

Abengoa announces results for the first nine months of 2016

- During the third quarter of 2016 Abengoa (the “Company”) has completed two fundamental milestones in the execution of its restructuring process. On November 8, 2016 the Mercantile Court of Seville nº 2 announced the judicial approval (*homologación judicial*) of the financial restructuring agreement (the “Restructuring Agreement”) dated September 24, 2016. The Restructuring Agreement previously obtained the support of 86% of the financial creditors, surpassing the majority support required by law (75%). The judicial approval extends the standard restructuring terms stipulated in the agreement to those financial creditors that did not adhere or voted against the Restructuring Agreement. These advancements made in the restructuring process will be completed with the upcoming Extraordinary General Shareholders’ Meeting to be held on November 22, 2016 and with the rest of necessary actions for its full execution.
- The implementation of the measures stipulated in the viability plan, which served as a base for the Restructuring Agreement, has led to the recognition of additional losses during the third quarter of 2016, as indicated in the presentation of the financial results for the first half of 2016. It is expected that these losses will be compensated once the positive impacts of the debt write-offs and capital increase contemplated in the Restructuring Agreement are registered, allowing the Company to restore its equity balance and obtain the liquidity needed to begin the operations contemplated in the updated viability plan.
- During the first nine months of 2016, Abengoa’s activity continued to be strongly conditioned by the restrictions on liquidity which caused a general slowdown in business development. Within this context the Company has recorded revenues of 1,043 M € and EBITDA of (90) M €. These figures exclude the impact from the Bioenergy activity and the concessional Brazilian transmission lines as a result of the discontinuation of these operations in line with the updated viability plan and the development of the various sale processes open for these businesses. The discontinuation of these operations determines, in accordance with accounting standards, the reclassification of previous period figures in order to allow for comparable figures year-to-year.

- The net result amounts to (5,413) M €, mostly due to recognition of losses derived from the impairment of certain assets, the effects of the general slowdown in activity, and an increase in financial expenses due to the execution and provision of guarantees.

November 14, 2016 - Abengoa (MCE: ABG.B/P), the international company that applies innovative technology solutions for sustainability in the energy and environment sectors, announces the financial results for the third quarter of 2016.

During the third quarter of 2016 Abengoa has completed certain fundamental steps in the execution of its restructuring process. On November 8, 2016 the Mercantile Court of Seville nº 2 announced the judicial approval (homologación judicial) of the financial Restructuring Agreement. The Restructuring Agreement previously obtained the support of 86% of the financial creditors, surpassing the majority support required by law (75%). The judicial approval extends the standard restructuring terms stipulated in the agreement to those financial creditors that did not adhere or voted against the Restructuring Agreement. These advancements made in the restructuring process will be completed with the upcoming Extraordinary General Shareholders' Meeting to be held on November 22, 2016 and with the rest of necessary actions for its full execution.

During the first nine months of 2016, Abengoa recorded revenues of 1,043 M € and EBITDA of (90) M €. These figures exclude the impact from the Bioenergy activity and the concessional Brazilian transmission lines, which have been classified as discontinued operations, and whose combined impact totals 935 M € in revenues during the first nine months of 2016 vs. 1,607 M € during the first nine months of 2015.

Revenues in the engineering and construction activity reached 934 M€ and EBITDA amounted to (157) M € versus 3,040 M € and 591 M €, respectively in the first nine months of 2015. This decrease is mainly due to the aforementioned effects of decrease in activity that has affected mostly certain projects in Mexico, the solar power plants in Chile and South Africa and the transmission lines in Brazil. Said delays or stoppages in projects have led to certain construction cost provisions in the amount of 168 M € being recorded.

The Company's backlog in engineering and construction as of September 30, 2016 amounted to 3 B €, after adjustments for the sale of certain assets, the Brazilian transmission lines currently in the process of financial restructuring, the hibernation of certain projects in line with the viability plan, and for canceled projects. Nevertheless, during the first nine months of 2016, the Company has

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been awarded with new projects for a total approximate value of 1 B € in Saudi Arabia, Oman, and Peru, among others.

Revenues in the concession-type infrastructure activity reached 109 M € and EBITDA amounted to 67 M € in the third quarter, compared to 225 M € and 157 M €, respectively, during the first nine months of 2015. These decreases are mainly due to the plants sold to Atlantica Yield during 2015 under the ROFO agreement (Right of First Offer) and to the sale of other assets included in the divestment plan.

The net result represents a loss of 5,413 M €, mostly due to the negative impact from the impairment of certain assets for a total amount of 4,227 M €, the effect of the general decrease in activity which has caused, amongst others, the aforementioned provision of constructions costs for a total of 168 M € and to higher financial expenses amounting to 390 M € mainly derived from the materialization and provision of certain guarantees and default interests.

The total amount of 4,227 M € corresponding to the registration of impairments in assets and affiliates is mostly due to the accounting losses for the lower valuation of Bioenergy assets in the United States, Europe, and Brazil, transmission lines in Brazil, power generation plants in Mexico and solar plants in Chile. In Bioenergy, the impairment totals 1,976 M € due to the lower value of the first and second generation ethanol plants, which are currently under various Chapter 11 insolvency proceedings in the United States, similar liquidation procedures in Europe for the plant in Rotterdam, as well as the impairment registered in the Brazilian Bioenergy plants due to their eventual divestment.

Furthermore, the Company has had an impairment of 982 M € as a result of the loss of value of the transmission lines in Brazil pursuant to the sale process initiated in the “recuperação judicial” framework provided under Brazilian law. Finally, there have been additional negative impacts for a total amount of 1,269 M € mainly due to the sale, discontinuation, or hibernation of certain projects and the loss recognized in the sale of certain financial assets, which include the effects of the agreement reached with EIG regarding the negotiations of the participation in APW-1.

The implementation of certain measures included in the viability plan used as a base for the Restructuring Agreement has triggered certain losses due to the discontinuation of certain activities and the liquidation or sale of certain assets. Some of these losses were incurred in the third quarter of 2016, as was anticipated in the presentation of the financial results for the first half of 2016.

Within the context of the restructuring process, these losses are expected to be compensated by the positive impact derived from the debt write-offs and capital

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increases stipulated in the terms of the Restructuring Agreement, allowing the Company to restore its equity balance and to obtain the liquidity needed to begin the operations contemplated in the updated viability plan in order to continue with its operations in a competitive and sustainable manner going forward.

In order to keep all stakeholders up to date with regards to the financial restructuring process, Abengoa has dedicated a new section in the corporate website to this. We encourage all our stakeholders to visit: http://www.abengoa.com/web/en/accionistas_y_gobierno_corporativo/proceso-reestructuracion/

About Abengoa

Abengoa (MCE: ABG.B/P SM) applies innovative technology solutions for sustainability in the energy and environment sectors, generating electricity from renewable resources, converting biomass into biofuels and producing drinking water from sea water. www.abengoa.com

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