ABENGOA

Comisión Nacional del Mercado de Valores

Área de Mercados. Dirección de Supervisión

c/ Miguel Ángel, 11 -1ª

28010 – Madrid

Madrid, 19 January 2010

Dear Sirs,

With the aim of complying with article 82 of the Spanish Securities Market Act 24/1988, Abengoa, S.A. ("Abengoa" or the "Company") hereby notifies the Comisión Nacional del Mercado de Valores of the following significant event:

I. The Board of Directors of the Company, at its meeting of 18 January 2010 and using the authority delegated by resolution two of the Extraordinary General Meeting of Shareholders held on 19 October 2009, unanimously approved the issue of notes convertible into shares in the Company (the "Notes") for an initial amount of two hundred million euro (€200,000,000) extendable to two hundred and fifty million euro (€250,000,000) providing for incomplete subscription and having a maturity of seven (7) years (the "Issue").

The Board established the primary features of the Issue. However certain terms and conditions of the Bonds (the "Terms and Conditions") remained outstanding until such a time as the bookbuilding process had been carried out by the Joint Lead Managers (as defined below).

II. The Terms and Conditions of the Issue are primarily as follows:

(a) The Notes Issue is for an initial amount of two hundred million euro (€200,000,000) extendable to two hundred and fifty million euro (€250,000,000); it is anticipated that the Issue provides the possibility for incomplete subscription and will have a maturity at seven (7) years.

(b) The Issue will be lead by BNP Paribas and Société Générale (the "Joint Lead Managers") and will be aimed at international institutional investors.

(c) The Notes will be issued at par, with a nominal value for each Note of fifty thousand euro (€50,000). The Notes will comprise a single series and will be represented by registered certificates, initially in the form of a Global Certificate, although it will subsequently be possible for them to be represented by Definitive Registered Bonds.

(d) The Notes will accrue a fixed annual interest payable semi-annually, which will be finally determined by the Company once the bookbuilding process by the Joint Lead Managers has been completed. It is anticipated that the interest will be established between 4.00 and 4.50% per year.

(e) The Notes' redemption price at maturity will be 100% of the par value.

(f) The Notes will be voluntarily convertible for the shares in the Company at the discretion of the noteholders, in accordance with the Terms and Conditions of the Issue, which will determine, among other things, the period, and the Conversion Price (as defined below).

According the Terms and Conditions, when the holders of the Notes exercise their conversion right, the Company may opt either to deliver shares in the Company, cash or a combination of cash and shares.

The Company will have the option, after the third anniversary, to redeem the Bonds if the shares of the Company trade at 130% or more of the conversion price applicable for a specified period of time.

(g) The conversion price (the "Conversion Price") will be established by the Company on the basis of:

(i) The listing price of the Company's shares on the Stock Exchange, determined on the basis of the weighted average listing price for those shares according to trading volume on the markets during the period running between the present launch of the Issue and the date on which the pricing is determined, foreseeably on the date hereof; and

(ii) A conversion premium, also yet to be determined, which shall be between 30% and 35% of that price, determined as a result of the bookbuilding process conducted by the Joint Lead Managers.

(h) The Issue is secured with the Company's assets, and is not especially secured by means of any security interest furnished by third parties.

(i) The Terms and Conditions of the Notes are subject to English Law and it is foreseen that the Notes will be admitted to trading on the unofficial and unregulated market (multilateral trading platform) EuroMTF Luxembourg.

(j) Once the final Terms and Conditions of the Issue shall be established, the Company will sign with, among others, the Joint Lead Managers the subscription agreement for the Notes (the "Subscription Agreement") subject to English law.

(k) The Notes will be subscribed and paid for on the closing date, initially due to take place on 3 February 2010, provided that the conditions established in the Subscription Agreement have been met.

III. The Company will accept a lock-up undertaking of 90 days as from the signing of the Subscription Agreement pursuant to which it will undertake not to issue, offer or sell securities, shares or options which have a similar economic effect to the sale of shares. This restriction will not affect the rights issue approved by the Board of Directors, to enable the conversion of the Notes into shares.

IV. The company Inversión Corporativa, I.C., S.A., direct and indirect holder of 56.04% of the share capital of Abengoa, has undertaken the commitment to grant liquidity to the investors awarded the Notes by granting a loan to BNP Paribas of shares in the Company representing approximately 2,65% of its share capital. Likewise, Inversión Corporativa, I.C., S.A. has undertaken a lock up commitment in similar terms to the lock up commitment undertaken by the Company.

V. The Company has temporarily suspended the liquidity contract signed with Santander Investment Bolsa, S.V. until an announcement is made that the Conversion Price has been established.

Miguel Ángel Jiménez-Velasco Mazarío
Secretary General