



## ABENGOA

### Crystallizing our Financial Investments



**Santiago Seage**

CEO Abengoa Concessions

8th Annual **Analyst and Investor Day**

April 3 & 4, 2014

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Abengoa Concessions Going Forward



### New Business Unit Focused on Value Creation with Our Contracted Assets Portfolio

High predictability and stability of cash flows providing earnings visibility

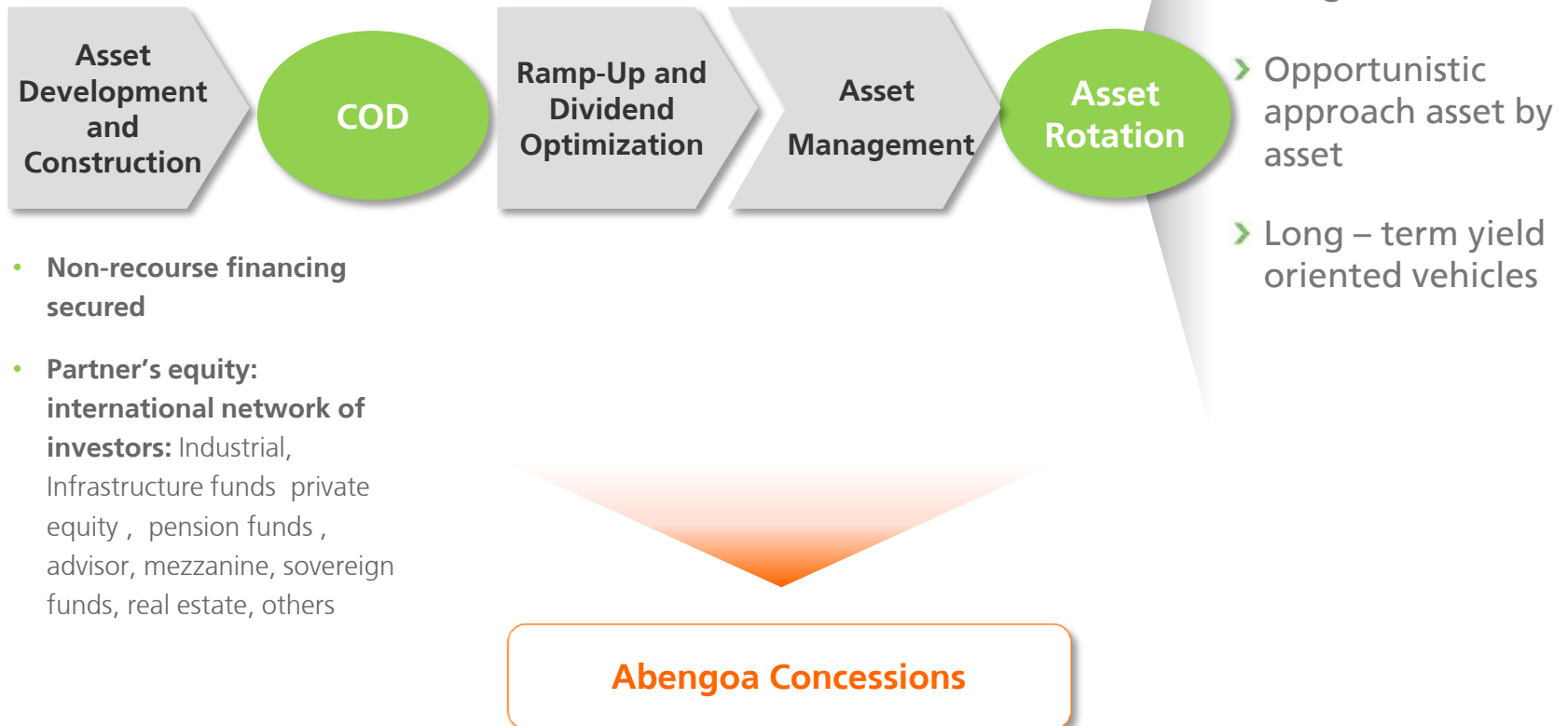
Diversified portfolio by geography and technology focusing on a number of core markets where we have know-how and critical mass

Cash-flow management through tight financial and operational management, maximizing distributions

Asset optimization pursuing refinancing and repowering opportunities when appropriate

Portfolio management with different asset rotation strategies

### Creation of Abengoa Concessions to Focus on Maximization of Cash Generation



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### Asset Portfolio with Stable Cash Flows and Clear Investment Guidelines

#### Our DNA

Scale and diversity across  
high-growth sectors and  
low risk technologies

Long dated contracts

High quality offtakers

Limited currency  
and interest rate risk<sup>(2)</sup>

#### Our Portfolio today

- Renewable energy (1,503 MW CSP), electric transmission (2,768 km), conventional power (350 MW) and water (560 Ml/day) across the globe

- ~25 years average contract remaining life
- No merchant risk

- Investment grade off-takers<sup>(1)</sup>

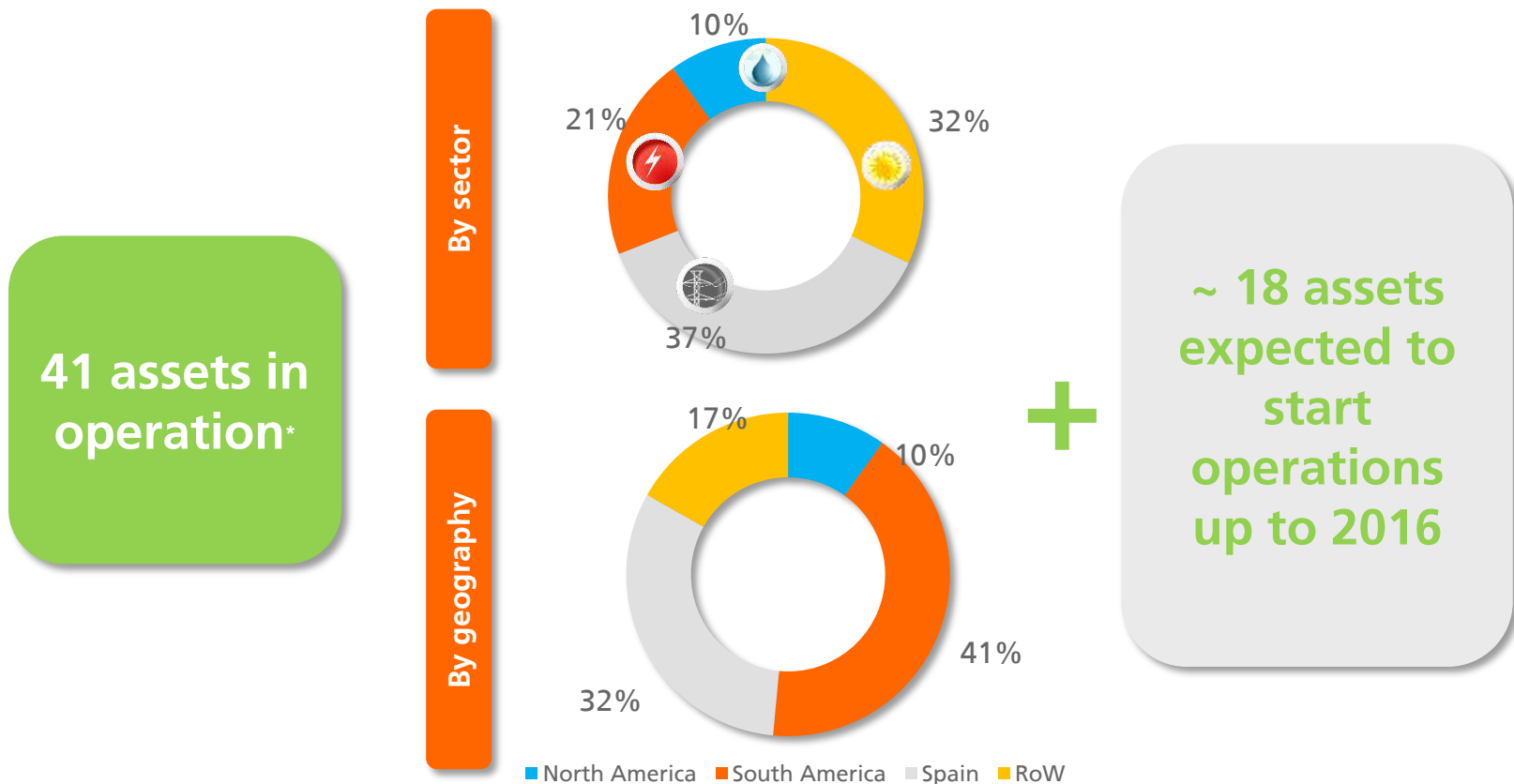
- Around 95% of portfolio in operation by year end 2014 is dollar or euro denominated

(1) Excluding a few un-rated off-takers

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

### Diversified Portfolio by Geography and Sector Reaching Critical Mass of Operating Projects





Total # assets (construction & operation)



(\*) Operating portfolio as of 2013 FY and projects with construction substantially completed as of March 2014






### Young Asset Base with Critical Mass in Operation

		Operating <sup>(1)</sup>	Under Construction/ Development	Equity in Operation <sup>(1)</sup>	Equity Under Construction	Total Equity
 Solar	Critical mass focused on the US and Spain	1,503 MW	360 MW	1,885 M€	168 M€	2,053 M€
 Electric Transmission	Public and private electric transmission lines in Peru, Chile and Brazil	2,768 km	9,632 km	672 M€	263 M€	935 M€
 Cogeneration and Other	Cogeneration in Mexico and Wind in Uruguay	350 MW	120 MW	193 M€	6 M€	199 M€
 Water	Operations mainly in Algeria	560 Ml/day	260 Ml/day	91 M€	36 M€	127 M€
				2,841 M€	473 M€	3,314 M€

(1) Operating portfolio as of 2013 FY and projects with construction substantially completed as of March 2014

### Diversified Asset Portfolio Across Renewable Energy, Conventional Power Generation and Electric Transmission

	Main Assets	Type	Economic Stake	Location	Gross Capacity	Status	Offtaker	Rating <sup>(2)</sup>	Years Contract Left	Financing Years	Currency
Renewable Energy	Solana		100% <sup>(1)</sup>	USA (Arizona)	280 MW	Operation	APS	A-/A3/BBB+	29	25	USD
	Mojave		100%	USA (California)	280 MW	Construction & Start-up	PG&E	BBB/A3/BBB+	25	22	USD
	Spain Solar		85%	Spain	692 MW	Operation	Kingdom of Spain	BBB-/Baa2/BBB	23	16	Euro
	Shams		20%	U.A.E	100 MW	Operation Start-up & Production Testing	Abu Dhabi Water & Electricity Co. Uruguay	AA/Aa2/AA	24	18	AED <sup>(3)</sup>
	Palmatir		100%	Uruguay	50 MW	Operation Start-up & Production Testing	Abu Dhabi Water & Electricity Co. Uruguay	BBB-/Baa3/BBB-	20	17	USD
Electric Transmission	ATN		100%	Peru	572 km	Operation	Peru	BBB+/Baa2/BBB+	27	26	USD <sup>(4)</sup>
	ATS		100%	Peru	900 km	Operation	Peru	BBB+/Baa2/BBB+	30	Long Term under negotiation	USD <sup>(4)</sup>
	Quadra 1&2		100%	Chile	129 km	Operation	Sierra Gorda	Not rated	21	14	USD
	Palmucho		100%	Chile	10 km	Operation	Endesa	BBB/NA/BBB+	16	7	CLP
	ATE IV-VII		100%	Brazil	463 km	Operation	Endesa	BBB/NA/BBB+	23-26	11	BRL
	Manaus		51%	Brazil	586 km	Operation	Aneel	BBB-	24	12-17	BRL
Conventional Power	ACT		100%	Mexico	300 MW	Operation	Pemex	BBB+/Baa1/BBB+	19	18	USD <sup>(4)</sup>
	SPP1		51%	Algeria	150 MW	Operation	Sonatrach	n/a	17	16	EUR <sup>(5)</sup>
Water	Honaine		25.5%	Algeria	7M ft <sup>3</sup> /day	Operation	Sonatrach	n/a	23	11	USD <sup>(4)</sup>
	Skikda		34%	Algeria	3.5M ft <sup>3</sup> /day	Operation	Sonatrach	n/a	20	9	USD <sup>(4)</sup>

(1) On September 30, 2013, Liberty Interactive Corporation agreed to invest \$300 million in Class A membership interests in exchange of a share of the dividends and the taxable loss generated by Solana.

(2) Reflects the counterparty's issuer credit ratings issued by Standard & Poor's Ratings Services, or S&P, Moody's Investors Service Inc., or Moody's, and Fitch Ratings Ltd, or Fitch.

(3) AED denominated, AED pegged to USD since 1997

(4) USD denominated but payable in local currency

(5) EUR denominated but payable in local currency.

### Our Portfolio Has Long Tenor PPAs Compared to Industry Standards

#### Tenor by Project

##### Technology



25 years



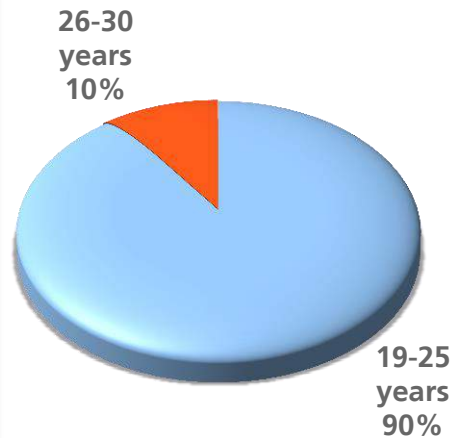
26 years



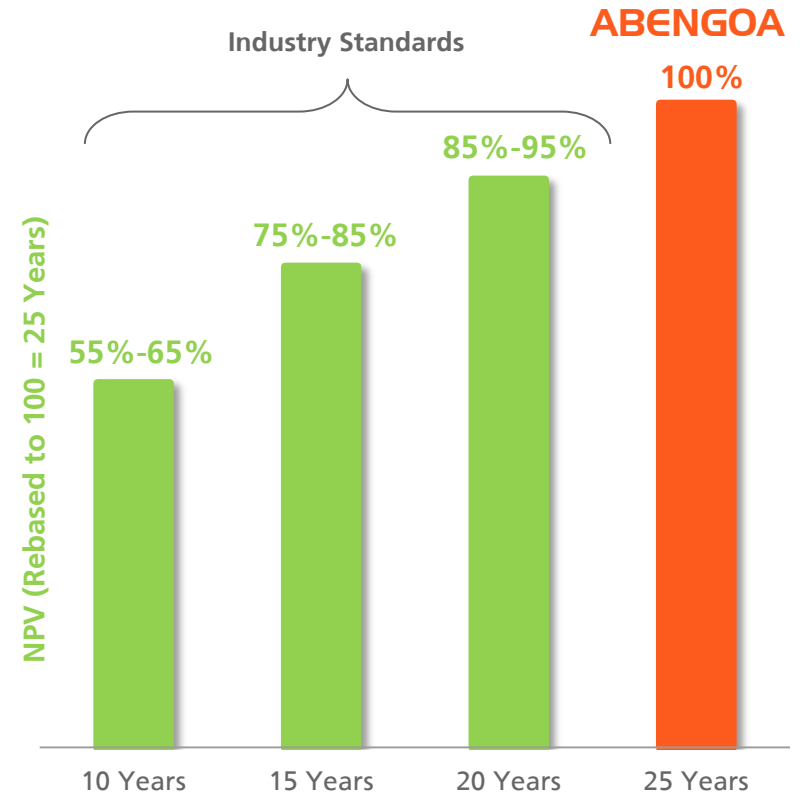
>19 years



23 years



#### Illustrative Value of Constant Annual Cash Flows with a Certain Lifetime<sup>(1)</sup>

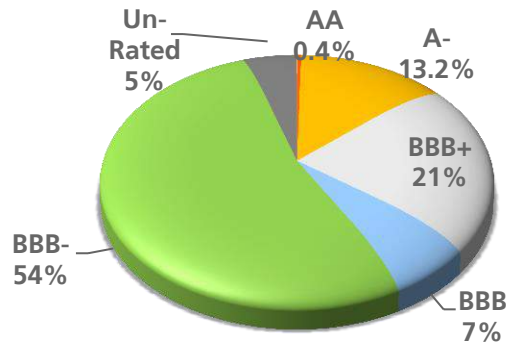


(1) NPV of a constant contracted cash flow over the indicated contract life, assuming no post-PPA cash flow terminal value. Rebased to 26 years (as a reference).

**Our Counterparties Are Typically Investment Grade Companies and Most of Our Revenues Are Denominated in USD or EUR**

### Credit Worthy Counterparties

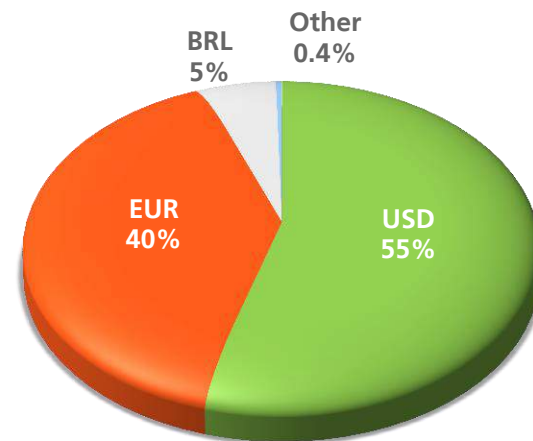
EBITDA breakdown by counterparties rating<sup>(2)</sup>



**Low Risk portfolio with 95% Investment Grade counterparties providing stable and predictable cash flows**

### Base Currency<sup>(1)</sup>

EBITDA breakdown by currency<sup>(2)</sup>



(1) Base currency at which our remuneration is calculated under our PPAs.

(2) Full year EBITDA of all operating assets as of 2013 FY and projects with construction substantially completed as of March 2014

### Highlights



#### Solana 280 MW (Arizona, US)

- 280 MW gross parabolic trough plant with thermal energy storage
- 6 hours storage using molten salts
- Clean electricity sufficient to power 70,000 homes
- USD – denominated contracts
- COD Q4 2013
- Dividend distribution expected to begin in Dec 2014



#### Spanish CSP 681 MW

- 650 MW parabolic trough, 31 MW tower technology
- New regulation in place: regulated rates with a guaranteed return
- Euro-denominated revenues



## Key Project Highlights Mojave (CSP)

### Asset Description



- 280 MW parabolic trough plant
- 54,000 households supplied with clean energy



### Status Update

- Construction 97% finished as of March 2014
- Test period expected to start in June 2014
- 93.7% of equity already invested
- Fully financed by Federal Financing Bank (FFB) with a 1.2 B\$ DOE guarantee



### Highlights



#### **ATN** (Peru)

- 696 km electric transmission line
- 220 kV AC technology crossing over Carhuamayo, Paragsha, Conococha and Kiman Ayllu
- USD-denominated contract
- BOOT scheme



#### **ATS** (Peru)

- Landmark project with 900 km
- 500 kV AC technology crossing over Chilca-Marcona-Ocoña and Montalvo
- USD-denominated contract
- BOOT scheme



#### **Manaus** (Brazil)

- 586 km electric transmission line
- 500 kV AC technology
- BRL-denominated contract
- BOOT scheme



### Highlights



#### ACT (Mexico)

- Cogeneration plant 300 MW installed capacity
- All generation sold to Pemex
- Gas turbine technology
- USD-denominated contract



#### Hassi'R Mel (Algeria)

- Integrated Solar Combined-Cycle (ISCC) plant
  - Second ISCC plant in the world
- Power output of 150 MW
  - 20 MW obtained from a parabolic trough field composed of 224 parabolic trough collectors
- Euro-denominated contract



#### Honaine (Algeria)

- 200,000 Ml/day desalination plant installed capacity
- Inverse osmosis technology
- USD-denominated contract
- DBOOT-O&M for a period of 25 years



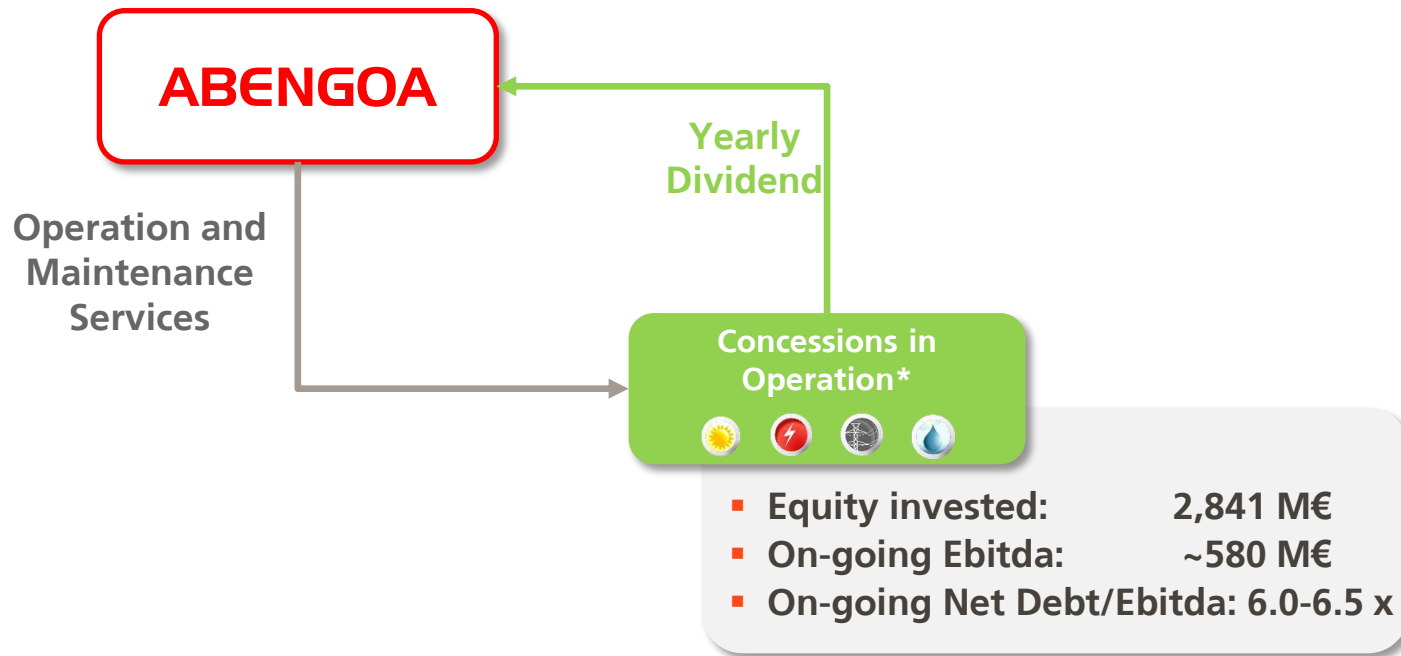


### Excellent Operational Performance of Our Concessional Assets

		COD Date	Availability 2013 (%)
▪ Solana		October 2013	95.3%
▪ CSP Spain		2007-2013	97.8%
▪ ACT		April 2013	97.5%
▪ SPP1		May 2011	97.9%
▪ ATN		January 2011	99.6%
▪ Manaus		March 2013	99.9%
▪ Honaine		July 2012	95.2%



### Ability to Extract Value From Our Operating Asset Portfolio



\*Operating portfolio as of 2013FY and projects with construction substantially completed as of March 2014



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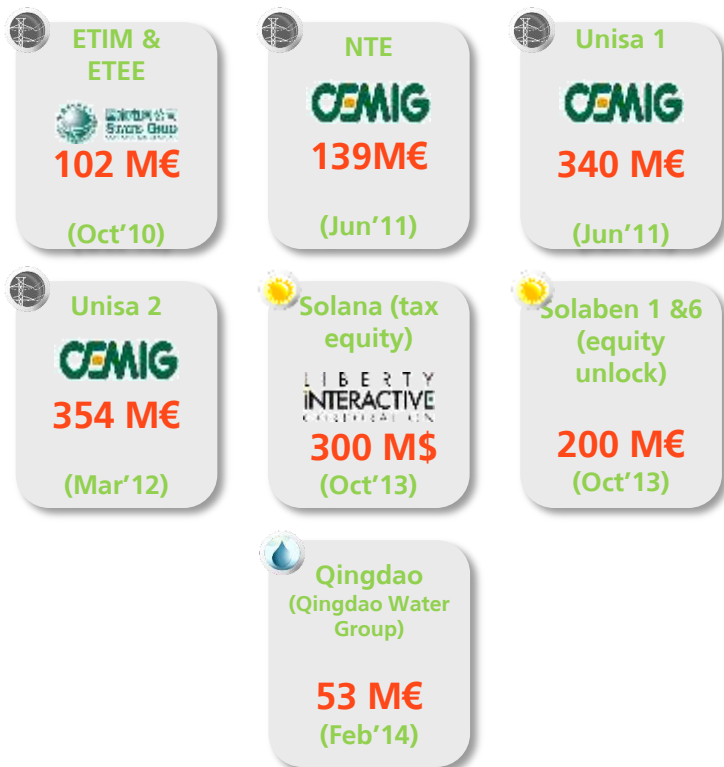
Abengoa Concessions Going Forward



### Achievement of a ~€ 4 bn Portfolio by 2016 Expected with Current Backlog Plans

	In Operation in 2014	In Operation in 2016	Total Abengoa Equity 2016	Key Highlights
 <div>CSP</div>	1,503 MW	1,863 MW	2,239 M€	<ul style="list-style-type: none"> <li>➤ 250 MW in South Africa</li> <li>➤ New projects in Israel, Chile &amp; US</li> </ul>
 <div>Electric Transmission</div>	2,768 km	12,400 km	1,234 M€	<ul style="list-style-type: none"> <li>➤ 5,783 km new in Brazil</li> <li>➤ 355 km new in Peru</li> </ul>
 <div>Cogeneration &amp; Other</div>	350 MW	470 MW	244 M€	<ul style="list-style-type: none"> <li>➤ 2 additional wind farms totalling 120 MW in Uruguay</li> </ul>
 <div>Water</div>	560 Ml/day	820 Ml/day	252 M€	<ul style="list-style-type: none"> <li>➤ 2 water desalination projects in Algeria and Ghana</li> <li>➤ 1 water transmission project in Mexico</li> </ul>
			<b>3,969 M€</b>	

### Asset Rotation



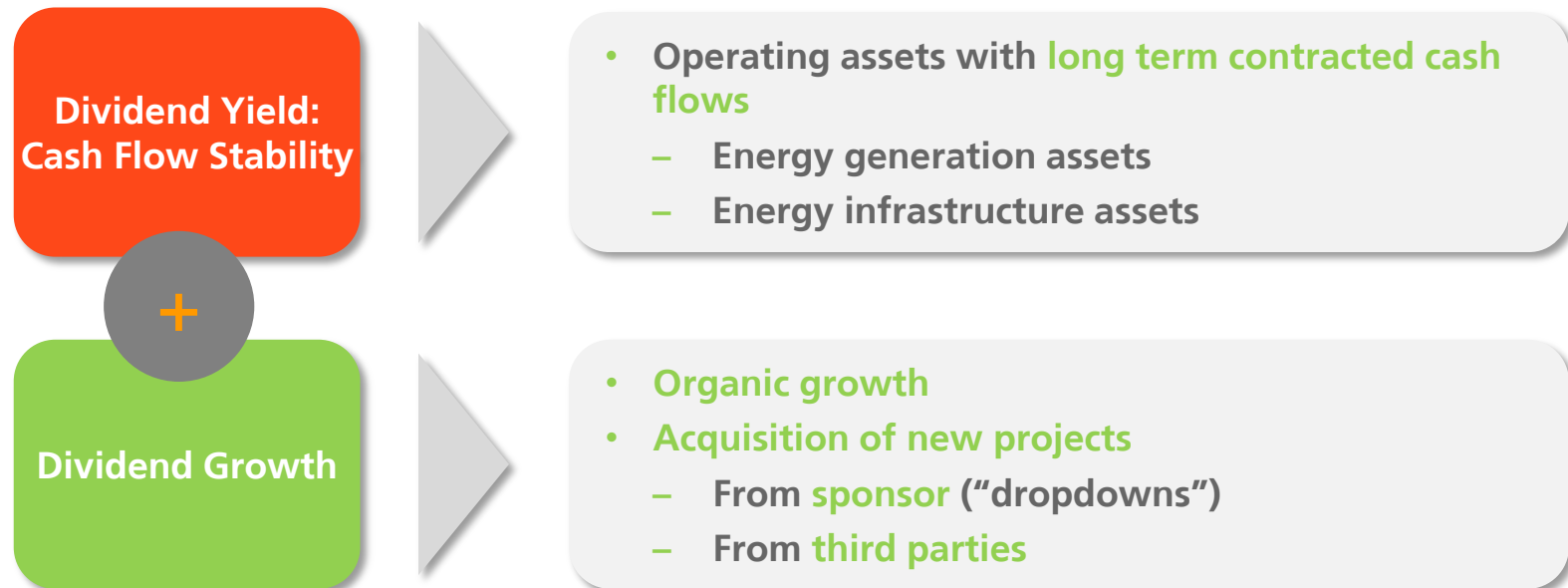
- Around €1.4bn of cash proceeds **unlocked** since Oct 2010
- Assets **consistently rotated above book value**

### Long Term Yield Oriented Vehicle(s)

- Creation of investment vehicles for long-term ownership:
  - Listed in capital markets: **yieldcos**
  - Private with low cost of capital **partners** (e.g. pension funds)
- Partner for future **dropdowns** as an alternative to asset rotation
- Abengoa retains **value upside** through stake in long-term vehicle(s)
- **Visible cash flow stream** (dividends) to improve our credit quality

**A YieldCo is a Publicly Traded Entity Composed of Concession-type Assets that Produce a Steady Stream of Cash Flows which Are Distributed to Investors in the Form of Dividends**

### Total Shareholder Return



**A Yieldco seeks to maximise total shareholder returns by increasing dividend distributions over time**



# ABENGOA

Thank you