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# ABENGOA

**Comisión Nacional del Mercado de Valores**  
Paseo de la Castellana 19  
28043 – Madrid

Sevilla, June, 8th, 2004  
Subject: A Relevant Event.  
Notice of the General Shareholders' Meeting

Dear Sir,

In order to comply with what is established in article 13 of Royal Decree 291/1992, of 27<sup>th</sup> March, and the concurrent provisions, on the updating of information from companies that issue securities that are accepted for trading on Stock Exchanges, we herewith forward a copy of the following documentation:

1. Text of the notice of the Ordinary General Shareholders' Meeting.
2. Proposal of the resolution proposed by the Board of Directors, to be reviewed and approved at the Ordinary General Shareholders' Meeting related to the modification of the article 46 of the By Laws of the Company.
3. Proposal of the resolution proposed by the Board of Directors, to be reviewed and approved at the Ordinary General Shareholders' Meeting related to the ratification of the designation of Director.

The Audit Reports on the Annual Accounts, both single and consolidated, for the financial year commenced on the 1<sup>st</sup> January 2003 and closed on the 31<sup>st</sup> December 2003, including the Balance Sheet, the Profit and Loss Account, and the Annual Report, together with the Management Reports both single and consolidated, and the resolution on the application of the result for said financial year were duly notified to this Commission on the 28<sup>th</sup> of April, 2004.

The abovementioned documentation will be submitted for approval at the Ordinary General Shareholders' Meeting called by the Board of Directors on April 26<sup>th</sup> 2004, which is foreseen to be held on the 27<sup>th</sup> of June upon second calling.

The mandatory notice in a newspaper in the province and in the Official Mercantile Registry Newsletter had been published today.

Once the General Shareholders' Meeting has adopted the aforementioned resolutions you will also be informed of the same for the indicated effects.

That is all for the present. In the meantime, I remain,

Yours sincerely,



Miguel Ángel Jiménez-Velasco Mazarío  
General Counsel



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## Ordinary General Shareholders' Meeting

The Board of Directors has decided to call the Ordinary General Shareholders' Meeting, to be held at the company's head offices in Avenida de la Buhaira 2, in Seville, on the 26<sup>th</sup> June, at 19.00 hours, upon first calling and, if it were the case, upon second calling on the following day, the 27<sup>th</sup> June, at the same time and place, to deal with the following

### Agenda

**One.-** Review and approval, if it were the case, of the Annual Accounts and the Management Report for the 2003 financial year, of the Company and its Consolidated Group, as well as the Board of Directors' management during the aforesaid financial year, Information on the Operating Regulations for General Shareholders' Meetings approved on the 29.06.2003 and the Board of Administration Regulations.

**Two.-** Review and approval, if it were the case, of the Resolution on the Application of the Result for the 2003 financial year.

**Three.-** Re-election or appointment, if it were the case, of the Auditor of the Company Accounts and those of its consolidated group for the 2004 financial year.

**Four.-** Ratification of the Director appointed by cooptation.

**Five.-** Modification of article 46 of the Bylaws (increasing the maximum number of members of the Advisory Board from ten to twelve).

**Six.-** Authorize the Board of Directors to increase the share capital, within the limits established by Law, without having to consult the Shareholders' Meeting beforehand, with express power to exclude the preference subscription in accordance with what is established in article 159.2 of Company Law, revoking and canceling the amount pending that results from the prior proxies conferred by the Shareholders' Meeting.

**Seven.-** Authorize the Board of Directors to issue bonds or other similar fixed or variable income securities, simple or guaranteed, convertible or non-convertible into shares, directly or through Group Companies, in accordance with the legislation in force, revoking the previous authorizations conferred, to the same ends, by the Shareholders' Meeting.

**Eight.-** Authorize the Board of Directors for the derivative acquisition of the company's own shares, directly or through Group Companies, in accordance with the legislation in force, revoking the previous authorizations conferred, to the same ends, by the Shareholders' Meeting.



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**Nine.-** Delegate in the Board of Directors for the interpretation, rectification, execution, formalization and registering of the adopted resolutions.

**Ten.-** Approval of the Minutes in any of the modalities foreseen by Law.

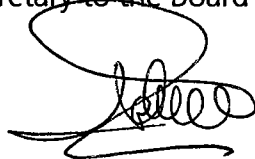
The shareholders shall be entitled to review, in the company's head offices, and request the delivery or free forwarding of the Annual Accounts and the Management Report of the Company and its Consolidated Group that are to be submitted for approval at this General Shareholders' Meeting, including the Accounts Auditors' Report as well as the proposal for the modification of the Bylaws and the justifying documentation, and the proposal for the adoption of resolutions. Said information is also available at the website [www.abengoa.com](http://www.abengoa.com)

All the shareholders that hold 1,500 or more shares shall be entitled to attend the General Shareholders Meeting provided that, at least five days prior to the date of the celebration of the General Shareholders' Meeting, they have them registered in their name in the corresponding detailed register of the entities adhered to the Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear), which shall be accredited by means of the attendance card issued by said entities, which shall be given to each shareholder. Those holding shares for a value less than the indicated limit, may group their shares until the limit is reached and then name the shareholder to represent them. All the shareholders that personally attend the Shareholders' Meeting are reminded of the obligation of presenting the aforementioned attendance card or documents that accredit their identity and ownership of shares.

Any shareholder that has the right to attend may be represented at the Shareholders' Meeting by anybody who is actually a shareholder.

***Notice: Given our experience from other occasions, we wish to advise that the General Shareholders' Meeting will, in all probability, be held upon second calling, on the 27<sup>th</sup> June at 19.00 hours.***

Seville, 1<sup>st</sup> June 2004  
The Secretary to the Board of Directors.



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## Resolutions 1 and 2

### **Approval of the Financial Year. Resolutions of the Ordinary General Shareholders' Meeting.**

#### **A p p r o v e:**

1. The Annual Accounts (comprising the Balance Sheet, the Profit and Loss Account and the Annual Report) and the Management Report of Abengoa, S.A., for the 2003 financial year.
2. The Annual Accounts of the Consolidated Group (comprising the Consolidated Balance Sheet, Profit and Loss Account and Annual Report) and the Consolidated Management Report, for the 2003 financial year.
3. The Board of Directors' management for the aforementioned financial year and the remuneration of its members, as well as that of the Advisory Board for said financial year, as contained in the Annual Accounts.
4. Approve the following distribution of the 2003 financial year results; the distribution of the dividend will start on 6<sup>th</sup> July 2004:

	<b>Euro</b>
To Voluntary Reserves .....	673,998.91
To Dividends .....	12,665,755.20
Total .....	<u>13,339,754.11</u>

To empower Mr. Felipe Benjumea Llorente, Mr. Javier Benjumea Llorente and the Secretary to the Board of Directors, Mr. Miguel Ángel Jiménez-Velasco Mazarío, so that any of them, indistinctively, may formalize the lodging of the Annual Accounts and Management Report of the Company and its Consolidated Group in the Mercantile Registry, under the terms foreseen by Law, and identifying them with their signature and with the indication of their destination.



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## Resolution 3

### Re-election or appointment, if it were the case, of the Auditor of the Company's Accounts and those of its consolidated group for the 2004 financial year

Extend the appointment as Auditor of the Company's Accounts and those of its consolidated group, for a one-year period, for the current 2004 financial year, in accordance with what is established in Article 204 of the Revised Text of Company Law, of the company Price Waterhouse Coopers Auditors, S.L., with tax no. B-79.031.290, with head offices in Madrid, Paseo de la Castellana, registered in the Mercantile Registry of Madrid, in tome 9,267, book 8,054, of section 3 under number 87,250 and in the Official Accounts Auditors' Registry with number 50242.



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## Resolution 4

### Ratification of the Director appointed by cooptation

"Agree to the ratification of the appointment as Director, for a period of four years, of Corporación Caixa Galicia, S.A.U. (represented by Mr. José Luis Méndez López), a single-person corporation with head offices in La Coruña, 30 Linares Rivas St., 3<sup>rd</sup> floor, and tax no. A-15.125.057, carried out by the cooptation procedure by the Board of Directors at its meeting on the 23<sup>rd</sup> January 2004".



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## Resolution 5

### Modification of article 46 of the Bylaws (to increase the maximum number of members of the Advisory Board, from ten to twelve).

In relation to the Fifth Point on the Agenda, regarding the resolution to modify article 46 of the Bylaws in order to increase the maximum number of members of the Advisory Board from ten to twelve:

“To agree, in view of the mandatory Administrators’ Report dated the 26<sup>th</sup> April 2004, to modify article 46 of the Bylaws of Abengoa, S.A. in order to increase the number of members of the Advisory Board, which is currently set at ten, to a maximum of twelve, the phrasing of which is now as follows:

#### Article 46.- Advisory Board to the Board of Directors

The Board of Directors shall designate an Advisory Board which shall be governed by the following provisions and by the interior regime of regulations that shall be established by the Board of Directors:

1. The Advisory Board is a consultation body for the Board of Directors, whose functions consist of professional assessment to facilitate the taking of decisions within the competencies corresponding to the Board of directors.
2. It shall be made up of a maximum number of **twelve** members designated by agreement of the Board of Directors, by professionals of acknowledged competency in the different activity sectors of the Company.
3. Its competencies include the reviewing of the development of the Company’s businesses, through consultations made by the Board of Directors, and the raising of proposals to be taken into consideration by the Board of Directors.”



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## The Board of Directors' Report in relation to the modification of Article 46 of the Bylaws

The Board of Directors of Abengoa, S.A., at its meeting on the 26<sup>th</sup> April 2004, in conformity with what is established in article 144.1 and concordants of the Revised Text of Company Law, draws up this written report in relation to the modification of article 46 of the Bylaws

### One:

This report refers to the modification of article 46 of the Bylaws in relation to the maximum number of members on the Advisory Board to the Board of Directors of Abengoa, S.A., which is currently set at ten and which this report proposes be increased to a maximum of twelve.

### Two:

The objective of the proposed modification lies fundamentally in providing the Board of Directors' advisory body with a maximum number of members that enables more diversified and professional assessment in its support task for the administration body, to which it is organically and functionally subordinated.

### Three:

In accordance with the above the resolution proposed is as follows:

"To agree, in view of the mandatory Administrators' Report dated the 26<sup>th</sup> April 2004, to modify article 46 of the Bylaws of Abengoa, S.A. in order to increase the number of members of the Advisory Board, which is currently set at ten, to a maximum of twelve, the phrasing of which is now as follows:

#### Article 46.- Advisory Board to the Board of Directors.

The Board of Directors shall designate an Advisory Board which shall be governed by the following provisions and by the interior regime of regulations that shall be established by the Board of Directors:

1. The Advisory Board is a consultation body for the Board of Directors, whose functions consist of professional assessment to facilitate the taking of decisions within the competencies corresponding to the Board of directors.
2. It shall be made up of a maximum number of **twelve** members designated by agreement of the Board of Directors, by professionals of acknowledged competency in the different activity sectors of the Company.



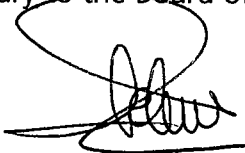


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3. Its competencies include the reviewing of the development of the Company's businesses, through consultations made by the Board of Directors, and the raising of proposals to be taken into consideration by the Board of Directors."

This Report has been unanimously approved at the meeting of the Board of Directors of Abengoa, S.A. held on the 26<sup>th</sup> April 2004.

The Secretary to the Board of Directors.

A handwritten signature in black ink, consisting of a large, stylized initial 'M' followed by several loops and a horizontal line at the bottom.

Miguel Ángel Jiménez-Velasco Mazarío

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## Resolutions 6, 7 and 8

### **Authorizations by the General Shareholders' Meeting to the Board of Directors**

- A) Delegate in the Board of Directors, in accordance with what is established in article 153-1-b) of the Revised Text of Company Law, the power to increase the share capital, on one or several occasions, up to the amount of eleven million three hundred and eight thousand seven hundred and ten euro (11,308,710 euro) equivalent to fifty per cent (50%) of the share capital at the time of this authorization, by means of monetary contributions, with or without stock premium, within a maximum period of five years as of from the moment of approval by this General Shareholders' Meeting, at the time and in the amount the Board itself determines and without the need for having to consult the General Shareholders' Meeting beforehand. Moreover, in accordance with what is established in article 159 of the Revised Text of Company Law, the Board of Directors is empowered to, if it were the case, decide upon the exclusion or not of the preference subscription in relation to the increases that might be agreed upon in accordance with this resolution, when the circumstances foreseen in section 1 of the aforementioned article concur, relating to corporate interest and provided that, in the event of exclusion, the value of the shares to be issued plus, if it were the case, the amount of the stock premium corresponds with the true value that results from the company's accounts auditors' report drawn up upon the request of the Board of Directors in order to rewrite article 6 of the Bylaws, relating to share capital, once the increase has gone ahead, in function of the amounts really subscribed and paid-in.

Likewise, to authorize the Board of Directors so that, in relation to the shares that are issued in accordance with the previously adopted resolutions, it requests and takes the necessary steps, at the time the Board of Directors considers opportune, before the Comisión Nacional del Mercado de Valores, the Stock Exchange Governing Body, for the admission for trading on any of the Stock Exchanges of the aforementioned securities, with any requirements demanded by the provisions in force.

In accordance with what is established in article 27 of the Regulations of the Official Commercial Stock Exchanges the declarations by the shareholders regarding this resolution will be noted in the Minutes.

- B) Based on the Board of Directors' Report, dated the 26<sup>th</sup> April 2004, in relation to the Resolution on the issuing of convertible bonds and the consequent increase of share capital, which is accompanied by the Auditors' special report, to authorize the Board of Directors so that it may, in accordance with what is established in article 282 and the following ones of Company Law, and within the five-year period set in the same, proceed with the issue of stock, bonds and any other securities with any denomination representative of a loan, convertible or exchangeable for shares of the Company or non-convertible, up to the maximum amount foreseen by Law, equivalent to the share capital paid-in, plus the reserves that figure in the balance sheet on the 31<sup>st</sup> December 2003, the latest duly audited and approved by the General Shareholders' Meeting, and which serves as the basis for this resolution, and the regularization and updating accounts of the balances, when they have been accepted by the Ministry of Economy, in the amount of Two Hundred and Seventy one Thousand Five Hundred and Eighty Five Million Euro (261,585 Million Euro), in accordance with the terms and conditions included in the Board of Directors' Report of the 26<sup>th</sup> April 2004, which is incorporated as an Annex to the Minutes of the General Shareholders' Meeting.

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In relation to the issue of bonds or other similar securities, to agree to delegate in the Board of Directors, with a merely denunciative and not limitative nature, the powers which, in the event of the issue of convertible or exchangeable bonds, must be exercised with regard to the Issue Bases that shall also be attached to the minutes, in compliance with what is established in article 292 of Company Law, and which are transcribed here-below:

- a) To agree to the issue of bonds at one or several times and to determine the amounts of each issue, within the maximum limit established by Law, to set the date or dates of the issue agreement, the number of securities and their nominal value, which shall not be less than the nominal value of the shares in circulation at the time of the execution of the agreement, the rate of interest, dates and coupon payment procedure, the amortization period and the expiry date; the rate of repayment, premiums and packages; the Guarantees; the form of representation by means of bonds or entries in account; to determine the maximum amount per subscriber, place and periods of subscription, and in general any other condition of the issue as well as to request the redemption or reimbursement of the bonds.
- b) To agree to said issue of bonds or securities of any type that acknowledge or create a debt or a contribution of capital, with the clauses relating to conversion, exchange, rate of interest, redemption, and formalization that may be necessary or convenient, in accordance with national or international stock exchange practice, by means of branches or subsidiaries in Spain or abroad, that already exist or may be established in the future, for which the Board of Directors is also authorized by the General Shareholders' Meeting. Furthermore, the Board of Directors is authorized to provide the guarantee or surety of Abengoa for said issues.
- c) To desist from carrying out the issue by not exercising the authorization. As of from the aforementioned latest date established for the issue of convertible or exchangeable fixed income bonds, should the Board not have made use of the delegation of powers, the same shall be considered to have expired and shall be null and void.
- d) In the case of convertible or exchangeable bonds to determine whether the same are necessary or voluntary, and in the event of them being voluntary, at the option of the holder of the same or of the issuer, with the periodicity and during the period established in the issue agreement which may not exceed the duration of each of the loans.
- e) For the effects of conversion, the bonds shall be valued at a nominal amount and the shares at a fixed rate determined in the issue agreement or upon exchange determinable on the date or dates indicated in the issue agreement itself and in function of the listed price on the Stock Exchange of the Company's shares on the date or dates or period or periods that are taken as a reference in the same issue agreement.

Once the conversion into shares of the bonds that may be issued has been agreed, the same shall enjoy all the rights acknowledged for them by the legislation in force and especially what is established in the anti stock watering clause included in the attached Issue Bases.

- e) To amortize in advance the issue or issues with a conversion option.
- f) To extend for the time agreed, the subscription period open to third parties or reduce the value of the issue to the amount subscribed at the close of said period.



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- g) To authorize, if it were the case, the setting up of a bond bearers' defense association or syndicate and the appointment of a commissary, all in accordance with article 282 and the following ones of the Revised Text of Company Law and the concordants of the Mercantile Registry Regulations.
  - h) To establish the basic rules that will govern the legal relationships between the company and the bond bearers' syndicate or syndicates that are established, in accordance with Company Law and the Mercantile Registry Regulations.
  - i) To correct, clarify, interpret, determine or complement the resolutions adopted at the General Shareholders' Meeting, or those that arise in any deeds or documents granted during the execution of the same and, in particular, any defects or omissions that impede entry of the resolutions in the Mercantile Registry, Official Registries of the National Stock Exchange Commission or any others.
  - j) To request and take the necessary steps before the Comisión Nacional del Mercado de Valores, the Stock Exchange Governing Body, for the admission for trading on any of the Stock Exchanges of the bonds referred to in this resolution, with any requirements demanded by the provisions in force.
  - k) To draw up and give the publicity it deems opportune to the corresponding issue brochure or brochures, in accordance at all times with the legislation in force.
  - l) To negotiate and sign a security contract for the issue with the company or companies it considers opportune.
- C) To authorize the Board of Directors for the derivative acquisition by sale-purchase, of shares of the Company itself, be it directly or through Subsidiary or participated Companies, up to the maximum limit established in the provisions in force at a price between three euro cents (0.03 euro) as a minimum and one hundred and twenty euro with twenty euro cents (120.20 euro) per share as a maximum, with it being able to make use of this authorization for a period of eighteen (18) months as of from this date, and subject to what is established in Section Four of Chapter Four of the Revised Company Law Text.

To these effects, the authorization conferred on the Board of Directors, to the same ends, in virtue of the resolution adopted by the Ordinary General Shareholders' Meeting held on the 29<sup>th</sup> June 2003, is expressly revoked.



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## The Board of Directors' Report in relation to the Issue of Bonds, Issue Bases and delegation of powers in the Board of Directors.

The Board of Directors of Abengoa, S.A., at its meeting on the 26<sup>th</sup> April 2004, in conformity with what is established in article 292.2 and concordants of the Revised Company Law Text, formulates this report in relation to the Bases for the Issuing of convertible and non-convertible Bonds, and the delegation of powers in the Board of Directors.

### One:

This report is issued in order to update the amount of the issue of bonds authorized by the General Shareholders' Meeting on the 29<sup>th</sup> June 2003 (260,912 Million Euro), suiting it to the actual share capital and reserves figure on the date of closure of the 2003 financial year (261,585 Million Euro) as can be seen from the individual Annual Accounts of Abengoa, S.A., which have been duly audited by Price Waterhouse Coopers Auditors, S.L.

### Two:

The Bases for the Issue of Bonds, convertible or changeable into shares, area as follows:

Issuing company: Abengoa, S.A.

Share Capital: The registered Share Capital on this date is 22,617,420 Euro.

Head Office: Avenida de la Buhaira, 2. Seville, 41018.

Corporate Objective: The objective of the Company, in accordance with article 3 of its Bylaws is: "The main objective of the company is the development and execution of all types of businesses regarding projects and the construction, manufacturing, importation, exportation, acquisition, repair, installation, assembly, contracting, sale and supply of all types of electric, electronic, mechanical and gas apparatus, in all their possible applications, and the complementary materials for this sector of industry, as well as the complementary civil works for these installations, and also, the complementaries of all other businesses related with it and, among the same, those related to electric energy generating stations: Nuclear, Hydraulic, Thermal, Solar and Wind, Transformer and Rectifier Substations; the design and manufacturing of Command and Control Panels, low, medium and high voltage cabinets, panels and equipment for nuclear power plants, bus-bar conduits, rectifier equipment, motor control centers, low voltage distribution centers, power panels and transformation centers; distribution networks, electrification of industrial facilities, mines, shopping centers and households, hydraulic pumping stations, water regulation and control systems, irrigation systems, water treatment systems; river management, operation of water distribution networks; urban and industrial waste treatment, both solid and liquid and gaseous, automatic hydrological information systems, seawater desalination plants, ventilation and control installations in roadway tunnels, installations in airports and sea ports electrical as well as beaconing, signaling and control



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systems, installations on oil platforms, hot and cold installations, fire protection installations, studies and the execution of medical health services, urbanizations, landscaping and urban furnishings, industrial, artistic, monumental and sports lighting, roadway lighting, control and automatisms, safety, manufacturing, development, marketing and maintenance of physical, electronic, visual, acoustic or instrumental monitoring and protection systems and, especially, with the connection to alarm reception centers, as well as assessment, design, construction, maintenance and planning of safety installations, naval electricity, road signaling, power transmission lines, electric traction, railway electrification and signaling of any type, stationary installations for mobile material, such as roller rails and paths, telephony, telematics, telecommunication and radio communications in general, data processing and computerized systems for all types of installations and buildings, and in all their applications, as well as their maintenance, revision and repair, with its independent legal title being clearly acknowledged for the unconditioned acquisition, alienation and lien of all types of personal property, real estate and incorporeal rights.

Likewise, the corporate objective includes the study, promotion and execution of all types of civil works related to construction, restoring, improvement and conservation, both private and public, including all types of industrial constructions, civil engineering works, infrastructures, land urbanization, the construction of dwellings, buildings and property of any type.

The corporate objective will also comprise activities related to the acquisition, ownership, administration, provision and sale of any type of personal property, real estate, incorporeal rights, transferable securities, with the sole exception of activities subjected to special laws, variable income shares, fixed income securities, shareholdings or quotas, be they listed or not on the stock exchange, of any company, mercantile company, entity or body, public or private, national or foreign, at the time of their establishment or afterwards, whatever their activities or rights or inherent interests may be.

Maximum Value of the Issue: The maximum legally permitted, to be done at one time or several times within the maximum legal period, to be counted as of from the date of this General Shareholders' Meeting. The maximum amount of the issue is the equivalent to the sum of the share capital plus reserves, that is to say 261.585 Million Euro, a figure not greater than the limit determined by article 282 of Company Law as regards the sum of the paid-in share capital and the reserves that figure in the Balance Sheet on the 31<sup>st</sup> December 2003, duly audited, and which serves as the basis for this resolution, and the regularization accounts and balances updating, when the same have been accepted by the Ministry of Economy.

Nominal: The bonds shall have a nominal value not less than the nominal value of the shares currently in circulation, of twenty five euro cents (0.25 euro) per share at the time of execution of the resolution. The issue bonds shall be put into circulation by the Board of Directors at one time, or several times, within the maximum five-year (5) period as of from the date of this General Shareholders' Meeting, and under the conditions and within the maximum amount established by the General Shareholders' Meeting.



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Price of the Issue: At face value, that is to say at 100 per cent of their nominal value, free from costs for the subscriber, by means of full payment on the date of subscription.

Payment Price: The payment rate shall be set by the Board of Directors when it decides on the execution of this resolution, in function of the market conditions.

Nominal Interest: The applicable annual interest shall be determined by the Board of Directors in function of the existing market conditions at the time of making use of this authorization, within a range of effective annual interest rates from between the equivalent of the Euribor at one year at least, and the maximum of the Euribor at one year plus five full points. The payment of interest shall be made annually, half-yearly, or any other periodicity that is decided at any time, until the bonds have been amortized. The amounts withheld on account of the Natural Persons Income Tax or that of Companies shall be done on the amounts paid out at the rate in force at all times.

Earning Period. Payment of Warrants: That which the Board of Directors determines in function of the market conditions.

Amortization Period: The duration of each of the loans shall not be greater than 10 years.

Conversion: The subscriber shall be able to opt for converting the issued bonds into new Company shares. The conversion shall be able to be carried out on the dates and under the requirements that the Board of Directors determines to this effect. The bonds that opt for conversion shall be amortized by the application of their value to the subscription or acquisition of said corresponding shares. The maximum period in which the conversion may be carried out shall under no circumstances be greater than the duration of each one of the loans.

The Board of Directors shall, during the course of the first month of each half-year, issue the shares corresponding to the bondholders that have requested the conversion during the previous half-year and shall register the increase of capital corresponding to the issued shares, in the Mercantile Registry, during the course of the following half-year.

At the time of conversion, the accrued interests as of from the respective date of conversion up to the date of the execution of the corresponding capital increase agreement shall be liquidated.

The new shares that are issued corresponding to each conversion option shall enjoy the same policy and economic rights as the shares in circulation at the time of the conversion.

In the event of fractions, the differences shall be rounded off upwards and the differences shall be paid in cash by the holder, if it were the case, until a full number of shares has been completed.

The costs inherent to the conversion shall be borne by the issuing entity.



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The period for exercising the request for conversion into shares shall expire under the terms determined for each conversion. In any event, said period shall be for a maximum of five (5) years as of from the date of this resolution.

Exchange Ratio and Conversion Price: To be determined at the time of each issue. The conversion may be established at a fixed price or variable price, as well as with a premium, discount, or at the same listed price as at the time of the issue.

In the event of the issue being made at a variable conversion rate, this shall be referred to the listed price at the time of conversion. An exchange equation such as a minimum number of shares for each bond may also be established. In the event of this ratio being used, the investors that opt for the conversion shall have to pay the differences that arise, in cash, in the event of the result not being a full number of shares for the converting bondholder

For the effects of the conversion, the bonds shall be valued at their nominal amount. In any case, the value of the shares for conversion purposes shall be, at least, that of the average listed price for the ten days prior to the date of the Board of Directors' issue agreement and, at most, double that listed price, and under no circumstances, in accordance with article 47.2 of Company Law, may shares be issued for below their nominal value.

Anti Stock Dilution Clause: Should there be, prior to the conversion of bonds into shares, an increase of capital charged to the reserves, or a reduction in capital due to losses, the exchange ratio of the bonds for shares shall be modified in proportion to the amount of the increase or the reduction so that the same affects, in like manner, the shareholders and the holders of the convertible bonds.

Priority subscription right: without prejudice to the possibility of the Board excluding this right, in accordance with what is established in the following point, in the event of the Board deciding to issue bonds or other securities with a priority subscription right for the shareholders, this right shall have a duration of not less than one month as of from the date of publication of the notice of the subscription offer. Said priority subscription right shall be reserved for those who are shareholders prior to the commencement of each subscription period.

Once the aforesaid period has expired for the shareholders, a priority subscription period may be conferred to the subscribers of bonds or other securities put into circulation beforehand by making use of the execution authorization under this resolution, so that they may subscribe to the securities that are put into circulation, as well as in future issues of convertible bonds or securities and non-paid up increases of capital that might be agreed upon, which they may exercise in proportion to the nominal value of the shares that would correspond them in the event of exercising the conversion authorization, if it were the case, at the time at which the Board of Directors, by authorization of the General Shareholders' Meeting, were to decide on the issue of convertible shares or bonds.

Once the period for exercising the priority subscription rights has expired, the Board of Directors is empowered to offer third parties the bonds that were not subscribed to during said priority subscription period. In the event of there being subscription requests that exceed those remaining to be offered to the public, a





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prorated awarding shall be made among the requests under the criteria determined by the Board of Directors.

Exclusion of the priority subscription right: For reasons of corporate interest, the Board shall be entitled to exclude the shareholders' priority subscription right and, if it were the case, of the holders of other issued convertible bonds or that may be issued, at the time of the issue of the bonds which are the object of this authorization.

Amortization in advance: The Company shall reserve, if it were the case, the right to advance amortization of the bonds that are the object of each of the issues at any time, under the terms agreed by the Board in each case. This amortization shall be done by repaying the bonds at face value, plus the accrued interests up to the date of the amortization in advance.

Bondholders' syndicate: It shall be established for each issue, in accordance with the Company Law in force and the Mercantile Registry Regulations, with the Board appointing a Provisional Commissary, titular and deputy, up until the time of the first Meeting of the Syndicate.

Issue Guarantees: The issues shall be guaranteed with the universal patrimonial responsibility of the issuer, in accordance with Law.

Representation of the bonds: The bonds to be issued shall be represented by securities or account entries, in accordance with the legislation in force at all times, and in particular to the applicable normative in the secondary market in which the same are traded.

Listing Request: The Board shall be able to request the admission for listing on the organized stock exchanges, of the issued bonds under the authorization referred to in this report. In accordance with the regulations in force at all times, the Board shall be entitled to take any actions and steps deemed to be convenient in order to achieve the admission for trading on the Stock Exchanges it considers opportune of the bonds that are the object of this resolution, with the mediation of and Stock Brokers or Agencies.

Issue Brochure: The Board of Directors is expressly empowered to draw up and give the publicity it deems opportune to the information brochure in relation to this issue, adjusted to the requirements of the regulations in force, including those of the Stock Exchanges, subjected to the mandatory authorization of the Bank of Spain, and to the verification and inscription in the Registries of the Comisión Nacional del Mercado de Valores, which shall at the given time be available to the public at the company's head offices, and the corresponding copies shall be lodged with the Governing Bodies of the corresponding Stock Exchanges and with the Comisión Nacional del Mercado de Valores.

Increase of Capital: In order to attend to the conversion of the convertible bonds issued, the Board of Directors may make use of the authorization to increase the share capital it has been conferred with in virtue of the resolution by the General Shareholders' Meeting, with the power to carry out the resulting modification of article 5 of the Bylaws and request the admission for listing in the organized stock exchanges of the issued shares.



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Duration of the authorization: The authorization is conferred for a maximum legal period of 5 years.

Three:

The resolution that the Board of Directors proposes for adoption by the Ordinary General Shareholders' Meeting of Abengoa, S.A. which is planned to be held upon first calling on the 26<sup>th</sup> June 2004 and upon second calling on the 27<sup>th</sup> June 2004, is as follows:

"Upon the report by the Board of Directors dated the 26<sup>th</sup> April, in relation to the Resolution on the issue of convertible bonds and the resulting increase of share capital, which is accompanied by the special report from the Auditors of the Accounts of the company, the firm Price Waterhouse Coopers Auditors, S.L., having been analyzed, to authorize the Board of Directors so that it may, in accordance with what is established in article 282 and the following ones of Company Law, and within the five-year period set in the same, proceed with the issue of bonds, securities and any other stock of any name that is representative of a loan, convertible or exchangeable into shares of the Company, or non-convertible, up to the maximum limit foreseen by Law, equivalent to the paid-in share capital, plus the reserves that figure in the Balance Sheet dated the 31<sup>st</sup> December 2003, which is included as an annex to the Minutes of the General Shareholders' Meeting.

In relation to the issue of bonds or other similar securities, to delegate in the Board of Directors, with a merely enunciative and non limitative nature, the following powers, which in the event of the issue of convertible or exchangeable bonds, must be exercised in accordance with the Issue Bases which are likewise approved by majority of the General Shareholders' Meeting, in compliance with what is established in article 292 of Company Law, and which are here-below transcribed.

- a) To agree to the issue of bonds at one or several times and to determine the amounts of each issue, within the maximum limit established by Law, to set the date or dates of the issue agreement, the number of securities and their nominal value, which shall not be less than the nominal value of the shares in circulation at the time of the execution of the agreement, the rate of interest, dates and coupon payment procedure, the amortization period and the expiry date; the rate of repayment, premiums and packages; the Guarantees; the form of representation by means of bonds or entries in account; to determine the maximum amount per subscriber, place and periods of subscription, and in general any other condition of the issue as well as to request the redemption or reimbursement of the bonds.
- b) To agree to said issue of bonds or securities of any type that acknowledge or create a debt or a contribution of capital, with the clauses relating to conversion, exchange, rate of interest, redemption, and formalization that may be necessary or convenient, in accordance with national or international stock exchange practice, by means of branches or subsidiaries in Spain or abroad, that already exist or may be established in the future, for which the Board of Directors is also authorized by the General Shareholders' Meeting. Furthermore, the Board of Directors is authorized to provide the guarantee or surety of Abengoa for said issues.



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- c) To desist from carrying out the issue by not exercising the authorization. As of from the aforementioned latest date established for the issue of convertible or exchangeable fixed income bonds, should the Board not have made use of the delegation of powers, the same shall be considered to have expired and shall be null and void.
- d) In the case of convertible or exchangeable bonds to determine whether the same are necessary or voluntary, and in the event of them being voluntary, at the option of the holder of the same or of the issuer, with the periodicity and during the period established in the issue agreement which may not exceed the duration of each of the loans.
- e) For the effects of conversion, the bonds shall be valued at a nominal amount and the shares at a fixed rate determined in the issue agreement or upon exchange determinable on the date or dates indicated in the issue agreement itself and in function of the listed price on the Stock Exchange of the Company's shares on the date or dates or period or periods that are taken as a reference in the same issue agreement.

Once the conversion into shares of the bonds that may be issued has been agreed, the same shall enjoy all the rights acknowledged for them by the legislation in force and especially what is established in the anti stock watering clause included in the attached Issue Bases.

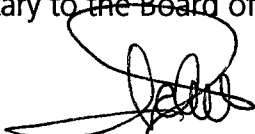
- f) To amortize in advance the issue or issues with a conversion option.
- g) To extend for the time agreed, the subscription period open to third parties or reduce the value of the issue to the amount subscribed at the close of said period.
- h) To authorize, if it were the case, the setting up of a bond bearers' defense association or syndicate and the appointment of a commissary, all in accordance with article 282 and the following ones of the Revised Text of Company Law and the concordants of the Mercantile Registry Regulations.
- i) To establish the basic rules that will govern the legal relationships between the company and the bond bearers' syndicate or syndicates that are established, in accordance with Company Law and the Mercantile Registry Regulations.
- j) To correct, clarify, interpret, determine or complement the resolutions adopted at the General Shareholders' Meeting, or those that arise in any deeds or documents granted during the execution of the same and, in particular, any defects or omissions that impede entry of the resolutions in the Mercantile Registry, Official Registries of the National Stock Exchange Commission or any others.
- k) To request and take the necessary steps before the Comisión Nacional del Mercado de Valores, the Stock Exchange Governing Body, for the admission for trading on any of the Stock Exchanges of the bonds referred to in this resolution, with any requirements demanded by the provisions in force.
- l) To draw up and give the publicity it deems opportune to the corresponding issue brochure or brochures, in accordance at all times with the legislation in force.

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- m) To negotiate and sign a security contract for the issue with the company or companies it considers opportune.

This report has been unanimously approved at the meeting of the Board of Directors of Abengoa, S.A., held on the 26<sup>th</sup> April 2004.

The Secretary to the Board of Directors.



Miguel Ángel Jiménez-Velasco Mazarío

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## Resolution 9

### **Delegations in the Board**

To expressly empower Mr. Felipe Benjumea Llorente, Mr. Javier Benjumea Llorente, and Mr. Miguel Ángel Jiménez-Velasco Mazarío, so that any of them, indistinctively, and as a special delegate of the General Shareholders' Meeting, may appear before Notary Public, execute the necessary public deeds and proceed, if it were the case, with the registering in the Mercantile Registry of the resolutions adopted that legally require the same, formalizing any documents that might be required in compliance with said resolutions.

Likewise, to authorize the Board of Directors, with power of substitution, so that it may freely interpret, apply, execute and develop the approved resolutions, including the correction and filling in of the same, as well as to proceed to delegate in any of its members the power to execute any rectification or complementary deed that might be required to correct any error, defect or omission that might prevent the inscription of any resolution in the registry, until all the requirements that might legally be demandable for the effectiveness of said solutions have been met.



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Comisión Nacional del Mercado de Valores  
Paseo de la Castellana, 19  
28043 – Madrid

Seville, 8<sup>th</sup> June 2004

Re: New Market

Dear Sirs,

In relation to the information required under Ministerial Order of the 22<sup>nd</sup> December 1999, developed by Circular 1/2000 from the CNMV, regarding business evolution and perspectives, investment plans and financing foreseen for future development or expansion of Abengoa, under its condition of a listed company attached to the New Market segment, and further to our written communication of the 20<sup>th</sup> September 2001, we wish to inform you the information required is to be found in (i) the Annual Accounts and the Management Report of this company and of its Consolidated Group, for the 2003 financial year, which were forwarded to the CNMV on the 28<sup>th</sup> April 2004, (ii) in this Company's 2003 Annual Report forwarded to the CNMV on the 1<sup>st</sup> March 2004 and (iii) in the quarterly and half-yearly information sent to the Comisión Nacional del Mercado de Valores y Sociedades de Bolsa, in fulfillment of the obligations to provide periodic information.

With the aforementioned documentation, we consider we have fulfilled the duty of providing the aforementioned information, in accordance with your governing regulations.

That is all for the present. In the meantime, I remain, yours sincerely,



Miguel Ángel Jiménez-Velasco Mazarío  
General Secretary