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Innovative technology solutions for sustainability

Abengoa will develop a new 100 MW solar plant in South Africa

- The parabolic trough plant will have a cutting-edge storage system, being able to generate electricity for five hours after the sunset.

- Abengoa strengthens its position in South Africa with this new plant that will be part of the largest solar complex in Africa.

October 29, 2013 – Abengoa (MCE: ABG.B/P SM /NASDAQ: ABGB), the international company that applies innovative technology solutions for sustainability in the energy and environment sectors, has been selected by the Department of Energy (DOE) of South Africa to develop Xina Solar One, a 100 MW parabolic trough plant with a five-hour thermal energy storage system using molten salts. This project will form the largest solar complex in Africa together with Abengoa's plant KaXu Solar One that is currently under construction in the country.

Abengoa's new project will be constructed close to Pofadder, a city in the north of the Northern Cape Province, next to KaXu Solar One. These two 100 MW plants will jointly shape the largest solar complex in Africa. Xina Solar One will belong to a consortium, 40 % of which is controlled by Abengoa. Other constituents of the consortium are the Industrial Development Corporation (IDC), the Public Investment Corporation (PIC), and KaXu Community Trust.

Manuel Sánchez Ortega, CEO of Abengoa, said, "This project once again illustrates the maturity of solar-thermal technology, which can be efficiently stored and used when it is needed. This clean and non-polluting energy will improve the future of our planet and will help to reduce countries' energy dependency. We are extremely satisfied with the trust that has been placed in us by the South African government and the partners that accompany us in this project".

The parabolic trough technology employs parabolic-shaped mirrors that are set on a structure so they can track the movement of the sun and concentrate solar radiation onto a receiving tube. Inside the tube, a heat-absorbing fluid flows and reaches high temperatures. This fluid transfers the thermal energy to a heat exchanger, then is used to heat water into steam, which ultimately drives a turbine to generate electricity. Additionally, the plant uses the thermal energy storage technology that with a set of thermal storage tanks filled with molten salts, gives the plant the ability to generate electricity after the sunset or in transitory cloudy

periods, in addition to the ability to adapt energy production to the peaks of demand.

Xina Solar One will produce the clean energy equivalent to that needed to power approximately 90,000 households, thus preventing the emission of 315,000 tCO_2 annually. Additionally, the construction, operation and maintenance of the plant will stimulate regional socio-economic development by creating numerous direct and indirect jobs, as well as a supply chain that will foster economic growth in the country. Xina Solar One's construction is expected to begin in 2014.
Xina Solar One was awarded to Abengoa in the third round of renewable energy projects organized by the Department of Energy of South Africa, which is part of the national strategy to introduce up to 17,800 MW of renewable energy by 2030 and thus reduce its dependence on oil and natural gas. Abengoa is currently building other two concentrating solar power (CSP) plants in South Africa, therefore granting a cleaner energy future for the country, in addition to boosting economic growth.

Abengoa currently has 1,223 MW in operation and 430 MW under construction, using both, concentrating solar power (CSP) and photovoltaic technology. It is the leading CSP company in the world and one of the few that employs both solar tower and parabolic trough plants.

About Abengoa

Abengoa (MCE: ABG.B/P SM /NASDAQ: ABGB) applies innovative technology solutions for sustainability in the energy and environment sectors, generating electricity from renewable resources, converting biomass into biofuels and producing drinking water from sea water.

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