

Comisión Nacional del Mercado de Valores  
(Spanish Securities and Exchange Commission)  
Markets Area. Supervision Division  
C/ Miguel Ángel, 11 -1ª  
28010 – Madrid

Seville, October 4, 2011

Dear Sir/Madam,

In accordance with Article 82 of Law 24/1988 on the securities market, Abengoa, S.A. (the "Company") hereby informs the National Securities Market Commission of the following

## Significant Event

The Company hereby reports that as at today it has reached an agreement with First Reserve Corporation (through one of his affiliates) hereafter First Reserve or FRC, a US investment fund that specializes in private equity in the energy sector, through which First Reserve has agreed to invest 300 million Euros in Abengoa's share capital under the terms and conditions established in the investment agreement (hereafter, the "**Investment Agreement**").

### **Principal financial terms of the Investment Agreement**

- Abengoa will issue 17,142,858 Class B new shares with a nominal value of 0.01 Euros/shares, and a price, including the share premium, of €17.50 per share through a capital increase of Class B shares that will be fully subscribed by FRC, but without pre-emptive subscription rights (the "Initial Increase").
- FRC will subscribe the Initial Increase for an amount equivalent to €300 million, paid in cash.
- FRC is committed to holding its position in Abengoa that it acquires through the Initial Increase for a period of two and a half years, treating it as a strategic investment, strengthening Abengoa's capital and helping it to develop its current strategic plan. At the end of this period, various formulas exist to sell its stake or to exchange the Class B shares for Class A shares, which will be decided by Abengoa.
- Abengoa will also issue 4,020,124 warrants for Class B shares with an exercise price of 0.01 Euros, fully transmissible and which will grant FRC the right to acquire one class B share of Abengoa for each warrant, and to receive an amount in cash equivalent to the dividends paid per share and other distributions, over a five year period.
- FRC's participation on Abengoa's Board of Directors. Once the investment is completed, FRC shall have the right to propose the appointment of a

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director to the company, which will strengthen Abengoa's Board of Directors.

- Completion of the deal is subject, among others, to the approval of the US antitrust authorities, according to the Hart-Scott-Rodino Antitrust Improvements Act 1976, and is expected to be obtained within one month without any problems.

## **Abengoa's Class B shares.**

The Class B shares, authorized by Abengoa's General Shareholders' Meeting on April 10, 2011, have the same financial rights as the company's ordinary Class A shares, and voting rights proportionate to their nominal value of €0.01/share, meaning 1/100 of the rights of A shares with a nominal value of €1.00 and 100 voting rights per share.

The aforementioned capital increase, its price per share or issue type, the issue of the warrants and the exclusion of the pre-emptive subscription rights have the approval of Abengoa's Board of Directors (which has the authority to issue shares, expressly delegated by the General Shareholders' Meeting of April 10, 2011) and has been object of the report issued by Kpml S.L., as the auditor responsible, which is not the accounts auditor of the Company, as required by the Capital Companies Act.

## **FR as a strategic ally of Abengoa**

The Investment Agreement has been preceded by a period of negotiation in which FRC has carried out extensive legal and financial analysis on the Company.

From a business perspective, this deal represents a stable alliance with a preeminent strategic partner, a leader in the energy sector that has invested more than \$12.5 billion in the industry, diversified in more than 100 companies, in the same activity sectors as Abengoa, and with an active presence in the countries and markets common to Abengoa's development objectives.

FRC and Abengoa have also agreed to explore future commercial opportunities within their areas of activity. Although there is no specific binding agreement, Abengoa and FRC shall examine the possibility of jointly investing in the financing and promotion of infrastructure projects developed by Abengoa on a case by case basis.

Miguel Ángel Jiménez-Velasco Mazarío  
General Secretary