



ABENGOA

Financial Review



Completing
Transformation 

9th Annual Analyst and Investor Day

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- The consolidated financial data for the quarter ended March 31, 2015 presented in the following slides is preliminary, and unaudited, based upon our estimates and is subject to completion of our financial closing procedures, including finalization of our audit processes.
- This summary is not a comprehensive statement of our consolidated financial results for quarter ended March 31, 2015 and our actual results for such period may differ from these estimates due to the completion of our financial closing procedures and related adjustments and other developments that may arise between now and the time the financial results for this period are finalized

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1

Introduction



2

Q1 2015e Highlights



3

2015e Updated Outlook



4

A Free Cash Flow Generative Model



5

Key Financial Takeaways

1

Introduction

Setting the path to a solid and recurrent FCF-generative Abengoa

1

Significant liquidity enhancement actions during Q1 to protect our credit profile

- > 279 M\$ raised through exchangeable bond in ABY shares
 - > 328 M\$ raised in secondary offering of ABY's shares
 - > 120 M€ from ROFO 2
 - > 500 M\$ from EIG's entry in APW-1
- ...plus other 800 M€ worth of transactions at various stages of development

2

Abengoa 3.0, our FCF generative model, completed and ready to deliver its value

- > EIG transactions completes our 3 steps model
- > 2 ROFOs already executed above book value with ABY demonstrate a successful value proposition to deliver increased returns

3

Strengthening Abengoa's balance sheet through corporate transactions

- > Accelerated deleverage through equity recycling on our asset portfolios, improving equity returns
- > Deconsolidation of ABY and APW to achieve an asset-light business model
- > Reinforced commitment to achieve a BB rating

2

Q1 2015e Highlights

Delivering on our words already in Q1, before expectations

Figures in M€		Q1'2015	Previous Period			
Operating KPIs	Revenues	1,540-1,570	Q1'14	↑	1,538	0-2%
	EBITDA	265-285	Q1'14	↑	265	0-7%
	Backlog	~8,600	Dec'14	↑	7,953	~7%
Liquidity Highlights	Change in WC & Others	(250)-(180)	Q1'14	↑	(642)	392-462
	Corp. Liquidity	~3.0 B€	Dec'14	↑	2,851	~5%
	Corporate Transactions Cash Proceeds (incl.EIG entry)	~1,100*			-	

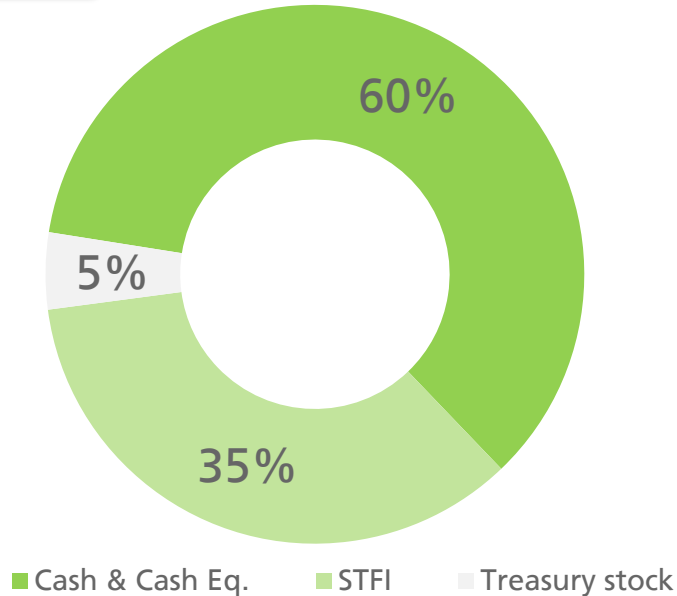
Recovering WC from Q4, while strengthening liquidity

*~460 M€ from EIG to be received on April 7th 2015, and ~40 M€ from ROFO 2 to be received through Q2

3.0 B€ of corporate liquidity, with further improvements already secured

Dec'14 Corp. Liquidity Split

2.9 B€



~300 M€ of additional undrawn working capital lines

Mar'15 Liquidity Highlights

Qualitative Highlights:

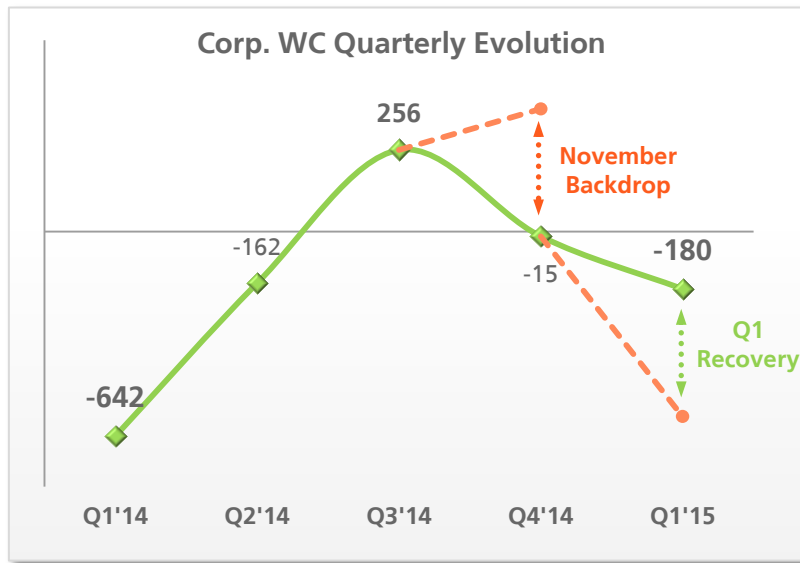
- Internal cash pool that allows a flexible approach to cash management through subsidiaries
- Full availability of cash on balance, well distributed among Tier 1 institutions, ~75% held in EU and US.
- FX diversification: ~50% held in USD, ~30% in EUR, ~5% in BRL
- STFI invested mostly in low-risk fixed term deposits: 90%

Quantitative Highlights:

- Liquidity on BS: **~3.0 B€**
- Pending EIG cash-in for **~460 M€**
- Additional equity recycling already under negotiation: **~800 M€**

1.3 B€ linked to supplier payments

Better start for our working capital in Q1



Q4 Situation

- Delay in partners entry
- Bridge Financing delay
- Temporary delay in bookings
- Closing significant project financings (LT)

Outcome

- ✓ EIG deal signed on March 27 – cash to be received in Q2
- ✓ Bridge facilities signed for +350 M€
- ✓ 1.8 B€ of new projects signed in Q1
- ✓ As scheduled (Xina, Zapotillo, Manaus): +900M€

Working capital picking up in Q1 as announced compare to historical average

Key Working Capital Highlights

- > Improvement of 390 to 460 M€ in WC YoY. Negative outflow in Q1, driven by **seasonality in execution in Q1, as expected**
- > **Further improvement in Q2** brought by execution and full pick up from Q4 situation, helped by APW-1 up and running
- > **Understanding the risk better:** cash linked to suppliers payment, reduce “real” WC negative balance sheet liability to 1.9 M€ as of Dec-14
- > **Further improvement achievable upon credit rerate:** reduction of WC position, cheaper commercial cost

Positive visibility on the rest of 2015, brought by Partners entry, backlog levels and availability of financing

Significant activity on the credit side during Q1

Banking

An intense quarter in financing activity

- **+865 M€ WC facilities** raised in 15 countries
- **+265 M€ ECAs facilities** signed
- **Conversion of NRDP** into LT non-recourse:
 - ✓ Zapotillo → **+296 M\$**
 - ✓ Hospital Manaus → **+ 69 M\$**
- **New bridge facilities**
 - ✓ Norte III → **200 M\$**
 - ✓ Atacama I → **50 M\$**
 - ✓ Other bilateral lines for project development → **~140 M€**
- Closing of **long term financing of the Xina project** for 580 M€

Capital Markets

Demonstrating access to markets and normalization of spreads

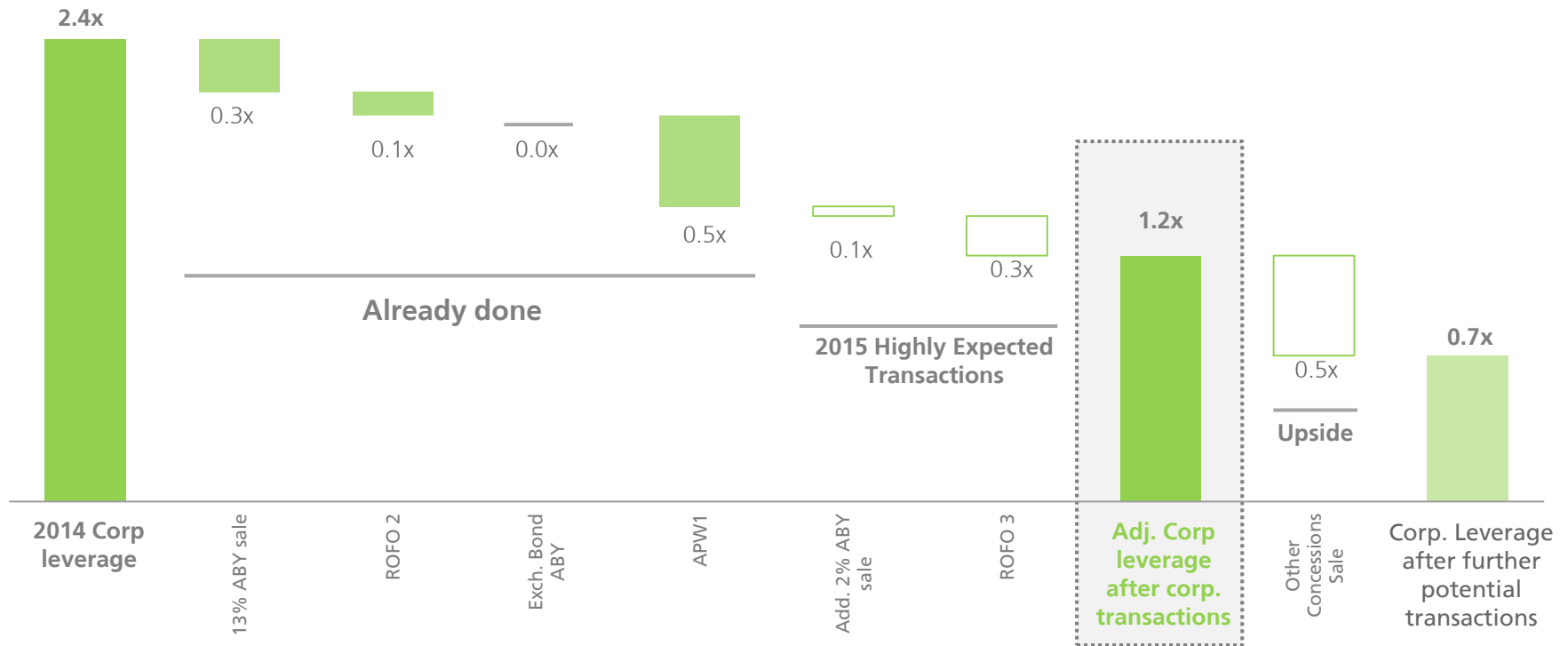
- **328 M\$** raised through **sale of 13% stake in ABY**
- **279 M\$ exchangeable notes**, demonstrating ability to monetize our ABY participation
- **244 M€ CB 2017 put** has been **executed**; repaid in cash on Feb 3
- **Repayment of 300 M€** of HY 2015, as expected, on Feb 25
- **350 bps reduction on credit curve**
- **Recovery in stock price:** + 80% growth

ECP & Others

ECP normalizing and further liquidity enhancement

- **Significant improvement in ECP's rolling process:** 52% renewed in Q1 vs 0% in Q4 after November 14
- **Monetization of vendor note** linked to the Befesa sale (nominal value 47 M€)

Corporate leverage of 1.2x after planned transactions in 2015



- Significant deleverage expected for 2015 after execution of strategic transactions
- 2015 Corp. Leverage Ratio Target of 1.2x; significantly lower than 2014
- Transactions carried out in Q1 already reducing our adjusted leverage

Our Credit Enhancing Objectives for 2015

Objective	Action	Status	Benefits
1.9 B€ liquidity reinforcement plan	<ul style="list-style-type: none"> +1.1 B€ already achieved, out of which ~600 M€ cashed in Additional ~ 760 M€ under development 	<ul style="list-style-type: none"> ✓ ✓ 	Liquidity Reinforcement, Debt Repayment, Balance Sheet Flexibility
Maintaining a sustainable working capital position	<ul style="list-style-type: none"> Good contracting activity and healthy execution Signing of partners and debt facilities 	<ul style="list-style-type: none"> ✓ Business as usual 	Improvement of WC during Q1 compared to historical average, visibility through 2015
Proactive management of our bridge and project facilities	<ul style="list-style-type: none"> Refinancing of bridge loans through LT project finance facilities Diversification of NRDP facilities 	<ul style="list-style-type: none"> Ongoing Ongoing 	Improvement of project's capital structure during development phase, enhancing developer's returns and reducing risk
Optimization of our financial structure	<ul style="list-style-type: none"> Accelerating dropdowns to ABY Creation of APW-1 Refinancing ST maturities with LT cheaper lines Proactive approach on capital markets 	<ul style="list-style-type: none"> ✓ ✓ Initiated Ongoing 	Improving cost of capital & aligning our financial structure to business model – Reduction of financial expenses

Reinforced and De-risked Free Cash Flow Generation Profile

3

2015e Updated Outlook

Significant corporate cash generation expected in 2015

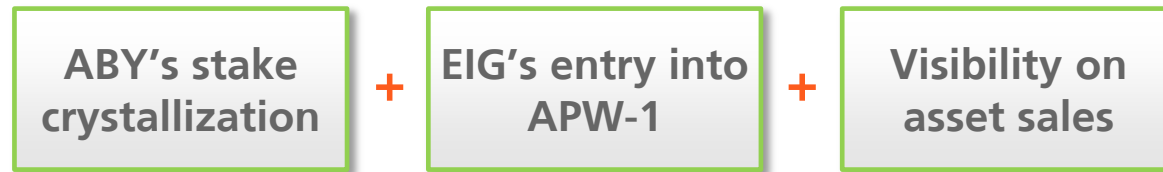
	Transaction	Value	Comments
✓	1 Sale of 13% stake in ABY	270 M€	Cash collected in January
✓	2 ROFO 2 agreement	120 M€	Signed in February – collected 2/3 of it so far
✓	3 APW-1 EIG Agreement	460 M€	Deal signed on Mar 26, 2015
✓	4 ROFO 3 agreement	200 M€	Expected at the end H1 2015
✓	5 Additional value in ABY	300 M€	9% stake already monetized through exchangeable bond for 279 M\$ - Additional 2% Expected in H1 2015 for 50 M€
	6 Sale of Concessions in operation	510 M€	Expected for the end FY 2015
		~1,850 M€	(out of which 1.6 B€ of equity recycling)

Working on several initiatives expected to generate an additional ~800 M€ in 2015; only 1.3-1.4 B€ included in 2015 Corp FCF guidance

Strong cash generation expected for 2015

	FY 2015E
Corporate EBITDA	~930
Net Financial Income/(Expense) & Taxes	~(470)
Dividends from Abengoa Yield	40
<i>Funds from Operations</i>	~500
Change in Working Capital & Others	-
Cash Flow from Operations	~500
Corp. CAPEX (incl. R&D & Maintenance, Hugoton)	~(135)
Equity Invested/Recycled in Concessions (net)	~1,035
<i>Corporate Net CAPEX</i>	~900
Corporate Free Cash Flow	~1,400

Corporate transactions through 2015 are expected to significantly improve our capital structure and credit profile



Confirming consolidated and corporate net debt targets

2015e Ratios	
Corp. ND	1.2x
Corp. + NRDP ND	3.2x
Consol. ND	3.9x

...to accelerate on:

- + Reduction of financial expenses
- + FCF generation
- + Asset Light Company

A credit positive plan to reinforce commitment to rating improvement

4

A Free Cash Flow Generative Model

Abengoa 3.0, de-risking our business model, represents a credit positive game changer

1

FCF generation from construction phase

2

FCF generation during operational phase

3

Equity recycling generating FCF



A model poised to secure growth while reducing capital effort



Recurrent cash-flow generation and returns secured



Enhanced debt repayment capacity, reduce WC overhang, increase shareholders' returns

+3.0 B€ of O&M revenues related to our project portfolios to be recognized in the next ~25 years as increased flows

1 ABY Assets Held for Sale

- 18x** Assets (incl. ROFO 1&2)
- 1.5 B€** Total value of O&M revenues
- 22 y** Weighted average time

Sector	# of Projects	Amount	Weighted Avg. Period	Annual Amount
	6	206 M€	26 years	7.9 M€/yr
	2	65 M€	20 years	3.3 M€/yr
	1	9 M€	18 years	0.5 M€/yr
	10	1,281 M€	22 years	58.4 M€/yr
	2	239 M€	21 years	11.2 M€/yr
ABY	21	1,800 M€	22 years	81.3 M€/yr

2 APW-1 Assets Held for Sale

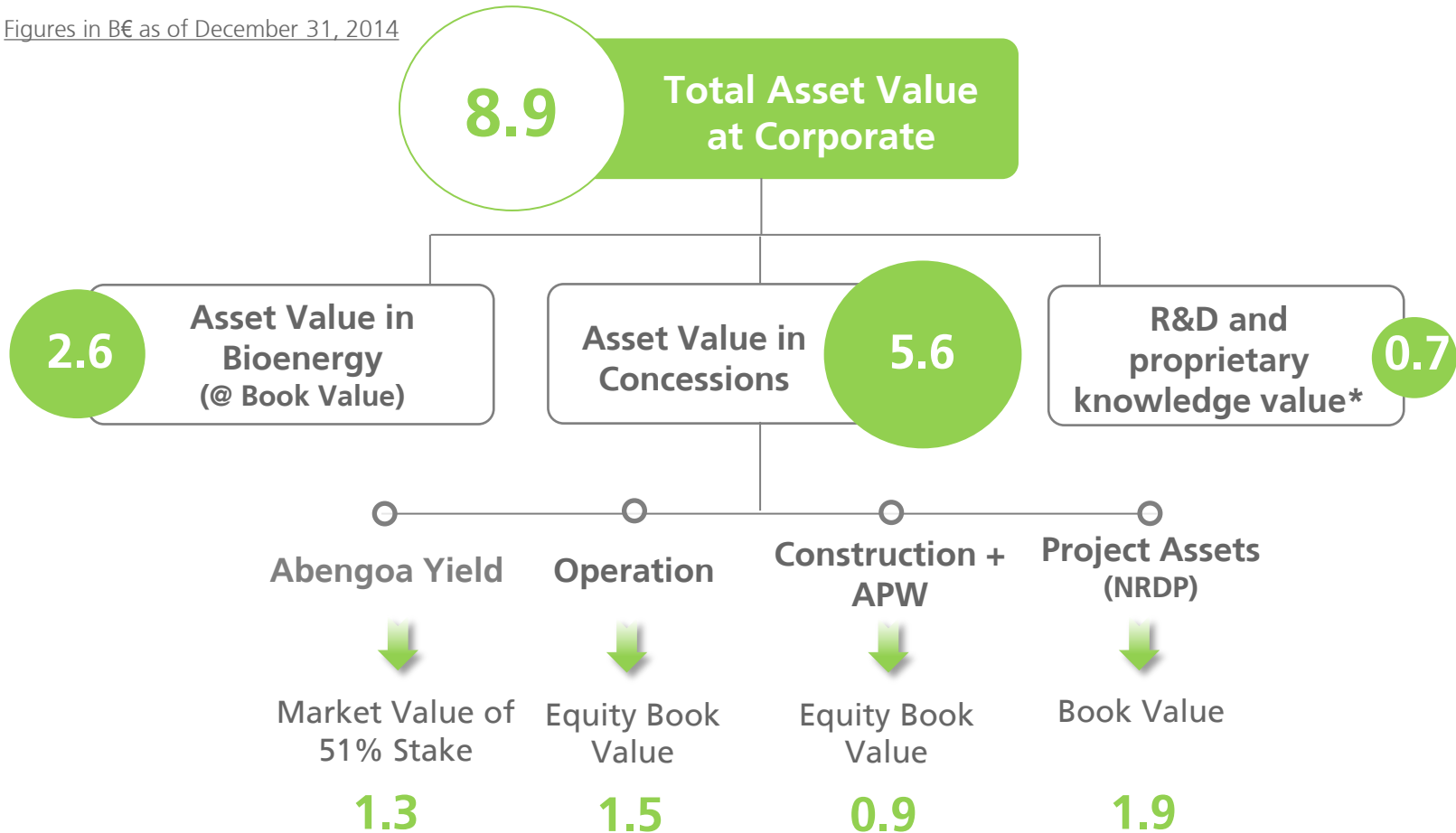
- 9x** Assets with O&M contracts
- 1.2 B€** Total value of O&M revenues
- 27 y** Weighted average time

	1	20 M€	32 years	0.6 M€/yr
	1	71 M€	20 years	3.6 M€/yr
	2	295 M€	20 years	14.7 M€/yr
	2	516 M€	30 years	17.2 M€/yr
	1	304 M€	31 years	9.8 M€/yr
APW-1	7	1,207 M€	27 years	46.0 M€/yr

Total **28** **3,007 M€** **24 yrs** **115 M€/y**

8.2 B€ of assets backing up our corporate+NRDP net debt of 4.3 B€

Figures in B€ as of December 31, 2014



Figures as of December 31, 2014 except for ABY, which is calculated using the April 2 closing price on NASDAQ of \$34.29 per share, and EUR/USD FX of 1.10. ABG equity BV of projects in operation (1.5 B€) excludes the 216 M€ value of the preferred equity in ACBH (T&D Brazil)

*External valuation developed jointly with KPMG

We continue committed to our rating improvement target

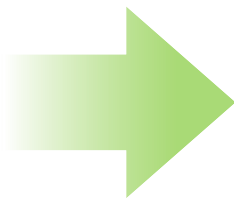
Positive credit actions recently undertaken

- > Creation of Abengoa Yield as a recurrent equity recycling vehicle
- > Formalized major agreement with partners for equity capex commitments for the next 7-8 years
- > On track to achieve deconsolidation of a significant portion of our concessions
- > Achieving growing FCF positive generation at corporate level
- > Reducing gross corporate debt
- > Increasing our equity value in concessions with the ability and a plan to monetize it
- > Communication of a clear financial policy with ambitious but realistic objectives

FitchRatings

STANDARD
& POOR'S
RATINGS SERVICES

MOODY'S



- Continue de-risking our business model and delivering on our financial metrics
- Actively targeting a BB rating in the medium term

A strategy poised to deliver key credit positives required for a rating upgrade

5

Key Financial Takeaways

Building up on Abengoa 3.0, a credit improving business model

- 1 A solid start of the year, improving the main KPIs of the business, providing solid outlook for 2015
- 2 WC recovering in Q1, as expected
- 3 Reinforced liquidity buffer through strategic transactions
- 4 Simplified balance sheet structure, while deleveraging the business profile, improving cost of capital
- 5 A business model ready to deliver recurrent free cash flow generation going forward

...and delivering on a credit positive strategy, to continue seeking a BB rating

ABENGOA

Innovative Technology Solutions for
Sustainability



ABENGOA

Thank you

April 7 & 9, 2015