English translation for information purposes

ABENGOA

Comisión Nacional del Mercado de Valores

Área de Mercados. Dirección de Supervisión

c/ Miguel Ángel, 11 -1ª

28010 – Madrid

Madrid, 25 June 2009

Dear Sirs,

With the aim of complying with article 82 of the Spanish Securities Market Act 24/1988, Abengoa, S.A. ("**Abengoa**" or the "**Company**") hereby notifies the "Comisión Nacional del Mercado de Valores" of the following significant event:

I. The Board of Directors of the Company, at its meeting of 22 June 2009 and using the authority delegated by resolution seven of the Ordinary General Meeting of Shareholders held on 27 June 2004, as ratified and extended by resolution seven of the Ordinary General Meeting of Shareholders held on 5 April 2009, unanimously approved the issue of notes convertible into shares in the Company (the "**Notes**") for an initial amount of one hundred and fifty million euro (€150,000,000) extendable to two hundred million euro (€200,000,000) providing for incomplete subscription and having a maturity of five (5) years (the "**Issue**").

The Board established the primary features of the Issue. However certain terms and conditions of the Bonds (the "**Terms and Conditions**") remained outstanding until such a time as the bookbuilding process had been carried out by the Joint Lead Managers (as defined below).

II. The Terms and Conditions of the Issue are primarily as follows:

(a) The Notes Issue is for an initial amount of one hundred and fifty million euro (€150,000,000) extendable to two hundred million euro (€200,000,000); it is anticipated that the Issue provides the possibility for incomplete subscription and will have a maturity at five (5) years.

(b) The Issue will be lead and underwritten by BNP Paribas and Deutsche Bank (the "**Joint Lead Managers**") subject to the signing of the Subscription Agreement (as defined below) and will be aimed at Spanish and international institutional investors, as these are defined at article 39 of Royal Decree 1310/2005, of 4 November, and equivalent regulations in other jurisdictions.

(c) The Notes will be issued at par, will be registered, and will have a price of fifty thousand euro (€50,000). The Notes will comprise a single series and will be represented by registered certificates, initially in the form of a Global Certificate, although it will subsequently be possible for them to be represented by Definitive Registered Bonds.

(d) The Notes will accrue a fixed annual interest payable semi-annually, which will be finally determined by the Company once the bookbuilding process by the Joint Lead Managers has been completed. It is anticipated that the interest will be established between [6.125] and [6.875]% per year.

(e) The Notes' redemption price at maturity will be 100% of the par value.

(f) The Notes will be voluntarily convertible for the shares in the Company at the discretion of the noteholders, in accordance with the Terms and Conditions of the Issue, which will determine, among other things, the period, and the Conversion Price (as defined below).

According to the Terms and Conditions of the Issue, the Company may opt to meet its obligations resulting from the noteholders exercising their conversion right by delivering newly issued shares as well as existing shares in the Company, provided that (i) the General Meeting of Shareholders of the Company, which it is foreseen to be convened by resolution of the Board of Directors held on the date hereof, approves the convertibility of the Notes into newly issued shares in the Company, excludes the pre-emptive rights that would inure to the shareholders of the Company and a capital increase necessary to satisfy the conversion of the Notes; and (ii) those resolutions are duly recorded at the relevant Mercantile Registry.

According the Terms and Conditions, when the holders of the Notes exercise their conversion right, the Company may opt either to deliver shares in the Company or a combination of cash at par value and shares to make up the difference.

The Convertible Notes are callable after the third year if the value of the shares underlying a Convertible Note exceeds 130% of the then prevailing conversion price for a specified period of time.

(g) The conversion price (the "Conversion Price") will be established by the Board of Directors on the basis of:

(i) The listing price of the Company's shares on the Stock Exchange, determined on the basis of the weighted average listing price for those shares according to trading volume on the markets during the period running between the present launch of the Issue and the date on which the pricing is determined, foreseeably on the date hereof; and

(ii) A conversion premium, also yet to be determined, which shall be between 30% and 35% of that price, determined as a result of the bookbuilding process conducted by the Joint Lead Managers.

(h) The Issue is secured with the Company's assets, and is not especially secured by means of any security interest furnished by third parties.

(i) The Terms and Conditions of the Notes are subject to English Law and it is foreseen that the Notes will be admitted to trading on the unofficial and unregulated market (multilateral trading platform) EuroMTF Luxembourg.

(j) The Terms and Conditions shall be finally established by the Company once the Joint Lead Managers carry out the bookbuilding process (due to take place on the date hereof), on which date the Joint Lead Managers will sign the subscription agreement for the Notes (the "Subscription Agreement") subject to English law.

The Notes will be subscribed and paid for on the closing date, initially due to take place on 24 July 2009, provided that the conditions established in the Subscription Agreement have been met.

III. The Company will accept a lock-up undertaking of 90 days as from the signing of the Subscription Agreement pursuant to which it will undertake not to issue, offer or sell securities, shares or options. This restriction will not affect the rights issue to issue Abengoa shares that, as appropriate, may be approved by the Extraordinary General Meeting referred to in paragraph [(f)] of this Significant Event.

IV. The Board of Directors is due to take place today with the aim, once bookbuilding process being conducted by the Joint Lead Managers has concluded, (i) of establishing the final Terms and Conditions for the Issue and, in particular, the interest rate and the Conversion Price, and (ii) of calling an Extraordinary General Meeting to approve, among other things, the convertibility of the Notes into newly issued shares in the Company, the exclusion of the pre-emptive rights held by the shareholders and a capital increase necessary to satisfy the conversion of the Notes.

V. The company Inversión Corporativa, I.C., S.A., direct and indirect holder of 56.04% of the share capital of Abengoa, has irrevocably and unconditionally undertaken (a) to vote in favour of the resolutions proposed at the Extraordinary General Meeting referring to paragraph IV above; and (b) to grant liquidity to the investors awarded the Notes by granting a loan the Joint Lead Managers of shares in the Company representing approximately 3.1% of its share capital.

VI. The Company has temporarily suspended the liquidity contract signed with Santander Investment Bolsa, S.V. until an announcement is made that the Conversion Price has been established.

Miguel Ángel Jiménez-Velasco Mazarío

General Secretary