



ABENGOA

Vertical Integration to Outperform Competition



Completing
Transformation 

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Benefits of vertical integration

2

Power structures

3

Solar plant components

4

Ancillary manufacturing

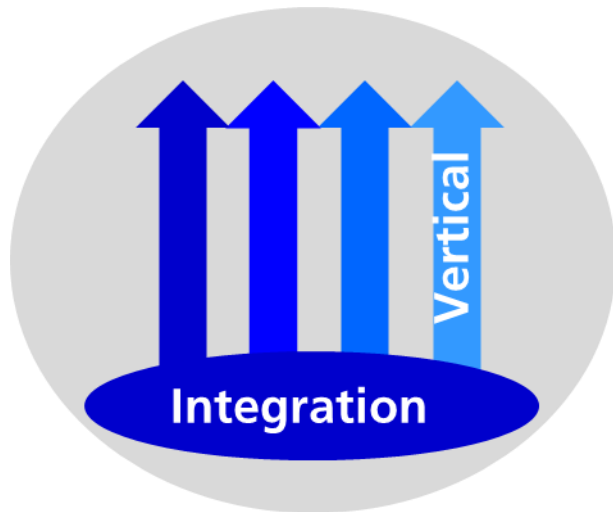
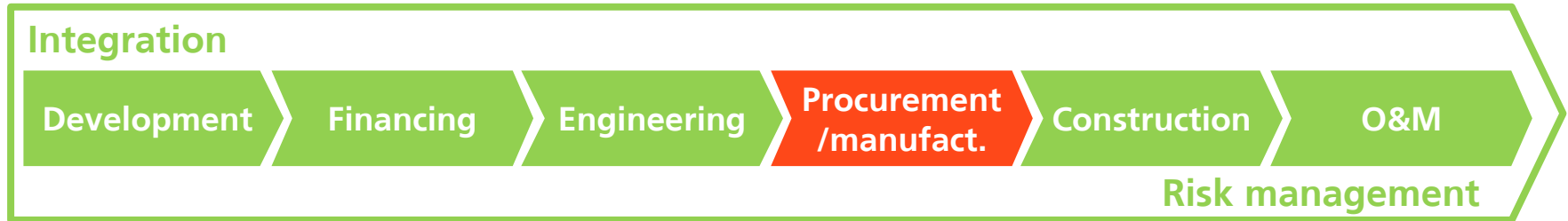
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Conclusions

1

Benefits of vertical integration

Fully integrated value chain to develop competitive advantage and deliver premium returns



- ✓ Standardization
- ✓ Own resources for critical activities
- ✓ Solid engineering capacities
- ✓ Manufacturing: **vertical integration** on value added supplies
- ✓ Procurement global network

Differentiation

State-of-the-art technology in:

- Optical components for solar fields
- Steel structures for transmission lines, substations, STE and photovoltaic plants, wind power generation and telecommunication towers
- Ancillary Manufacturing: electrical boards & cabinets, power & control electronics, motor control centers, relay frames & electronic cards, modular units, energy storage systems

Competitiveness

Vertical integration allows us to capture margins due to:

- Economies of scale + insourcing
- Standardization of components.
- Beneficial cycle: design – manufacturing – installation decreases price

Security

Independence from third parties in key components:

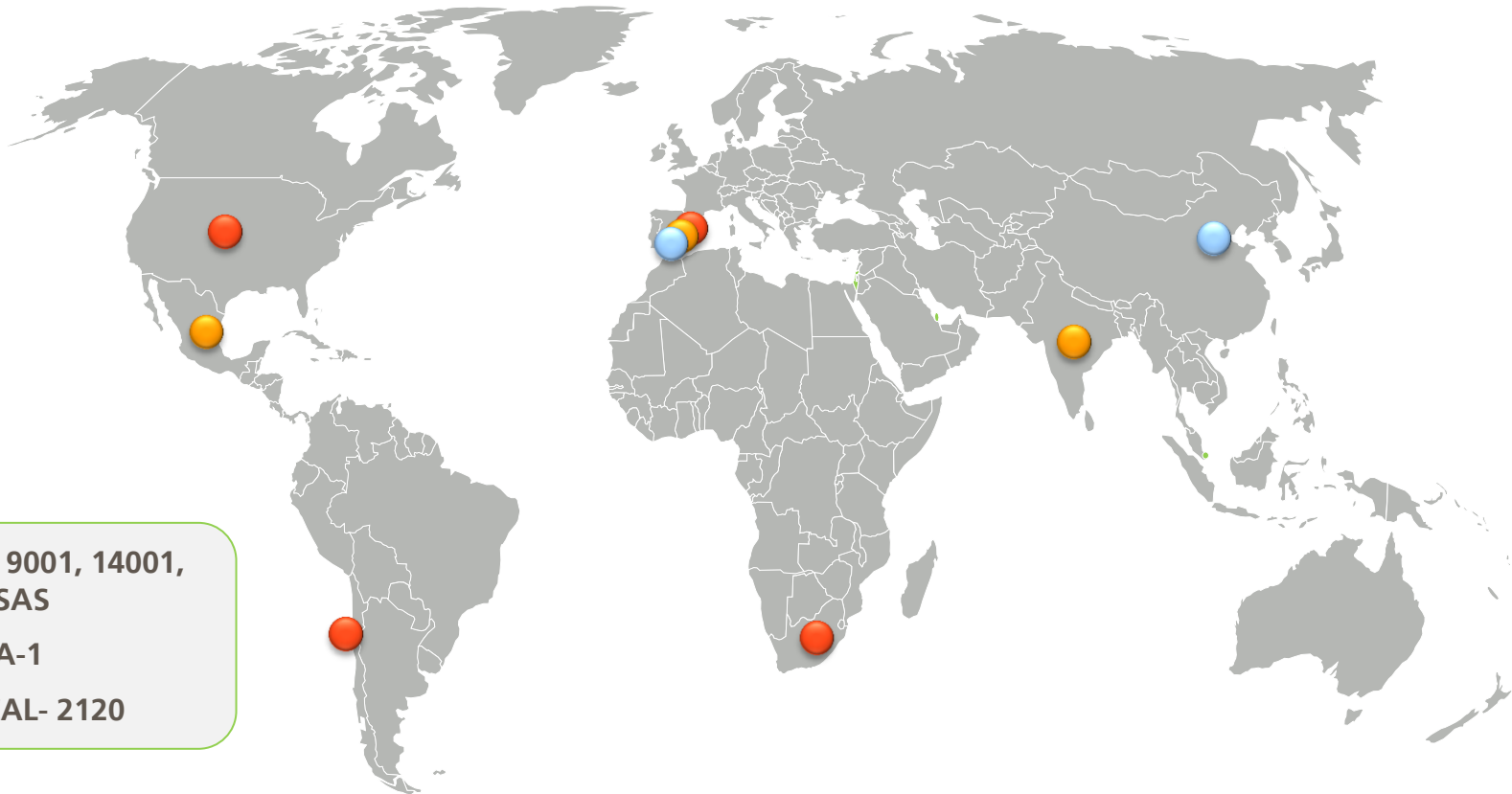
- Own resources for critical activities
- Agile post-sales service

Flexibility

Fast adaptation to changes in environment:

- Immediate incorporation of improvements to new plants

Worldwide manufacturing centers fulfilling the main quality & environmental standards



- ISO 9001, 14001, OHSAS
- NQA-1
- PECAL- 2120

 Solar plant components

 Metal structures

 Ancillary manufacturing

2

Power structures

More than 40 years of experience. Three strategically positioned plants



Products

- Power transmission towers
- Structures for substations
- Telecommunications towers
- Support structures for solar thermal and photovoltaic plants
- Structures for wind turbines

~1.300

Employees

183,000 m²

Facilities

>150,000 t

Steel
production/year

We offer an integrated service, from engineering to manufacturing, including structure testing

Engineering

- Four design centers located in the USA, Spain, India and Mexico, covering all time zones
- Specialization allows us to give technical advice and adapt our products to clients and country requirements

Testing

- A fully automated testing station allowing the simultaneous application and measurement of loads in three directions
- Possibility of testing towers up to 72 m (236ft) high

Manufacturing

- The three facilities count on galvanizing capacities, computer numerical control processing machines and structural analysis



Innovation is an essential part of the business. In that way we can offer high-tech structures to our clients

Abengoa Research is involved in the development of **high-tech structures**.

As a consequence, we can offer the latest technology to develop the most **innovative** structures in the market.



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Solar plant components

Abengoa is fully able to set up factories to produce solar components in the regions where the projects are being carried out

Spain



USA



South Africa



Chile



Products

- Parabolic trough mirrors
- Micro troughs
- Heliostat mirrors
- Linear fresnel's
- Heat collecting tubes

240

Employees

50,000m²

Facilities

> 2,5 M

Mirrors/year

(GW Equivalent: 1,1 GWe)

Vertical integration in solar thermal projects

Engineering

- Extensive engineering capabilities enable us to support our plants with engineering challenges as well as custom designed solutions.
- Production processes internally developed with key production equipment designed in house.

Innovation

- We continuously work on research and development and process improvement in order to offer our customers with the best and newest technologies

Solana STE Plant 280 MW



Recognized for its innovation and environmental benefits:

- Arizona Forward Environmental Excellence Awards.
- Energy Storage North America Innovation Awards.

More than 30 international clients and a large experience in projects

Solana 280 MW



Mirrors: 899,360

Mojave 280 MW



Mirrors: 631,680

Khi 50 MW



Heliostat facets: 134,212

Solaben 4 x 50 MW



Mirrors: 483,840



4

Ancillary manufacturing

Abengoa's traditional business. We have supplied equipment for the auxiliary electrical industry since 1963.

Seville, Spain



China



Madrid, Spain



Products

- Motor control centers and low voltage power and distribution boards
- Medium voltage electrical cabinets
- Measurement, control and protection panels.
- Electrical rooms and modular units.
- Hardware with embedded electronics.
- Energy storage systems

~ 300

Employees

26,100 m²

Facilities

300,000

Man hours/year

Solutions tailored to each need

Capacities

- All equipment has a proprietary design which meets the applicable standards and has undergone the necessary testing.
- Based on the specific project and client, this design is adapted in the internal electrical and mechanical engineering departments, which create the project-specific technical drawings.

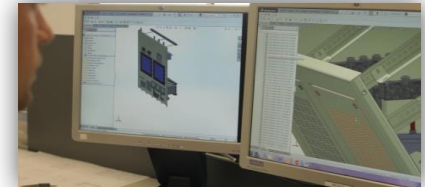
Efficiency

Lean manufacturing actions have been performed in order to optimize the manufacturing of electrical modular rooms and associated engineering processes.

Customer Requirements



Design



Manufacturing



Tests



Final product



International recognition both within and outside Abengoa



Acknowledgements

- Best on time Delivery Award 2014-2015, granted by **Alstom**
- **General Electric** Award for Excellence in Efficiency
- Best New Supplier Award, from **General Electric**

GENERAL DYNAMICS
Santa Bárbara Sistemas



Talgo

ALSTOM



tecnaTom

RUAG
Aerospace



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Conclusions

Vertical integration generates an important competitive advantage in our activities due to several factors

- 1 **Differentiation:** access to state-of-the-art in technological solutions
- 2 **Competitiveness:** superior margins over peers
- 3 **Security:** Independence from third parties in key components
- 4 **Flexibility:** Fast adaptation to changes in environment



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Thank you

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