

ABENGOA

Innovative Technology Solutions for
Sustainability



ABENGOA

First Quarter 2013 Earnings Presentation

April 30, 2013

- This presentation contains forward-looking statements and information relating to Abengoa that are based on the beliefs of its management as well as assumptions made and information currently available to Abengoa.
- Such statements reflect the current views of Abengoa with respect to future events and are subject to risks, uncertainties and assumptions.
- Many factors could cause the actual results, performance or achievements of Abengoa to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, among others: changes in general economic, political, governmental and business conditions globally and in the countries in which Abengoa does business; changes in interest rates; changes in inflation rates; changes in prices; decreases in government expenditure budgets and reductions in government subsidies; changes to national and international laws and policies that support renewable energy sources; inability to improve competitiveness of our renewable energy services and products; decline in public acceptance of renewable energy sources; legal challenges to regulations, subsidies and incentives that support renewable energy sources and industrial waste recycling; extensive governmental regulation in a number of different jurisdictions, including stringent environmental regulation; our substantial capital expenditure and research and development requirements; management of exposure to credit, interest rate, exchange rate and commodity price risks; the termination or revocation of our operations conducted pursuant to concessions; reliance on third-party contractors and suppliers; acquisitions or investments in joint ventures with third parties; unexpected adjustments and cancellations of our backlog of unfilled orders; inability to obtain new sites and expand existing ones; failure to maintain safe work environments; effects of catastrophes, natural disasters, adverse weather conditions, unexpected geological or other physical conditions, or criminal or terrorist acts at one or more of our plants; insufficient insurance coverage and increases in insurance cost; loss of senior management and key personnel; unauthorized use of our intellectual property and claims of infringement by us of others intellectual property; our substantial indebtedness; our ability to generate cash to service our indebtedness changes in business strategy and various other factors.
- Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, expected or targeted.
- Abengoa does not intend, and does not assume any obligations, to update these forward-looking statements.

Two Accounting Changes Affecting Financial Figures in the Presentation

1

Adoption of IFRS 10 & 11 effective January 1, 2013

Topic	Guidance & Considerations	Impact in Results
IFRS 10	<ul style="list-style-type: none"> A new definition of "Control" 	<ul style="list-style-type: none"> ✓ De-consolidation of financial entities previously consolidated (Proportionate -> Equity Method) ✓ De-consolidation of certain assets where control, as newly defined, is not exercised during the construction phase (Global Integr. -> Equity Method) ✓ P&L, Balance Sheet & Cash Flow restated for all periods presented. No impact on Net Income
IFRS 11	<ul style="list-style-type: none"> Proportionate consolidation is not permitted for JV's JV's will be accounted for using the equity method under IFRS 11 	

2

Recycling business treated as discontinued operations since Jan 1, 2013

Topic	Guidance & Considerations	Impact in Results
Agreement signed to sell Befesa	<ul style="list-style-type: none"> Signed in April 2013, but treated as "discontinued operations" in Q1 2013 Transaction pending to close 	<ul style="list-style-type: none"> ✓ Treated as "Discont. Operations" ✓ P&L and Cash Flow restated for all periods presented. No impact on Net Income ✓ No historical Balance Sheet restatement (as per IFRS 5)

1

Q1 2013 Business Highlights



2

Q1 2013 Financial Highlights



3

Conclusions & Outlook



4

Appendix



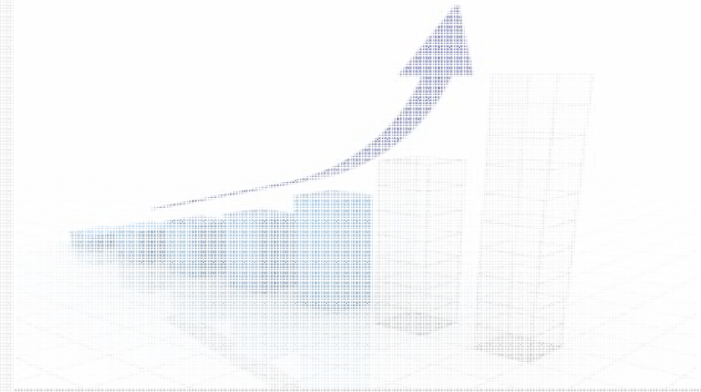
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Q1 2013 Business Highlights



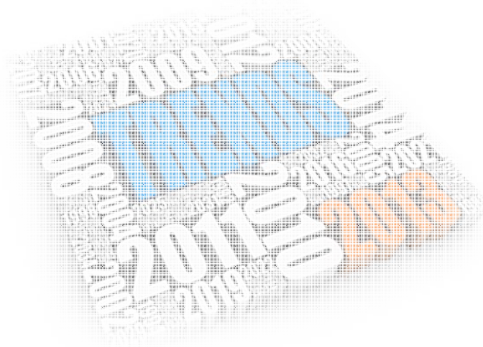
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Q1 2013 Financial Highlights



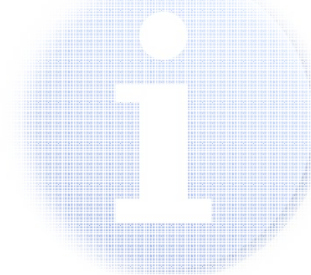
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Conclusions & Outlook

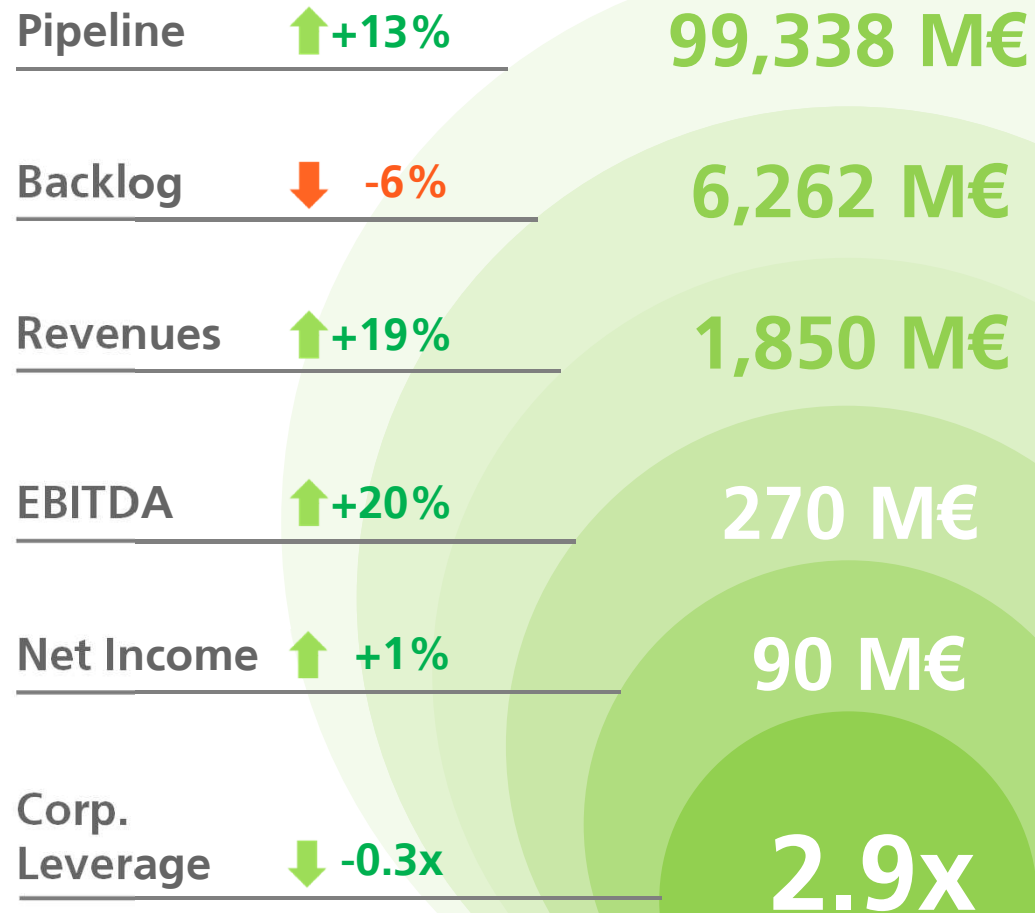


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Appendix



**Positive
Start with a
Solid First
Quarter**



Starting the Year On Track to Meet 2013 Targets



Business Milestones Achieved

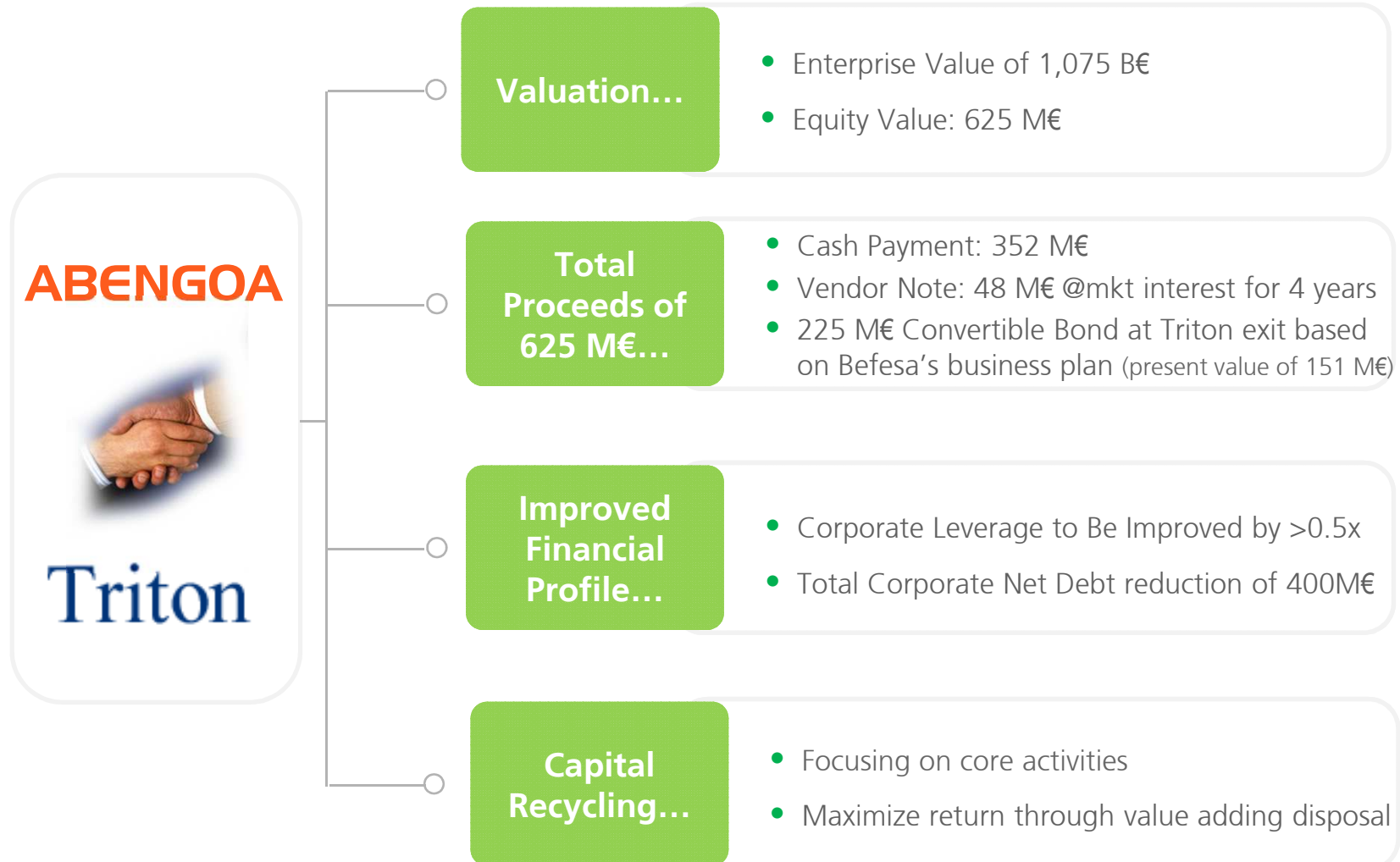
- Solid Performance of Core E&C Business
- Signs of Recovery in Biofuels Market Worldwide
- 3 New Plants in Operation
- US business activity; major revenue contributor
- Strategic Agreement with BrightSource (500 MW CSP)
- Focus on Core Business Divisions

- Double Digit Revenue & EBITDA Growth
- Improved Operating Margins
- Stable Backlog & Increased Pipeline in E&C business
- Successful Capital Recycling: Befesa & Bargoa
- Corporate Leverage within the Target
- Focus on Liquidity Management



Financial Highlights

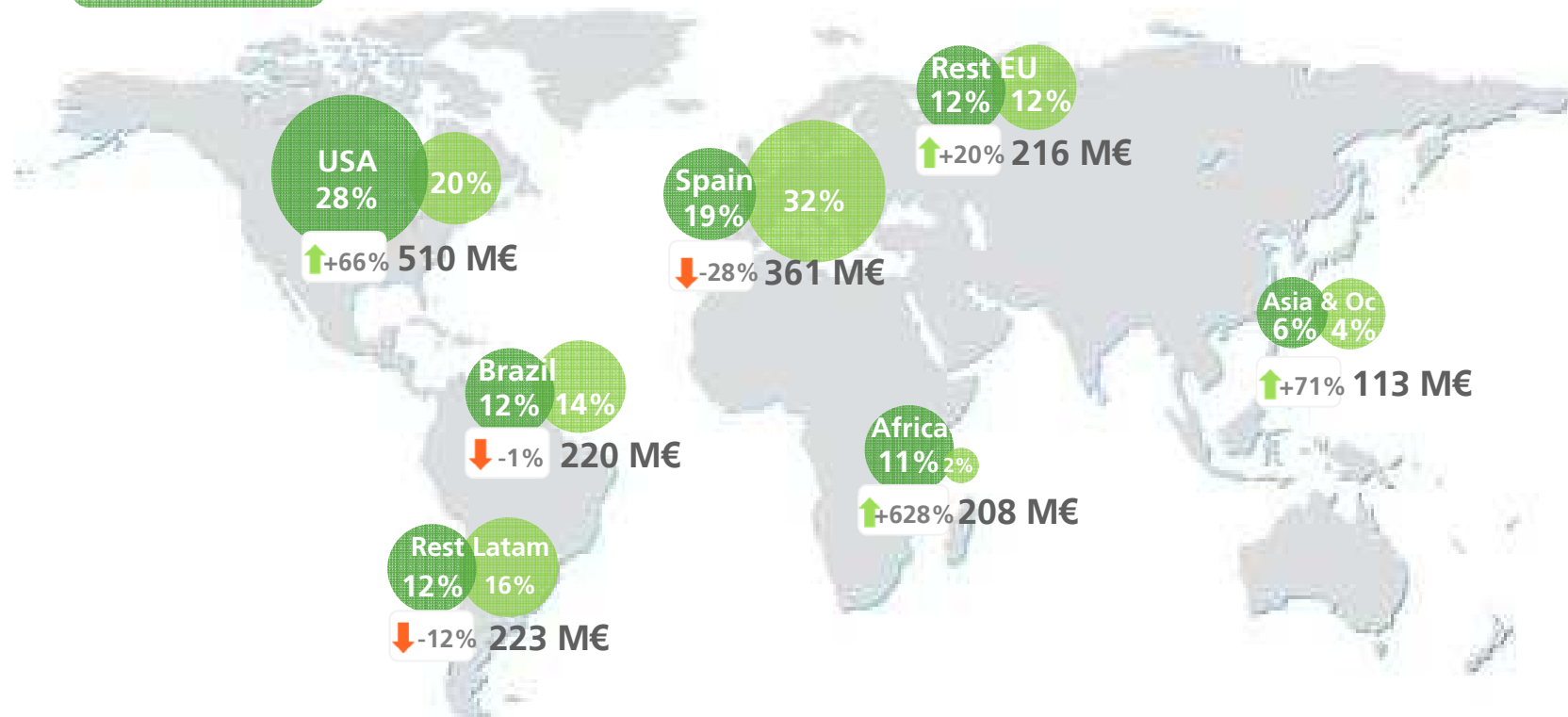
Agreement with Triton Partners for the sale of Befesa*



*Transaction expected to close by June 30, 2013

Low Business Dependence on a Single Region

Q1'13 Revenues
1,850 M€



Q1
2013

Q1
2012

Revenue Growth Fueled by Business in the US...the Largest Contributor in the Mix since 2012

Strong quarter in Revenues, EBITDA and Margins; Stable Backlog and Increasing Pipeline

Key Figures

1,376 M€ ↑+33% YoY
Q1'13 Revenues

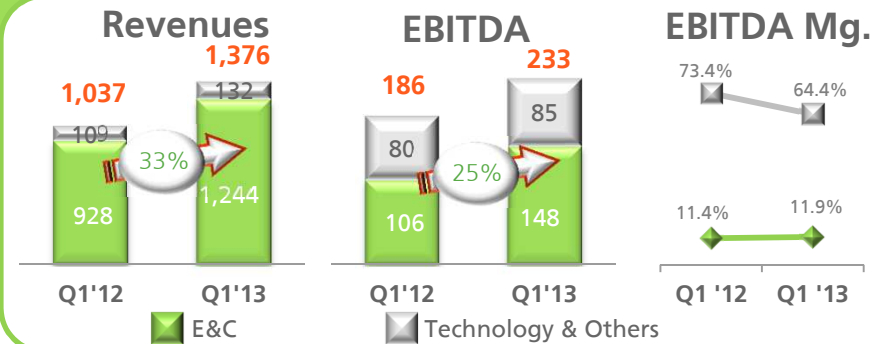
233 M€ ↑+25% YoY
Q1'13 EBITDA

845 M€ ↑+53% YoY
Q1'13 Bookings

6,262 M€ ↓ -6% QoQ
Mar.'13 Backlog

99.3 B€ ↑ +13% QoQ
Mar.'13 Pipeline

Operating Analysis



- Strong operating quarter
- Solid backlog providing 93%visibility into 2013
- Growing pipeline in all business activities & regions



Partnering to provide EPC and leading the O&M of the two biggest solar plants in the world (500MW)

Incredible value unlocked upon securing capital structure of the project:

- ↑ **Will Boost EPC backlog: +1.5 B\$**
(not included as of March'13)
- ↑ **Will Secure 25 years of revenues**
through PPA signed with PG&E
- ↑ **Additional returns through providing O&M, structures and mirrors**
- ✓ **Equity investment limited to EPC margin**

Demonstrating our value creation proposition

- 1 Technology as the engine for our growth
- 2 Growth from Integrated business model
- 3 Confirmation of CSP global leadership



The partnership represents the perfect consequence of our business model, providing great visibility on our equity story

Positive quarter in Water and T&D; regulation changes impacting Solar, as anticipated

Key Figures

68 M€ ↓ -6% YoY
Q1'13 Revenues

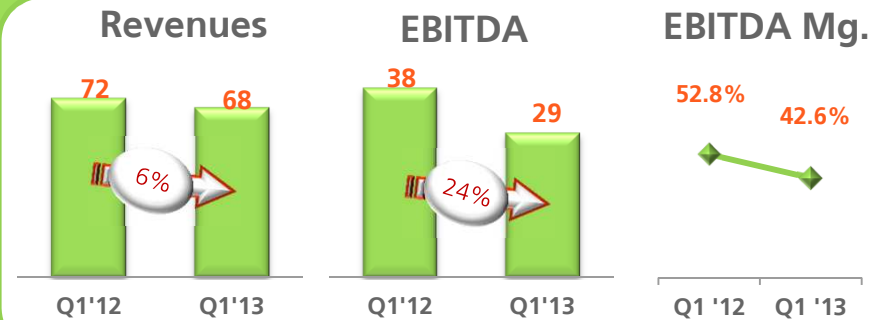
29 M€ ↓ -24% YoY
Q1'13 EBITDA

231 M€ ↓ -4% YoY
Equity investment in Q1'13

2,203 M€ Equity Book Value
In concessions @ March 31, 2013

3 New Plants into Operation

Operating Analysis



- T&D and Water concessions performing well
- Solar regulation in Spain impacted as anticipated. First law suit initiated. Weather conditions also impacting
- Shams CSP plant inaugurated, Manaus transmission line & Qingdao desalination plant brought to operation



Signs of improvement in the market; expected to materialize thru H2 2013

Key Figures

406 M€ ↓ -10% YoY
Q1'13 Revenues

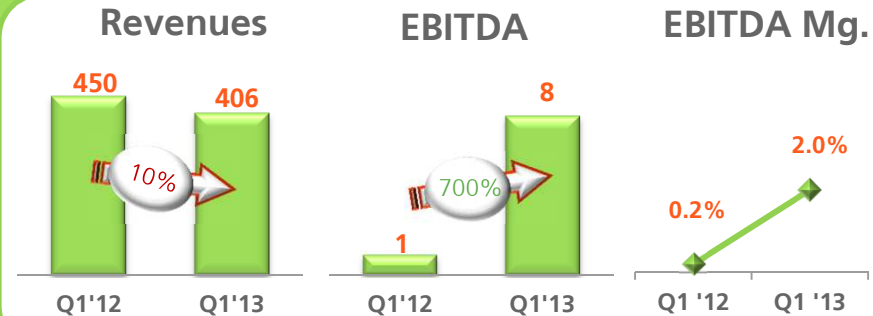
8 M€ ↑+700% YoY
Q1'13 EBITDA

446 ML vs 568 ML Q1'12
Ethanol produced

3 Plants re-opened
Rotterdam, York & Ravenna

1 Pilot plant in Salamanca
Waste to Biofuels

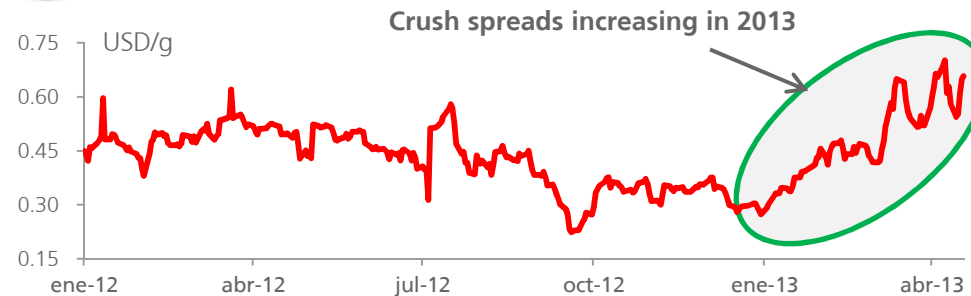
Operating Analysis



- US Plants & Rotterdam re-opened in April; 100% of plants in operation, volumes should get back to normal levels
- Our 2G Hugoton plant at 70% of completion
- Margins improving; 2013 outlook as anticipated



US Crush Spread 2012 & 2013YTD



Improved Outlook in US, while Brazil putting measures to improve ethanol and sugar markets. Europe still uncertain

Industry Outlook

-

+



Expected improvements, but still uncertainty

- ✓ Expected **improvement in new crop** on better weather conditions
- ✓ US import **anti-dumping** duties
- ✓ **Uncertain political climate**
- ✓ **Balanced S&D expected**



Market slightly Recovering

- ✓ **Improved corn harvest** production expected
- ✓ **Inventories at record lows**
- ✓ Prices to rise on **supply shortage**
- ✓ **Higher RIN values**, encourages more blending or imports



Pro-ethanol; stable trends

- ✓ Sugarcane harvest **at record level**
- ✓ Sugar down. Inventories very **high**
- ✓ Gasoline **prices increase**
- ✓ Mandatory ethanol **blending rate** up to **25%**
- ✓ Local **taxes reduction**

1st Generation

2nd Generation

- ✓ First **2G plant** launched in Italy
- ✓ **Debating** Renewable Energy Directive (**RED**) for 2020:
 - 2G Etanol: 2-5%
 - 1G Etanol: 8-5%

- ✓ **RFS mandate:** commitment to 16 000 Mgal in 2022
- ✓ **22 projects** in development
- ✓ **75Bgal potential** for cellulosic ethanol in USA in next 10y

- ✓ **Available financing** from BNDES 1.5 bBRL for industry
- ✓ **Companies investing** in 2G plants; **1st plant** expected to launch in 2014

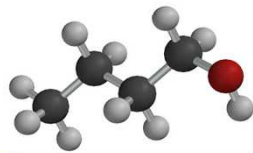
Continued R&D plans as expected

Cutting Edge Technologies

Air & Molten Salt Solar Towers



Biorefineries



Waste to biofuel (W2B)



Water Desalination



Applied & Awarded Patents

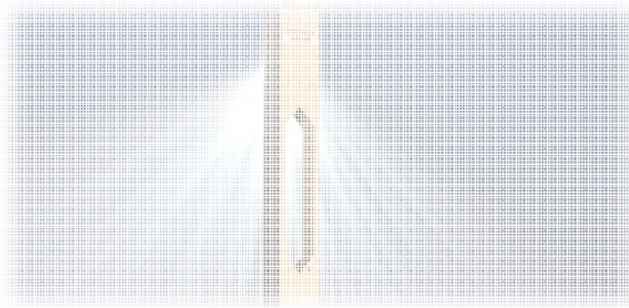


Quarterly Update

- Higher temperature and **higher efficiency**, aiming to reach grid parity with other conventional generation technologies
- Accumulated hours of **pilot testing: 571 h** for molten salt tower and **486 h** for air tower
- Flexible process to produce **bioethanol and biobutanol**
- **Diversifies bioenergy product range**, avoiding market volatility and improving returns
- **Pilot testing during Q213**
- Innovative solution for **transformation of MSW** (Municipal Solid Waste) into biofuels and other products
- **Demonstration plant** started cold operation in **April 2013**. Ramping up in June
- **Biological process** tested at lab scale for industrial waste water with high nitrogen and low carbon loads
- **Proprietary pressurized UF module** developed for high load waters
- **7 new patents** in Q1 2013
- **More than 200** patents applied for and awarded

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Q1 2013 Business Highlights



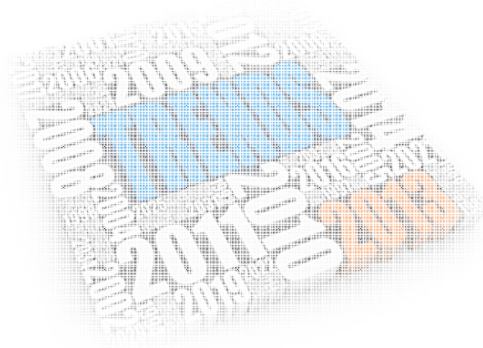
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Q1 2013 Financial Highlights



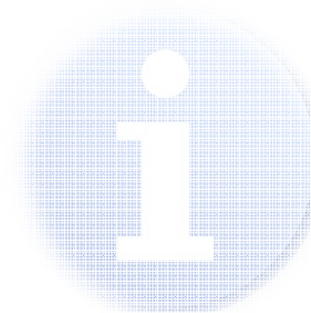
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Conclusions & Outlook



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Appendix

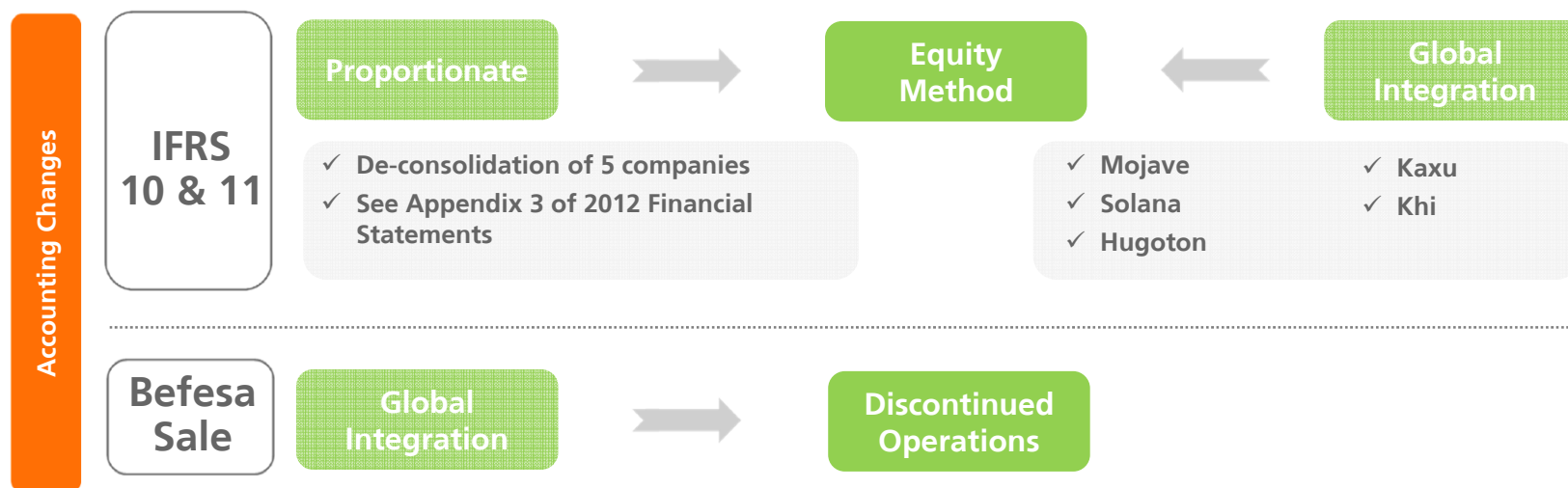




*includes 439M€ of cash and monetizable vendor note from closing of Befesa and Bargoa sales

Two Accounting Changes Affecting Financial Figures in the Presentation

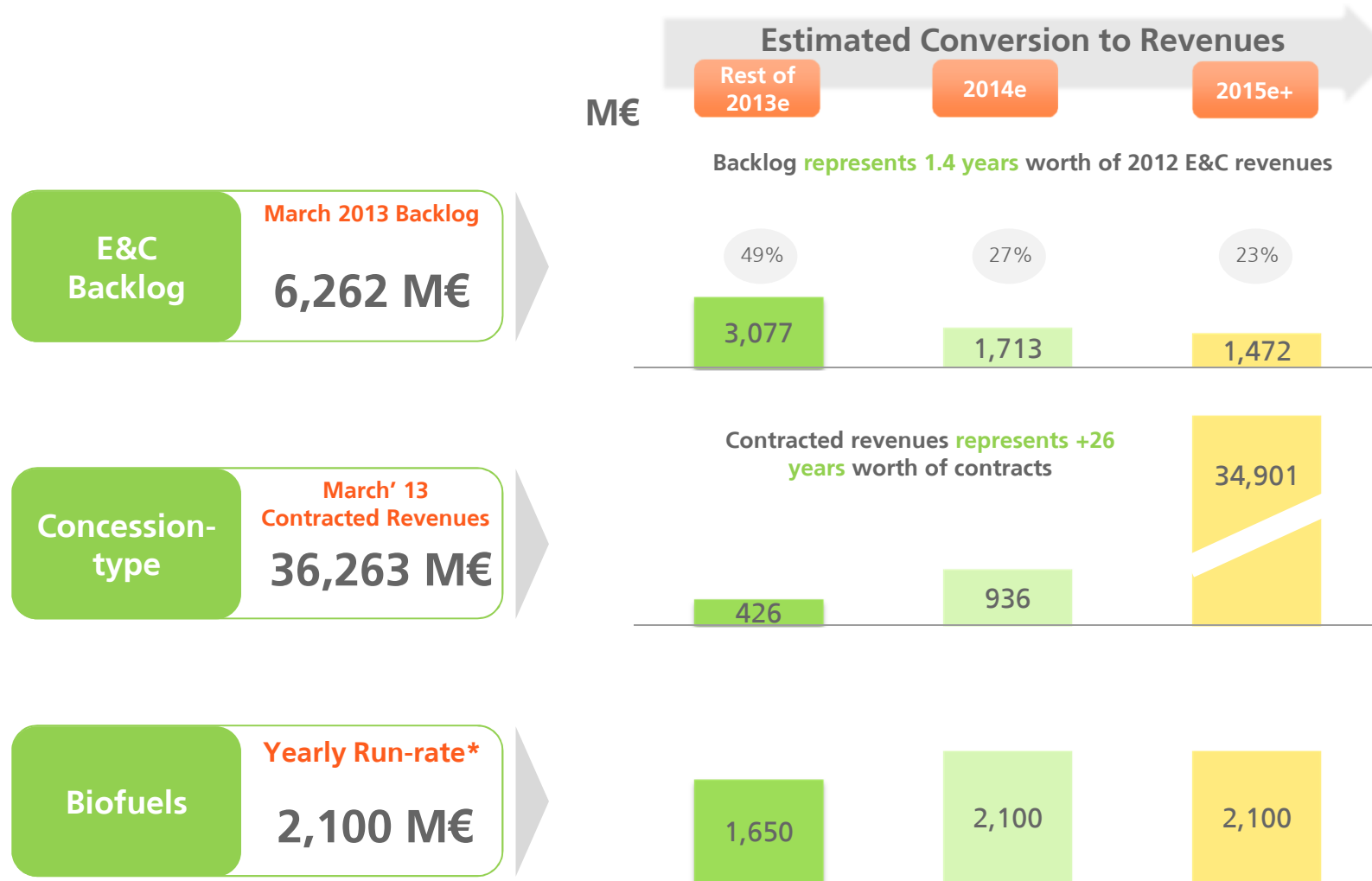
P&L	Q1 2012 as reported	Accounting Changes		Q1 2012 Restated	Q1 2013	YoY Growth
		IFRS 10&11	Befesa Sale			
Revenues	1,764 M€	(55) M€	(150) M€	1,559 M€	1,850 M€	↑ +19%
EBITDA	285 M€	(31) M€	(29) M€	225 M€	270 M€	↑ +20%
Net Income	89 M€	- M€	- M€	89 M€	90 M€	↑ +1%



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Excellent Revenue Visibility

Focus on execution, increase of backlog and expand recurrent business

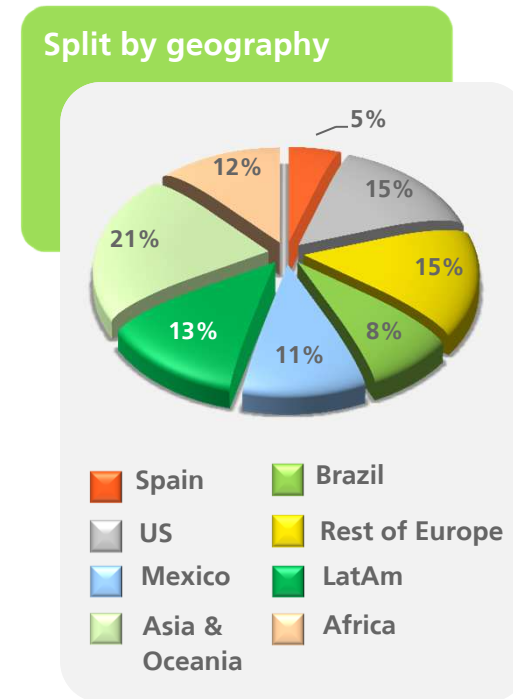
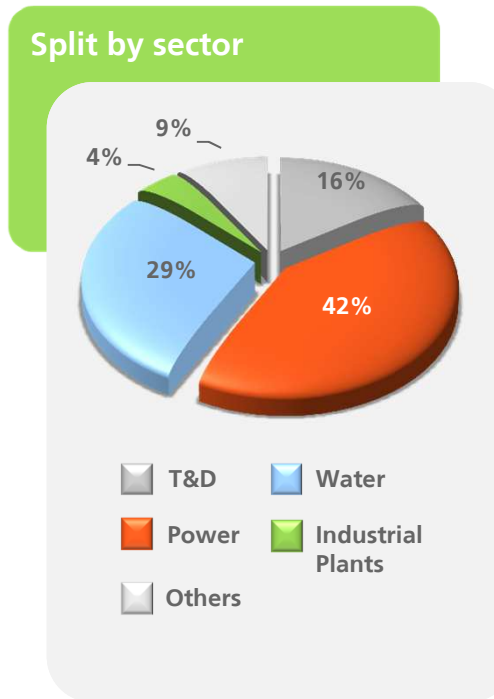
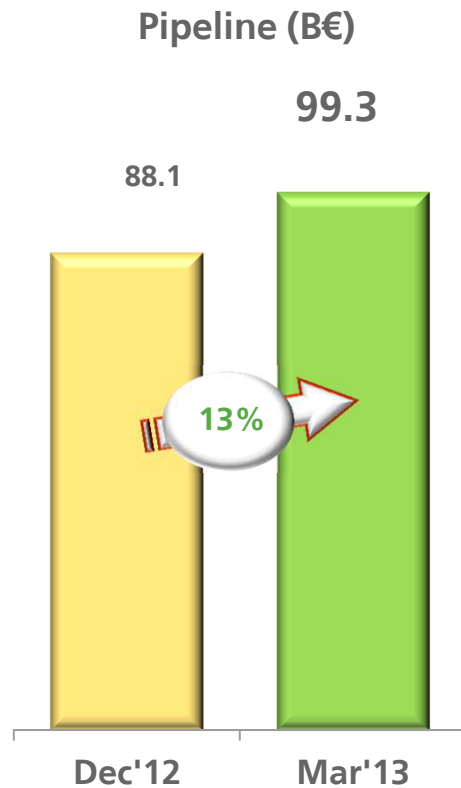


*Illustrative calculation according to estimated 12 months of revenues

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E&C Results Visibility - Pipeline

Increased pipeline demonstrate positive outlook for the future and should translate into growth opportunities



Average historical win rate of 10-15%

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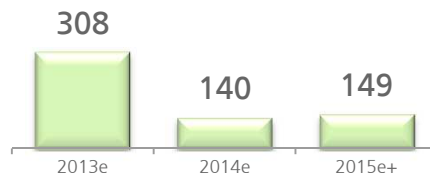
Investment Areas

Well identified Capex Plan through 2015+

Equity Capex Plan

(Rest of 2013e – 2015+)

Abengoa Equity Investment Per Year

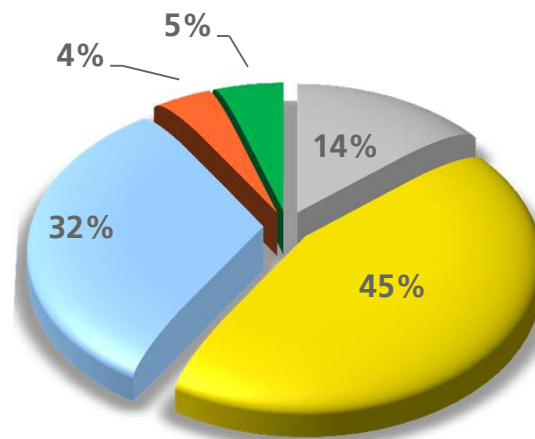


597 M€

1,905 M€ of non recourse debt expected to finance rest of the investment (74% secured)

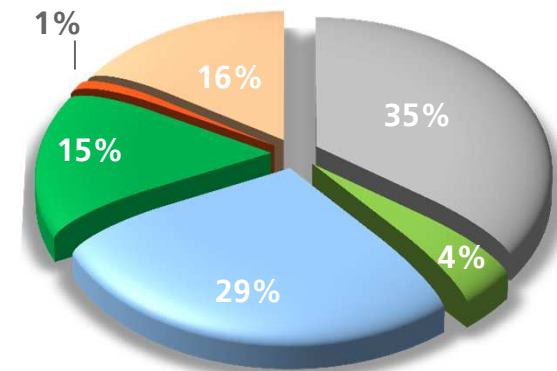
163 M€ of partner expected contribution

By Sector



- Solar
- Water
- Power Transmission
- Biofuels
- Cogeneration

By Geography

























- United States
- Mexico
- Spain
- Brazil
- LatAm
- RoW

Abengoa limits in most cases its equity investment to the margin obtained from construction of the project

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Great Value from Future Projects

As of March 31, 2013

	Location	Capacity	Abengoa (Equity Ownership %)	2013	2014	2015	2016	Expected Start Up	Ann. EBITDAe (M€)	Fully Funded?
	Solana	USA	280 MW	100%				Q3 13	65	✓
	Mojave	USA	280 MW	100%				Q2 14	55	✓
	Kaxu Trough	South Africa	100 MW	51%				Q1 15	81	✓
	Khi Tower	South Africa	50 MW	51%				Q4 14	46	✓
	Solaben 1-6	Spain	50 MW x2	100%				Q4 13	30	
	Tenes	Algeria	200 ML/day	51%				Q3 14	17	✓
	Quingdao	China	100 ML/day	92%				Q1 13 ✓	11	✓
	Ghana	Ghana	60 ML/day	51%				Q1 15	10	✓
	Zapotillo	Mexico	3,8 m3/sec	100%				Q4 16	12	
	Uruguay Wind	Uruguay	50 MW	50%				Q1 14 ✓	11	✓
	Cadonal	Uruguay	50 MW	50%				Q2 14	8	
	Manaus	Brazil	586 km	51%				Q1 13 ✓	35	✓
	Norte Brasil	Brazil	2,375 km	51%				Q4 13	66	✓
	Linha Verde	Brazil	987 km	51%				Q4 13	15	✓
	ATS	Peru	900 km	100%				Q4 13	29	✓
	ATN 3 (Machupichu)	Peru	355 km	100%				Q3 16	10	
	Quadra I	Chile	79 km	100%				Q3 13	7	✓
	Quadra II	Chile	50 km	100%				Q3 13	4	✓
Total									512	

Note: **Blue colour** indicates change from previously reported date of entry in operation – Projects shown in **light grey** indicate contracts that have been awarded but where financing is being closed - See Appendix for details

Liquidity protection & management of corporate leverage: key priorities

		Dec. 2012		March 2013	
		<i>As Reported</i>	<u>Restated⁽¹⁾</u>	March 2013	<u>Proforma⁽²⁾</u>
Net Corporate Debt	Corporate Debt	4,758	4,757	5,055	5,055
	Corporate Cash, Equiv. & STFI	(2,275)	(2,271)	(2,681)	(3,120)
	Total net corporate debt	2,483	2,486	2,374	1,935
Non-Recourse Debt	N/R Debt	6,975	5,257	5,435	5,435
	N/R Cash Equiv. & STFI	(1,176)	(1,042)	(552)	(552)
	Total net N/R debt	5,799	4,215	4,883	4,883
Total	Total Net Debt	8,282	6,701	7,257	6,818
Other Info	Pre-operational debt	4,317	2,968	3,516	3,516
	Total consolidated EBITDA LTM	1,246	1,202	1,145	1,145
	Total corporate EBITDA LTM	777	777	832	832

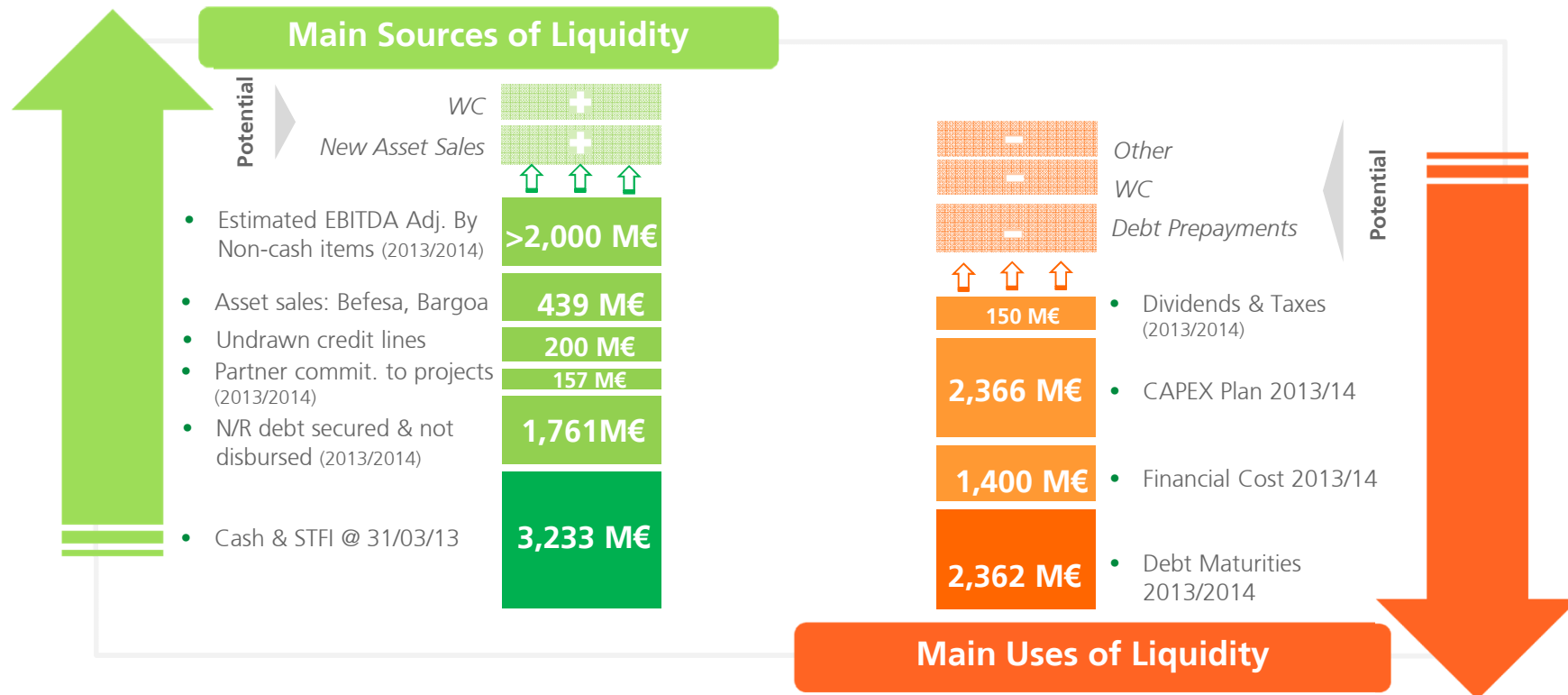
⁽¹⁾Dec 2012 Restated figures includes the application of IFRS 10 & 11. Befesa treated as continued operation.

⁽²⁾Pro-forma magnitudes includes cash to be collected from the Befesa sale of 352 M€ plus monetizable 48 M€ of vendor note and 39 M€ cash from Bargoa sale

Corporate Leverage Ratio within our Target				
	Dec. 2012		March 2013	
	As Reported	Restated	As Reported	Proforma*
Corporate	3.2x	3.2x	2.9x	2.3x
Non-Recourse	12.1x	9.7x	16.1	16.1
Consolidated	6.6x	5.6x	6.3x	6.0x
(excl. pre-op. debt)	3.2x	3.1x	3.3x	2.9x

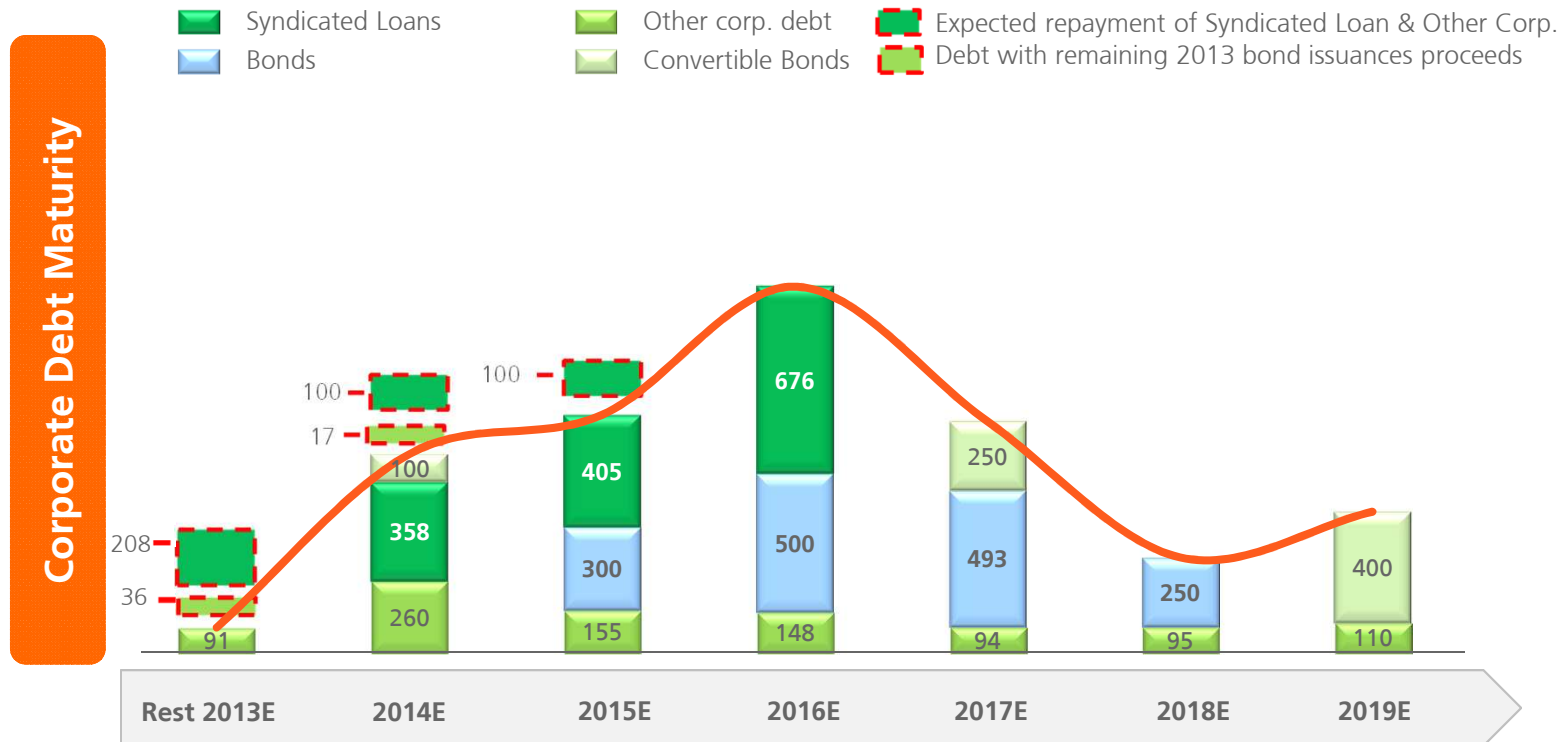
*Pro-forma magnitudes includes cash to be collected from the Befesa sale of 352 M€ plus monetizable 48 M€ of vendor note and 39 M€ cash from Bargoa sale

Adequate liquidity position to face commitments over 2013/2014



- Strong cash balance needed to maintain competitive position (performance bonds, ...)
- Strong liquidity required to face commitments: CAPEX, interests, debt,...
- Ability to face seasonality and change in funding of Working Capital
- Cash buffer in current market conditions to face commercial requirements

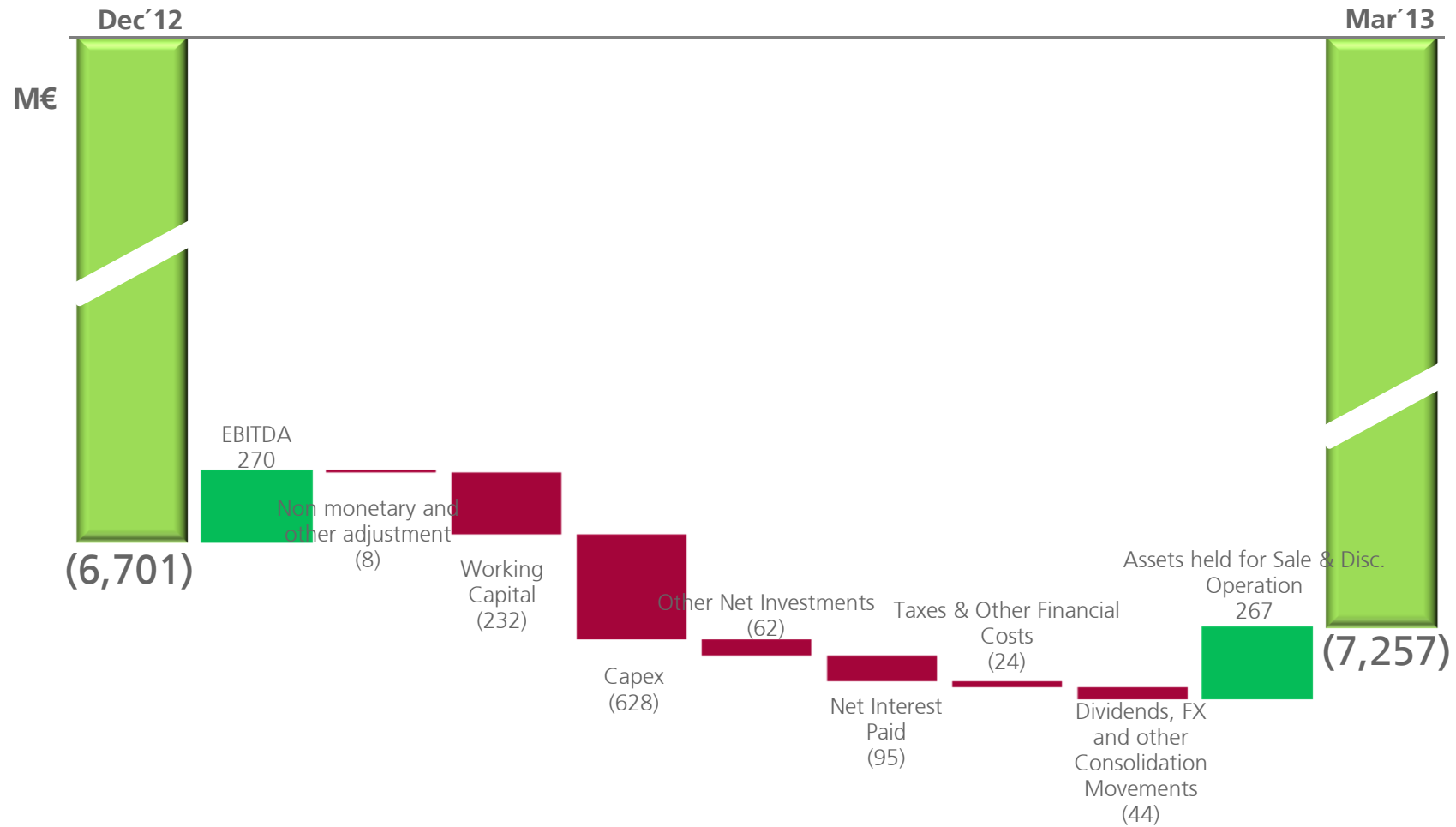
Significant extension of average life of corporate debt vs previous years



Proceeds of the New Issued Debt in Q1 2013:

- **Repurchase** 100M€ of 2014 Convert. Notes & 65 M€ of other loans in **Q1'13**
- **Repay** 208 M€ of the Syndicated Loan maturing in **July 2013**
- **Repurchase** before maturity 200 M€ of Syndicated Loan (100M€ in 2014 & 100M€ in 2015)
- **Repay** other existing corporate debt **as it matures** (+50 M€)

Consolidated Net Debt Change in the Period



Continued effort in investment plan

Cash generated from operations

(68) M€

- EBITDA: 270 M€
- Non-monetary adj.: (8) M€
- Working Capital: (232) M€
- Net Interested Paid : (95) M€
- Taxes and other financial costs: (24) M€
- Discontinued operations: 21 M€

Net Investment

700 M€

O/W ABG's equity:
273 M€

- Total capex invested: 628 M€
- Other net investments: 62 M€
- Discontinued operations: 10 M€

Net Cash Flow from financing

637 M€

- Proceeds from loans and borrowings: 898 M€
- Repayment of loans and borrowings and other finance activities: (281) M€
- Discontinued operations: 20 M€

Cash as of Dec 2012

2,413 M€

+35 M€
FX impact

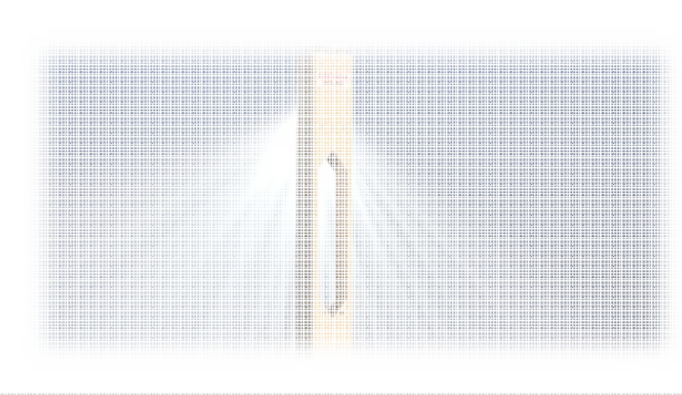
(79) M€
Disc. Op.

2,237 M€

Cash available at March '13

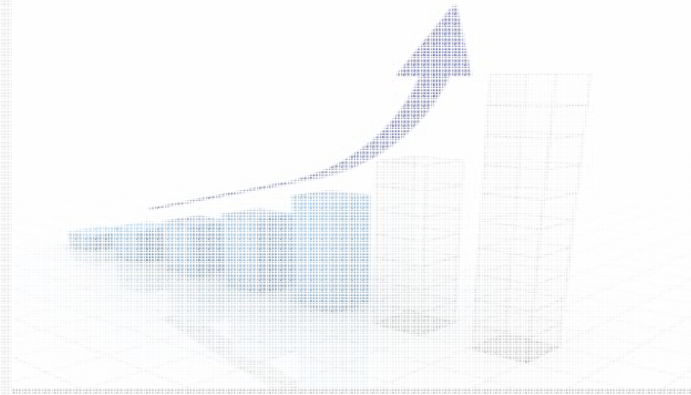
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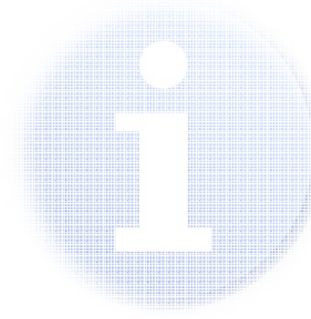
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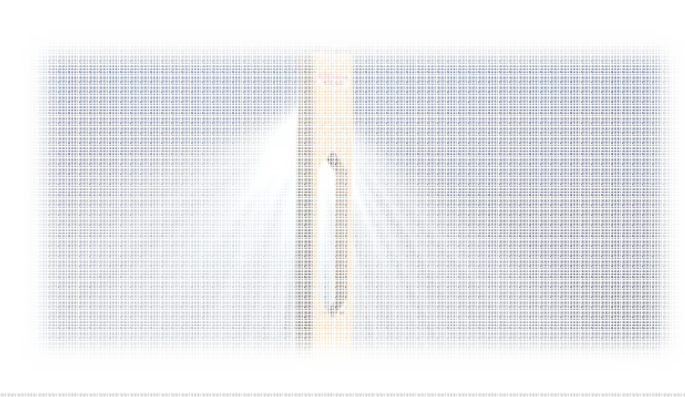


2013 Guidance Confirmed; Adapted to Adoption of IFRS 10 & 11 and Befesa Sale

M€	Revenues	EBITDA	Corp. EBITDA
2013e Guidance as of Dec. 2012	8,000 – 8,100 ↑ 3% vs 7,783 M€	1,350 – 1,400 ↑ 10% vs 1,246 M€	800 – 825 ↑ 5% vs 777 M€
IFRS 10 & 11 Impact	(65)	(42)	-
Befesa Sale	(685)	(128)	-
2013e Guidance	7,250 – 7,350 ↑ 3% vs 7,058 M€	1,180 – 1,230 ↑ 12% vs 1,080 M€	800 – 825 ↑ 5% vs 777 M€

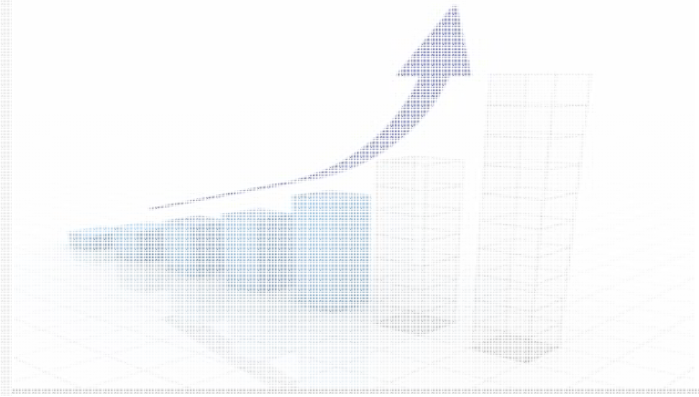
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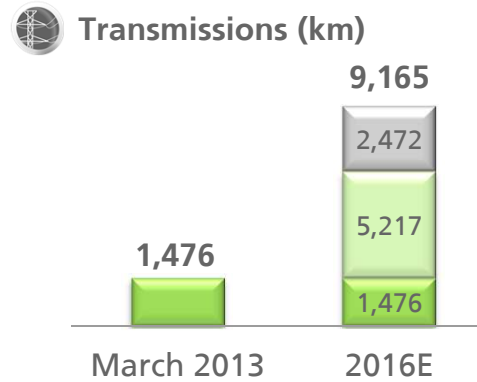
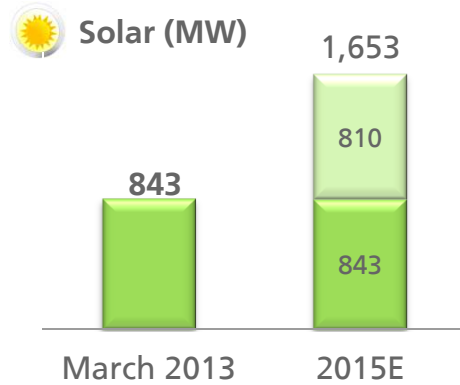
€ in Millions

	Revenues			EBITDA			EBITDA Margin	
	Q1 2012*	Q1 2013	Var (%)	Q1 2012*	Q1 2013	Var (%)	Q1 2012*	Q1 2013
Engineering and Construction								
E&C	928	1,244	34.1%	106	148	39.6%	11.4%	11.9%
Others	109	132	21.1%	80	85	6.3%	73.4%	64.4%
Total E&C	1,037	1,376	32.7%	186	233	25.3%	17.9%	16.9%
Concession-type Infrastructure								
Transmission	9	12	33.3%	3	7	133.3%	33.3%	58.3%
Solar	44	37	-15.9%	32	15	-53.1%	72.7%	40.5%
Water	4	9	125.0%	2	6	200.0%	50.0%	66.7%
Cogen. & other	15	10	-33.3%	1	1	0.0%	6.7%	10.0%
Total Concessions	72	68	-5.6%	38	29	-23.7%	52.8%	42.6%
Industrial Production								
Total Bioenergy	450	406	-9.8%	1	8	700%	0.2%	2.0%
Total	1,559	1,850	18.7%	225	270	20.0%	14.4%	14.6%

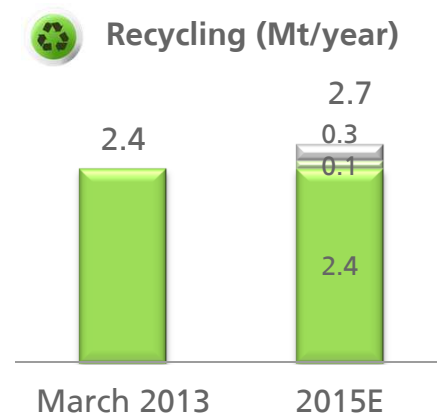
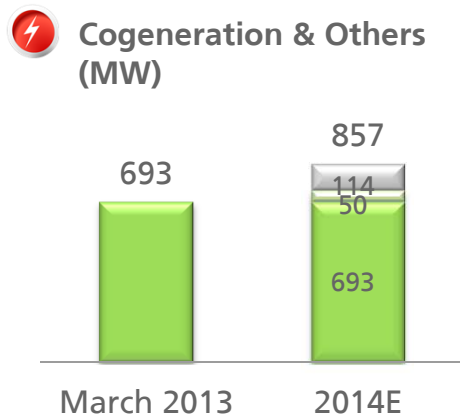
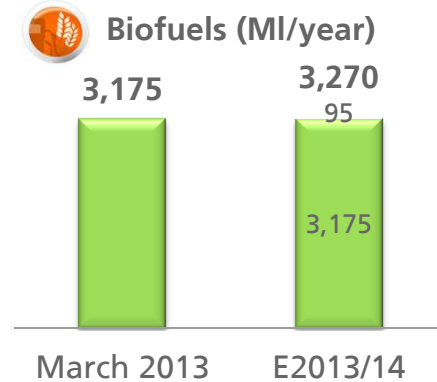
* As restated after the application of IFRS 10 & 11 and discontinuation of Recycling business

Revenue visibility backed by our solid asset portfolio

Extensive asset base once current capex plan completed



Solid producing assets



■ In operation
 ■ Under construction
 ■ Under development

*Includes 286 MW of capacity of bioethanol plants cogeneration facilities

Amounts based on the company's best estimate as of March 31, 2013. Actual investments or timing thereof may change.

(M€)	Capacity	Abengoa (%)	Country	Start Up	Ann. EBITDAe (M€)	Investment	Pending Capex	Total		
								ABG Equity	Partners	Debt
Solar						4,161	1,609	271	76	1,262
Solana ²	280 MW	100%	US	Q3 13	65	1,442	229	96	-	133
Mojave ²	280 MW	100%	US	Q2 14	55	1,175	411	90	-	321
Solaben 1 and 6 ¹	100 MW	100%	Spain	Q4 13	~30	510	207	7	-	200
South Africa Trough ²	100 MW	51%	S.Africa	Q1 15	81	679	518	46	46	426
South Africa Tower ²	50 MW	51%	S.Africa	Q4 14	46	355	244	32	30	182
Biofuels						492	130	24	25	81
Hugoton ²	95 ML	100%	US	Q1 14	-	492	130	24	25	81
Other Power Generation						262	179	28	28	123
Uruguay Wind	50 MW	50%	Uruguay	Q1 14	11	144	61	13	13	35
Cadonal Wind ¹	50 MW	50%	Uruguay	Q2 14	8	118	118	15	15	88
Water						595	413	190	13	210
Tenes	200,000 m3/day	51%	Algeria	Q3 14	17	198	44	5	4	35
Ghana	60,000 m3/day	56%	Ghana	Q1 15	10	96	68	12	9	47
Zapotillo ¹	3.80 m3/sec	100%	Mexico	Q4 16	12	301	301	173	-	128
Transmission						1,688	334	84	21	229
Norte Brasil	2,375 km	51%	Brazil	Q4 13	66	939	65	4	4	57
Linha Verde	987 km	51%	Brazil	Q3 13	15	210	62	18	17	27
ATS	900 km	100%	Peru	Q4 13	29	380	35	11	-	24
ATN 3 ¹	355 km	100%	Peru	Q3 16	10	120	120	44	-	76
Quadra I & II	79+50 Km	100%	Chile	Q3 13	11	39	52	7	-	45
						7,198	2,665	597	163	1,905

¹Uncommitted project (financing and partner's contribution still pending to be secured) -

²This project falls under the scope of IFRS 10 and is therefore consolidated through equity method until entry into operation

Amounts based on the company's best estimate as of March 31, 2013. Actual investments or timing thereof may change.

(M€)	Rest of 2013				2014				2015+			
	Pending Capex	ABG Equity	Partners	Debt	Pending Capex	ABG Equity	Partners	Debt	Pending Capex	ABG Equity	Partners	Debt
Solar	1,140	203	41	896	416	63	30	323	53	5	5	43
Solana ²	229	96	-	133	-	-	-	-	-	-	-	-
Mojave ²	291	58	-	233	120	32	-	88	-	-	-	-
Solaben 1 and 6 ¹	207	7	-	200	-	-	-	-	-	-	-	-
South Africa Trough ²	245	21	21	203	220	20	20	180	53	5	5	43
South Africa Tower ²	168	21	20	127	76	11	10	55	-	-	-	-
Biofuels	126	24	23	79	4	-	2	2	-	-	-	-
Hugoton ²	126	24	23	79	4	-	2	2	-	-	-	-
Other Power Generation	149	24	24	101	30	4	4	22	-	-	-	-
Uruguay Wind	61	13	13	35	-	-	-	-	-	-	-	-
Cadonal Wind ¹	88	11	11	66	30	4	4	22	-	-	-	-
Water	78	13	7	58	164	73	5	86	171	104	1	66
Tenes	25	3	2	20	19	2	2	15	-	-	-	-
Ghana	40	7	5	28	25	4	3	18	3	1	1	1
Zapotillo ¹	13	3	-	10	120	67	-	53	168	103	-	65
Transmission	250	44	21	185	9	-	-	9	75	40	-	35
Norte Brasil	65	4	4	57	-	-	-	-	-	-	-	-
Linha Verde	62	18	17	27	-	-	-	-	-	-	-	-
ATS	35	11	-	24	-	-	-	-	-	-	-	-
ATN 3 ¹	36	4	-	32	9	-	-	9	75	40	-	35
Quadra I & II	52	7	-	45	-	-	-	-	-	-	-	-
	1,743	308	116	1,319	623	140	41	442	299	149	6	144

¹Uncommitted project (financing and partner's contribution still pending to be secured) -

²This project falls under the scope of IFRS 10 and is therefore consolidated through equity method until entry into operation

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Innovative Technology Solutions for
Sustainability



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Thank you

February 22nd, 2013