



## ABENGOA

### 2014: Strategic Priorities



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Chief Executive Officer

8th Annual **Analyst and Investor Day**

April 3 & 4, 2014

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1

Exposed to Growing Markets



2

An Excellent Business with Significant Catalysts Ahead



3

Unlocking Value at Abengoa



1

Exposed to Growing Markets



2

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3

Unlocking Value at Abengoa



### Significant Amounts of Water Are Needed in Almost all Energy Generation

**Thirsty  
Energy**

#### Energy needs water

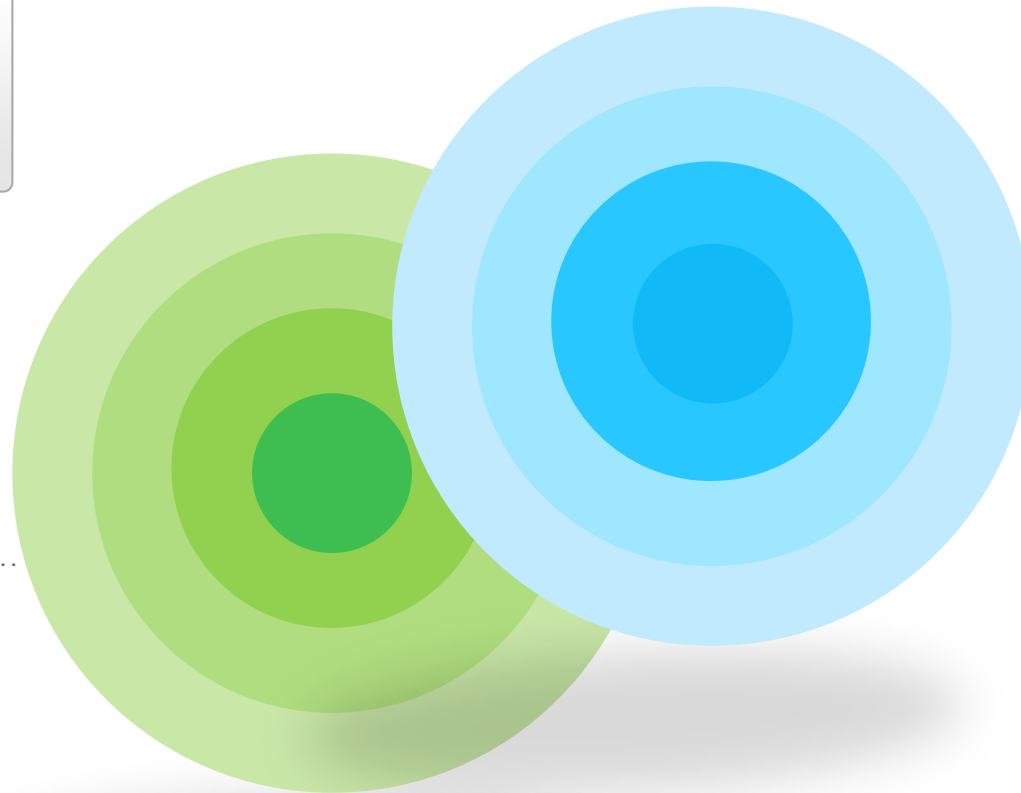
Energy production processes requires water...

- Hydropower
- Thermoelectric energy
- Power plants, etc.

#### Water needs energy...

Water production, processing, distribution processes need energy...

- Extraction
- Treatment
- Transportation



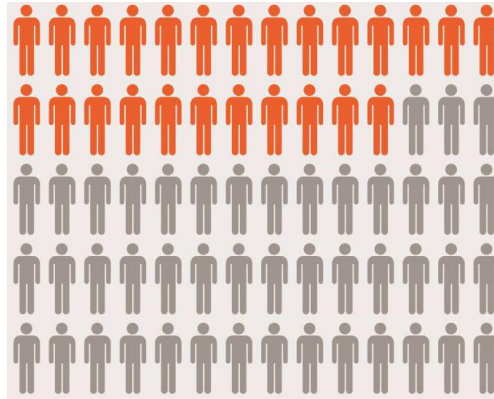
### Billions of People Lack Access to Potable Water and Electricity

Out of the 7  
Billion people  
on Earth  
today....

**2.5 Billion**

have unreliable or no  
access to electricity

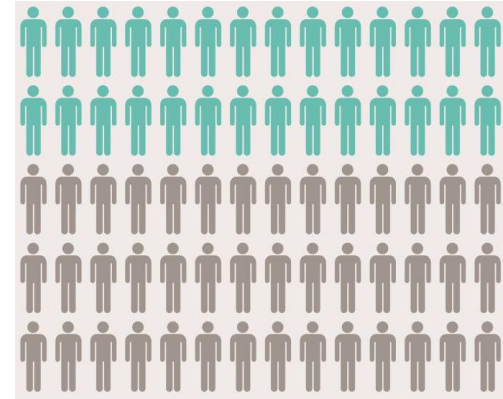
Source: EIA, 2012



**2.8 Billion**

live in areas of high  
water stress

Source: WWAP, 2012



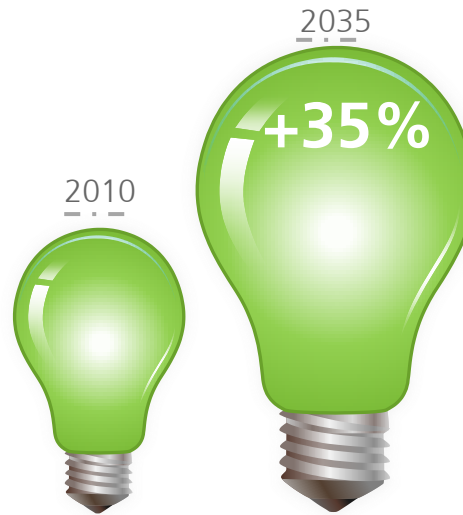
Several regions are experiencing significant water scarcity problems and energy shortages while the world population is expected to grow to ~8.5 billion<sup>(1)</sup> in 2030, which will create critical sustainability challenges...

(1) Source: The United Nations Population Fund (UNFPA)

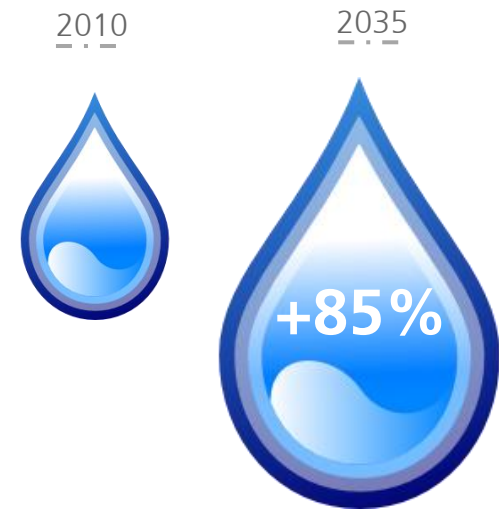
### Population Growth and Rapidly-expanding Economies Place Additional Demands on Water and Energy

**Energy &  
Water  
Consumption  
to Increase**

By 2035 Energy  
consumption will  
increase **35%...**



...which will increase  
water consumption by  
**85%**



- > Increasing Pressure on Finite Water Resources
- > Developing Countries Are the Most Vulnerable

### Abengoa Should Benefit from Macro Trends to Address Energy and Water Constraints

#### Reduce Water Dependency



Implement renewable energy technologies



Recycle and reuse water from operations



Explore brackish and saline water options



Use alternative cooling systems in thermal power plants

#### Enhance Efficiency



Replace old, inefficient power plants



Improve power plant efficiency



Improve biofuels production efficiency

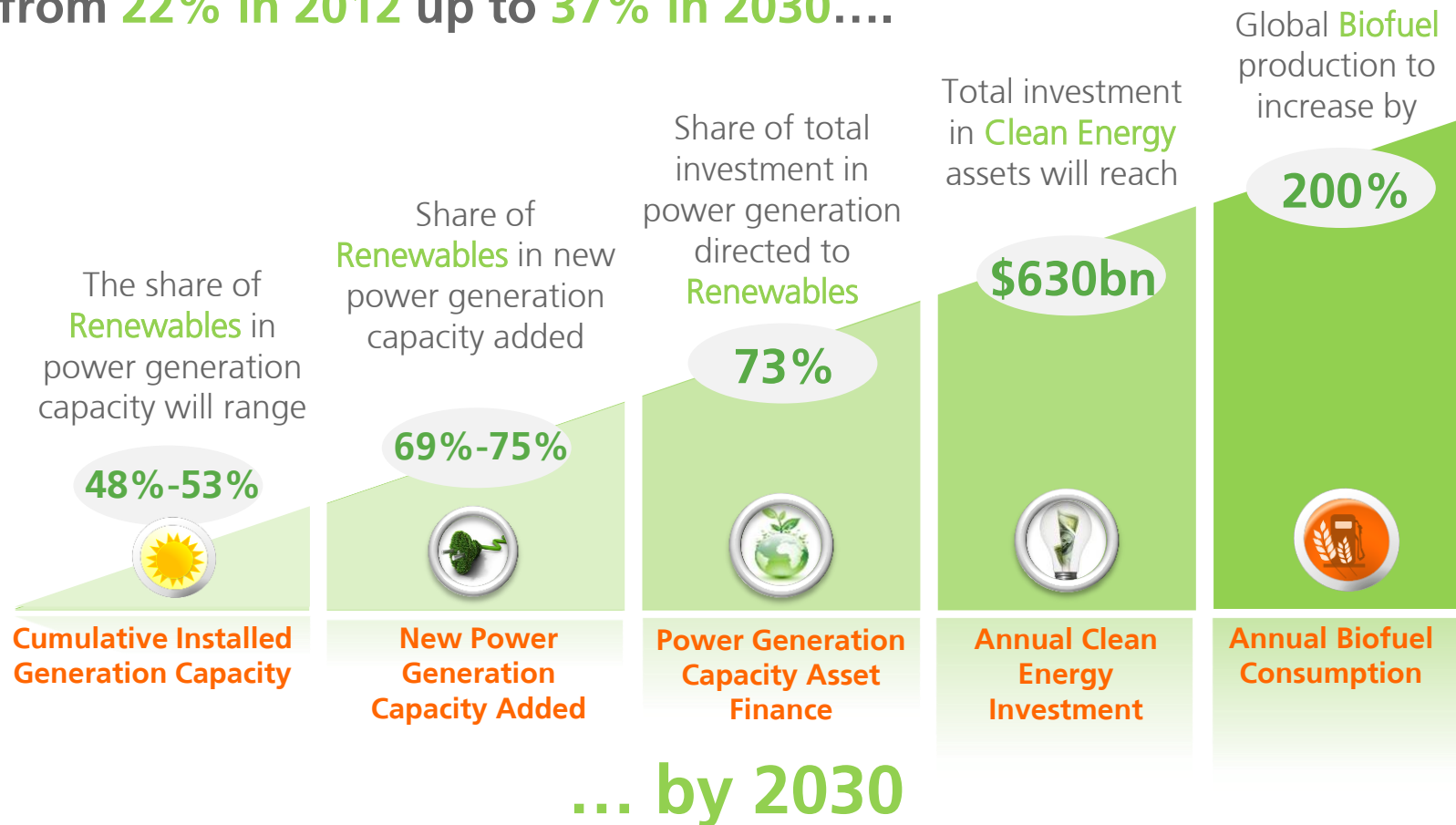


Increase the economic value of water



### Significant investments will continue to flow in renewable energy

Generation from renewable sources will increase from **22% in 2012** up to **37% in 2030....**



### Significant Growth Opportunities to Materialize in the Near Term

#### Growing Markets... ...with an Enormous Pipeline... ...and Competitive Positions



"A further **\$1.8 trillion** investment expected for **T&D grids...**" <sup>(1)</sup>

**18.4 B€**  
pipeline



International contractor in T&D  
(source: ENR Magazine 2012)



"Generation from **renewable sources** will **increase** from 22% in 2012 up to 37% in 2030...." <sup>(3)</sup>

**64.2 B€**  
pipeline



International contractor in co-generation & solar  
(source: ENR Magazine 2012)



"Annual investment close to **\$80.000 M** in the **transmission and distribution water** market" <sup>(2)</sup>

"**Water desalination** market to **grow at 7%** per year until 2015" <sup>(2)</sup>

**31.5 B€**  
pipeline



"2012 Desalination Company of the Year"



12<sup>th</sup> largest company globally in desalination capacity  
(source: Global Water Intelligence)



"**Global biofuel production** to increase **~200%** in 2030 to 370bn litres... the **most rapid growth** is in **2G biodiesel & ethanol**" <sup>(3)</sup>

**25.1 B€**  
Pipeline in Industrial Plants & Others



One of the first 2<sup>nd</sup> Generation Ethanol Commercial Plant  
"2014 Groundbreaker of the Year Award"

(source: Ethanol Producer Magazine, ePURE and Biomass Magazine)

<sup>(1)</sup> World Energy Outlook 2012. IEA

<sup>(2)</sup> Global Water Intelligence & DB Wangnick & GWI Mercados Desalación

<sup>(3)</sup> Bloomberg New Energy Finance –Global Renewable Energy Market Outlook 2013

1

Exposed to Growing Markets



2

An Excellent Business with Significant Catalysts Ahead

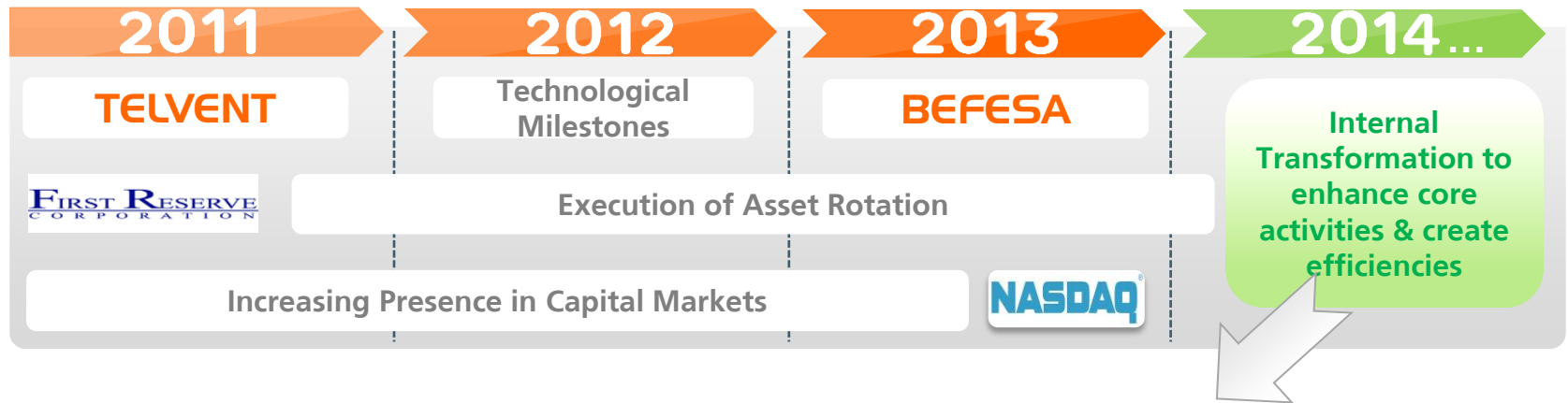


3

Unlocking Value at Abengoa



### Recent Disposals, Milestones Achieved & Corporate Transformation Make A Compelling Equity Story & a Much Simpler Company



#### Organizational Milestones Achieved in our Corporate Transformation

##### Engineering & Construction

- ✓ Restructuring in Engineering
- ✓ Creation of Business Development & EPC
- ✓ Business Development functions in all B.U.

##### Technology

- ✓ Creation of Abengoa Research
- ✓ Transfer all R&D activities from business areas to Abengoa Research

##### Concessions

- ✓ Creation of Operation & Maintenance Units
- ✓ Unification of all Concessions



**Abengoa Yield**

### Focus on the Development of New Technological Solutions that Contribute to Sustainability in...

1

#### Energy

Renewable  
Power  
Generation



Conventional  
Power  
Generation



Power  
Transmission &  
Distribution



Biofuels



#### Environment

Water  
Treatment &  
Desalination



Providing **Complete Solutions** based on our:

- > **Green Field** Project Development Capabilities
- > **E&C** Expertise
- > Ad-hoc Project **Financing** Facilities
- > Cutting Edge **Technology**
- > Outstanding **O&M** Experience

2

...with a business model enabling recurrent **Value Crystallization**:

1

Develop & Build



2

Operate

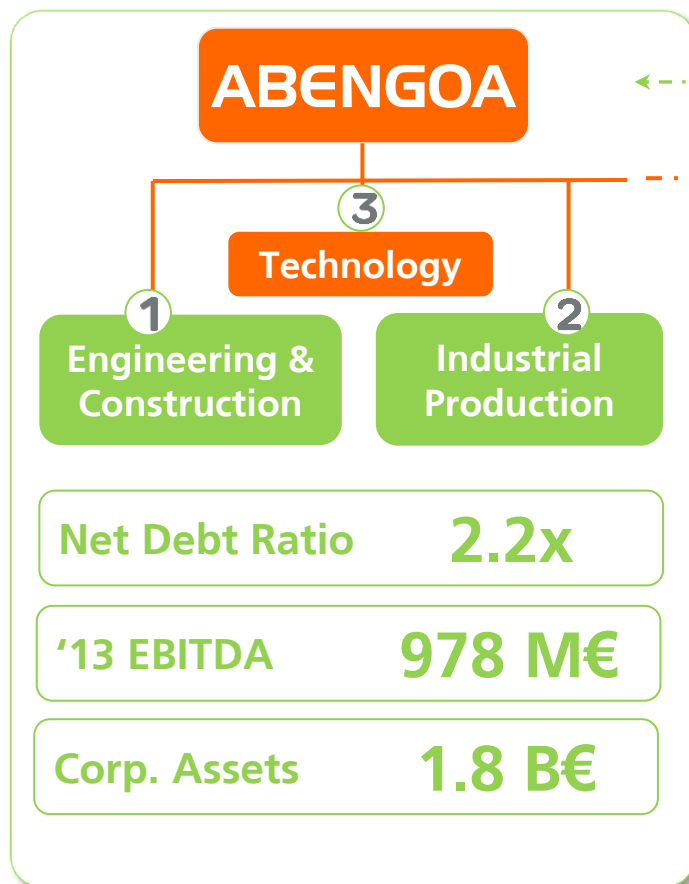


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Rotate

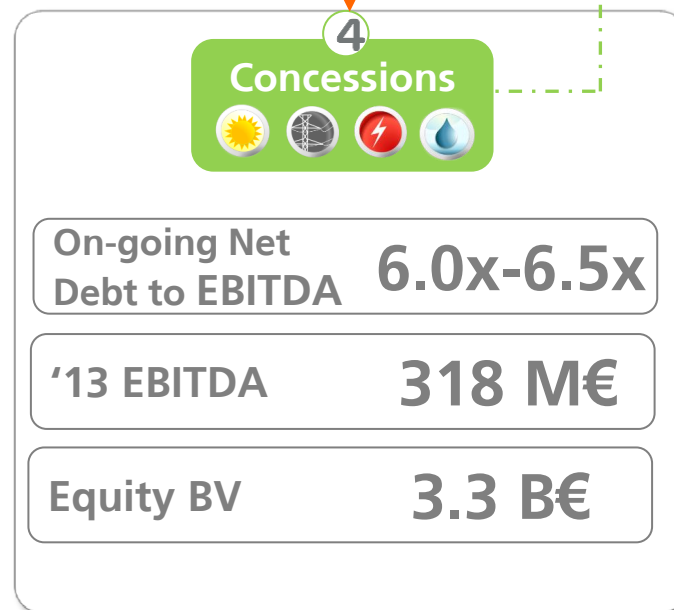
### Strong Corporate Business with Upside from Financial Investments in Concessional Asset Portfolio

#### Corporate Structure



Financial Investment

Dividends upstream / Equity recycling



### Core Competencies and Key Differentiators in E&C Business Allowing to Outperform Competition



**Credibility  
in the  
market**

**+17 B€**  
E&C project executed  
in last 5 years



**+7 GW**  
installed  
capacity



**+1.7 GW**  
installed  
capacity



**45,000 km**  
of T&D lines



**+1.3 BL/day**  
desalination  
capacity

### Growth and Value Creation Driven by Excellent Project Execution and Technology Leadership

#### Spotless Project Execution...

~17 B€ of E&C projects executed in the last years



#### Latest Success Stories of Project Delivered

**+680 MW CSP Spain**

#### ...and Strong Outlook Looking Ahead

**1** ~7 B€ in backlog comprised of significant milestone projects...



**2** +139 B€ value of identified opportunities in E&C..

- > Increased opport. in all sectors & regions
- > Balance between turnkey and concessions
- > Already materializing in Q1 2014:





### A Free Option at Current Valuation with High Potential Upside for Investors

#### Operations

- ▶ Favorable market dynamics in 2013 expected to continue in 2014
- ▶ Solid performance in 2013 in most of our plants:
  - Cash generation
  - Increased margins
- ▶ Optimized business due to efficient organization
- ▶ No operational risk and positive outlook for 2014

**Hugoton** Start-up as expected; all milestones reached so far

#### Business Development

- ▶ Tremendous upside potential from opportunities in 2G
  - Non-food biofuels
  - Future renewable sugars for bio-chemical applications
- ▶ Waste to Biofuels
- ▶ N-Butanol
- ▶ G2B Ethanol
- ▶ Already tackling real opportunities with...
  - ✓ Oil & chemical companies
  - ✓ Municipalities worldwide
  - ✓ Producers & consumers of butanol
  - ✓ 1G plants (hybridization)



ABENGOA  
ABZYM

#### Enzymes Production

- ▶ A world of opportunities is in front of us
- ▶ Unique technology package able to produce biomass derived sugars, biofuels and bio-products
- ▶ Initial targets overpassed: competitive solution at a low cost

Abzym enzymes EtOH Cost Contribution



#### Brazil Business

- ▶ Non strategic business for us
- ▶ Need for consolidation and growth for the industry to be profitable
- ▶ Changes implemented to optimize EBITDA and free cash flow



### The Real Key Differentiator on which our Business is Build Up

#### Significant Technological Milestones Already Achieved...



#### Solar Technology

- ▶ First **super heated tower system** project
- ▶ First **molten salt tower** project
- ▶ **Solana** project online with 6 hour **storage system**



#### Bioenergy Tech.

- ▶ **W2B** pilot plant in Spain
- ▶ **Enzymatic hydrolysis** yield > 70 gal/ton biomass
- ▶ **B-Butanol production** process at bench scale



#### Water Technology

- ▶ **Design** own **prototype modes** for filtration per membrane system
- ▶ **Chemical precipitation** process + **membrane filtration** system to **concentrate brine** sub-product

...while  
Continuously  
Developing  
New Cutting  
Edge  
Technologies



**Molten Salt  
& Hybrid  
Solar Towers**



**Ultra-micro  
Filtration  
Systems**

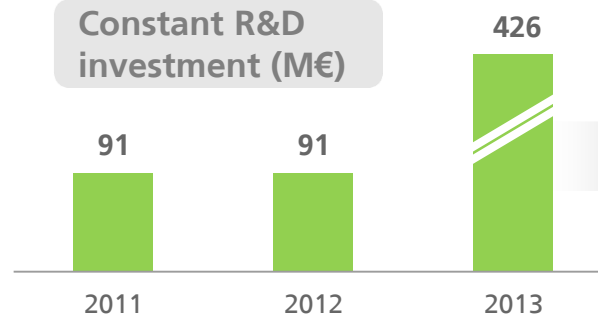


**Butanol  
W2B  
Energy crops**



**Hydrogen**

Constant R&D  
investment (M€)



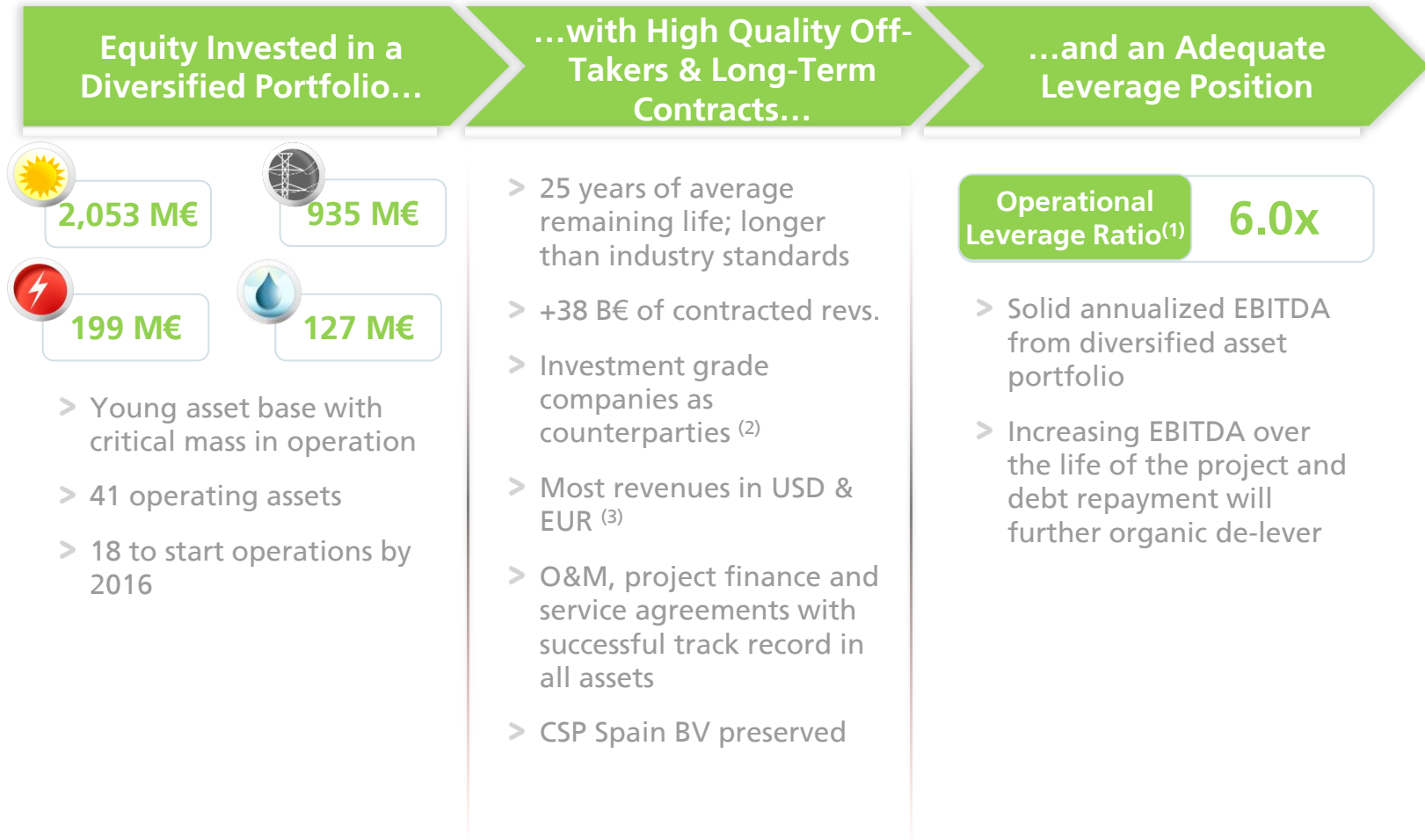
**264**  
Patents<sup>(1)</sup>

<sup>(1)</sup> Patents **applications of which** 110 have been granted

### Abengoa Concessions: putting the focus on value creation with both existing and future concessional assets



### Young Asset Portfolio in Diverse Sectors, Stable Cash Flows, Low Risk Technologies and Adequate Leverage



(1) Calculated based ongoing EBITDA and net debt from assets currently in operation

(2) Except for certain assets with un-rated off-takers

(3) Certain projects are denominated in dollar or euro but payable in local currency

### A YieldCo is a Publicly Traded Company that Owns Operating Concessional Assets and Produces Cash Flow (Dividends) to Investors

#### Operating Highlights

Operating concessional assets with long-term cash flow in:

- ▶ Energy generation
- ▶ Energy infrastructure

Sustainable long-term growth from greenfield projects developed by Abengoa:

- ▶ Worldwide growth opport.
- ▶ Financial strength & flexibility

#### Benefit for Investors

- ▶ Organic growth
- ▶ Dividend yield

- ▶ Dividend growth
- ▶ Acquisition of new projects

#### Benefits for **ABENGOA**

Recurrent Asset  
Rotation

Attractive Cost of  
Capital

Value Creation

Deleverage

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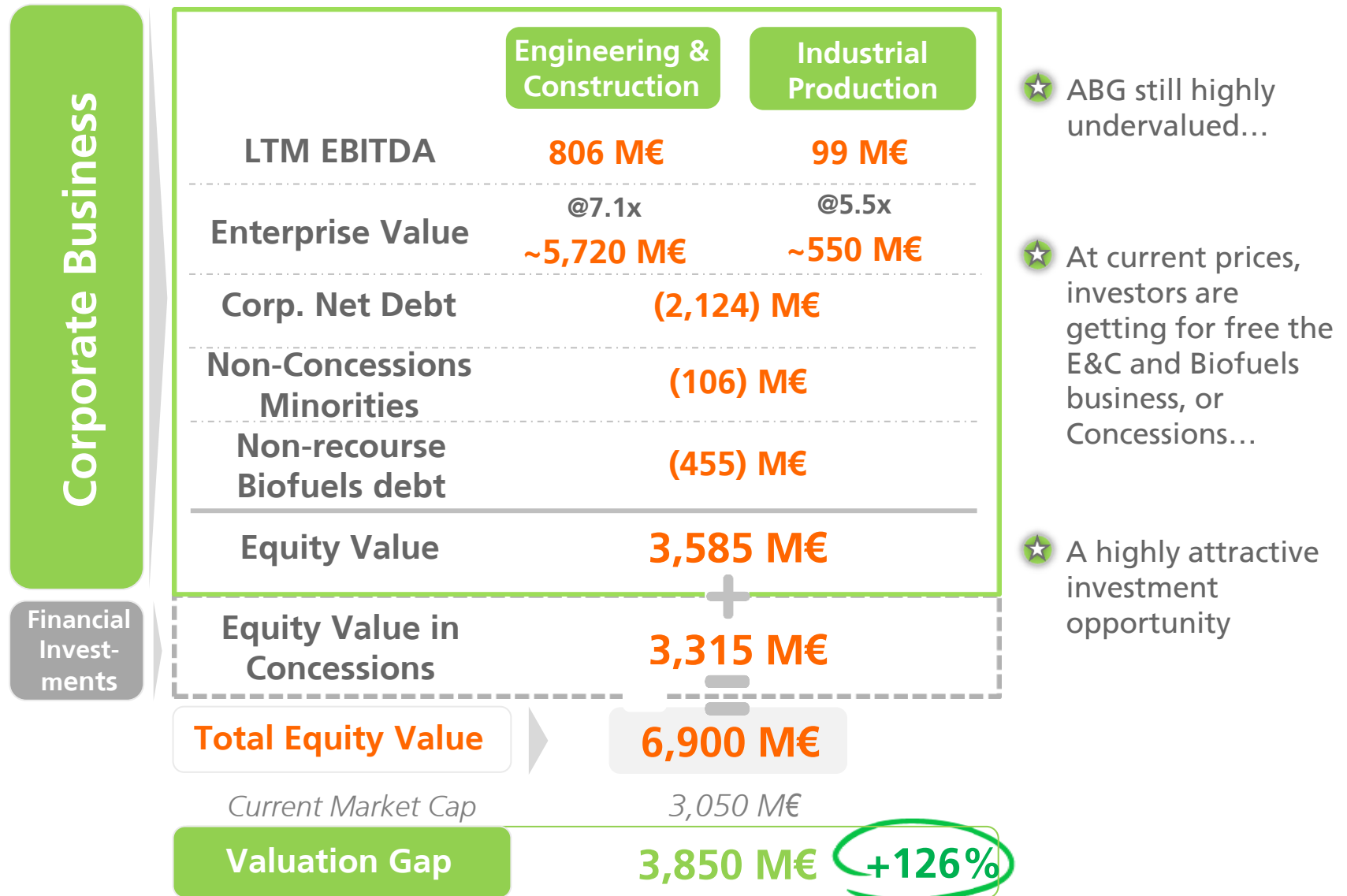


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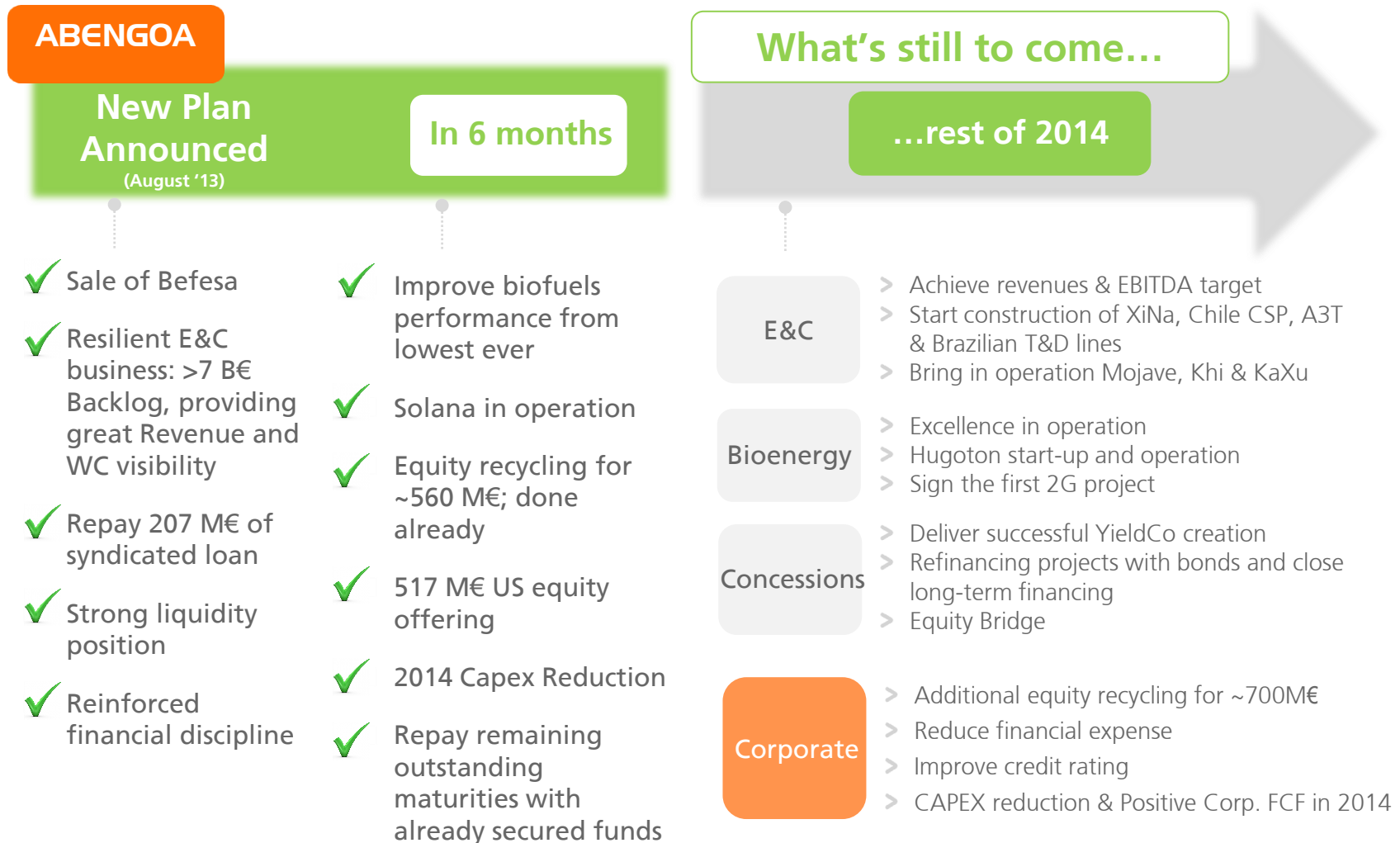
Unlocking Value at Abengoa



Figures as of December 31, 2013

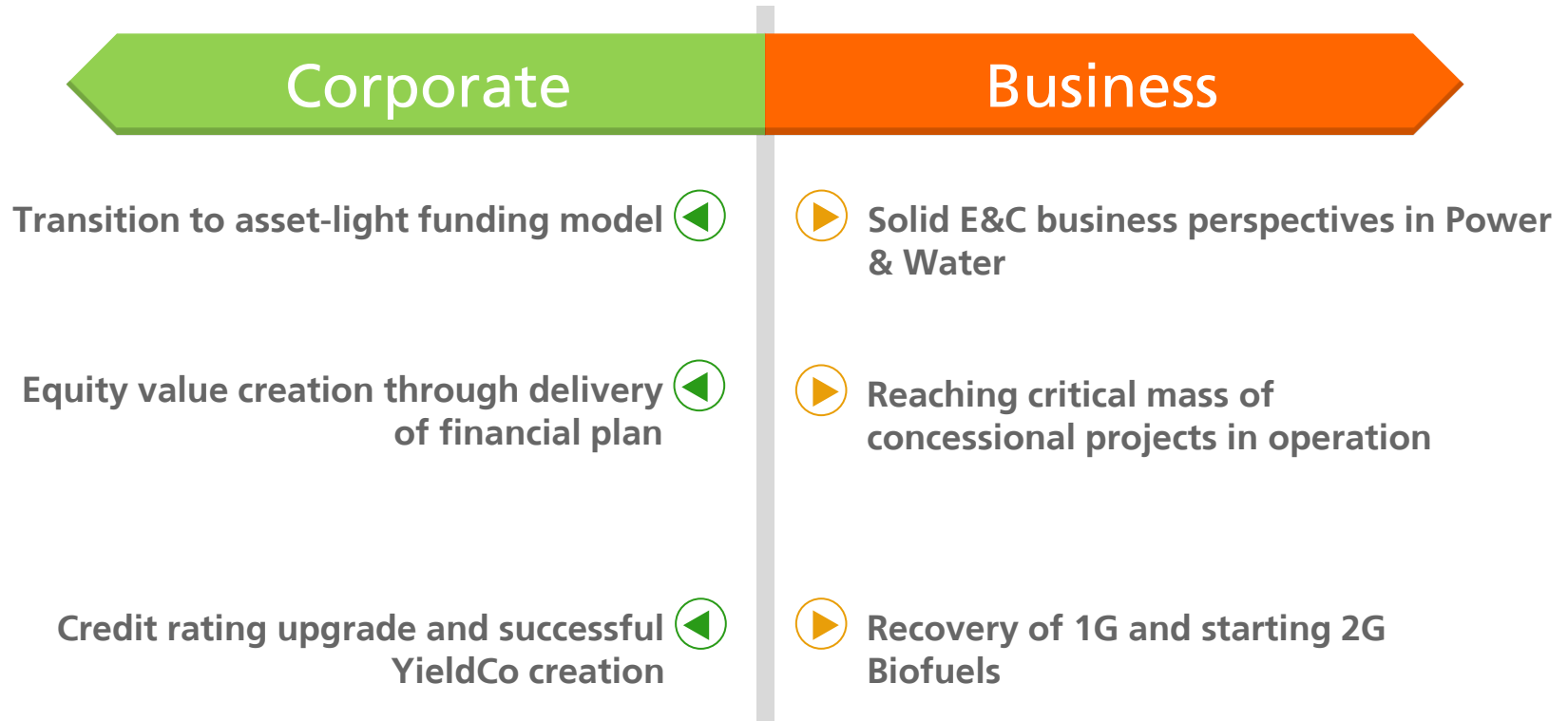


### Delivering Everything that We Committed to...





### Abengoa Market Value Should Get to A More Real Level as the Next Catalysts Start to Materialize in 2014



**Unlocking the Value at Abengoa and Making it an Attractive Investment Opportunity**



# ABENGOA

Thank you

April 3 & 4, 2014