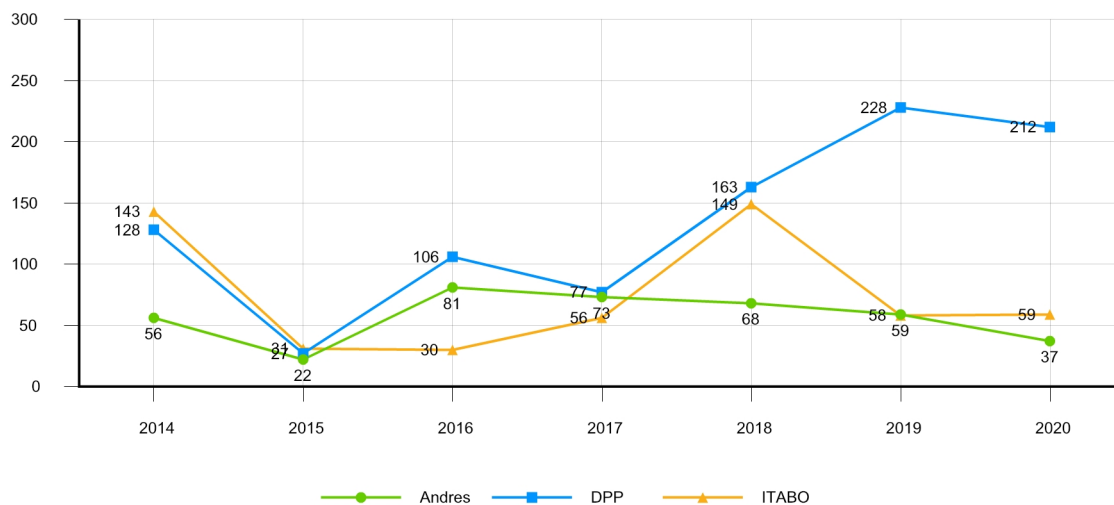
- During the first quarter 2020 the average collection rate for Andres-DPP was 110% compared to 100% as of December 31, 2019, and for Itabo 106% compared to 118%.
- As of March 31, 2020, Andres accounts receivable had a 37 days of sales outstanding ("DSO"), DPP had a 212 DSO and Itabo had a 59 DSO compared to 59, 228 and 58 DSO, respectively as of December 31, 2019.

Chart 2: Average Collection Rate



The average collection is calculated using the total collected vs. the total billed to the distribution companies during the quarter.

Chart 3: Days Sales Outstanding



The DSO was calculated using the current account receivables as of March 31, 2020 divided by the average month sales for 12 months. It assumes 30 days in a month.

Operational Results of Andres-DPP

Table 8: Summary of Technical Details

March 31, 2020	Andres	DPP	Aggregate
Installed capacity (MW)	329	368	697
Power Generation Units	1	2	3
Energy Storage Solutions	1	1	2

Table 9: Summary of Key Performance Indicators

Operating Data		Q1		YTD		YTD
		2020	2019	2020	2019	Var. %
Gross generation	GWh	1,001	749	1,001	749	34 %
Internal consumption	GWh	(24)	(19)	(24)	(19)	29 %
Net Generation	GWh	977	731	977	731	34 %
Total Energy Sold	GWh	1,138	1,122	1,138	1,122	1 %
Andres' Firm Capacity (average)	MW	295	295	295	295	— %
Andres Heat Rate	Btu/KWh	7,906	11,923	7,906	11,923	(34)%
Andres EAF	%	83	84	83	84	(2)%
Andres EFOR	%	5	1	5	1	230 %
DPP's Firm Capacity (average)	MW	311	215	311	215	45 %
DPP EAF	%	91	77	91	77	18 %
DPP EFOR	%	8	17	8	17	(53)%

Key drivers of year to date variances - Andres-DPP Operational Results

- **Combined Net Generation** increased 34% to 1,001 GWh due to higher efficiency in both plants. In 2019 Andres and DPP, as consequence of the plants operations as open cycle, Andres since September 2018 until September 2019 due to the Turbine damage (lightening) and DPP since February 2019 until April 2019 due to a vibration correction.
- The **Energy Sold** increased also 1% to 1,138 GWh due to the higher generation.
- **Andres Firm Capacity** increased to an average of 295 MW.
- **Andres EAF** was lower than last year, decreasing (2)% to 83% mainly due to the damage since September 2018 in Andres. The **Heat Rate** decreased to 7,905.6 Btu/KWh.
- **DPP Firm Capacity** increased to an average of 311 MW.
- **DPP EAF** was 91% higher due operation combine cycle in 2020.

Operational Results of Itabo

Table 10: Summary of Technical Details

March 31, 2020	
Installed capacity (MW)	295
Power Generation Units	3

Table 11: Summary of Key Performance Indicators

Operating Data		Q1		YTD		YTD
		2020	2019	2020	2019	Var. %
Gross generation	GWh	524	485	524	485	8 %
Internal consumption	GWh	(44)	(40)	(44)	(40)	9 %
Net Generation	GWh	480	445	480	445	8 %
Total Energy Sold	GWh	452	445	452	445	2 %
Firm Capacity (average)	MW	233	215	233	215	10 %
Heat Rate	Btu/KWh	11,047	11,012	11,047	11,012	0.3 %
EAF	%	95	89	95	89	8 %
EFOR	%	0.25	0.34	0.25	0.34	(26)%

Key drivers of year to date variances - Itabo Operational Results

- **Net Generation** increased 8% to 524 GWh due to higher plant availability. As a result, the total **Energy sold** increased 2%.
- **Itabo Firm Capacity** has an average of 233 MW.
- The **Heat Rate** slightly decreased 0.3% to 11,047 Btu/KWh.
- The **EAF** increased 8% due to minor outage days during the 2020 compared to 2019.

Safety Indicators

- During the first quarter 2020, Andres, DPP and Itabo did not have lost-time incidents or fatalities.

Environmental Matters

- During the first quarter 2020, Andres, DPP and Itabo have complied with all environmental requirements of The AES Corporation and the Dominican laws.

**AES ANDRES B.V. AND SUBSIDIARIES, AND
DOMINICAN POWER PARTNERS**
(Indirectly Owned Subsidiaries of The AES Corporation)
Unaudited Combined Statements of Comprehensive Income
(Amounts expressed in thousands of US dollars)

	March 31, 2020	March 31, 2019
REVENUES		
Electricity sales - contracts	\$ 111,873	\$ 117,500
Electricity sales - spot market	9,282	13,738
Natural gas sales	36,941	34,552
Other sales	227	224
Total revenues	158,323	166,014
OPERATING COSTS AND EXPENSES		
Cost of sales - electricity purchases and fuel costs used for generation	(65,274)	(93,342)
Cost of sales - fuel and fuel related costs purchased for resale	(22,391)	(20,723)
Operating, maintenance and general expenses	(15,231)	(13,435)
Depreciation and amortization	(10,158)	(8,793)
Total operating costs and expenses	(113,054)	(136,293)
OPERATING INCOME	45,269	29,721
OTHER INCOME (EXPENSES)		
Interest expense - net	(6,974)	(5,976)
Investment in affiliate	(143)	—
Debt discount amortization	(120)	(176)
Other income (expense) – net	73	22,509
Exchange gain (loss), net	1,302	(253)
Total other income (expense) - net	(5,862)	16,104
INCOME BEFORE TAXES	39,407	45,825
Income tax expense	(9,887)	(13,511)
NET COMPREHENSIVE INCOME	\$ 29,520	\$ 32,314

**AES ANDRES B.V. AND SUBSIDIARIES, AND
DOMINICAN POWER PARTNERS**
(Indirectly Owned Subsidiaries of The AES Corporation)
Unaudited Combined Balance Sheets
(Amounts expressed in thousands of US dollars)

	March 31, 2020	December 31, 2019
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 157,855	\$ 75,525
Restricted cash	117	119
Short term Investment unrestricted	95	95
Accounts receivable	190,933	202,347
Accounts receivable - related parties	2,737	477
Other receivables	69	944
Other receivable - related parties	40,094	27,779
Inventories - net	20,517	29,390
Prepaid expenses and other assets	14,402	1,118
Derivative asset	—	1
Total current assets	426,819	337,795
PROPERTY, PLANT AND EQUIPMENTS, NET:		
Land	45,102	44,906
Plant and electricity generating equipment	1,048,142	1,032,966
Less accumulated depreciation	(262,742)	(253,584)
Property, plant and equipment, net	830,502	824,288
OTHER ASSETS:		
Intangible assets, net	6,925	6,450
Derivative instruments	873	873
Prepayments and other assets	3,780	3,427
Affiliate investment	47,400	47,544
Right-of-use assets, net	5,217	4,175
Total other assets	64,195	62,469
TOTAL ASSETS	\$ 1,321,516	\$ 1,224,552
LIABILITIES AND SHAREHOLDER'S EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	\$ 62,977	\$ 81,414
Accounts payable - related parties	5,722	8,971
Line of credit	90,000	25,000
Short term debt	11	—
Income tax payable	37,122	41,471
Lease liability	399	244
Derivative instruments	61	61
Total current liabilities	196,292	157,161
LONG TERM LIABILITIES:		
Deferred income tax	43,531	42,885
Financial debt - net	582,218	568,896
Derivate instrument	335	363
Lease liability	4,207	3,740
Other liabilities	13,950	55
total long-term liabilities	644,241	615,939
SHAREHOLDER'S EQUITY:		
Common stock	15,018	15,018
Contributed capital	104,976	104,976
Additional paid-in capital	272,667	272,656
Retained earnings	88,322	58,802
Total shareholders' equity	480,983	451,452
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 1,321,516	\$ 1,224,552

**AES ANDRES B.V. AND SUBSIDIARIES, AND
DOMINICAN POWER PARTNERS**
(Indirectly Owned Subsidiaries of The AES Corporation)
Unaudited Combined Statements of Cash Flow
(Amounts expressed in thousands of US dollars)

	March 31, 2020	March 31, 2019
OPERATING ACTIVITIES:		
Net comprehensive income	\$ 29,520	\$ 32,314
Adjustments to reconcile net comprehensive income to net cash provided by Operating activities:		
Depreciation	9,840	8,723
Amortization of intangible assets	320	71
Amortization of right-of-use assets	198	—
Loss on derivative instruments	(30)	63
Deferred income tax	1,323	428
Deferred financing costs amortization	244	309
Debt discount amortization	120	176
Loss on asset disposal	10	2,809
Long term compensation	11	13
Affiliate investment	143	—
Exchange (gain) loss, net	(1,302)	253
Decrease in accounts receivable	11,769	12,546
(Increase) decrease in accounts receivable – related parties	(2,260)	285
Decrease (increase) in other receivable	841	(19)
(Increase) decrease in other receivable – related parties	(12,314)	10,022
Decrease (increase) in inventories	8,873	(8,497)
Increase in other assets	(13,814)	(8,878)
(Decrease) increase in income tax payable	(3,580)	3,825
Increase in accounts payable and accrued liabilities	12,324	14,136
(Decrease) increase in accounts payable – related parties	(3,249)	18,170
Increase in accrued and other liabilities	8	93
Net cash provided by operating activities	38,995	86,842
INVESTING ACTIVITIES:		
Additions to property, plant and equipment	(32,259)	(15,384)
Advances payment for the acquisition of property, plant and equipment	(2,854)	(23,151)
Additions of intangible assets	—	(432)
Insurance proceeds	—	31,427
Net cash used in investing activities	(35,113)	(7,540)
FINANCING ACTIVITIES:		
Proceeds from issuance of financial debt	13,000	10,000
Proceeds from line of credit	75,000	30,000
Payment of line of credit	(10,000)	—
Payment of financing costs and debt discount	—	(5)
Dividends payment	—	(59,669)
Payment of lease liabilities	(202)	—
Net cash provided (used) in financing activities	77,798	(19,674)
Effect of exchange rate changes on cash	648	518
Net increase in cash, cash equivalent and restricted cash	82,328	60,146
Cash and cash equivalents at the beginning of the year	75,644	71,206
Cash and cash equivalents at the end of the period	\$ 157,972	\$ 131,352

AES ANDRES B.V. (*)

Property, plant and equipment, net	December 31,				March 31,
	2019	Additions	Reductions	Transfers	2020
(Expressed in thousands of US\$)					
<u>Original value:</u>					
Generation plant	\$ 524,856	\$ —	\$ (263)	\$ 1,307	\$ 525,900
LNG facility, pier and pipeline	61,522	—	—	—	61,522
Spare parts	23,525	—	—	(47)	23,478
Buildings	15,830	—	—	72	15,902
Vehicles	714	—	—	40	754
Office equipment and others	4,715	72	(22)	20	4,785
Subtotal	631,162	72	(285)	1,392	632,341
<u>Accumulated depreciation</u>					
Generation plant	(80,030)	(4,361)	253	—	(84,138)
LNG facility, pier and pipeline	(70,278)	(1,096)	—	—	(71,374)
Spare parts	(2,726)	(192)	—	—	(2,918)
Buildings	(3,673)	(88)	—	—	(3,761)
Vehicles	(472)	(28)	—	—	(500)
Office equipment and others	(3,934)	(78)	22	—	(3,990)
Subtotal	(161,113)	(5,843)	275	—	(166,681)
Subtotal	470,049	(5,771)	(10)	1,392	465,660
Land	36,900	—	—	—	36,900
Construction in progress	6,074	7,066	—	(1,397)	11,743
Total, net	\$ 513,023	\$ 1,295	\$ (10)	\$ (5)	\$ 514,303

DOMINICAN POWER PARTNERS (*)

Property, plant and equipment, net	December 31,				March 31,
	2019	Additions	Retirements	Transfer	2020
(Expressed in thousands of US\$)					
<u>Original value:</u>					
Generation plant	\$ 372,653	\$ —	\$ —	\$ 145	\$ 372,798
Buildings	4,611	—	(361)	1,564	5,814
Vehicles	467	—	—	40	507
Spare parts	11,379	—	—	(19)	11,360
Office equipment and others	1,821	—	(44)	195	1,972
Subtotal	390,931	—	(405)	1,925	392,451
<u>Accumulated depreciation</u>					
Generation plant	(88,842)	(3,739)	—	—	(92,581)
Buildings	(1,818)	(58)	361	—	(1,515)
Vehicles	(344)	(7)	—	—	(351)
Spare parts	568	(139)	—	—	429
Office equipment and others	(1,346)	(41)	44	—	(1,343)
Subtotal	(91,782)	(3,984)	405	—	(95,361)
Subtotal	299,149	(3,984)	—	1,925	297,090
Land	8,006	—	—	196	8,202
Construction in progress	3,345	8,677	—	(2,119)	9,903
Total, net	\$ 310,500	\$ 4,693	\$ —	\$ 2	\$ 315,195

(*) Property, plant and equipment, net included US\$1 million adjustment due to combined Balance Sheet presentation

AES ANDRES B.V and DPP:**Combined interest expenses - net**

(Expressed in thousands of US\$)

	March 31, 2020	March 31, 2019
Interest expense - borrowings	\$ (9,293)	\$ (9,051)
Interest expense - commercial	(556)	(355)
Subtotal	(9,849)	(9,406)
Deferred financing cost amortization	(245)	(309)
Interest income - commercial	2,892	3,328
Interest income - financial	228	411
Subtotal	3,120	3,739
Total	\$ (6,974)	\$ (5,976)

EMPRESA GENERADORA DE ELECTRICIDAD ITABO, S. A.
(An Indirectly Owned Subsidiary of The AES Corporation)
Unaudited Statements of Comprehensive Income
(Amounts expressed in thousands of US dollars)

	March 31, 2020	March 31, 2019
REVENUES:		
Electricity sales	\$ 48,438	\$ 54,746
Other revenues	595	921
Total revenues	49,033	55,667
OPERATING COSTS AND EXPENSES:		
Cost of revenues	(15,474)	(26,078)
Operating, general and maintenance expenses	(6,805)	(8,842)
Depreciation and amortization	(4,914)	(4,869)
Total operating costs and expenses	(27,193)	(39,789)
OPERATING INCOME	21,840	15,878
OTHER INCOME (EXPENSE):		
Interest expense - net	(1,454)	(483)
Debt discount amortization	(42)	(64)
Other income (expenses) - net	110	7
Exchange gain (loss) - net	130	(114)
Total other expense	(1,256)	(654)
INCOME BEFORE TAXES	20,584	15,224
Income tax expense	5,264	3,896
NET COMPREHENSIVE INCOME	\$ 15,320	\$ 11,328

EMPRESA GENERADORA DE ELECTRICIDAD ITABO, S. A.
(An Indirectly Owned Subsidiary of The AES Corporation)
Unaudited Statements of Balance Sheets
(Amounts expressed in thousands of US dollars)

	March 31, 2020	December 31, 2019
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 90,981	\$ 51,353
Accounts receivable - trade	7,131	7,247
Accounts receivable - related parties	41,115	43,129
Inventories, net	18,896	20,612
Prepaid expenses and other assets	3,869	243
Total current assets	161,992	122,584
PROPERTY, PLANT AND EQUIPMENT, NET:		
Land	7,389	7,389
Plant and electricity generating equipment	412,658	412,335
Accumulated depreciation	(225,405)	(221,826)
Construction in progress	7,515	7,429
Total Property, plant and equipment, net	202,157	205,327
OTHER ASSETS:		
Intangible assets, net	883	1,194
Prepayments	3,061	3,147
Right of use asset, net	584	36
Total other assets	4,528	4,377
TOTAL ASSETS	\$ 368,677	\$ 332,288
LIABILITIES AND SHAREHOLDER'S EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	\$ 8,721	\$ 14,625
Accounts payable - related parties	1,351	1,463
Line of credit	25,000	—
Lease liability	120	36
Income tax payable	4,061	2,264
Total current liabilities	39,253	18,388
LONG TERM LIABILITIES:		
Financial debt - net	96,728	96,631
Deferred income tax	8,343	8,692
Lease liability - LT	454	—
Total long-term liabilities	105,525	105,323
SHAREHOLDERS'S EQUITY		
Common stock RD\$100 par value (56,355,556 shares issued, authorized and outstanding)	355,556	355,556
Additional paid-in-capital	380	378
Accumulated deficit	(132,037)	(147,357)
Total shareholder's equity	223,899	208,577
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	\$ 368,677	\$ 332,288

EMPRESA GENERADORA DE ELECTRICIDAD ITABO, S. A.
(An indirectly Owned Subsidiary of The AES Corporation)
Unaudited Statements of Cash Flow
(Amounts expressed in thousands of US dollars)

	March 31, 2020	March 31, 2019
OPERATING ACTIVITIES:		
Net comprehensive income	\$ 15,320	\$ 11,328
Adjustments to reconcile net comprehensive income to net cash provided in operating activities:		
Depreciation	4,826	4,833
Amortization of intangible assets	310	37
Right of use amortization	45	—
Derivative Instruments	—	1,658
Deferred financing costs amortization	51	77
Debt discount amortization	42	64
Deferred income tax	(198)	(155)
Long term compensation	1	3
Exchange (loss) gain, net	(130)	114
Decrease in accounts receivable	116	4,308
Decrease in other accounts receivable – related companies	2,014	64,127
Decrease in inventories	1,716	2,244
Increase in prepaid expense and other assets	(3,626)	(3,445)
Increase in income tax payable	1,797	676
Decrease in accounts payable and accrued liabilities	(5,968)	(1,931)
Decrease in accounts payable - related parties	(112)	(1,953)
Net cash provided by operating activities	16,204	81,985
INVESTING ACTIVITIES:		
Additions to property, plant and equipment	(1,529)	(2,186)
Advance payments for the acquisition of property, plant and equipment	—	(437)
Additions to intangible assets	—	(527)
Net cash used in investing activities	(1,529)	(3,150)
FINANCING ACTIVITIES:		
Proceeds from line of credit	25,000	—
Payment of lease liability	(47)	—
Dividends payment	—	(16,701)
Net cash provided (used) in financing activities	24,953	(16,701)
Net increase in cash and cash equivalents	39,628	62,134
Cash and cash equivalents at the beginning of the year	51,353	13,455
Cash and cash equivalents at the end of the period	\$ 90,981	\$ 75,589

Property, plant and equipment, net
(Expressed in thousands of US\$)

	December 31, 2019	Additions	Retirements	Transfers	March 31, 2020
<u>Original value:</u>					
Buildings	\$ 37,846	\$ —	\$ —	\$ —	\$ 37,846
Generating equipment	360,364	—	(1,211)	1,539	360,692
Spare parts	6,016	32	—	—	6,048
Vehicles	336	—	—	—	336
Office equipment	7,773	—	(37)	—	7,736
Subtotal	412,335	32	(1,248)	1,539	412,658
<u>Accumulated depreciation:</u>					
Buildings	(18,426)	(188)	—	—	(18,614)
Generating equipment	(196,131)	(4,490)	1,211	—	(199,410)
Spare parts	(1,116)	(87)	—	—	(1,203)
Vehicles	(308)	(7)	—	—	(315)
Office equipment	(5,846)	(54)	37	—	(5,863)
Subtotal	(221,827)	(4,826)	1,248	—	(225,405)
Construction in progress	7,429	1,625	—	(1,539)	7,515
Land	7,389	—	—	—	7,389
Subtotal	14,818	1,625	—	(1,539)	14,904
Total, net	\$ 205,326	\$ (3,169)	\$ —	\$ —	\$ 202,157

INTEREST EXPENSE - NET

(Expressed in thousands of US\$)

	March 31, 2020	March 31, 2019
Interest expense - financial	\$ (1,955)	\$ (2,240)
Subtotal	(1,955)	(2,240)
Amortization of deferred financing costs	(51)	(77)
Interest income - commercial	262	1,745
Interest income - financial	290	89
Subtotal	552	1,834
Total	\$ (1,454)	\$ (483)

Andres-DPP and Itabo are controlled and managed by subsidiaries of The AES Corporation.

Itabo owns the lowest-cost thermal power generation units in the Dominican Republic. Itabo operates power generation units that in the aggregate have 295 MW of installed capacity. Itabo also has the only loading dock with the capacity to service Panamax vessels and to unload to 60,000 tons of solid fuels in bulk.

Andres and DPP own and operate power generation units and energy storage solutions that in aggregate have 697 MW of installed capacity. Andres also has the only LNG shipment receiving terminal in the Dominican Republic, a regasification facility, a LNG storage facility, and a natural gas pipeline.

The pro forma combined balance sheet and statement of operations presented in this report have not been audited and were derived from the unaudited consolidated financial statements of Andres and unaudited financial statements of DPP. The information provided by the consolidated financial statements of Andres and financial statements of DPP and for Itabo has been prepared in accordance with United States General Accepted Accounting Principles (US GAAP) as established in the Offering Memorandum of the \$370 million notes units.

The non-audited pro forma combined financial information described above is being provided for illustrative purposes only. Andres and DPP may have performed differently if they had actually been combined during the periods presented. This non-audited proforma combined financial information should be read in conjunction with the audited consolidated financial statements as of and for the periods ended March 31, 2020 and 2019 and notes thereto, of each Andres and DPP.

You should not rely on the pro forma combined financial information as being indicative of the historical results that would have been achieved by Andres and DPP if they had always been combined.

The AES Corporation (NYSE: AES) is a global power company that owns and operates a diverse and growing portfolio of electricity generation and distribution businesses, which provide reliable, affordable energy to customers in 15 countries. AES understands that a reliable, affordable supply of electricity is essential to human progress, economic growth, public health and security. - See more at: www.aes.com.

This report may contain forward-looking statements speculative in nature based on the information, operational plans and forecasts currently available about future trends and facts. As such, they are subject to risks and uncertainties. A wide variety of factors may cause future real facts to differ significantly from the issues presented or anticipated in this report, including, among others, changes in general economic, political, government and business conditions. In the event of materializing any of these risks or uncertainties, or if underlying assumptions prove to be mistaken, future real facts may vary significantly. Itabo is not bound to update or correct the information contained in this report.

Please address any questions or comments related to this report to Investor Relations, email address: inversoraescac@aes.com

Glossary of key terms

Btu:	British thermal units of measurement. It is an unit of heat in the English European System. Its equivalence in the International System (IS) is the Calorie. The prices of Natural Gas are usually expressed in US\$/MMBtu. 1 Btu is equivalent to 252 calories.
Capex:	Capitalized expenditures.
CDEEE:	Corporación Dominicana de Empresas Eléctricas Estatales. Previously known as CDE.
Coordinating Body:	“OC” or Organismo Coordinador. Whose function is to plan and coordinate the economic operations of the power providers with those of the transmission, distribution and commercialization system that form the SENI.
Deregulated Users (NRU):	The user of the electrical service which monthly demand exceeds the limit established by the Superintendence of Electricity in order to be classified as an unregulated user under the General Electricity Law.
EAF:	Equivalent Availability Factor
EFOR:	Equivalent Forced Outage Rate
Firm Capacity:	The amount of capacity assigned by the Coordinating Body to each power generation unit for being available to cover the demand in peak hours.
FX:	Foreign exchange, a banking term for changing money from one currency into another.
GDP:	The gross domestic product (GDP) is one of the measures of national income and output for a given country's economy. GDP is defined as the total market value of all final goods and services produced within the country in a given period of time (usually a calendar year).
Henry Hub:	The specific pricing point for natural gas future contracts on the New York Mercantile Exchange, or NYMEX.
Installed capacity:	The amount of MW a turbine is designed to produce upon installment (name-plate capacity).
Liquid Natural Gas (LNG):	Natural Gas processed to be transported in liquid form. It is the best alternative for transporting and storage because when transformed into liquid at atmospheric pressure and -163° C, the liquefaction process reduces the volume of gas by 600 times.
Platts:	Provider of energy information around the world that has been in business in various forms for more than a century and is now a division of The McGraw-Hill Companies. Products include Platts Energy Economist, industry news and price benchmarks for the oil, natural gas, electricity, nuclear power, coal, petrochemical and metals markets.
PPA:	Power Purchase Agreement.
SENI:	Sistema Eléctrico Nacional Interconectado or the National Interconnected Electrical System.