

Consolidated condensed interim financial statements as
of September 30, 2016



ABENGOA

Innovative technology solutions for sustainability

01 Limited review report





Deloitte, S.L.
 Américo Vespucio, 13
 Isla de la Cartuja
 41092 Sevilla
 España
 Tel.: +34 954 48 93 00
 Fax: +34 954 48 93 10
 www.deloitte.es

Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.

REPORT ON LIMITED REVIEW OF CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

To the Shareholders of Abengoa, S.A. at the request of the Board of Directors,

Report on the Interim Condensed Consolidated Financial Statements

Introduction

We have performed a limited review of the accompanying consolidated condensed interim financial statements (“the interim financial statements”) of Abengoa, S.A. (“the Parent”) and Subsidiaries (“the Group”), which comprise the consolidated condensed statement of financial position as at 30 September 2016, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated condensed statement of cash flows and explanatory notes thereto for the nine-month period then ended. The Parent’s directors are responsible for the preparation of these interim financial statements in accordance with the requirements of International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union, for the preparation of interim condensed financial information, in conformity with Article 12 of Royal Decree 1362/2007. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

Scope of Review

We conducted our limited review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review is substantially less in scope than an audit conducted in accordance with the audit regulations in force in Spain and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the accompanying interim financial statements.

Conclusion

Based on our limited review, which under no circumstances may be considered to be an audit of financial statements, nothing has come to our attention that causes us to believe that the accompanying interim financial statements for the nine-month period ended 30 September 2016 are not prepared, in all material respects, in accordance with the requirements of International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union, for the preparation of interim condensed financial statements, pursuant to Article 12 of Royal Decree 1362/2007.

Emphasis of Matters

We draw attention to Note 2 to the accompanying interim financial statements, which indicates that the aforementioned financial statements do not include all the information that would be required for a complete set of consolidated financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union and, therefore, the accompanying interim financial statements should be read in conjunction with the Group’s consolidated financial statements for the year ended 31 December 2015. Our conclusion is not modified in respect of this matter.

In addition, without modifying our conclusion, we draw attention to the information included by the directors in Notes 2 and 4 to the accompanying interim financial statements, which describe the evolution of operations and the events that took place in 2016 which led the Parent’s directors to approve a financial restructuring agreement (“Abengoa Restructuring Agreement”) entered into with various banks and new investors on 24 September 2016. Official approval for this agreement, once the majorities required by current legislation had been obtained, was accepted by Seville Commercial Court no. 2 on 8 November 2016.

This agreement envisages, among other matters, the restructuring of the Group’s debt and of the Parent’s share capital, with certain financial creditors and new investors becoming shareholders, and, in addition, the reorganisation of the Group’s companies and businesses in accordance with the revised viability plan presented by the Parent on 16 August 2016. In accordance with this plan, at 30 September 2016 certain business lines and construction projects regarded in the viability plan as unnecessary for the continuity of the Group given the new agreed financing structure, or considered by the directors to be unfeasible in view of the current situation of the companies or the assets, were presented as discontinued operations.

In 2016 the inability to access sufficient financing has paralysed the majority of the Group’s operations and made it impossible for it to meet its deadline commitments in existing concessions and projects, whilst preventing it from undertaking significant new projects, all of which affected the performance of the business during these nine months. As a result, certain foreign companies have undergone court insolvency proceedings that have resulted in company or asset liquidation processes that are out of the Group’s control.

As a result of all the foregoing, the Parent’s directors have disclosed in the accompanying consolidated condensed interim financial statements the impacts which have already been booked regarding the liquidation and discontinuation of the companies not included in the Group’s viability plan which will be fully neutralised by the future effects of the debt restructuring and the corresponding debt reduction. Also, the loss for the first nine months of 2016 includes the impact of the impairment losses which, in accordance with International Financial Reporting Standards (IFRSs), must be recognised at 30 September 2016. As a result, both the Group and the Parent had, as of the aforementioned date, an equity deficit and, therefore, the Parent was in a situation of mandatory dissolution. The directors consider that the agreed-upon restructuring, the effectiveness of which is subject to certain conditions precedent and the approval by the Annual General Meeting, will make it possible to restore the equity and financial position of the Group.

The aforementioned circumstances are indicative of the existence of a significant uncertainty regarding the ability of the Group to continue operating as a going concern. Consequently, the viability of the Group, and the recovery of its assets, the settlement of its liabilities and the fulfilment of its guarantee commitments for the amounts reflected in the accompanying interim financial statements will depend on the effective application of the measures envisaged in the restructuring agreement, the evolution of the Group companies’ operations and such future decisions as the current or future managers of the Group might make regarding its equity.

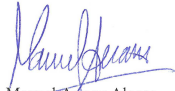
Report on Other Legal and Regulatory Requirements

The accompanying interim consolidated directors' report for the nine-month period ended 30 September 2016 contains the explanations which the Parent's directors consider appropriate about the significant events that took place in that period and their effect on the interim financial statements presented, of which it does not form part, and about the information required under Article 15 of Royal Decree 1362/2007. We have checked that the accounting information in the interim consolidated directors' report is consistent with that contained in the interim financial statements for the nine-month period ended 30 September 2016. Our work was confined to checking the interim consolidated directors' report with the aforementioned scope, and did not include a review of any information other than that drawn from the accounting records of Abengoa, S.A. and Subsidiaries.

Other Matters

This report was prepared at the request of the Board of Directors in relation to the publication of the quarterly financial report required by Article 119 of the Consolidated Spanish Securities Market Law, approved by Legislative Royal Decree 4/2015, of 23 October, and implemented by Royal Decree 1362/2007, of 19 October.

Deloitte, S.L.



Manuel Aranz Alonso

14 November 2016

02 Consolidated condensed interim financial statements



02.1

Consolidated condensed statements of financial position
as of September 30, 2016 and December 31, 2015



Consolidated condensed statements of financial position as of September 30, 2016 and December 31, 2015

- Amounts in thousands of euros -

Assets	Note (1)	09/30/2016	12/31/2015
Non-current assets			
Goodwill		-	364.429
Other intangible assets		131.409	1.081.548
Intangible assets	8	131.409	1.445.977
Property, plant & equipment	8	184.810	1.154.074
Concession assets in projects		284.357	2.411.291
Other assets in projects		139.267	948.372
Fixed assets in projects (project finance)	9	423.624	3.359.663
Investments in associates carried under the equity method	10	776.377	1.197.691
Available for sale financial assets		2.436	41.057
Other receivable accounts		143.160	1.057.729
Derivative assets	12	14.319	14.941
Financial investments	11	159.915	1.113.727
Deferred tax assets		824.313	1.584.751
Total non-current assets		2.500.448	9.855.883
Current assets			
Inventories	13	121.844	311.262
Trade receivables		724.397	1.248.227
Credits and other receivables		800.860	756.209
Clients and other receivables	14	1.525.257	2.004.436
Available for sale financial assets		4.311	5.342
Other receivable accounts		139.421	499.665
Derivative assets	12	779	13.814
Financial investments	11	144.511	518.821
Cash and cash equivalents		333.203	680.938
		2.124.815	3.515.457
Assets held for sale	7	6.500.846	3.255.859
Total current assets		8.625.661	6.771.316
Total assets		11.126.109	16.627.199

(1) Notes 1 to 29 are an integral part of these Consolidated Condensed Interim financial statements as of September 30, 2016

Consolidated condensed statements of financial position as of September 30, 2016 and December 31, 2015

- Amounts in thousands of euros -

Equity and liabilities	Note (1)	09/30/2016	12/31/2015
Equity attributable to owners of the Parent			
Share capital	15	1.835	1.841
Parent company reserves		721.878	1.784.044
Other reserves		(101.043)	(79.473)
Fully or proportionally consolidated entities		(836.542)	(1.022.854)
Associates		(23.394)	(7.559)
Accumulated currency translation differences		(859.936)	(1.030.413)
Retained earnings		(4.951.789)	(613.717)
Non-controlling Interest	16	505.968	390.633
Total equity		(4.683.087)	452.915
Non-current liabilities			
Project debt	17	13.132	503.509
Borrowings		4.979	6.566
Financial lease liabilities		9.183	19.522
Other loans and borrowings		238.599	345.437
Corporate financing	18	252.761	371.525
Grants and other liabilities		290.837	234.193
Provisions and contingencies		44.297	62.765
Derivative liabilities	12	16.977	38.002
Deferred tax liabilities		165.607	317.689
Personnel liabilities	27	2.915	3.631
Total non-current liabilities		786.526	1.531.314
Current liabilities			
Project debt	17	1.955.569	2.566.597
Borrowings		2.745.768	2.321.654
Notes and bonds		3.419.763	3.300.825
Financial lease liabilities		13.397	17.020
Other loans and borrowings		751.650	557.047
Corporate financing	18	6.930.578	6.196.546
Trade payables and other current liabilities	20	2.419.829	4.379.252
Income and other tax payables		219.585	195.446
Derivative liabilities	12	3.209	107.917
Provisions for other liabilities and charges		21.310	5.789
		11.550.080	13.451.547
Liabilities held for sale	7	3.472.590	1.191.423
Total current liabilities		15.022.670	14.642.970
Equity and liabilities		11.126.109	16.627.199

(1) Notes 1 to 29 are an integral part of these Consolidated Condensed Interim financial statements as of September 30, 2016

02.2

Consolidated income statement for the nine month period ended September 30, 2016 and 2015



Consolidated income statements for the nine month periods ended September 30, 2016 and 2015

- Amounts in thousands of euros -

	Note (1)	09/30/2016	09/30/2015 (2)
Revenue	5	1,042,722	3,265,434
Changes in inventories of finished goods and work in progress		(4,466)	12,785
Other operating income		49,224	114,397
Raw materials and consumables used		(598,847)	(1,564,660)
Employee benefit expenses		(331,548)	(577,634)
Depreciation, amortization and impairment charges	7, 8 & 9	(591,996)	(198,359)
Other operating expenses		(247,233)	(502,261)
Operating profit		(682,144)	549,702
Financial income	22	16,736	46,192
Financial expense	22	(530,343)	(530,828)
Net exchange differences		970	34,657
Other financial income/(expense), net	22	(424,162)	(98,618)
Financial expense, net		(936,799)	(548,597)
Share of profit (loss) of associates carried under the equity method	10	(572,136)	7,994
Profit (loss) before income tax		(2,191,079)	9,099
Income tax (expense) benefit	23	(118,561)	(8,805)
Profit for the year from continuing operations		(2,309,640)	294
Profit (loss) from discontinued operations, net of tax	7	(3,093,072)	(388,741)
Profit for the year		(5,402,712)	(388,447)
Profit attributable to non-controlling interests		(10,041)	(418)
Profit attributable to non-controlling interests discontinued operations		235	194,955
Profit for the year attributable to the parent company		(5,412,518)	(193,910)
Weighted average number of ordinary shares outstanding (thousands)	25	950,148	884,171
Basic earnings per share from continuing operations (€ per share)	25	(2.44)	(0.00)
Basic earnings per share from discontinued operations (€ per share)	25	(3.26)	(0.22)
Basic earnings per share attributable to the parent company (€ per share)		(5.70)	(0.22)
Weighted average number of ordinary shares affecting the diluted earnings per share (tho)	25	950,148	904,797
Diluted earnings per share from continuing operations (€ per share)	25	(2.44)	(0.00)
Diluted earnings per share from discontinued operations (€ per share)	25	(3.26)	(0.21)
Diluted earnings per share attributable to the parent company (€ per share)		(5.70)	(0.21)

(1) Notes 1 to 29 are an integral part of these Consolidated Condensed Interim financial statements as of September 30, 2016

(2) Restated figures, see Note 7 Assets held for sale and discontinued operations

02.3

Consolidated statements of comprehensive income for the nine month period ended September 30, 2016 and 2015



Consolidated statements of comprehensive income for the nine month periods ended September 30, 2016 and September 30, 2015

- Amounts in thousands of euros -

	Nota (1)	Nine-month period ended	
		09/30/2016	09/30/2015 (2)
Profit for the period after income tax		(5,402,712)	(388,447)
Items that may be subject to transfer to income statement:			
Change in fair value of available for sale financial assets		(672)	266
Change in fair value of cash flow hedges		(52,941)	(124,021)
Currency translation differences		259,584	(643,456)
Tax effect		11,780	34,669
Net income/(expenses) recognized directly in equity		217,751	(732,542)
Cash flow hedges		26,987	91,516
Tax effect		(6,747)	(25,624)
Transfers to income statement for the year		20,240	65,892
Other comprehensive income		237,991	(666,650)
Total comprehensive income for the period		(5,164,721)	(1,055,097)
Total comprehensive income attributable to non-controlling interest		(98,890)	333,049
Total comprehensive income attributable to the parent company		(5,263,611)	(722,048)
Total comprehensive income attributable to the parent company from continuing operations		(2,436,650)	113,317
Total comprehensive income attributable to the parent company from discontinued operations		(2,826,961)	(835,365)

(1) Notes 1 to 29 are an integral part of these Consolidated condensed interim financial statements as of September 30, 2016

(2) Restated figures, see Note 7 Assets held for sale and discontinued operations

02.4

Consolidated statements of changes in equity as of September 30, 2016 and 2015



Consolidated statements of changes in equity for years ended September 30, 2016 and 2015

- Amounts in thousands euros -

	Attributable to the owners of the Company						Total equity
	Share capital	Parent company and other reserves	Accumulated currency translation differences	Retained earnings	Total	Non-controlling interest	
Balance at December 31, 2014	91,799	1,044,703	(529,331)	838,099	1,445,270	1,200,902	2,646,172
Profit for the year after taxes	-	-	-	(193,910)	(193,910)	(194,537)	(388,447)
Other comprehensive income (loss)	-	(25,527)	(502,611)	-	(528,138)	(138,512)	(666,650)
Total comprehensive income (loss)	-	(25,527)	(502,611)	(193,910)	(722,048)	(333,049)	(1,055,097)
Treasury shares	-	99,740	-	-	99,740	-	99,740
Capital increase	810	149,822	-	-	150,632	-	150,632
Capital decrease	(636)	636	-	-	-	-	-
Distribution of 2014 profit	-	104,705	-	(199,599)	(94,894)	-	(94,894)
Transactions with owners	174	354,903	-	(199,599)	155,478	-	155,478
Capital increase in minority interest companies	-	-	-	-	-	298,835	298,835
Scope variations and other movements	-	84,675	-	45,184	129,859	440,866	570,725
Scope variations, acquisitions and other movements	-	84,675	-	45,184	129,859	739,701	869,560
Balance at September 30, 2015	91,973	1,458,754	(1,031,942)	489,774	1,008,559	1,607,554	2,616,113
Balance at December 31, 2015	1,841	1,704,571	(1,030,413)	(613,717)	62,282	390,633	452,915
Profit for the year after taxes	-	-	-	(5,412,518)	(5,412,518)	9,806	(5,402,712)
Other comprehensive income (loss)	-	(21,570)	170,477	-	148,907	89,084	237,991
Total comprehensive income (loss)	-	(21,570)	170,477	(5,412,518)	(5,263,611)	98,890	(5,164,721)
Capital increase	-	589	-	-	589	-	589
Capital decrease	(6)	6	-	-	-	-	-
Distribution of 2015 profit	-	(1,062,761)	-	1,062,761	-	-	-
Transactions with owners	(6)	(1,062,166)	-	1,062,761	589	-	589
Scope variations and other movements	-	-	-	11,685	11,685	16,445	28,130
Scope variations, acquisitions and other movements	-	-	-	11,685	11,685	16,445	28,130
Balance at September 30, 2016	1,835	620,835	(859,936)	(4,951,789)	(5,189,055)	505,968	(4,683,087)

Notes 1 to 29 are an integral part of these Consolidated condensed interim financial statements as of September 30, 2016

02.5

Consolidated condensed cash flow statements for the nine month period ended September 30, 2016 and 2015



Consolidated condensed cash flow statements for the nine month periods ended September 30, 2016 and 2015

- Amounts in thousands of euros -

	Note (1)	Nine-months period ended	
		09/30/2016	09/30/2015 (2)
I. Profit for the period from continuing operations		(2,309,640)	294
Non-monetary adjustments		2,151,745	518,312
II. Profit for the year from continuing operations adjusted by non monetary items		(157,895)	518,606
III. Variations in working capital and discontinued operations		(134,782)	(1,339,154)
Income tax paid/collected		(1,185)	(12,425)
Interest paid		(71,336)	(680,533)
Interest received		14,416	25,891
Discontinued operations		47,025	221,346
A. Net cash provided by operating activities from continuing operations		(303,757)	(1,266,269)
Intangible assets and property, plant & equipment	5	(204,224)	(2,159,696)
Divestments related to the sale of assets to Abengoa Yield (ROFO 2 & 4)		-	367,659
Other investments/disposals		468,691	138,618
Discontinued operations		(251,447)	750,987
B. Net cash used in investing activities from continuing operations		13,020	(902,432)
Underwriting Public Offering of subsidiaries		-	331,855
Funds received from minority interest of Abengoa Yield for sale of assets (ROFO3)		-	301,863
Other disposals and repayments		4,432	1,487,494
Discontinued operations		244,890	(251,837)
C. Net cash provided by financing activities from continuing operations		249,322	1,869,375
Net increase/(decrease) in cash and cash equivalents		(41,415)	(299,326)
Cash, cash equivalents and bank overdrafts at beginning of the year		680,938	1,810,813
Translation differences cash or cash equivalent		(2,520)	(65,839)
Elimination of cash and cash equivalents classified as assets held for sale during the year		23,301	(38,070)
Elimination of cash and cash equivalents classified as discontinued operations during the year		(327,101)	(187,180)
Cash and cash equivalents at end of the year		333,203	1,220,398

(1) Notes 1 to 29 form an integral part of these Consolidated condensed interim financial statements as of September 30, 2016

(2) Restated figures, see Note 7 Assets held for sale and discontinued operations

02.6

Notes to the consolidated condensed interim financial statements as of September 30, 2016



Contents

Note 1.- General information	18	Note 27.- Transactions with related parties	54
Note 2.- Basis of presentation	19	Note 28.- Employee remuneration and other benefits	54
Note 3.- Critical accounting policies	27	Note 29.- Subsequent events.....	55
Note 4.- Financial risk management	27		
Note 5.- Financial information by segment	28		
Note 6.- Changes in the composition of the Group	32		
Note 7.- Assets held for sale and discontinued operations	34		
Note 8.- Intangible assets and property, plant and equipment.....	36		
Note 9.- Fixed assets in projects.....	37		
Note 10.- Investments accounted for using the equity method.....	38		
Note 11.- Financial investments	39		
Note 12.- Derivative financial instruments	40		
Note 13.- Inventories	41		
Note 14.- Clients and other receivable accounts.....	41		
Note 15.- Share capital	41		
Note 16.- Non-controlling interest.....	43		
Note 17.- Project debt.....	43		
Note 18.- Corporate financing.....	45		
Note 19.- Provisions and contingences.....	49		
Note 20.- Third-party guarantees and commitments	49		
Note 21.- Trade payables and other current liabilities.....	50		
Note 22.- Finance income and expenses	51		
Note 23.- Income tax.....	52		
Note 24.- Fair value of financial instruments.....	52		
Note 25.- Earnings per share	53		
Note 26.- Average number of employees.....	54		

Notes to the Consolidated Condensed Interim Financial Statements as of September 30, 2016

Note 1.- General information

Abengoa, S.A. is the parent company of the Abengoa Group (referred to hereinafter as 'Abengoa', 'the Group' or 'the Company'), which at the end of the nine months period ended September 30, 2016, was made up of 656 companies: the parent company itself, 550 subsidiaries, 81 associates and 24 joint ventures. Additionally, the Group held a number of interests, of less than 20%, in other entities.

Abengoa, S.A. was incorporated in Seville, Spain on January 4, 1941 as a Limited Liability Company and was subsequently transformed into a Limited Liability Corporation ('S.A.' in Spain) on March 20, 1952. Its registered office is Campus Palmas Altas, 1 Energía Solar St., Seville, 41014.

The Group's corporate purpose is set out in Article 3 of its Bylaws. It covers a wide range of activities, although Abengoa is principally an applied engineering and equipment manufacturer, providing integrated project solutions to customers in the following sectors: energy, telecommunications, transport, water utilities, environmental, industrial and services.

As explained in the following breakdown of Note 2.1, on November 25, the Directors of the Company, given the deteriorated liquidity and financing position of the Group, agreed to present the application provided in Article 5 bis of Law 22/2003 (Ley Concursal). Since March 28, 2016, the Company has been under the standstill agreement framework to reach an agreement with financial creditors to restructure its financial debt and the recapitalization of the Group (see Note 2.1). On September 24, 2016, the Restructuring Agreement was signed between Abengoa and a group of financial creditors, beginning thus, the accession period with the rest of financial creditors. On October 28, 2016 an application for the judicial approval of the Restructuring Agreement has been filed with the Mercantile Courts of Seville which has obtained the support of 86.0% of the financial creditors to which it was addressed, being therefore over the legally required majority (75%). On November 8, 2016 the Judge of the Mercantile Court of Seville No. 2 has issued a resolution declaring the judicial approval of the Restructuring Agreement and extending the effects of the Standard Restructuring Terms set out in the Restructuring Agreement to those creditors of financial liabilities who have not signed the agreement or have otherwise expressed their disagreement with it. The effective application of such restructuring agreement will allow the Company to rebalance its equity, which is currently negative, once the positive effect of the debt to equity swap is registered in the Income Statement of the Company (see Note 2.1).

Abengoa's shares are represented by class A and B shares which are listed the Madrid and Barcelona stock exchanges and on the Spanish Stock Exchange Electronic Trading System (Electronic Market). Class A shares have been listed since November 29, 1996 and class B shares since October 25, 2012. The company completed the delisting process to exclude its class B shares from the NASDAQ Global Select Market in the form of American Depositary Shares, which were quoted from October 29, 2013, following the capital increase carried out on October 17, 2013. The Company presents mandatory financial information quarterly and semiannually.

As of April 6, 2016, the company announced its intention to initiate the process for voluntary delisting of its Class B shares and American Depositary Shares Receipts (ADSs), as well as the conclusion of the American Depositary Receipt (ADR) program with Citibank, N.A. which delisting was effective on May 12, 2016.

Additionally, on April 29, 2016, the Company announced that the voluntary delisting of its Class B shares and American Depositary Shares (ADSs) from the NASDAQ Stock Market became effective on 28 April 2016 and that has taken steps to deregister those securities from the SEC and thereby terminate its reporting obligations under the U.S. Securities Exchange Act of 1934, as amended (Exchange Act). The Company has already filed Form 25 and Form 15F, resulting the exclusion effective from Sections 12(b) and 12(g) of the Exchange Act of 1934 and the reporting obligations related to the third quarter of 2016.

As a result of the delisting of the Class B shares and ADSs from the NASDAQ Stock Market, all trading in Abengoa, S.A. shares is now concentrated in the Spanish Stock Exchanges.

The shares of the associate Atlantica Yield (formerly Abengoa Yield, Plc.) are listed in the NASDAQ Global Select Market since June 13, 2014. As of September 30, 2016 the Abengoa's investment on Atlantica Yield amounts to 41.47%. On January 7, 2016, the company announced to the Securities and Exchange Commission US (S.E.C) that the corporate name change to Atlantica Yield. However, the ticker "ABY" remains the same.

Abengoa is an international company that applies innovative technology solutions for sustainability in the energy and environment sectors, generating electricity from renewable resources, converting biomass into biofuels or producing drinking water from sea water. The Company supplies engineering projects under the 'turnkey' contract modality and operates assets that generate renewable energy, produces biofuel, manages water resources, desalinates sea water and treats sewage.

Abengoa's business is organized under the following three activities:

- › **Engineering and construction:** includes the traditional engineering activities in the energy and water sectors, with more than 70 years of experience in the market and the development of solar technology. Abengoa is specialized in carrying out complex turnkey projects for thermo-solar plants, solar-gas hybrid plants, conventional generation plants, biofuel plants and water infrastructures, as well as large-scale desalination plants and transmission lines, among others.

- > Concession-type infrastructures: groups together the company's extensive portfolio of proprietary concession assets that generate revenues governed by long term sales agreements, such as take-or-pay contracts or power purchase agreements. This activity includes the operation of electric energy generation plants (solar, cogeneration or wind), desalination plants and transmission lines. These assets generate low demand risk and the Company focuses on operating them as efficiently as possible.
- > Industrial production: covers Abengoa's biofuel business with a high technological component.

These Consolidated condensed interim financial statements for the period ended September 30, 2016 have been formulated on November 14, 2016.

All public documents of Abengoa may be viewed at "www.abengoa.com".

These Consolidated condensed interim financial statements are a free translation of the consolidated condensed interim financial statements originally issued in Spanish and prepared in accordance with International Financial Reporting Standards adopted by the European Union. In the event of a discrepancy, the Spanish-language version prevails.

Note 2.- Basis of presentation

The Group's Consolidated financial statements corresponding to the fiscal year ended December 31, 2015 were prepared by the Directors of the Company in accordance with International Financial Reporting Standards adopted by the European Union (IFRS-EU), applying the principles of consolidation, accounting policies and valuation criteria described in Note 2 of the notes to the aforementioned Consolidated financial statements, so that they present the Group's equity and financial position as of December 31, 2015 and the consolidated results of its operations, the changes in the consolidated net equity and the consolidated cash flows for the financial year ending on that date.

The Group's consolidated financial statements corresponding to the 2015 financial year were approved by the General Shareholders' Meeting of the Abengoa, S.A. held on June 30, 2016.

These Consolidated condensed interim financial statements are presented in accordance with IAS (International Accounting Standard) 34, 'Financial Reporting' approved by the European Union.

These Consolidated condensed interim financial statements have been prepared based on the accounting records of Abengoa S.A. and the subsidiary companies which are part of the Group, and include the adjustments and re-classifications necessary to achieve uniformity between the accounting and presentation criteria followed by all the companies of the Group (in all cases, in accordance with local regulations) and those applied by Abengoa, S.A. for the purpose of preparing Consolidated financial statements.

In accordance with IAS 34, consolidated condensed interim financial information is prepared solely in order to update the most recent annual Consolidated financial statements prepared by the Group, placing emphasis on new activities, occurrences and circumstances that have taken place during the nine months period ended September 30, 2016 and not duplicating the information previously published in the annual Consolidated condensed financial statements for the year ended December 31, 2015. Therefore, the consolidated condensed interim financial statements do not include all the information that would be required in complete Consolidated financial statements prepared in accordance with the International Financial Reporting Standards as issued by the European Union.

In view of the above, for an adequate understanding of the information, these Consolidated condensed interim financial statements must be read together with Abengoa's consolidated financial statements for the year ended December 31, 2015.

Given the activities in which the companies of the Group engage, their transactions are not of a cyclical or seasonal nature. For this reason, specific breakdowns are not included in these explanatory notes to the consolidated condensed interim financial statements corresponding to the nine months period ended September 30, 2016.

In determining the information to be disclosed in the notes to the consolidated condensed interim financial statements, the Group, in accordance with IAS 34, has taken into account its materiality in relation to the Consolidated condensed interim financial statements.

The amounts included within the documents comprising the Consolidated condensed interim financial statements (Consolidated Condensed Interim Statements of Financial Position, Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Condensed Cash Flow Statement and notes herein) are, unless otherwise stated, all expressed in thousands of Euros.

Unless otherwise stated, any presented percentage of interest in subsidiaries, joint ventures (including temporary joint operations) and associates includes both direct and indirect ownership.

2.1. Going concern

In accordance with IAS1, which requires the financial statements to be prepared regarding the going concern principle, unless Directors have the intention or any other real alternative of liquidation or cease of activity, the Consolidated condensed interim financial statements at September 30, 2016 have been prepared applying this principle.

- › The following summary shows the facts related during the first nine month period of the year 2016 until the preparation of the present Consolidated condensed interim financial statements for the nine month period ended September 30, 2016, in relation with the financial restructuring process realized in Abengoa since the November 25, 2015 after filing the application provided in Article 5 bis of Law 22/2003 by Directors of the Company:

a) In relation to the proceeding provided by the law 22/2003 (Ley Concursal) and the beginning of the aforementioned refinancing process, it should be noted that:

- › On January 25, 2016, the Company announced that the independent and specialized consulting firm on refinancing process Alvarez&Marsal presented to the Board of Directors of Abengoa the Industrial Viability Plan that defined the structure of the future activity of Abengoa on an operating basis focusing on the activity of engineering and construction either developing its own technology or using technology developed by others.
- › Based on this Initial Viability Plan, that confirms the viability of Abengoa, the Company began negotiations with its creditors to restructure the debt and the necessary resources and provide Abengoa the optimal capital structure and the sufficient liquidity to continue operating competitively and sustainably in the future.
- › In this sense, and in relation to the negotiations between the Company and a group of creditors comprised of banks and holders of bonds issued by the Group, as of March 10, 2016, the Company informed that has agreed with the advisers of such creditors the grounds for an agreement to restructure the financial indebtedness and recapitalize the Group. The Company believed that such agreement contained the essential elements to achieve a future restructuring agreement that, in any event, would be subject to reaching the accessions percentage required by Ley Concursal. On March 28, 2016, the Company and a group of creditors comprised of banks and holders of bonds Issued by the Group had reached a standstill agreement with the objective of providing the time necessary to keep working and reaching, as soon as possible, a full and complete agreement about the terms and conditions to restructure the financial indebtedness and recapitalize the Group. In order to reach this purpose, among other obligations assumed by all parties, the arrangement with parties contains expressly the compromise of creditors to abstain from claiming or accepting the payment of any amount owed as current amortization debt or advanced payments of capital or interest, as well as to charge default interests as a consequence of

non-performance by the debtor until the effective date of implementation of the Restructuring Agreement.

- › With respect to the foregoing, as of March 28, 2016, an application for the judicial approval of the standstill agreement (the "Standstill Agreement") has been filed to the Mercantile Court of Seville nº 2 which obtained the support of 75.04% of financial creditors to which it was addressed, being therefore over the legally required majority (60%). Additionally, on April 6, 2016, the judge of the Mercantile Court of Seville nº2 issued the approval of the Standstill Agreement and extended the maturity of the agreement until October 28, 2016 (included), to the financial liability creditors which have not subscribed it or which showed the disconformity to the agreement. This agreement was impugned by some creditors and, on October 24, 2016, the judge issued a final sentence agreeing to reject all impugnation referred to the lack of compliance of percentages and, as a consequence, maintaining the approval agreed.
- › From that moment until now, the Company has continued with the negotiation process with its main financial creditors and potential investors in order to develop the agreed terms of reference. In the context of these negotiations and the circumstances that have been affecting to our projects since the Initial Viability Plan was prepared, an Updated Viability Plan was prepared during the second half of May, which was later approved by the Board of Directors on August 3, 2016 as well as the term sheet of the restructuring agreement which was subscribed afterwards by the main creditors and which is mentioned below. Such plan was approved on August 16, 2016.
- › This Updated Viability Plan shows the negotiations and difficulties that Abengoa experienced in certain projects as well as the changes which, as a result, have been made with respect to the Initial Viability Plan, as well as the review of certain hypothesis in the mentioned Plan and the updating of the expected date of reactivation of our operations. Therefore, all of this calls for a significant reduction of Abengoa's cash needs, which have been identified in this Updated Viability Plan, in approximately €1,200 million, compared to the initially estimated figure of €1,500 - €1,800 million.
- › Pursuant to the preparation of the Updated Viability Plan and the ongoing negotiations, on June 30, 2016, Abengoa announced that had reached grounds for an agreement with the Bank Coordination Committee and a group of bondholders and investors on the main terms of the proposed financial restructuring to be signed.

- › Afterwards, on August 11, 2016, the term sheet of the restructuring agreement was subscribed between Abengoa, S.A. and a group of entities comprising the main financial creditors and potential investors. Moreover, the Company received acceptance letters in order to underwrite the new money financing in an amount which exceeds the liquidity requirement of the Updated Viability Plan. Such agreement was subject to several conditions precedent which are common in this kind of transactions.
- › On September 18, 2016, in the framework of the Updated Viability Plan and the terms of the financial restructuring subscribed on August 11, 2016, Abengoa Concessions Investments Limited ("ACI"), a subsidiary of the Company, entered into a Secured Term Facility Agreement (the "Facility Agreement") with, among others, the lenders as described below and the agent appointed thereunder, pursuant to which it is entitled to borrow up to US\$211 million and is required to enter into related security documents.

As of the date of the Facility Agreement, the Lenders were Arvo Investment Holdings S.À R.L., CCP Credit Acquisition Holdings Lxco S.À R.L., Lajedoa Investments S.À R.L., OCM Luxembourg ABG Debt S.À R.L., Potter Netherlands Coöperatief U.A., y SPV Capital Funding Luxembourg S.À R.L.

The amounts borrowed under the Facility Agreement will be used to refinance all amounts owed under a secured term facility agreement between ACI and Talos Capital Designated Activity Company dated 22 October 2015 for a nominal amount of US\$130 million and for the general corporate and working capital purposes of the Company and its subsidiaries (the "Group").

Upon the occurrence of certain events that are customary for this type of loan, the Lenders may exercise their right to require ACI to repay all or part of the Loan Amount, post additional collateral or foreclose on, and dispose of, the Pledged in accordance with the Loan Documents.

- › On the other hand, on September 24, 2016 the Restructuring Agreement has been signed, and granted by public deed before the Notary of Madrid, Mr. José Miguel García Lombardía, between the parent company, a group of Subsidiaries which debt is subject to the restructuring and a group of financial creditors which either are holders of existing debt instruments or will also be participating in the new money and new bonding facilities.

The fundamental principles of such agreement are the following:

- (i) The amount of new money to be lent to the Group totals €1,169.6 million (including refinancing of the September and December 2015, March and September 2016 facilities). This financing would rank senior with respect to the preexisting debt and would be divided into different tranches:

- Tranche I: amounts to €945.1 million, with a maximum maturity of 47 months and secured by, among other things, certain assets that include the A3T project in Mexico and the shares of Atlantica Yield held by the Company. Creditors would be entitled to 30% of Abengoa's new share capital post restructuring.

- Tranche II: amounts to €194.5 million, with a maximum maturity of 48 months and secured by, among other things, certain assets in the engineering business. Creditors would be entitled to 15% of Abengoa's new share capital post restructuring.

- Tranche III: contingent credit facility of up to €30 million, with a maximum maturity of 48 months secured by, among other things, certain assets that include the A3T project in Mexico and the shares of Atlantica Yield held by the Company and with the sole purpose of providing guaranteed additional funding for the completion of the A3T project. Creditors would be entitled to receive 5% of Abengoa's new share capital post restructuring.

- (ii) New bonding facilities amount to €307 million. Financing entities would be entitled to 5% of Abengoa's new share capital post restructuring.

- (iii) The restructuring proposal for the preexisting debt (Standard Restructuring Terms) will involve a 97% reduction of its nominal value, while keeping the remaining 3% with a ten year maturity, with no annual coupon or option for capitalization.

- (iv) Creditors who adhere to the agreement can choose either the conditions laid out in section (iii), or alternative conditions which consist of the following:

- Capitalization of 70% of preexisting debt in exchange for 40% of Abengoa's new share capital post restructuring.

- The remaining 30% of the nominal value of the preexisting debt will be refinanced through new debt instruments, replacing the preexisting ones, which will rank as senior or junior depending on whether or not such creditor participates in the new money facilities or new bonding facilities. Such instruments will have maturities of 66 and 72 months respectively, with the possibility of an extension of up to 24 months, accruing annual interest of 1.50% (0.25% cash payment and 1.25% Pay If You Can). The junior instrument could be subject to additional reductions (provided that total reduction does not exceed 80% of the nominal value prior to the capitalization) if the aggregate amount of refinanced preexisting debt (after the 70% aforementioned capitalization) exceeds €2,700 million due to the crystallization of contingencies.

- (v) At the end of the restructuring process, the current shareholders of the Company would hold around 5 % of the share capital. Eventually, through the issuance of warrants, they could increase such stake in a percentage to be agreed that will not exceed an additional 5%, if, within 96 months, the group has paid in full all outstanding amounts under the new financing to be provided in the framework of the restructuring and under the existing indebtedness (as this indebtedness may have been restructured), including its financial costs. Furthermore, the company intends to submit a proposal to merge the two types of existing shares into one sole class of shares for approval by a General Shareholders Meeting, although this is not considered a prerequisite of the restructuring agreement.
- › In this sense, the Board of Directors of Abengoa, at its meeting held on October 10 and 17, 2016, has unanimously resolved to call an Extraordinary General Shareholders' Meeting of the Company to be held at its registered address, Campus Palmas Altas, in Seville, on November 21, 2016, at 11:00 a.m., on first call, and if the required quorum is not met, on second call, the next day, November 22, 2016, at the same time and place, in order to approve resolutions to comply with the terms and conditions of the restructuring agreement dated 24 September 2016 (see Note 15).
- › Once the restructuring agreement was signed on September 24, 2016, an accession process to the rest of financial creditors began, period that ended on October 28, 2016, with the support of 86.0% of the financial creditors to which it was addressed, being therefore over the legally required majority and allowing on October 28, 2016 the filing with the Mercantile Courts of Seville of the application for approval of the Restructuring Agreement. The Mercantile Court nº 2 of Seville had issued on October 31, 2016 the ruling by which allow the processing of the application due to its compliance with the needed formal requirements which consisted in filing the agreement to which the approval was expected and the auditor's certification that confirmed the adoption by more than the 75% liability financial creditors.
- › Once the homologation request has been filed, the following procedures in the United States and the United Kingdom will be initiated:
- A Company Voluntary Arrangement ("CVA") in England and Wales at the request of Abengoa Concessions Investments Limited in accordance with Part I of the English Insolvency Act 1986; and
 - Various procedures under Chapter 11 ("Chapter 11") of the U.S. Bankruptcy Code at the request of various subsidiaries incorporated in the United States.
- Both the CVA and the Chapter 11 procedures have the objective of extending the Standard Restructuring Terms described previously to the liabilities of the companies promoting such procedures for those creditors that have not acceded to the Restructuring Agreement.
- › Finally, on November 8, 2016 the Judge of the Mercantile Court of Seville No. 2 has issued a resolution declaring the judicial approval of the Restructuring Agreement and extending the effects of the Standard Restructuring Terms set out in the Restructuring Agreement to those creditors of financial liabilities who have not signed the agreement or have otherwise expressed their disagreement with it.
- › On November 9, 2016, in accordance with Clause 7.1.1(b) of the Restructuring Agreement, ACIL has initiated a company voluntary arrangement pursuant to Part I of the Insolvency Act 1986 (the "CVA") to compromise its obligations as a guarantor of the Loans and the Notes (each term as defined below) owed to Guarantee Creditors, who do not accede to the Restructuring Agreement prior to the end of the Supplemental Accession Period, through a write-down of 97 per cent of such guarantee obligations to reflect the compromise of the principal obligations under the Loans and Notes owed to such Guarantee Creditors (which will be implemented by the Homologación of the Restructuring Agreement). In such dates, the Nominees delivered to ACIL's creditors copies of the CVA Documents which include (i) the Notice of Meeting regarding the Creditors' Meeting, which is to be held on 24 November 2016 at 10.00 a.m. (London time) at Linklaters LLP, 1 Silk Street, London EC2Y 8HQ, United Kingdom; (ii) the CVA Proposal; and (iii) the Statement of Affairs (together, the "CVA Documents").
- b) On the other hand, in relation with the proceedings in Brazil, on the occasion of the mentioned situation of Abengoa, it should be known that:
- › On January 29, 2016, Abengoa filed the recuperação judicial applications in Brazil about the companies Abengoa Concessões Brasil Holding S.A., Abengoa Construção Brasil Ltda and Abengoa Greenfield Brasil Holding S.A, which were admitted on February 22, 2016. This measure was undertaken provided that the Company incurred in a "Crise econômico cenário", which is contemplated in Brazilian Law 11,101/05. "Recuperação judicial" consists in a proceeding provided by the Brazilian Law which allows corporations to restructure their debt in an orderly manner and continue as a going concern once the financial difficulties are overcome.

- › In relation to the aforementioned, on April 20, 2016, Abengoa presented the Viability Plan (plano de Recuperação) in which the main premises are based on the divestment of certain concessional transmission line assets in operation, as well as the divestment of lines which currently are under construction. It is expected that these divestments will allow a favorable agreement to repay the debt already restructured in companies under recuperação judicial (negotiations are in progress with creditors) as well as the possible preservation of the construction activity in Brazil. As explained in Note 7 of these Consolidated condensed interim financial statements, both asset batches have been classified as non-current assets held for sale due to the compliance, at September 30, 2016, of the IFRS 5's requirements. In relation with lines in operation, on June 24, 2016, Abengoa has received an offer by which the asset fair value estimation have been made. This offer, will serve as starting price in the judicial auction process provided to this kind of insolvency proceedings in Brazil
- › On the other hand, and regardless the mentioned negotiation process, on June 28, 2016, ANEEL's Board of Director decided to authorize the Electricity Inspection Service Office "SFE" and the Superintendent of Economy and Financial Inspection "SFF" for the issuance of a communication to the owner companies of construction in progress (ATEs), informing about the contract compliance, which may lead to an expiration declaration of concessions. On July 21, 2016 the owner companies of assets under construction (ATEs) received the formal communication of compliance that generated administrative processes, in which ATEs required a solution with ANEEL in order to try to compensate the execution of guarantees and penalties to be required as compensation for reversible assets. These processes are awaiting the pronouncement of ANEEL. In Director's opinion, it is expected to reach an amicable solution and therefore a non-significant impact.

Additionally, in relation with the legal possibility of transfer of those assets under construction, the "Senado Federal" (legislative authority of Brazilian Government to federal legislation issues), on October 19, 2016 approved the Conversion Project in Medida Provisoria law ("MP") n. 735/2016. This allows the tender to transfer the control of contributions in capital share in concessional companies, in which the contract of concession were signed until December 2015, 31 – this hypothesis apply to ATEs under construction. Next step to the conversion to law of this MP is the possibility to cancel by the President of the Republic, which has a term of 15 days since November 3, 2016, date in which the legislative process was received.

- c) Additionally, in relation to the proceedings in United States, on occasion as well of the mentioned situation of Abengoa, indicate that,
- › On February 1, 2016 and February 10, 2016, certain creditors initiated involuntary bankruptcy petitions to the Missouri Bankruptcy Court against the American affiliates Abengoa Bioenergy Nebraska, L.L.C. and Abengoa Bioenergy Company, L.L.C. respectively. After responding to the petitions, on February 24, 2016, both companies mentioned above

along with Abengoa Bioenergy Outsourcing, LLC, Abengoa Bioenergy Engineering and Construction, LLC, Abengoa Bioenergy Trading US, LLC, and Abengoa Bioenergy Holding US, LLC opted to file for voluntary creditors' protection under Chapter 11 provided by the USA Law. These petitions have been filed in order to allow the Company to continue as a going concern and, consequently, they included the authorization request for the payment of taxes, salaries and insurance premiums and other first day motions. Additionally, a request for the approval of a debtor-in-possession financing arrangement amounting to US\$41 million was also filed. The hearing for these initial motions took place on March 2, 2016 and, during them, such companies were authorized to borrow an initial amount of US\$8 million (which were additionally complemented with US\$1.5 million authorized on March 29, 2016).

- › Moreover, on March 23, 2016, certain creditors filed an involuntary insolvency proceeding against Abengoa Bioenergy Biomass of Kansas, LLC (ABBK) at the Kansas court.
- › Also on March 29, the following American affiliates Abeinsa Holding Inc.; Abencor USA, LLC; Teyma Construction USA, LLC; Abeinsa EPC, LLC; Inabensa USA, LLC; Nicsa Industrial Supplies, LLC; Abener Construction Services, LLC; Abener North America Construction, LP; Abengoa Solar, LLC; Teyma USA & Abener Engineering and Construction Services General Partnership; Abeinsa Abener Teyma General Partnership; Abener Teyma Mojave General Partnership; and Abener Teyma Inabensa JV filed, under the "United States Bankruptcy Code" and the Delaware court, the named Chapter 11 in order to allow the companies to comply with their obligations and minimize the loss of value of their businesses. Such companies have requested authorization for the payment of taxes, salaries and insurances as well as other first day motions.
- › In relation to all the above, on March 28 and 29, 2016, and in accordance with the clause 5.2 of the Standstill agreement mentioned before, Abengoa, S.A. and several of its Spanish affiliates (the "Chapter 15 Debtors") commenced cases under Chapter 15 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware ("Delaware Bankruptcy Court"). In these cases, the Chapter 15 Debtors seek recognition by the Delaware Bankruptcy Court of the proceeding commenced in the Spanish Court to obtain judicial approval (homologación judicial) of the Standstill Agreement (the "Spanish Proceeding") and application of the Standstill Agreement within the territorial jurisdiction of the United States. In the initial hearings held on March 31, 2016, the Delaware Bankruptcy Court granted the Chapter 11 Debtors' requests relief and the Initial Chapter 15 Debtors' requested provisional relief to stay creditor actions against them. Both hearings were uncontested and all motions were granted.
- › Additionally, on April 6 and 7, 2016 Abengoa US Holding, LLC and seven other affiliated U.S. debtors (collectively, the "Additional Chapter 11 Debtors") each filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code in the Delaware

- Bankruptcy Court (together with the Chapter 11 cases filed on March 29, 2016, the "Chapter 11 Proceedings"). All of the cases filed by the Additional Chapter 11 Debtors are being jointly administered with the lead Chapter 11 Proceeding filed on March 29, 2016 in the Delaware Bankruptcy Court. The Additional Chapter 11 Debtors are comprised of the following legal entities: Abener Teyma Hugoton General Partnership, Abengoa Bioenergy Biomass of Kansas, LLC, Abengoa Bioenergy Hybrid of Kansas, LLC, Abengoa Bioenergy New Technologies, LLC, Abengoa Bioenergy Technology Holding, LLC, Abengoa US Holding, LLC, Abengoa US Operations, LLC and Abengoa US, LLC.
- › The Company further informs that at the initial hearing held on April 27, 2016 on the Chapter 11 petitions filed on April 6 and 7, 2016 by the additional Chapter 11 Debtors, the Delaware Bankruptcy Court granted the first-day relief requested by all but one of those debtors. With respect to ABBK's Delaware case, it was noted that on April 25, 2016 the U.S. Bankruptcy Court for the District of Kansas (the "Kansas Bankruptcy Court") had issued an order denying ABBK's request to transfer to the Delaware Bankruptcy Court an involuntary Chapter 11 case commenced against it on March 23, 2016 in the Kansas Bankruptcy Court. Referring to the Kansas Bankruptcy Court's ruling and the Delaware Bankruptcy Court stated that it would honor that decision, ordered a stay of ABBK's Chapter 11 case in Delaware, and directed ABBK to show why its Delaware case should not be dismissed. On May 2, 2016, ABBK moved to certify the Kansas Bankruptcy Court's ruling for direct appeal to the U.S. Court of Appeals for the Tenth Circuit and requested a stay of the Kansas bankruptcy case order pending the outcome of that appeal.
 - › The Company further informs that on April 26, 2016 its subsidiary Abengoa Solar LLC ("Abengoa Solar"), one of the Initial Chapter 11 Debtors, filed a motion requesting the Delaware Bankruptcy Court's authorization to consummate the sale of interests that two of Abengoa Solar's non-debtor subsidiaries hold in project entities responsible for the financing, design, construction, operation, maintenance, and transfer to the State of Israel of a concentrated solar energy thermal power station plant currently under construction there (the "Ashalim Project"). At the hearing on the motion held on May 3, 2016, the Delaware Bankruptcy Court authorized Abengoa Solar to make this transaction.
 - › On June 12, 2016, the American affiliate companies Abengoa Bioenergy Meramec Renewable, LLC, Abengoa Bioenergy Funding, LLC, Abengoa Bioenergy Maple, LLC, Abengoa Bioenergy of Indiana, LLC, Abengoa Bioenergy of Illinois, LLC y Abengoa Bioenergy Operations, LLC, commenced a voluntary Chapter 11 case in the Missouri Bankruptcy Court. In the framework of these proceedings and the already initiated Chapter 11 proceeding by Abengoa Bioenergy US Holding, LLC, this and the affiliate companies mentioned have filed motions in the East Missouri Bankruptcy Court in relation with the sale proceeding of the two Maple plants located on Indiana and Illinois, the plant of Ravenna and the plant of York. Additionally, to facilitate the sale of the Maple plant, the current creditors of such plants have agreed to concede additional financing for an amount of US\$10 million (debtor-in-possession financing).
 - › Continuing with the sale proceeding commented above, on August 22, 2016 as approved by the United States Bankruptcy Court for the Eastern District of Missouri (the "Bankruptcy Court"), an auction over certain assets of Abengoa Bioenergy US Holding, LLC (the Company.) has been conducted following the process previously agreed among certain debtors and debtors in possession (the "Debtors") and such Company, on June 12, 2016, Abengoa Bioenergy US Holding, LLC and certain Debtors filed a motion (the "Motion") with the Bankruptcy Court seeking, among other things, entry of an order (the "Bidding Procedures Order"); (a) approving certain auction and bidding procedures (the "Bidding Procedures") in connection with the sale of the Debtors' bioenergy plants in Ravenna, Nebraska, York, Nebraska, Mt. Vernon, Indiana, Madison, Illinois and Colwich, Nebraska (collectively, the "Purchased Assets"), (b) authorizing the Debtors to enter into stalking horse purchase agreements with KAAPA Ethanol Holdings, LLC for the Ravenna Assets, Green Plains, Inc. for the Mt. Vernon and Madison Assets (the "Maple Assets") and Biourja Trading, LLC for the York Assets, (c) approving procedures relating to the assumption and assignment of executory contracts and unexpired leases, and (d) scheduling an auction (the "Auction") and sale approval hearing (the "Sale Hearing").
 - › On June 15, 2016, the Bankruptcy Court entered the Bidding Procedures Order, and subsequently, the Debtors' investment banker, Carl Marks, engaged in an extensive marketing process for all of the Purchased Assets. Pursuant to the Bidding Procedures Order, certain competing bids were submitted, and on the aforementioned date (August 22, 2016), the Debtors conducted the Auction, the results of which were that: (i) KAAPA Ethanol Holdings, LLC was the successful bidder for the Ravenna Assets at US\$115 million, (ii) Green Plains, Inc. was the successful bidder for the Maple Assets at US\$200 million, (iii) Green Plains, Inc. was the successful bidder for the York Assets at US\$37 million, and (iv) ICM, Inc. was the successful bidder for the Colwich Assets at US\$3.15 million.
 - › The Bankruptcy Court scheduled to conduct a hearing on August 29, 2016, where the sale of the plants of Ravenna, Maple and York were approved at the same prices of the mentioned before. Such sales were realized at September 30, 2016, date in which the debtor-in-possession financing were liquidated simultaneously in relation with the asset of these companies. The net sale proceeds will then be distributed pursuant to a plan of liquidation already approved by the Bankruptcy Court last October 31, 2016 and is awaiting the creditors committee.
 - › Additionally, on date July 18, 2016, and in the Chapter 11 proceeding framework, already initiated by ABBK, the investment bank Ocean Park Advisors was hired to seek a strategic partner interested in buying the bioethanol plant and the co-generation plant located in Hugoton, Kansas.

- › On June 12, 2016, the companies Abengoa Bioenergy Holdco, Inc. and Abengoa Bioenergy Meramec Holding, Inc., have initiated voluntary proceedings of Chapter 11 in the Delaware Bankruptcy Court, where the pending Chapter 11 resolutions of other American affiliates exist, as well as the Chapter 15 proceeding of Abengoa mentioned before.
 - › Additionally, last October 28, 2016, Abengoa Bioenergy New Technologies LLC, in the bankruptcy proceeding framework at the Delaware Bankruptcy Court, has applied for authorization to sell the pilot plant and the warehouse (excluding any land in which a construction exists) to Green Plains Inc. (or any of its affiliates) and/or Green Plains York LLC amounted to US\$1,250,000. The hearing for the approval is expected to take place on November 29, 2016.
 - › Finally, on October 31, 2016, the Courts of Delaware approved the application of Abengoa to the creditors committee which propose an only plan which contains other four different plans itself: (i) EPC Restructuration Plan, which consist in the restructuring of the following companies: Abener Teyma Mojave General Partnership; Abener North America Construction LP; Abeinsa Abener Teyma General Partnership; Teyma Construction USA LLC; Teyma USA & Abener Engineering and Construction Services partnership; Abeinsa EPC LLC; Abeinsa Holding Inc.; Abener Teyma Hugoton General Partnership; Abengoa Bioenergy New Technologies LLC; Abener Construction Services LLC; Abengoa US Holding LLC; Abengoa US LLC; and Abengoa US Operations LLC; (ii) Solar Restructuring Plan which propose the restructuring of Abengoa Solar LLC; (iii) EPC liquidation Plan which propose the liquidation of de Abencor USA LLC; Abener Teyma Inabensa Mount Signal Joint Venture; Inabensa USA LLC; and Nicsa Industrial Supplies LLC, and (iv) Bioenergy and Maple Liquidation plan which propose the liquidation of Abengoa Bioenergy Hybrid of Kansas LLC; Abengoa Bioenergy Technology Holding LLC; Abengoa Bioenergy Meramec Holding Inc.; and Abengoa Bioenergy Holdco Inc. Moreover, the voting period to approve these plans proposed by the company started on October 31, 2016 until November 29, 2016, being on December 6, 2016 the date in which the hearing is expected in the Delaware Courts to confirm the plans, where it is expected to be approved.
- d) In relation to the bankruptcy declaration by the Court of Rotterdam of Abengoa Bioenergy Netherlands, B.V. on date May 11, 2016 were appointed both a liquidator and supervising judges, it should be noted that:
- › After such bankruptcy declaration and appointment of a liquidator, the liquidation process of the company started and therefore, since that moment, the loss of control was effective.
 - › In the framework of such bankruptcy proceeding, on date May 11, 2016, the company Alcogroup communicated an agreement to acquire the plant has been signed. The acquisition was approved by the competent Court last September 22, 2016, and according to the information received at the same date from the Administrator, the price established was €50 million, which would be addressed to the payment of suppliers and creditors according to a plan defined and approved by the competent Court.
- › Once completed the restructuring agreement and the recapitalization of the Group described in Note 2.1.a), the company will develop the agreed Updated Viability Plan with creditors and investors, which is focused on the traditional business of Engineering and Construction, where the company accumulates more than 75 years of experience. Specifically, this Updated Viability Plan focusses the activity in the energy and environmental industry. This business will be combined, in a balanced manner, with concessional infrastructure projects in sectors where Abengoa has a competitive advantage, mainly of technological kind, which allows a bigger added value projects. Regarding the mentioned Updated Viability Plan, will allow sustainable growing of Abengoa, based on the following five principles:
 - 1) A multidisciplinary team and a culture and ability to multifunctional work.
 - 2) Experience in engineering and construction and specially the outstanding strength in business development of high potential growing such as energy and water.
 - 3) Technology abilities in our targets, mainly in solar energy and water.
 - 4) A more efficient organization with more competitive general expenses.
 - 5) A financial approach adjusted to the current reality in which financial discipline and a rigorous evaluation of financial risks are key milestones.
 - › Based on the foregoing, and in prevision of the fulfillment of the agreement with financial creditors of the Company which assure the financial stability of Abengoa and the ability to generate resources from its operations as stated in the Updated Viability Plan, Abengoa's Directors have deemed it appropriate to present the Consolidated condensed interim financial statements as of September 30, 2016 on a going concern.
- Based on the application of the going concern basis, Abengoa's Directors have prepared these Consolidated condensed interim financial statements applying the International Accounting Standards consistently with Consolidated condensed interim financial statements and Consolidated financial statements filed in prior periods. For that purpose, and according to the aforementioned accounting framework, Abengoa's Directors have made their best estimates and assumptions (see Note 3) in order to record the assets, liabilities, revenues and expenses as of September 30, 2016 in accordance with the existing information by the time of formulating these consolidated condensed financial statements.
- › The situation of the Group continues being affected by a strong limitation of financial resources, which has significantly influenced the evolution of the business by means of general business

deceleration in all segments for one year. Thus, certain projects have left idle without possibility to assist with suitable financial resources to operate them. This situation has led on the one hand to breaches in contractual milestones, and on the other, to a very significant increase in estimated costs of their reactivation and therefore their continuance are not included in the Viability Plan associated to the Restructuring Agreement signed on September 24, 2016. Additionally, in certain countries, Group's companies have incurred in judicial insolvency situations or bankruptcy in business which are not included in the mentioned Viability Plan. Given this situation, Directors have collected the significant negative impacts in the Income Statement at September 30, 2016 based on the best estimations made by Directors and in accordance with the International Accounting Standards. In this sense, the most significant negative impacts recorded in results at September 30, 2016, which have reached €-4,763 million, are mainly related to provisions in construction projects, to results from the sale of certain assets and the impairment of certain assets caused by the situation of the company.

The following table shows the detail of such impacts (in million euros):

Item	Total
Project Construction costs (see Note 5.1 a)	(168)
Sale of assets (see Note 6.2 b)	58
Impairment of assets (see Note 5.1 b)	(4,227)
Default interests, guarantees and other financial expenses (see Note 22)	(390)
Others	(36)
	(4,763)

Due to all the above, the parent company, Abengoa, S.A., has incurred in losses since 2015 which has supposed a significant decrease in Equity and, as a consequence, at September 30, 2016 presents a negative net equity. In accordance with the Article 363 of the Spanish Corporation Law, a Company will be in dissolution situation when losses lead Net Equity to an amount lower than half shared capital, unless an increase or decrease in capital share were enough.

In Director's opinion, the resources expected in the effective application of the signed Restructuring Agreement will allow to gain a financial stability once there is a positive impact recognized in the income statement derived from debt write-offs, capital increases expected and, in addition to provide the Group with the necessary financial resources to reactivate the activity. On the other hand, Directors are confident on generating future resources from operations given such financial resources and the application of the Updated Viability Plan, which will allow to rise the market confidence, the provision of liquidity to the Company and the continuance of its activity to operate in a competitive and sustainable manner in the future.

2.2. Application of new accounting standards

- a) Standards, interpretations and amendments effective from January 1, 2016 under IFRS-EU, applied by the Group:
 - > Improvements to IFRSs 2012-2014 cycles. These improvements are mandatory for periods beginning on or after January 1, 2016 under IFRS-EU.
 - > IAS 1 (Amendment) 'Presentation of Financial Statements'. This amendment is mandatory for periods beginning on or after January 1, 2016 under IFRS-EU.
 - > IAS 16 (Amendment) 'Property, Plant and Equipment' and IAS 38 'Intangible Assets', regarding to acceptable methods of amortization and depreciation. This amendment is mandatory for periods beginning on or after January 1, 2016 under IFRS-EU.
 - > IAS 27 (Amendment) 'Separate financial statements' regarding the reinstatement of the equity method as an accounting option in separate financial statements. This amendment is mandatory for periods beginning on or after January 1, 2016 under IFRS-EU.
 - > IFRS 11 (Amendment) 'Joint Arrangements' regarding acquisition of an interest in a joint operation. This amendment is mandatory for periods beginning on or after January 1, 2016 under IFRS-EU.
 - > IAS 16 (Amendment) 'Property, Plants and Equipment' and IAS40 (Amendment) 'Investment Property'. These amendments are mandatory for periods beginning on or after January 1, 2016 under IFRS-EU
 - > IFRS 10 (Amendment) 'Consolidated financial statements', IFRS12 'Disclosure of Interests in Other Entities' and IAS28 'Investments in Associates and Joint Ventures' relating to sale or property contributions treatment between an investor and its associated or joint venture. These amendments have been delayed without a definite date under IFRS-EU.

Abengoa's Directors believe that the applications of these amendments have not had any material impact.
- b) Standards, interpretations and amendments published by the IASB that will be effective for periods after September 30, 2016:
 - > IFRS 9 'Financial Instruments'. This Standard will be effective from January 1, 2018 under IFRS-IASB and has not yet been adopted by the EU.
 - > IFRS 15 'Revenues from contracts with Customers'. IFRS 15 is applicable for periods beginning on or after 1 January 2018 under IFRS-UE, earlier application is permitted, that has already been

adopted by the EU on September 22, 2016 and published in the official bulletin of the EU on September 29, 2016.

- › Introduction of IFRS 16 "Leases" which supersedes IAS 17. Lessees will recognize most leases in the balance sheet as financed purchases. This standard will apply to periods beginning after January 1, 2019 under IFRS-EU.
- › IFRS 10 (Amendment) 'Consolidated financial statements', IFRS 12 'Disclosure of interests in other entities' and IAS 28 'Investments in associates and joint ventures' regarding the exemption from consolidation for investment entities. These amendments are mandatory for periods beginning on or after January 1, 2016 under IFRS-IASB and have not yet been adopted by the EU.
- › IAS 7 (Amendment) "Statement of cash flow" related to disclosures. This standard will apply to annual periods beginning after January 1, 2017 under IFRS-EU.
- › IAS 12 (Amendment) "Income taxes" related to the recognition of not realized deferred taxes. This standard will apply to annual periods beginning after January 1, 2017 under IFRS-IASB, earlier application is permitted, and annual periods beginning after January 1, 2018 under IFRS-EU.

The Group is currently in the process of evaluating the impact on the Consolidated condensed interim financial statements derived from the application of the new standards and amendments that will be effective for periods beginning after September 30, 2016.

Note 3.- Critical accounting policies

These Consolidated condensed interim financial statements under IFRS-EU standards require estimates and assumptions that have an impact in assets, liabilities, income, expenses and disclosures related. Actual results could be shown differently than estimated. The most critical policies, which show the most significant estimates and assumptions of the business to determine the amounts in these consolidated condensed interim financial statements, are:

The most critical accounting policies that involve estimations are as follows:

- › Impairment of intangible assets and goodwill.
- › Revenue and expense from construction contracts.
- › Service concession agreements.

- › Income taxes and recoverable amount of deferred tax assets.
- › Derivatives and hedging.
- › Guarantees provided to third parties.

Some of these critical accounting policies require the deployment of significant judgment by The Board of Directors in order to determine appropriate assumptions and estimates to determine these critical accounting policies. These estimates and assumptions are not only based on historical experience of the Company, but also, on the advice of experts and consultants, expectations and forecasts as of the end of the reporting period. Directors' assessment has to be considered given the business environment of the industries and geographies in which the Group operates, taking into account the future development of the business. Provided its nature, these judgments and assumptions are subject to an inherent degree of uncertainty and, thus, the real results may materially differ from assumptions and estimates used. Upon the occurrence of such event, assets and liabilities will be adjusted.

Based on what has been exposed in Note 2.1 regarding the application of the going concern accounting principle and during the accounting policies adaptation process, the best estimates and assumptions have been made by the Board of Directors in order to determine the impacts of that situation over the assets, liabilities, income and expenses.

Upon the occurrence of a significant change in the facts and circumstances upon which estimates and assumptions have been made, it may require the management to amend such estimates and assumptions in future periods. Changes in accounting estimates are recognized prospectively, in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

Note 4.- Financial risk management

Abengoa's activities are undertaken through its operating segments and are exposed to various financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk, liquidity risk and capital risk.

Due to the facts and circumstances occurred during the second half of the year 2015, Abengoa had at the end of November 2015 substantial liquidity needs mainly to attend capital expenditure in assets, short and medium term debt maturities related to operations and negative working capital.

On November 25, 2015, due to the circumstances explained above, the Company decided to initiate a refinancing process to try to reach an agreement with its main financial creditors that would ensure a suitable framework in which to undertake the said negotiations and the financial stability of the Group in the short and medium term.

In relation to the refinancing process, after carefully evaluating the situation described above and in order to ensure the stability necessary to conduct these negotiations with the creditors, the Board of Directors of the Company deemed that the most appropriate approach was to submit the communication provided under Article 5 bis of Ley Concursal. In this regard, on December 15, 2015, Commercial Court No. 2 of Seville issued a Decree agreeing that the communication provided for under Article 5 bis of Ley Concursal had been filed.

Afterwards, on August 11, 2016, it has been subscribed a Term Sheet of the restructuring agreement between Abengoa, S.A. and a group of entities comprised of main financial creditors and potential investors. Moreover, acceptance confirmations have been received to the comfort letter to finance the new money provided in the restructuring agreement in excess to the previous requirements in the Updated Viability Plan. The agreement is subject to certain documentation and a number of usual conditions in this kind of transactions.

Finally, on September 24, 2016, the restructuring contract was subscribed by the Company, several Group Companies whose financial liabilities will be restructured and a group of financial creditors which participates both in the existing financial liabilities and the new money and new guarantees tranches. Since that date, the accession period to such Restructuring Contract opened to the rest of financial creditors which finished on October 25, 2016 largely over the minimum of financial creditors legally required majority to which it was addressed. As a consequence of the aforementioned, on October 28, 2016 an application for the judicial approval of the restructuring agreement has been filed with the Mercantile Courts of Seville which has obtained the support of 86.0 per cent of the financial creditors to which it was addressed. On November 8 2016 the Judge of the Mercantile Court of Seville No. 2 has issued a resolution declaring the judicial approval of the Restructuring Agreement and extending the effects of the Standard Restructuring Terms set out in the Restructuring Agreement to those creditors of financial liabilities who have not signed the agreement or have otherwise expressed their disagreement with it.

Abengoa's Directors are confident on reaching a final agreement with creditors and, once signed, the achievement of the Viability Plan associated by means of the Group's ability to generate cash from operations which will allow the financial restitution of Abengoa, S.A., and to provide to Abengoa the optimal capital structure and the liquidity enough to continue its activity and operate in a competitive and sustainable manner in the future.

Note 5.- Financial information by segment

5.1. Information by business segment

› As indicated in Note 1, Abengoa's activity is grouped under the following three activities which are in turn composed of six operating segments that are totaled in the three business activities in which Abengoa operates and are as detailed below:

› Engineering and construction; includes the traditional engineering business in the energy and water sectors, with more than 70 years of experience in the market. This activity comprises one operating segment Engineering and Construction.

Abengoa specializes in carrying out complex "turnkey projects" for thermo-solar plants, solar-gas hybrid plants, conventional generation plants, biofuels plants and water infrastructures, as well as large-scale desalination plants and transmission lines, among others. In addition, this segment includes activities related to the development of thermo-solar technology, water management technology and innovative technology businesses such as hydrogen energy or the management of energy crops.

› Concession-type infrastructures; groups together the company's proprietary concession assets that generate revenues governed by long term sales agreements, such as take-or-pay contracts or power purchase agreements. This activity includes the operation of electric energy generation plants (solar, cogeneration or wind), desalination plants and transmission lines. These assets generate low demand risk and the Company focuses on operating them as efficiently as possible.

The Concession-type infrastructures activity comprises four operating segments:

Solar – Operation and maintenance of solar energy plants, mainly using thermo-solar technology.

Water – Operation and maintenance of facilities aimed at generating, transporting, treating and managing water, including desalination and water treatment and purification plants.

Transmission – Operation and maintenance of high-voltage transmission power line infrastructures.

Cogeneration and other – Operation and maintenance of conventional cogeneration electricity plants.

› Industrial production; covers Abengoa's businesses with a high technological component, such as development of biofuels technology. The company holds an important leadership position in these activities in the geographical markets in which it operates.

This activity is comprised of one operating segment:

Biofuels – Production and development of biofuels, mainly bioethanol for transport, which uses cellulosic plant fiber, cereals, sugar cane and oil seeds (soy, rape and palm) as raw materials.

- As a consequence of the open sale processes given the discontinuance of Bioenergy and the transmission lines in Brazil based on the Updated Viability Plan of Abengoa approved by the Board of Directors on August 3, 2016, and due to the significance of their activities developed by Abengoa, their Income Statement and Cash flow statements have been reclassified to discontinued operations in the Consolidated Income Statement and in the Consolidated cash flow statement as of September 30 2016 and 2015. The classification has been done in accordance with the IFRS 5 “Non-Current Assets Held for Sale and Discontinued Operations”.

Directors consider that the signature of the restructuring agreement will involve the application of measures determined in the Updated Viability Plan (see Note 2.1). Consequences that would overcome relating to financial information presented by segments are being assessed in accordance with the IFRS 8 “Operating Segments”.

- Abengoa’s Chief Operating Decision Maker (‘CODM’) assesses the performance and assignment of resources according to the above identified segments. The CODM in Abengoa considers revenues as a measure of the activity and the EBITDA (Earnings before interest, tax, depreciation and amortization) as measure of the performance of each segment. In order to assess the performance of the business, the CODM receives reports of each reportable segment using revenues and EBITDA. Net interest expense evolution is assessed on a consolidated basis given that the majority of the corporate financing is incurred at the holding level and the majority of investments in assets are held at project companies which are financed through project debt. The depreciation, amortization and impairment charges are assessed on a consolidated basis in order to analyze the evolution of net income and to determine the dividend pay-out ratio. These charges are not taken into consideration by CODM for the allocation of resources because they are non-cash charges.

The process to allocate resources by the CODM takes place prior to the award of a new project. Prior to presenting a bid, the company must ensure that the project debt for the new project has been obtained. These efforts are taken on a project by project basis. Once the project has been awarded, its evolution is monitored at a lower level and the CODM receives periodic information (revenues and EBITDA) on each operating segment’s performance.

- The following table shows the Segment Revenues and EBITDA for the nine months period ended September 30, 2016 and 2015:

Item	Revenue		EBITDA	
	For the nine months period ended		For the nine months period ended	
	09.30.16	09.30.15 (2)	09.30.16	09.30.15
Engineering and construction				
Engineering and construction	933,717	3,040,453	(157,184)	(1) 591,248
Total	933,717	3,040,453	(157,184)	591,248
Concession-type infrastructure				
Solar	26,055	153,988	16,531	107,299
Water	46,631	38,647	32,697	32,325
Transmission lines	2,242	1,405	(144)	742
Cogeneration and other	34,077	30,941	17,952	16,447
Total	109,005	224,981	67,036	156,813
Total	1,042,722	3,265,434	(90,148)	748,061

(1) Includes construction cost provisions of projects given the situation of the company and the applications of measures established in the approved Viability Plan for an amount of €-168 million (see Note 2.1).

(2) Restated figures. On September 30, 2016, the Company has reclassified the Income Statement for the nine-month period ended September 30, 2016 and 2015 of the operating segment of Bioenergy and of the concessional assets LAT Brazil owner companies to Profit/loss from discontinued operations due to their significant activities developed within Abengoa (see Note 7).

The conciliation of EBITDA and the profit attributable to owners of the parent is as follows:

Item	For the nine months period ended 09.30.16	For the nine months period ended 09.30.15
Total segment EBITDA	(90,148)	748,061
Amortization and depreciation	(591,996)	(198,359)
Financial expenses net	(936,799)	(548,597)
Share in profits/ (losses) of associates	(572,136)	7,994
Income tax expense	(118,561)	(8,805)
Profit (loss) from discontinued operations, net of tax	(3,093,072)	(388,741)
Profit attributable to non-controlling interests	(9,806)	194,537
Profit attributable to the parent company	(5,412,518)	(193,910)

The criteria used to obtain the assets and liabilities per segment, are described as follows:

- › With the objective of presenting liabilities by segment, Net Corporate Debt has been allocated by segments, since its main purpose is to finance investments in projects and in companies with the need to expand their businesses and lines of activity of the Group. Additionally, bridge loans issued at the corporate level have been allocated between different operating segments depending on the projects where funds have been allocated. The distribution of the corporate debt, at September 30, 2016, regardless of the classification of certain assets and liabilities held for sale (see Note 7), remains by segment in order to keep showing the final destination of funds.
- c) The investments in intangible assets and property, plant and equipment and fixed assets in projects by segments for the nine months period ended September 30, 2016 and 2015 is as follows:

Item	For the nine months period ended 09.30.16	For the nine months period ended 09.30.15 (1)
Engineering and construction		
Engineering and construction	16,157	89,898
Total	16,157	89,898
Concession-type infrastructure		
Solar	1,268	781,549
Water	10,868	52,574
Transmission lines	5,772	130,101
Cogeneration and other	110,383	396,121
Total	128,291	1,360,345
Total investments by segments	144,448	1,450,243
Discontinued operations	60,055	709,453
Total	204,503	2,159,696

(1) Restated figures. On September 30, 2016 the Company has classified the cash flow statement of the period September 30, 2016 and 2015 of the operating segment of Bioenergy and of the transmission line owner companies in Brazil as profit/loss from discontinued operations, given their significant activities developed within Abengoa (see Note 7).

- d) The distribution of depreciation, amortization and impairment charges by segments for the nine months period ended September 30, 2016 and 2015 is as follows:

Item	For the nine months ended 09.30.16 (1)	For the nine months ended 09.30.15 (2)
Engineering and construction		
Engineering and construction	147,306	127,937
Total	147,306	127,937
Concession-type infrastructure		
Solar	205,568	60,976
Water	257	6,723
Transmission lines	1,757	2,052
Cogeneration and other	237,108	671
Total	444,690	70,422
Total	591,996	198,359

(1) Includes an impairment recognized during the nine month period ended September 30, 2016 amounted to -€524 million given the situation of the Company (see Notes 7 and 8). Additionally, at September 30, 2016, the company has recognized an impairment amounted to -€2,258 classified as results from discontinued operations, as financial expense and as share in profit (loss) of associates carried under the equity method (see Notes 7, 10, 11 and 18).

(2) Restated figures. On September 30, 2016, the Company has reclassified the Income Statement for the nine-month period ended September 30, 2016 and 2015 of the operating segment of Bioenergy and of the concessional assets LAT Brazil owner companies to Profit/loss from discontinued operations due to their significant activities developed within Abengoa (see Note 7).

5.2. Information by geographic areas

The revenue distribution by geographical region for the nine months period ended September 30, 2016 and 2015 is as follows:

Geographical region	For the nine months period ended 09.30.16	%	For the nine months period ended 09.30.15 (*)	%
- North America	335,159	32	747,564	23
- South America (except Brazil)	120,423	12	1,104,357	34
- Brazil	48,143	5	403,787	12
- Europe (except Spain)	126,357	12	77,590	2
- Other regions	260,894	25	566,569	17
- Spain	151,746	15	365,567	11
Consolidated Total	1,042,722	100	3,265,434	100
Outside Spain amount	890,976	85	2,899,867	89
Spain amount	151,746	15	365,567	11

(*) Restated figures. On September 30, 2016 there has been classified the Income Statement for the nine-month period ended September 30, 2016 and 2015 of the operating segment of Bioenergy and of the concessional assets LAT Brazil owner companies as profit/loss from discontinued operations, given their significant activities developed within Abengoa (see Note 7).

Note 6.- Changes in the composition of the Group

6.1. Changes in the consolidation group

During the first nine months of the year 2016 a total of 1 subsidiary and 3 associated companies were added to the consolidation perimeter of the Group.

In addition, 25 subsidiaries, 3 associated companies and 7 joint ventures are no longer included in the consolidation group.

Within the companies which have left the consolidation perimeter is Abengoa Bioenergy Netherlands, B.V. given that, as a consequence of the declaration of bankruptcy by the Court of Rotterdam of such company on May 11, 2016, the appointment of a Liquidator and the consequent loss of control (see Note 2.1 and 8.2). Additionally, there is a change in the consolidation method applied to Abengoa Vista Ridge which is now consolidated through the equity method given the sale of the 80% interest (see Note 6.2).

6.2. Main acquisitions and disposals

a) Acquisitions

- There were no significant acquisitions during the nine months period ended September 30, 2016.

b) Disposals

- During the nine months period ended September 30, 2016, the main disposals are the following:
 - At the end of January 2016, the sale of the interest in Abengoa Solar Emirates Investment Company B.V. (TASEIC), parent company of Shams Power Company (owner company of a 100MW thermo-solar plant developed by Abengoa in Abu Dhabi) was concluded. As a consequence of this sale Abengoa received an amount of US\$30 million and has had a positive impact of €1 million in the Consolidated Income Statement.
 - On March 31, 2016, the sale of the interest in the company Nicefield (owner company of a 70MW wind farm developed by Abengoa in Uruguay) was concluded. This sale concluded with an amount of US\$0.4 million, releasing the company's obligations of US\$38 million of debt and its related guarantees, and has a positive impact in the Income Statement of €3 million.
 - At the beginning of April 2016, an agreement between Abengoa and Vela Energy, S.L. was closed for the sale of four photovoltaic plants located in the province of Seville and Jaen. The agreement, included in the divestment plan announced by the Company, has contributed with a debt reduction of €50 million, as well as a net cash inflow of €12 million and a negative impact in the Consolidated Income Statements at September 30, 2016 for an amount of €4 million.
 - On April 16, 2016 an agreement between Abengoa and a group of investors (Estudios y Explotaciones de Recursos, S.A.U. Ingeniería de Manutención Asturiana, S.A., Noy Negev Energy, Limited Partnership and Shikun & Binui - Solel Boneh Infrastructure Ltd.) was signed for the transaction of all the Abengoa's interest until that moment in the Project of Ashalim, consisting on the construction and operation of a 110MW thermo-solar plant located in Ashalim (Israel). The total amount of the transaction has been €64 million and was subjected to a number of conditions including the approval by creditors of the financing terms and the corresponding authorities of the State of Israel. As of September 30, 2016, all of the conditions have been accomplished and therefore its collection. Such sale transaction has contributed with a negative impact in the Consolidated Income Statement of €17 million (see Note 7).

- › On May 30, 2016, an agreement between Abengoa and Layar Castilla, S.A.U. has been signed for the transaction of all Abengoa's interest in Explotaciones Varias, S.L. which aims the organization and operation of activities and businesses in relation to the acquisition of agricultural plot and its operation in agricultural, hunting and farming businesses directly, on partnership or by lease, the planting of crops, irrigation works and sanitation. This sale was completed for an amount of €16 million and has contributed with a positive impact in the Consolidated Income Statement of €1 million.
- › At the beginning of June 2016, the agreement between Abengoa and the Company Garney has been closed for the transaction of the 80% Abengoa Vista Ridge LLC's interest as owner Company of the assets associated to a water and conduction plant in United States. The agreement has contributed to a debt reduction of €105 million and no cash generation. As a consequence, the control over the assets has been transferred. Thus, and according to IFRS 10 – Consolidated financial statements, the loss of control over the company has supposed the disposal of all the assets and liabilities associated to the Company at book value on the date in which the loss of control was effective, as well as all minority interest of the Company and the valuation of the 20% interest at fair value at the date of loss of control. Due to all the above, it has been recorded a positive impact in the Consolidated Income Statement of €74 million (see Note 22.2).
- › On July 5, 2016, an agreement between Abengoa and Excellence Field Factory, S.L.U. (affiliate company of Ericsson) was signed for the sale of the deployment and maintenance of communication networks and subscriber loop business, currently operated by Abentel, to such company expressly created by Ericsson. The agreement, subjected to the compliance of certain conditions, involve the collection of €5 million as established and will not have a significant impact in the Consolidated Income Statement.
- › Finally, within the 1G plants sale process in United States (Indiana, Illinois, Nebraska and York) in the Chapter 11 proceeding initiated (see Note 2.1), at the end of September the sale of such plants has been closed at the price established by the Court. Such sale has supposed a cash inflow of €128 million without impact in the Consolidated Income Statement given the previous impairment recognized at fair value due to its reclassification as asset held for sale (see Note 7). The net cash received will be distributed according to the liquidation plan to be presented.
- › On the other hand, and following the agreement reached with the infrastructure fund EIG Global Energy Partners ('EIG') on April 7, to establish the Joint Venture (JV) Abengoa Projects Warehouse I, LLP (APW-1) which structure consist of 55% invested by EIG and a remaining non-controlling interest of 45% by Abengoa, it should be note that, at the end of the year, the two asset transfer contributions to such JV were made by Abengoa (One corresponds to the 100% interest on CSP Atacama 1 and PV Atacama 1, solar plant project companies located in the

Atacama Desert, Chile, and another second corresponds to a minority interest contribution of the power transmission line assets in Brazil.

After the end of the year 2015, and taking into account the situation in which the Company was, a process of reaching an understanding with EIG which will regulate the relationship between both parties about the contribution transferred to date considering the global agreement initially signed which resulted to the establishment of APW-1. The completion of these negotiations is a necessary condition to make the Restructuring Agreement effective which was signed on September 2016.

After the nine month period ended September 30, 2016 closing, and as a consequence of the negotiations held during the last months prompted by the inability to comply by Abengoa with the terms of the signed agreement given the current situation, the Company has reached an agreement with EIG. In this sense, the main consequences of such agreement consist in the resignation by Abengoa of any right related to its contribution and credits over its investment in APW-1, which has supposed an impairment charge in the Consolidated Income Statement amounted to €367 million (see Notes 10 and 11), as well as the transaction of the acquisition right to Abengoa in the minority interest held in APW-1 over certain transmission lines in Brazil, in exchange of a compensation of €120 million, recognizing a financial expense in the Consolidated Income Statement for such amount (see Note 18.4).

6.3. Business combinations

During the first nine months of the year 2016, there has not been further business combinations in the Group.

Note 7.- Assets held for sale and discontinued operations

The asset rotation plan started at the end of 2014. Abengoa's Board of Directors, on September 23, 2015, aimed to reinforce its financial structure through the implementation of the plan through the sale or partial divestment, in case of external equity partners, of certain assets through a new plan that involves the divestment of those assets included in the initial plan which had not been sold at that date, as well as the new assets which were incorporated. Based on this plan, others assets have been incorporated given the situation of the company and the Updated Viability Plan approved by the Board of Directors last August 3, 2016 (see Note 2.1)

7.1. The table below shows the included assets of such plan at September 30, 2016. These assets are classified as non-current assets and liabilities held for sale in the Consolidated condensed statement of financial position because of the compliance of all the stipulations and requirements of IFRS 5, 'Non-Current Assets Held for Sale and Discontinued Operations':

Asset	Details	Capacity	Net book value of asset (5)
Solar Power Plant One (SPP1)	Combine cycle in Algeria	150 MW	202,224
Manaus Hospital / Concecutex	Concessions in Brazil and Mexico	300 camas / 10.000 personas	181,830
Khi Solar One / Xina Solar One	Solar plants in South Africa	150 MW	211,051
Tenés / Ghana / Chennai	Desalination plants	360.000 m3/día	326,471
Abent 3T & ACC4T (**)	Cogeneration plant in Mexico	840 MW	1,157,485
Atacama 2 (**)	Solar platform in Chile	280 MW	308,492
Ashalim (*)	Solar plant in Israel	110 MW	-
Norte III	Combine cycle in Mexico	924 MW	254,973
ATN 3, S.A. (**)	Transmission lines in Peru	355 km	80,920
Bioethanol (***)	1G and 2G Bioethanol plant in USA, Europe and Brazil	3.200 ML	954,481
ATE IV-VIII, XVI-XXIV, Manaus y Norte Brasil (4)	Transmission lines in Brazil	9.750 km	1,418,126
Xfera Moviles, S.A	Financial investment	-	20,626

(1) Sold during July 2016.

(2) Companies with assets held for sale at December 31, 2014. Circumstances and loss of control of these companies since last August 2015 (see Note 2.1) have delayed the rotation process. However, the intention of Directors remains to sale such companies as established in the Updated Viability Plan approved by the General Shareholders meeting in August 2016.

(3) 1G plants in USA have been sold during September 2016 (see Note 6.2).

(4) €1,386 million correspond to transmission lines in operation.

(5) Carrying amount of assets after the impairment recognized based on its fair value when applicable see Note 7.2).

Additionally, as a consequence of the different open sale proceedings and the discontinuance of the Bioenergy and Brazilian transmission lines businesses based on the Updated Viability Plan of Abengoa, and due to their significant activities developed within Abengoa, they have been classified in the Income Statement, as well as, the cash flow statement for the period ended September 30, 2016, and 2015, to Discontinued operations in the Consolidated Income Statement and the consolidated cash flow

statement, in compliance with all assumptions and requirements of the IFRS 5 'Non-Current Assets Held for Sale and Discontinued Operations'.

7.2. All previous net assets are accounted at the carrying amount they had prior to being classified as held for sale (their carrying amount is lower than fair value less cost to sale), except the assets related to the 1G and 2G plants of bioethanol in United States (Indiana, Illinois, Nebraska, York and Hugoton) and 1G in Brazil, transmission lines in Brazil, solar plants in Chile (Atacama II), power generation plants in Mexico (Abent 3T and ACC4T) and the investment over Xfera Moviles, S.A. which are recorded at their fair value less cost to sale due to their lower value in comparison with their carrying amount. In this sense, in relation with the 1G and 2G plants assets in USA and 1G plants in Brazil, the fair value have been obtained depending on their expected recovery value after their sales based on a price in an open sale process, concretely, concerning the 1G plants in USA, their sales have taken place at the end of September (see Note 2.1). In relation with the transmission line assets in Brazil, the fair value have been obtained depending on their expected recovery value after their sales obtained from a bid purchase price in an open sale process and the liquidation price assigned in the sale program presented in the recuperation plan considered in the open proceeding in Brazil (see Note 2.1). Additionally, in relation with the solar plant assets located in Chile and power generation plant in México, the fair value have been obtained depending on their expected recovery value after their sales obtained of market variables adapted to the specific situation of each asset provided in the Updated Viability Plan approved by the Company last August 2016. Finally, in relation with the investment in Xfera Moviles, S.A. the fair value has been obtained depending on its expected recovery value after its sale based on an already agreed price in the final sale agreement (see Note 11).

In all of these cases, the difference arisen between carrying amount and fair value has been recognized as impairment loss in the Consolidated Income Statement at September 30, 2016. The following breakdown shows such negative impacts (in million euros):

Item	Amount
Bioethanol (1G and 2G plants in USA) (*)	(846)
Bioethanol (1G plants in Brazil) (*)	(676)
Transmission lines in Brazil (in operation) (*)	(150)
Transmission lines in Brazil (in construction) (*)	(832)
Solar (Atacama platform in Chile) (*)	(165)
Power generation (Abent 3T and ACC4T plants)	(238)
Xfera Moviles	(33)
	(2,940)

(*)Registered as Profit (loss) from discontinued operations.

7.3. At September 30, 2016 and December 31, 2015, the breakdown of assets and liabilities in the Consolidated Condensed Interim Statements of Financial Position related to the rotation plan in force in each date, reclassified as assets and liabilities held for sale is the following:

Item	Balance as of 09.30.16	Balance as of 12.31.15
Intangible assets	653,676	-
Property plant and equipment	315,734	-
Fixed assets in projects	3,888,190	3,021,586
Investments in associates	238,453	163,667
Financial investments	20,626	3,306
Deferred tax assets	771,550	11,298
Current assets	612,618	31,589
Project debt	(1,848,894)	(923,497)
Corporate financing	(558,203)	-
Other non-current liabilities	(417,807)	(168,537)
Other current liabilities	(647,687)	(74,976)
Total net assets and liabilities held for sale	3,028,256	2,064,436

7.4. As of September 30, 2016 and 2015, a breakdown of the Income Statement of the transmission lines in Brazil concessional assets owner companies reclassified as results from discontinued operations is as follows:

	For the nine months period ended 09.30.16 (*)	For the nine months period ended 09.30.15
Revenue	94,393	63,813
Other operating income	14,404	(1,592)
Operating expenses (*)	(1,037,306)	(2,836)
I. Operating profit	(928,509)	59,385
II. Financial expense, net	(66,392)	(47,294)
III. Share of profit/(loss) of associates carried under the equity method	156	215
IV. Profit before income tax	(994,745)	12,306
V. Income tax benefit	(4,162)	(4,111)
VI. Profit for the period from continuing operations	(998,907)	8,195
VII. Profit attributable to minority interests	(88)	(2,876)
VIII. Profit for the period attributable to the parent company	(998,996)	5,319

(*) The impairment recognized over the assets amounts to 982 million (see Note 9.1).

7.5. Additionally, for the nine months period ended September 31, 2016 and 2015, the cash flow statement related to transmission lines in Brazil which has been reclassified as discontinued operations is as follows:

Item	For the nine months period ended 09.30.16	For the nine months period ended 09.30.15
Profit for the year from continuing operations adjusted by non monetary items	67,962	66,600
Variations in working capital	(8,933)	73,433
Interest and income tax received / paid	(12,162)	(21,518)
A. Net cash provided by operating activities	46,867	118,515
B. Net cash used in investing activities	(29,892)	(187,269)
C. Net cash provided by financing activities	(21,405)	54,177
Net increase/(decrease) in cash and cash equivalents	(4,430)	(14,577)
Cash, cash equivalents and bank overdrafts at beginning of the year	29,844	47,629
Translation differences cash or cash equivalent	4,822	(8,411)
Cash and cash equivalents at end of the year	30,235	24,641

7.6. As of September 30, 2016 and 2015, a breakdown of the Bioenergy business segment reclassified as results from discontinued operations is as follows:

	For the nine months period ended 09.30.16 (*)	For the nine months period ended 09.30.15
Revenue	840,516	1,543,273
Other operating income	14,555	55,419
Operating expenses (*)	(2,764,677)	(1,679,221)
I. Operating profit	(1,909,606)	(80,529)
II. Financial expense, net	(42,239)	(62,299)
III. Share of profit/(loss) of associates carried under the equity method	-	-
IV. Profit before income tax	(1,951,845)	(142,828)
V. Income tax benefit	(142,320)	131,206
VI. Profit for the period from continuing operations	(2,094,165)	(11,622)
VII. Profit attributable to minority interests	323	521
VIII. Profit for the period attributable to the parent company	(2,093,842)	(11,101)

(*) Includes the impairment recognized over the assets amounted to €1,522 million (see Note 7) as well as the impact due to the loss of control of Abengoa Bioenergy Netherlands, B.V. amounted to €454 million (see Note 8.2).

7.7. Additionally, for the nine months period ended September 31, 2016 and 2015, the cash flow statement related of the Bioenergy business segment which has been reclassified as discontinued operations is as follows:

Item	For the nine months period ended 09.30.16	For the nine months period ended 09.30.15
Profit for the year from continuing operations adjusted by non monetary items	23,113	17,028
Variations in working capital	(152,908)	245,528
Interest and income tax received / paid	(34,862)	(39,698)
A. Net cash provided by operating activities	(164,657)	222,858
B. Net cash used in investing activities	281,339	(113,685)
C. Net cash provided by financing activities	(223,485)	(45,810)
Net increase/(decrease) in cash and cash equivalents	(106,803)	63,363
Cash, cash equivalents and bank overdrafts at beginning of the year	297,257	674,785
Translation differences cash or cash equivalent	528	5,338
Cash and cash equivalents at end of the year	190,982	743,486

Note 8.- Intangible assets and property, plant and equipment

8.1. The detail of the main categories included in intangible assets as of September 30, 2016 and December 31, 2015 is as follows:

Item	Goodwill	Development assets	Other	Total
Intangible assets cost	50,447	328,593	153,746	532,786
Amortization and impairment	(50,447)	(286,395)	(64,535)	(401,377)
Total as of September 30, 2016	-	42,198	89,211	131,409

Item	Goodwill	Development assets	Other	Total
Intangible assets cost	364,429	1,241,032	185,497	1,790,958
Amortization and impairment	-	(256,769)	(88,212)	(344,981)
Total as of December 31, 2015	364,429	984,263	97,285	1,445,977

The most significant variation during the nine month period ended September 30, 2016 mainly corresponds to a decrease caused by the reclassification as assets held for sale of intangible assets related to the Bioenergy business segment given the compliance of all conditions and requirements of the IFRS5 – “non-current assets held for sale and discontinued operations” after its inconsideration as continuing operations in the Updated Viability Plan approved by the Company’s Directors. In relation to the aforementioned, intangible assets related to Bioenergy in Brazil (1G plants) and in United States (Hugoton 2G plant) that, after the beginning of their respective sale processes and given that their carrying value are higher than their fair value less cost to sell (taking into account as a reference the price in purchase offer to estimate the fair value), there is an impairment loss of such assets in the Consolidated Income Statement, classified as profit from continuing operations (see Note 7).

Additionally, there has been a decrease due to the impairment registered over certain intangible assets (goodwill, and development assets) pertaining to the Engineering and Construction segment, due to the uncertain recovery given the problems arisen during the period to keep the activity in an appropriate way because the current situation of the Company. In accordance with the available information for the Directors and based on the best estimates, an expense for such concept amounted of €90 million for has been recorded in the interim Consolidated Income Statement at September 30, 2016.

8.2. The detail of the main categories included in Property, plant and equipment as of September 30, 2016 and December 31, 2015 is as follows:

Item	Lands and buildings	Technical installations and machinery	Advances and fixed assets in progress	Other fixed assets	Total
Property, plant & equipment cost	163,806	155,034	12,739	70,981	402,560
Depreciation and impairment	(45,906)	(118,556)	(7,074)	(46,214)	(217,750)
Total as of September 30, 2016	117,900	36,478	5,665	24,767	184,810

Item	Lands and buildings	Technical installations and machinery	Advances and fixed assets in progress	Other fixed assets	Total
Property, plant & equipment cost	485,721	1,219,862	56,589	104,992	1,867,164
Depreciation and impairment	(125,876)	(512,300)	-	(74,914)	(713,090)
Total as of December 31, 2015	359,845	707,562	56,589	30,078	1,154,074

The most significant variation during the nine month period ended September 30, 2016, mainly corresponds to the decrease generated by the exit of the consolidation perimeter of Abengoa Bioenergy Netherlands, B.V. after its loss of control over this company as a consequence of the beginning of the liquidation process after the declaration of bankruptcy in the last month of May (see Note 2.1). In this way, and in accordance with the IFRS 10 – Consolidated financial statements, the loss of control over this Company has generated the disposal of all the assets and liabilities related to the Company at book value on the date in which the loss of control was effective, as well as the recognition of the retained interest over this company. Additionally, all assets and liabilities arisen after the loss of control have been recorded at fair value. Given the situation of bankruptcy of the company, the investment fair value has been obtained based on the recovery amount after the finalization of the liquidation process (none recovery value), recognizing an impairment charge amounted to €454 million in the Consolidated Income Statement as results from discontinued operations, consequence of its reclassification as asset held for sale like all assets and liabilities related to the Bioenergy business segment (see Note 7).

Additionally to the aforementioned, there is a decrease due to the reclassification as assets held for sale, of the rest of net assets related to the Bioenergy business segment given the compliance of all conditions and requirements of the IFRS5 – “non-current assets held for sale and discontinued operations” after its inconsideration as continuing operations in the Updated Viability Plan by the Company administrators. In relation to the aforementioned, there are assets of 1G bioethanol plants in United States (Nebraska and York) that, after the beginning of the sale process initiated within the Chapter 11 proceedings (see Note 2.1) and given that the carrying amount is greater than its fair value less cost to sell (taking into account as a reference the price in purchase offer to estimate the fair value), there is an impairment expense in the Consolidated Income Statement, classified as Profit (loss) from discontinued operations (see Note 7).

Finally, it should be noted that there is a decrease caused by the impairment registered in Technical facilities and machinery, as well as in certain lands and constructions not affected to the Abengoa’s business given their uncertain future recoverability given the current situation of the Company. In accordance with the available information by Directors and based on best estimations, there is an expense for such concept in the depreciation, amortization and impairment charges line in the Engineering and Construction segment amounted to €31 million.

Note 9.- Fixed assets in projects

There are several companies which engage in the development of projects including the design, construction, financing, operation and maintenance of owned assets or assets under concession-type agreements.

9.1. The detail of concessional assets in projects as of September 30, 2016 and December 31, 2015 is as follows:

Item	Intangible and financial assets	Development assets	Total
Concession assets in projects cost	10,209	294,088	304,297
Amortization and impairment	(2,015)	(17,925)	(19,940)
Total as of September 30, 2016	8,194	276,163	284,357

Item	Intangible and financial assets	Development assets	Total
Concession assets in projects cost	2,485,489	280,166	2,765,655
Amortization and impairment	(354,364)	-	(354,364)
Total as of December 31, 2015	2,131,125	280,166	2,411,291

The most significant variation during the nine month period ended September 30, 2016, mainly corresponds to the decrease due to the reclassification, as assets held for sale, of intangible assets of the concessional assets related to the transmission lines in Brazil. These assets comply with all assumptions and requirements of the IFRS 5 ‘Non-Current Assets Held for Sale and Discontinued Operations’ after the sale process initiated in the “recuperação judicial” framework provided by the Brazilian law (see Note 2.1 and 7). Given that the carrying amount is greater than fair value less cost to sell (taking into account as a reference the purchase offer to estimate the fair value) there is an impairment expense in the Income Statement, included as profit (loss) from discontinued operations (see Note 7). All this variation has been partially offset by the increase caused by the slight progress in Zapotillo Aqueduct concession and Unidad Punta de Rieles concession.

9.2. The detail of the main categories included in Other assets in projects as of September 30, 2016 and December 31, 2015 is as follows:

Item	Land and buildings	Technical installations and machinery	Advances and fixed assets in progress	Other PP&E	Software and other intangibles	Total
Other assets in projects cost	166,645	11,657	18	3,533	716	182,569
Depreciation and impairment	(37,009)	(4,930)	-	(1,064)	(299)	(43,302)
Total as of September 30, 2016	129,636	6,727	18	2,469	417	139,267

Item	Land and buildings	Technical installations and machinery	Advances and fixed assets in progress	Other PP&E	Software and other intangibles	Total
Other assets in projects cost	280,505	752,550	9,561	294,591	53,737	1,390,944
Depreciation and impairment	(48,572)	(275,945)	-	(92,055)	(26,000)	(442,572)
Total as of December 31, 2015	231,933	476,605	9,561	202,536	27,737	948,372

The most significant variation during the nine month period ended September 30, 2016 mainly corresponds to the decrease caused by the reclassification, as assets held for sale, of the fixed assets related to the 1G bioethanol plants in United States (Indiana and Illinois) and in Brazil, in compliance with all assumptions and requirements of the IFRS 5 'Non-Current Assets Held for Sale and Discontinued Operations' after its inconsideration as continuing operations in the Updated Viability Plan by the Company Directors. In relation to the aforementioned, after their respective sale processes (both for assets in Brazil and United States) and given that their carrying amount are lower than their fair value less cost to sell (taking into account as a reference the price in purchase offer to estimate the fair value), there has been recognized and impairment charge for such assets in the Consolidated Income Statement, classified as profit (loss) from discontinued operations (see Note 7).

Note 10.- Investments accounted for using the equity method

10.1. The detail of the main categories included in Investments accounted for using the equity method as of September 30, 2016 and December 31, 2015 is as follows:

Item	Balance as of 09.30.16	Balance as of 12.31.15
Associates	769,688	918,136
Joint Ventures	6,689	279,555
Total Investments accounted for using the equity method	776,377	1,197,691

The most significant variations of investments in associates and joint ventures during the first nine months of 2016 correspond to the decrease due to the depreciation caused by the impairment over the APW-1 JV interest (see Note 6.2) amounted €246 million after the loss of control of all economic rights over such investment due to the agreement reached with EIG after the nine month period ended September 30, 2016 (see Note 6), the sale of the investments over Explotaciones Varias, S.L. (see Note 6.2), the reclassification as assets held for sale of the investment in the thermo-solar project Xina in South Africa and the desalination project of Chennai in India (see Note 7) and the impairment over not significant investments related to the water activity amounted to €7 million. All this variation has been partially offset by the reclassification of Abengoa Water USA as associate as a consequence of the loss of control due to the transaction of the 80% interest in Abengoa Vista Ridge LLC (see Note 6.2).

Additionally, there has been a decrease in the investment over the associate Rioglass Solar. In this sense, it should be noted that, related to the agreement reached at the 2015 closing with the minority partner (Rioglass Laminar) in which the control was transferred to that company, a convertible loan had been signed between Abengoa Rioglass as borrower and Rioglass Laminar as lender for an amount of €15 million. Such convertible loan was indispensable to keep the business under going concern and avoid the bankruptcy of Rioglass. The conversion of the loan into preferred equity (with preference only in the case of liquidation of sale of the company if Abengoa would take part in that) would happened if Abengoa would not have made a number of payments as client until April 20, 2016. In case of the 100% conversion, the preferred equity would be transferred to the outstanding capital and thus, Abengoa's interest would be diluted to 15%. Finished the payment period without compliance by Abengoa given the situation of the Company, a negotiation with the partner Rioglass Laminar is being carried out in order to reach an agreement of shareholders and specifically concerning the minority interest protection. On September 30, 2016 there had not been yet the legally conversion of the loan.

Regardless the aforementioned, and given the high probability expected by Directors in the conversion of the loan, at the end of the nine month period of 2016, it has been registered the potential dilution and the expense due to the impairment in the investment over Rioglass Solar in the Consolidated Income Statement for the nine month period ended September 30, 2016 amounted to €82 million as Share of profit (loss) of associates carried under the equity method.

10.2. At September 30, 2016, the most significant investment to disclose about assets, liabilities and Income Statement correspond to Atlantica Yield for an amount of €729,393 thousand (€764,358 thousand as of December 31, 2015). The Abengoa's investment over Atlantica Yield reaches the 41.47%. The 99.94% Abengoa's shares in Atlantica Yield have been pledged as guarantee of the liquidity lines of December 2015, March 2016 and September 2016.

As of September 30, 2016 and December 31, 2015, the assets and liabilities breakdown in the Consolidated Statement of Financial Position of Atlantica Yield is the following:

Item	Balance as of 09.30.16	Balance as of 12.31.15
Fixed assets in projects	8,217,239	8,554,873
Investments in associates	46,985	49,880
Financial investments	62,525	92,152
Deferred tax assets	170,795	173,118
Other non-current assets	3,640	-
Current assets	1,066,447	873,135
Project debt	(5,593,751)	(5,648,284)
Other non-current liabilities	(2,055,359)	(2,059,018)
Other current liabilities	(169,823)	(178,444)
Total net assets and liabilities	1,748,698	1,857,412

The amount related to Other comprehensive income amounts to a loss of €82 million (€78 million as of December 31, 2015).

The following breakdown shows the Atlantica Yield Income Statement for the nine months period ended September 30, 2016 and 2015:

Item	For the nine months period ended 09.30.16	For the nine months period ended 09.30.15
Revenue	683,835	409,272
Other operating income	42,715	33,629
Operating expenses	(399,773)	(610,544)
I. Operating profit	326,777	(167,643)
II. Financial expense, net	(275,082)	(201,569)
III. Share of profit/(loss) of associates carried under the equity method	4,574	4,157
IV. Profit before income tax	56,269	(365,055)
V. Income tax benefit	(41,327)	(20,259)
VI. Profit for the period from continuing operations, net of tax	14,942	(385,314)
VII. Profit attributable to non-controlling interests	(6,437)	197,310
VIII. Profit for the period attributable to the parent company	8,505	(188,004)

(*) On September 30, 2015 there is an impairment charge of €198 million attributable to the parent company and an impairment amounted to €218 million attributable to minority interest.

Note 11.- Financial investments

The detail of the main categories included in financial investment as of September 30, 2016 and December 31, 2015 is as follows:

Item	Balance as of 09.30.16	Balance as of 12.31.15
Available for sale financial assets	2,436	41,057
Other receivable accounts	143,160	1,057,729
Derivative assets	14,319	14,941
Total non-current financial investments	159,915	1,113,727

Item	Balance as of 09.30.16	Balance as of 12.31.15
Available for sale financial assets	4,311	5,342
Other receivable accounts	139,421	499,665
Derivative assets	779	13,814
Total current financial investments	144,511	518,821

Total financial investments	304,426	1,632,548
------------------------------------	----------------	------------------

The most significant variations in current financial investments during the nine months of 2016 mainly correspond to a decrease due to the maturity of deposits associated to non-recourse confirming (see Note 21), the reclassification as held for sale of certain financial investments related to transmission lines in Brazil, the segment of Bioenergy and the investment own by Abengoa over Xfera Moviles, S.A., the decrease of the Befesa convertible loan and the impairment in receivables in the investment in APW-1 (see Note 6.2).

In relation to the investment over Xfera Moviles, S.A. it should be known that, on June 20, 2016 an agreement has been signed between Abengoa and Masmovil Phone & Internet, S.A.U. for the transaction of the 3% interest owned by Abengoa until that moment over Xfera Moviles, S.A. (Yoigo as trademark), as well as the corresponding rights on the equity loans conceded to such company. On the other hand, Telia, with a 76.56%; ACS with a 17% and FCC with a 3.44% interest; have agreed the sale of their investments to Masmovil. With this transaction, which will be closed in the following months, Abengoa could have collected up to €35 million by mean of the following instruments:

- a) An amount of €21 million as loan amortization in 7 years since the seventh year which accrues a fix interest rate of 2% and a variable interest rate of 3% depending on the compliance by Xfera of several financial ratios and an early redemption option by Abengoa since the third month to the second year after the contract enters in force. Such early redemption option would be assured by an unconditional bank guaranty in first requirement. Additionally, it is conceded to Abengoa the right to capitalize the loan when several temporary terms and conditions are met by Xfera of several financial ratios.
- b) An amount of €14 million as "earn-Out" in accordance to the established rules in the contract. In early redemption case, Abengoa will not have the right to collect any amount for this concept. €21 million will be collected at the operation closing, while the outstanding €14 million will be subjected to the results obtained by Yoigo in the following years.

Regardless the entry in force of this contract at September 30, 2016 closing, and given that the investment in Xfera is registered at fair value, the company has recognized as financial losses the impairment charge of €33 million (see Notes 7 and 22.2) as the difference between the book value and the amount to be collected of the loan, given the high probability of Abengoa to exercise the right of early redemption given the current situation of the liquidity of the company. On October 2016, the sale process of the investment in Xfera has been completed generating an amount collected of €21 million.

Additionally, and in relation to the Befesa convertible loan, it should be known that, at the beginning of May 2016 the agreement signed between Abengoa and the investment fund Triton Partner to sell the mentioned convertible loan in shares of Befesa Medio Ambiente, S.L.U. after the exercise of the sold purchase option by Abengoa on March 2016 for an amount of €20 million. As of September 30, the sale amount has been already been collected and a loss has been recognized for an amount of €136 million in the Consolidated Income Statement at September 30, 2016 (see Note 22.2) classified as financial expense, net (see Note 22.2)

Finally, in relation with receivables in the investment in APW-1, and as a consequence of the agreement reached with EIG (see Note 6.2), a loss of €121 million has been recognized as Share of profit (loss) of associates carried under the equity method in the Consolidated Income Statement at September 30, 2016 due to the resignation of the collection right from Abengoa.

Note 12.- Derivative financial instruments

The fair value of derivative financial instruments as of September 30, 2016 and December 31, 2015 is as follows:

Item	Balance as of 09.30.16		Balance as of 12.31.15	
	Assets	Liabilities	Assets	Liabilities
Exchange rate derivatives – cash flow hedge	14,620	1,139	22,067	37,181
Exchange rate derivatives – fair value hedge	2	-		
Exchange rate derivatives – non-hedge accounting	77	-	4,313	4,139
Interest rate derivatives – cash flow hedge	397	12,653	1,522	6,736
Interest rate derivatives – non-hedge accounting	-	6,198	-	32,998
Commodity derivatives – cash flow hedge	-	-	846	34,320
Embedded derivatives of convertible bonds, exchangeable bonds and shares options	2	196	7	30,545
Total	15,098	20,186	28,755	145,919
Non-current part	14,319	16,977	14,941	38,002
Current part	779	3,209	13,814	107,917

The most significant variation during the nine month period ended September 30, 2016 corresponds to the net decrease in derivative financial liabilities mainly due to the sale of the convertible bond of Befesa to Triton Investment Fund (see Note 11), to the decrease due to an early settlement of interest rate derivatives associated to the syndicated loan, to the decrease in the fair value of the convertible bond embedded derivative to ordinary shares of Atlantica Yield maturing on 2017 (see Note 18.3) as well as the decrease due to the reclassification of all derivative assets and liabilities related to Bioenergy as held for sale, in accordance with the IFRS 5 'Non-Current Assets Held for Sale and Discontinued Operations' given their open sale processes due to their inconsideration as continuing activity in the Updated Viability Plan approved by the Directors of the Company.

The fair value amount transferred to the Consolidated Income Statement in 2016 concerning the financial instruments derivatives designated as hedging instruments is a loss of €26,987 thousand (€91,516 thousand as of September 30, 2015).

The net amount of derivatives fair value transferred directly to the Consolidated Income Statement as a result of not meeting all the requirements of IAS39 to be designated as accounting hedges represents a loss of €332 thousand (loss of €3,977 thousand as of September 30, 2016).

Note 13.- Inventories

Inventories as of September 30, 2016 and December 31, 2015 were as follows:

Item	Balance as of 09.30.16	Balance as of 12.31.15
Goods for sale	1,374	5,766
Raw materials and other supplies	40,116	114,424
Work in progress and semi-finished products	1,779	139
Projects in progress	10,563	33,368
Finished products	14,922	55,350
Advance Payments to suppliers	53,090	102,215
Total	121,844	311,262

Note 14.- Clients and other receivable accounts

The breakdown of Clients and other receivable accounts as of September 30, 2016 and December 31, 2015 is as follows:

Item	Balance as of 09.30.16	Balance as of 12.31.15
Customer receivables	600,270	515,088
Unbilled revenues	398,002	787,535
Bad debt provisions	(76,722)	(63,707)
Tax receivables	485,295	552,958
Other debtors	118,412	212,562
Total	1,525,257	2,004,436

At the nine month period ended September 30, 2016, Abengoa had non-recourse factoring lines, of which €16 million had been factored and a global transfer agreement of non-recourse collection rights related to the construction of a combined cycle plant in Mexico by €387 million.

Note 15.- Share capital

As of September 30, 2016 the share capital amounts to €1,835,465.83 corresponding to 941,771,952 shares completely subscribed and disbursed, divided into two distinct classes, as follows:

- › 83,187,446 class A shares with a nominal value of 0.02 Euro each, all in the same class and series, each of which grants the holder a total of 100 voting rights ('Class A Shares').
- › 858,584,506 class B shares with a nominal value of 0.0002 Euros each, all in the same class and series, each of which grants One (1) voting right and which affords its holder economic rights identical to the economic rights of Class A shares as stated in article 8 of the Company's by-laws ('Class B Shares' and, together with class A shares, 'Shares with Voting Rights').

The parent company Abengoa, S.A. has incurred in losses since 2015 which has supposed a significant decrease in Equity and, as a consequence, at the end of the period September 30, 2016 presents a situation of financial instability (negative net equity). In accordance with the Article 363 of the Spanish Corporation Law, a Company will be in dissolution situation when losses lead Net Equity to an amount lower than half shared capital, unless an increase or decrease in capital share were enough. In this sense, Directors are adopting necessary measures to restore the financial stability (see Note 2.1).

Abengoa's shares are represented by class A and B shares which are listed on the Madrid and Barcelona stock exchanges and on the Spanish Stock Exchange Electronic Trading System (Electronic Market). Class A shares have been listed since November 29, 1996 and class B shares since October 25, 2012. The Company presents mandatory financial information quarterly and semiannually.

In accordance with notifications received by the company and in compliance with reporting requirements to communicate shareholding percentages (voting rights) and the information received from relevant parties, shareholders with a significant holding as of September 30, 2016 are as follows:

Shareholders	Share %
Inversión Corporativa IC, S.A. (*)	44.71
Finarpisa, S.A. (*)	5.96

(*) Inversión Corporativa Group

On September 30, 2012 the General Shareholders' Meeting approved a capital increase of 430,450,152 Class B shares with a nominal value of €0.01 each reducing its unrestricted reserves, which would be delivered to all shareholders on a proportion of four Class B share by each owned Class A or B share. Such General Shareholders' Meeting approved a voluntary conversion right to change Class A shares of one euro nominal value (€0.002 nominal value as of December 31, 2015) to Class B shares of €0.01 nominal value (€0.0002 nominal value as of December 31, 2015) during certain pre-established periods until December 31, 2017. After exercising this right and after a capital reduction by means of the nominal value of all the class A shares at 0.98 each at that moment and all Class B shares at 0.0098 each at that moment, agreed by the Extraordinary Shareholders' Meeting of the company in October 10, 2015, a capital reduction by means of the nominal value of the converted shares at the value of €0.0198 per share, with unrestricted reserves credit.

With respect to the foregoing, after closing the 16th liquidity window dated January 15, 2016, the Company carried out on January 22, 2016, a reduction of capital share by the amount of €898.74 by means of the conversion of 45,391 Class A shares into new Class b shares.

Additionally, after closing the 17th liquidity window dated April 15, 2016, the Company carried out on April 19, 2016, a reduction of capital share by the amount of €1,323.91 by means of the conversion of 66,864 Class A shares into new Class b shares.

On the other hand, after closing the 18th liquidity window dated July 15, 2016, the Company carried out on July 28, 2016, a reduction of capital share by the amount of €3,314.12 by means of the conversion of 167,380 Class A shares into new Class b shares.

Finally, after the after closing the 19th liquidity window dated October 15, 2016, the Company carried out on October 27, 2016, a reduction of capital share by the amount of €1,219.98 by means of the conversion of 61,615 Class A shares into new Class B shares.

On January 4, 2016 a capital increase take place, without preferential subscription right, with the issue of 34,013 Class B shares with a nominal value of €6.80 for the purpose of meeting the conversion requests related to the Convertible Bond €400,000,000 at an interest rate of 6.25% maturing in 2019, issued by the Company on January 2013.

On the other hand, on July 19, 2016, the Company carried out a capital increase, without preferential subscription right as well, for an amount of 40.82 euros of nominal value by means the issuance of 204,081 new Class B shares aiming to attend the conversion applications received in relation to the 400,000,000 euros convertible bond at 6.25% interest rate and maturing on 2019 issued by the Company in January 2013.

Additionally, on October 24, 2016, the Company has carried out a capital increase, without preferential subscription right as well, for an amount of 6.80 euros of nominal value by means the issuance of 34,013 new Class B shares aiming to attend the conversion applications received in relation to the 400,000,000 euros convertible bond at an interest rate of 6.25% interest rate and maturing on 2019 issued by the Company in January 2013.

As a consequence of the mentioned operations, the share capital of Abengoa at the date of October 27, 2016, amounts €1,834,252.65 represented by 941,805,965 shares fully subscribed and paid, pertaining to two different classes: : 83,125,831 Class A shares and 858,680,134 Class B shares.

The proposed distribution of 2015 of the parent company approved by the General Shareholders 'Meeting in September 30, 2016 has been charged to retained earnings.

Abengoa's Board of Directors held on September 23, 2015 approved the suspension of our dividend until Abengoa achieve a credit rating of "BB-" from Standard & Pools or "Ba3" from Moody's or our leverage ratio of Gross Corporate Debt (including bridge loan), as of the most recent balance sheet date which is approved, to Corporate EBITDA for the twelve months immediately preceding such balance sheet date, falls below 3.5x. As long as Abengoa do not reach the aforementioned credit rating or leverage ratio, Abengoa will not distribute dividends to their shareholders

The Board of Directors of Abengoa, at its meeting held on October 10 and 17, 2016, has unanimously resolved to call an Extraordinary General Shareholders' Meeting of the Company to be held at its registered address, Campus Palmas Altas, in Seville, on November 21, 2016, at 11:00 a.m., on first call, and if the required quorum is not met, on second call, the next day, November 22, 2016, at the same time and place, in order to address the agenda appearing in the text to the call of the meeting.

The proposed resolutions are justified to comply with the terms and conditions of the restructuring agreement dated 24 September 2016 include, among others, the following:

1. The provision of essential assets to "Abengoa Abenewco 2, S.A.U." and the subsequent provision of the same by "Abengoa Abenewco 2, S.A.U." to "Abengoa Abenewco 1, S.A.U." Delegating the necessary powers to the Board to carry out this provision.
2. The increase of the capital stock in order to build up the Company's funds to a specific amount pursuant to the terms of this agreement by issuing and circulating new class A shares, each with a par value of 0.02 euro, and new class B shares, each with a par value of 0.0002 euro (in the same proportion as the class A and class B shares issued and in circulation on the date when the Board of Directors executed this agreement proposal), to be paid out by credit offset on the likelihood that not all shares will be sold.
3. The issuance by the Company of a guarantee concerning the obligations undertaken by certain of its subsidiaries regarding the issuance of debt securities and loans to be agreed on in the future pursuant to the Restructuring Agreement.
4. The issuance of warrants in favor of Company shareholders which carry the right to acquire new class A or class B shares.
5. The incorporation of class A and class B shares into a single class of ordinary Company shares. Consequently reducing the share capital to be allocated to reserves and amending the Bylaws to remove references to the two classes of shares.
6. Changes in the Board of Directors.
7. The amendment of Company Bylaws.
8. The amendment of the Regulations for Operation of the Abengoa, S.A. General Shareholders' Meetings

In relation with the proposed agreements included in the second point (capital increases), forth (issuance of warrants) and fifth (incorporation of share classes), the Management's report elaborated by the Board of Directors considers justification of the referred proposals and, in case of integration of both classes of shares, the description of the process used to determine the mentioned exchange ratio and the impact in the quote per share in equity plus the new restricted reserves and in voting rights in both class of shares depending on several scenarios of exchange ratios.

Note 16.- Non-controlling interest

In the nine month period ended September 2016, the increased of Non-controlling interest mainly corresponds to the appreciation of the Brazilian real, as well as the capital increase made in the desalination plant of Agadir.

Note 17.- Project debt

The Consolidation Group includes interests in various companies that, in general, have been created to develop an integrated product that consists of designing, constructing, financing, operating and maintaining a specific infrastructure (usually a large-scale asset such as a power transmission line). These may be owned outright or under a concession arrangement for a specific period of time and whose financing sources are various non-recourse project financing schemes (project finance).

Project finance (non-recourse financing) is generally used as a means of constructing an asset, using the assets and cash flows of the company or group of companies that will perform the activity associated with the project being financed as collateral. In most cases the assets and/or contracts are used as a guarantee for the repayment of the financing.

Compared to corporate financing, the project finance has certain key benefits, which include a longer borrowing period due to the profile of the cash flows generated by the project and a clearly defined risk profile.

Despite having a commitment from a financial institution during the awarding phase of the project and since the financing is usually completed in the latter stages of a construction project –mainly because these projects require a significant amount of technical and legal documentation to be prepared and delivered that is specific to the project (licenses, authorizations, etc.) –bridge loan (formerly named Non-recourse project financing in process) needs to be available at the start of the construction period in order to begin construction activities as soon as possible and to be able to meet the deadlines specified in the concession agreements.

Obtaining this financing is considered as a temporary funding transaction and is equivalent to the advances that clients traditionally make during the different execution phases of a construction project or works.

Bridge loan has specific characteristics compared to traditional advances from clients. For example the funds are usually advanced by a financial institution (usually for terms of less than 2-3 years), although there are similarities in the implicit risk that mainly relates to the capacity of the company that is going to own the project to construct it correctly in time and form.

The specific funding requirements that usually accompany bridge financing agreements usually include the following:

- > The funds that are drawn down as the project is executed can only be used for developing the project to construct the asset, and
- > The obligation to use the project finance to repay the bridge loan.

This means that conversion of the bridge loan in a long-term project finance arrangement has a very high degree of security from the start of the project (normally there is a comfort letter or support from the institutions that are going to participate in the long-term financing).

In terms of guarantees, both the bridge loan and the project finance have the same technical guarantees from the contractor in relation to price, deadlines and performance.

The difference is that the bridge loan in most cases also has corporate guarantee from the project's sponsor in order to cover the possibility of a delay in the financial closing of project finance.

Both guarantees (contractor and sponsor) are intended to underwrite the future cash flows from the project in the event that technical risks give rise to variations in them (failure to comply with the construction schedule or with the deadlines for finalizing the project finance).

Therefore the bridge loan and the project finance are –from a contractual perspective– independent loan transactions, although they are linked in terms of their overall aim (for example, with the exception of the aforementioned guarantees, both share the same risks; their sole purpose is for financing projects; they are generally repaid with funds from the project itself; and they are separate from the company's other cash sources) and commercially (the financial institution itself has an interest in favorably resolving the continuity of both transactions). These two types of financing are therefore considered to be similar in terms of managing the company's business.

Consequently, the internal criteria for classifying a financial liability in the Consolidated condensed statement of financial position as project debt is based on the characteristics and use of that financing and not on the guarantees provided, since the security and predictability of the substitution process (based on past guarantees) means that this guarantee is more theoretical or hypothetical with regards to its use (such a guarantee has never been used by the nominal beneficiaries).

In relation to the return on the project, usually it has been more beneficial to obtain bridge loan via the special purpose entity responsible for operating and maintaining the asset to be constructed. However, the cheaper cost of financing obtained at a corporate level has enabled projects to be financed centrally,

generating important competitive advantages as well as reducing start times for project construction. Consequently, during the years 2014 and 2015 It was issued various bridge financing with a corporate guarantee were issued, structured in a similar way to the bridge loans used previously in terms of their purpose (project financing) and repayment (from project cash flows). This financing is therefore also considered to be similar to the project finance in terms of managing the business and the company's risk and it is therefore classified under the same heading.

17.1. The details of project debt applied to projects, for both non-current and current liabilities, as at September 30, 2016 and December 31, 2015 is as follows:

Project debt	Balance as of 09.30.16	Balance as of 12.31.15
Project finance (Non-recourse project financing)	156,737	1,021,047
Project bridge loan (Non-recourse project financing in process)	1,811,964	2,049,059
Total project debt	1,968,701	3,070,106
Non-current	13,132	503,509
Current	1,955,569	2,566,597

At the nine month period ended September 30, 2016, the overdue and unpaid project debt amounts to €230 million in which €151 million correspond to capital and €79 million to interests.

At the first nine month period ended 2016, the total amount of project finance has decreased mainly due to the reclassification, as liabilities held for sale, of the non-recourse debt of certain transmission lines concessional assets and Bioenergy business segment, given its compliance with all assumptions and requirements of the IFRS 5 'Non-Current Assets Held for Sale and Discontinued Operations' after The process of sale initiated due to the consideration as continue activity within the Updated Viability Plan approved by the Board of Directors (see Note 2.1 and 7).

The table below lists projects with bridge loan in progress (bridge loan) as of September 30, 2016 (amount in thousands of euros):

Item	Bridge financing amount drawn (2) (3)	Guarantee type (4)
LAT Brasil (1)	974,668	Contractor and Sponsor / Corporate
Abent T3	264,529	Corporate
ACC4T	65,930	Corporate
Plataforma Solar Atacama (1)	506,837	Contractor and Sponsor / Corporate
Total	1,811,964	

(1) Includes the transmission line projects in Brazil relating to ATE XVI Transmissora de Energia, S.A. (Miracema), ATE XVII Transmissora de Energia, S.A. (Milagres), ATE XVIII Transmissora de Energia, S.A. (Estreito), ATE XIX Transmissora de Energia, S.A. (Luiz Gonzaga), ATE XX Transmissora de Energia, S.A. (Teresina), ATE XXI Transmissora de Energia, S.A. (Parauapebas), ATE XXII Transmissora de Energia, S.A., ATE XXIII Transmissora de Energia, S.A. and ATE XXIV Transmissora de Energia, S.A. and to solar plant project in the Atacama Desert, Chile, which combines tower technology based on molten salts and photovoltaic.

(2) Green Bond funds used to finance Green Projects may be used to finance other Green Projects selected in accordance with the requirements of Use of Funds indicated in the Offering Memorandum, once obtained the long term funds related to projects. Additionally, Tranch B funds, once obtained the long term funds, may be allocated to new projects in progress once accomplished the specific requirements of the financing contract.

(3) Excludes amounts withdrawn from the project bridge loans, which have been issued by the projects with Contractor and Sponsor guarantee by Abengoa and/or some of corporate subsidiaries (which are not project companies), amounting to €485,669 thousands and which have been transferred to liabilities held for sale and, for Atacama I project in Chile specifically, included in the consolidated statement of financial position of Abengoa Project Warehouse (APW-1), joint venture accounted for using the equity method (see Note 7 and 10) amounted €244,055 thousand.

(4) The guarantee references "Contractor and sponsor" refer to corporate guarantees mainly related to the bridge financing of the projects. The references to "Corporate" guarantees refer to guarantees related to the Green Bonds. These guarantees cover all of the indicated bridge financing.

Note 18.- Corporate financing

18.1. The breakdown of the corporate financing as of September 30, 2016 and December 31, 2015 is as follows:

Non-current	Balance as of 09.30.16	Balance as of 12.31.15
Credit facilities with financial entities	4,979	6,566
Finance lease liabilities	9,183	19,522
Other loans and borrowings	238,599	345,437
Total non-current	252,761	371,525

Current	Balance as of 09.30.16	Balance as of 12.31.15
Credit facilities with financial entities	2,745,768	2,321,654
Notes and bonds	3,419,763	3,300,825
Finance lease liabilities	13,397	17,020
Other loans and borrowings	751,650	557,047
Total current	6,930,578	6,196,546

Total corporate financing	7,183,339	6,568,071
----------------------------------	------------------	------------------

At the nine months period ended September 30, 2016, the amount of corporate financing overdue and unpaid amounts to €1,627 million, which €1,380 million correspond to capital and €247 million to interests. Within the interest are recognized the default interests generated that reach €20 million. Such default interests correspond to those generated during the nine months of 2016 in companies not affected by the standstill agreement, as well as to those generated before March 18, 2016 over companies affected by the standstill agreement, in which, among the obligations assumed by each parties, there is a express compromise of creditors to not charge default interests overdue and unpaid amounts since that date.

The increase as of September 30, 2016 in corporate financing was mainly due to the matured and not paid derivative instruments (€138 million), the executed bank guaranty and with high probability of outflows (€294 million), as well as the default interest recognized, all above plus the interest accrued for different loans and the updating of preferred shares of ACBH with Atlantica Yield (see Note 22.1). Additionally it was subscribed a liquidity line for an amount of €137 million and another new liquidity line subscribed in September 2016 amounted to US\$211 million. Finally it should be noted that there is an increase due to a financial liability recognized amounted to €120 million as a consequence of the agreement reached with EIG (see Note 6.2) for the transaction of the minority interest that APW-1 held

in certain transmission lines in Brazil in exchange of an economic compensation. All the aforementioned has been partially offset by a decrease of due and unpaid account payables with suppliers which has been recognized as Corporate Debt and has decreased as a consequence of the consideration of the Bioenergy business segment as held for sale (€209 million).

In relation to the liquidity line on March said before, it must be known that, in the framework of the negotiations with a group of creditors comprised of banks and holders of bonds issued by the Abengoa group, for the restructuring of its indebtedness and its recapitalization in line with the grounds of an agreement that was announced on March 10, 2016 (relevant fact number 236094), on March 21, 2016, Abengoa Concessions Investments Limited ("ACI"), a subsidiary of the Company, entered into a Secured Term Facility Agreement (the "Facility Agreement") with, among others, the lenders as describe below (the "Lenders") and the agent appointed thereunder (the "Agent"), pursuant to which it is entitled to borrow up to €137,094,751.30 (the "Loan Amount") and is required to enter into related security documents (collectively, the "Loan Documents"). The Facility Agreement will be used for the general corporate and working capital purposes of the Company and its subsidiaries (the "Group").

Upon the occurrence of certain usual events for this type of loan, the Lenders may exercise their right to require ACI to repay all or part of the Loan Amount, grant additional collateral or foreclose on, and dispose of the Pledged Shares (as described below under "Security") in accordance with the Loan Documents.

The loan will mature on September 23, 2016 or (if maturity for the September Facility and the December Facility is extended to at least the same date) twelve months after the disposition date. Loans will initially bear interest at a rate per annum equal to the aggregate of EURIBOR plus 14.5% (on a payment in kind basis). Default interest will be payable at a rate of 5% above the interest rate.

In certain circumstances, a make-whole amount, a restructuring fee and/or a rollover fee may become payable under the Facility Agreement.

As of September 18, 2016, and in the framework of the Updated Viability Plan and Financial Restructuring Terms announced on August 11, 2016, Abengoa Concessions Investments Limited ("ACI"), a subsidiary of the Company, entered into a secured term facility agreement (the "Facility Agreement") among, inter alia, the lenders as described below (the "Lenders") and the agent appointed thereunder (the "Agent"), pursuant to which it is entitled to borrow US\$211,000,000 (the "Loan Amount") and is required to enter into related security documents (collectively, the "Loan Documents").

As of the date of the Facility Agreement, the Lenders are Arvo Investment Holdings S.À R.L., CCP Credit Acquisition Holdings Lxco S.À R.L., Lajedoa Investments S.À R.L., OCM Luxembourg ABG Debt S.À R.L., Potter Netherlands Coöperatief U.A., y SPV Capital Funding Luxembourg S.À R.L.

The amounts borrowed under the Facility Agreement will be used to refinance all amounts owing under a secured term facility agreement between ACI and Talos Capital Designated Activity Company (formerly Talos Capital Limited) dated 22 October 2015 for a nominal amount of US\$130,000,000 (the "Talos Loan") and for the general corporate and working capital purposes of the Company and its subsidiaries (the "Group").

Upon the occurrence of certain events that are customary for this type of loan, the Lenders may exercise their right to require ACI to repay all or part of the Loan Amount, post additional collateral or foreclose on, and dispose of, the Pledged Shares (as described below under "Security") in accordance with the Loan Documents.

18.2. Credit facilities with financial entities

Credit facilities with financial entities as of September 30, 2016 and December 31, 2015 are as follow:

Item	Balance as of 09.30.16	Balance as of 12.31.15
Syndicated loan	710,216	690,640
ICO financing	30,610	30,082
Instalaciones Inabensa S.A. financing	271,733	280,930
Abener Energia S.A. financing	389,707	381,893
Teyma, Gestión de Contratos de Contruccion e Ing S.A financing	106,402	89,396
Abener Teyma Mojave General Partnership financing	63,239	65,636
Centro Morelos 264, S.A. de C.V financing	95,722	79,913
European Investment Bank financing	77,059	75,694
Revolving credit agreement September (*)	137,327	126,150
Working capital line December 15 (€106 million)	113,015	100,116
Working capital line March 16 (€137 million)	142,923	-
Working capital line September 16 (US\$211 million)	182,541	-
Remaining loans	430,253	407,770
Total	2,750,747	2,328,220
Non-current	4,979	6,566
Current	2,745,768	2,321,654

(*)Renewed last September 2016.

To ensure that the Company has sufficient funds to repay the debt regarding to its capacity to generate cash flow, Abengoa has to comply with a financial ratio (Net Financial Debt/Corporate EBITDA) with financial institutions. According to the financing agreements, the maximum limit of this ratio is 2.5 starting on December 31, 2014. As of September 30, 2016, Corporate Net Debt/EBITDA financial ratio is higher the set maximum indicated above.

As a consequence of the new ICO and BEI R&D&I project financing frame during 2015, Abengoa is obliged to meet a new financial covenant different to Corporate Net Debt/Corporate Ebitda detailed before. In this sense, Abengoa has to hold a ratio which numerator is the net corporate debt plus bridge loans minus treasury shares and the denominator is Group Ebitda, capped by 5.0. On September 30, 2016 this ratio is higher than 5.0.

18.3. Notes and bonds

- › The notional value of notes and bonds as of September 30, 2016 and December 31, 2015 is as follow:

Item	Balance as of 09.30.16	Balance as of 12.31.15
Exchangeable notes Atlantica Yield	534	12,889
Convertible notes Abengoa 2017 and 2019	167,200	167,300
Ordinary notes Abengoa	2,904,083	2,937,704
Commercial paper Abengoa Mexico	100,926	111,428
Euro-Commercial Paper Program (ECP)	58,027	56,727
Total	3,230,770	3,286,048
Non Current	-	-
Current	3,230,770	3,286,048

In accordance with IAS 32 and 39 and the terms and conditions of the issuance of all convertible notes, except the 2019 notes, since Abengoa has a contractual right to choose the type of settlement and one of these possibilities is paying through a variable number of shares and cash, the conversion option is qualified as an embedded derivative. Thus, the convertible bonds are considered a hybrid instrument, which includes a component of debt and an embedded derivative for the conversion option held by the bondholder. This applies to 2017 convertible bonds and the exchangeable notes Atlantica Yield 2017.

› Convertible notes Abengoa 2017

The liability component carrying value at September 30, 2016 amounts to €5,480 thousand (€5,211 thousand in 2015).

Additionally, at September 30, 2016, the valuation through the Black Sholes model of the embedded derivative liability component amounts to €0 being its impact, at that date, an income of €531 thousand (€4,020 thousand of income in 2015), given the difference between its value at third trimester of 2016 and the year ended December 2015.

The key data for the valuation model include the share price, the estimated profitability of the dividend, an envisaged option maturity life, an interest rate and underlying volatility as set forth in the table below:

	09.30.16	12.31.15
'Spot Abengoa ' Price (euros)	0.215	0.2
'Strike ' Price (euros)	5.24	5.24
Maturity	02/03/2017	02/03/2017
Volatility	104%	93%
Number of shares	1,068,702	1,068,702

On September 30, 2016, listed Price of these bonds was 10.813%.

At September 30, 2016, the option's fair value of the subscribed shares to provide a partial hedge over this issuance obligation amounted €0 without any impact on profit and loss of this period.

The key data for the options valuation model included the share price, the estimated profitability of the dividend, an envisaged option maturity life, an interest rate and underlying volatility as set forth in the table below:

	09.30.16	12.31.15
'Spot Abengoa ' Price (euros)	0.215	0.2
'Strike ' Price (euros)	6,05	6,05
Maturity	02/03/2017	02/03/2017
Volatility	50%	73%
Number of shares	26,750,000	26,750,000

› Convertible notes 2019

On January 4, 2016, it was accepted applications for conversion from Noteholders corresponding to a total principal amount of €100 thousand. After July 28, 2016, new conversion request have been attended for an amount of €600 thousand.

The carrying value of the liability component of the notes at September 30, 2016 amounts to €143,067 thousand.

> Exchangeable notes Atlantica Yield 2017

The value of the liability component of the exchangeable bonds on September 30, 2016 amounts to €518 thousand.

Since the commencement of the exchange period for the Exchangeable Notes Atlantica Yield 2017 on September 1, 2015 (as set out the terms and conditions) through September 30, 2016, exchange notices for a total nominal amount of US\$ 278 million, equivalent to 7,595,639 shares of Atlantica Yield, have been received and exchanged. This exchange has generated an income amounted to €8,881 in the Income Statement at September 30, 2016 (see Note 22.2).

On the other hand, the valuation of the embedded derivative liability component pending to exchange was €30,356, being its valuation €195 thousand at September 30, 2016 and the amount written off as a consequence of the exchange was €30,619 thousand, with an effect in the Income Statement of the difference between the two mentioned amounts of €458 thousand of finance expense.

The key data for the valuation model included the share price, the estimated profitability of the dividend, an envisaged option maturity life, an interest rate and underlying volatility as set forth in the table below:

	09.30.16	12.31.15
'Spot Abengoa ' Price (euros)	19.01	19,29
'Strike ' Price (euros)	35.86	36.42
Maturity	03/05/2017	03/05/2017
Volatility	49%	76%
Number of shares	16,734	384,404

> In connection with the General noteholders' meetings of the notes issued by the Company and Abengoa Greenbridge, S.A.U. held on first calling on October 27, 2016 (except the related to the Abengoa's ordinary bond of €500 million maturing on 2016 and the Abengoa's convertible bond of €250 million maturing on 2017 which will be held on second calling next November 28, 2016) approved the following agreements:

1. Amendment to the Terms and Conditions of the Notes in order to modify the governing law and jurisdiction.
2. Amendment to the terms of the Deeds of Guarantee and the Global Note in order to modify its governing law and jurisdiction.

3. Empower the Commissioner and the Fiscal Agent to enter into any documentation which would be deemed needed or necessary to give effect to the resolutions approved by the Noteholders' Meeting.

4. Discharge and exonerate the Company from all liabilities in respect of the convening of the Noteholders' Meeting and the proposals of amendments of the Terms and Conditions of the Issue.

5. Approval of the entering into any agreements and to the taking of such actions required to give effect to, and formalize, the resolution approved by the Noteholders' Meeting.

6. Discharge and exonerate the Commissioner and the Fiscal Agent from all liabilities in respect of the proposals subject to approval and the actions carried out for their implementation under the powers conferred by virtue of the proposal under paragraph (3) above.

7. Approval of the remuneration of the Commissioner, and other expenses related to its role as legal representative of the Syndicate of Noteholders and body for liaison between Syndicate of Noteholders and the Company.

8. Drafting and approval of the Minutes of the Noteholders' Meeting.

18.4. Other loans and borrowings

The breakdown of current and not current other loans and borrowings at September 30, 2016 and December 31, 2015 is the following:

	Balance as of 09.30.16	Balance as of 12.31.15
Sale and lease back	-	35,410
Derivative premiums payable	12,478	35,051
Low interest loans	8,259	9,362
Debt with ABY over preferred shares of ACBH (Note 20.1)	88,919	48,426
Non-recourse confirming due and unpaid (group and not group)	302,078	304,204
Non-recourse confirming non due group suppliers	-	202,316
Holding LAT Brasil's preferential shares	-	243,070
Overdue and not paid derivatives	138,370	-
Drawn bank guarantees	294,147	-
Debt after the agreement with EIG (see Note 6.2)	120,160	-
Loans with public institutions and others	25,839	24,645
Total	990,249	902,484

On October 26, 2016 finished with Atlantica Yield an agreement the negotiations that have taken place during the last months as a consequence of the inability of the Company to comply with the terms of the agreement for the preferred shares in certain transmission lines in Brazil (ACBH) signed on 2014. In this sense, the main consequences of such agreement consist in the recognition of a liability amounted to €88 million approximately.

Note 19.- Provisions and contingences

- › Regarding the legal claims or legal action initiated by creditors in connection with any past due and unpaid debts, we point out that the Company is not aware that any legal claim whatsoever has been initiated, nor any other significant legal measure by any other creditor in connection with past due and unpaid debts at September 30, 2016, in addition to the mentioned in the 2015 annual accounts, except for the following:
 - › Litigation claims regarding unattended accrued debts of different nature and amounts amounting up to US\$118,701 thousand, €139,705 thousand, 51,437 thousand Mexican Pesos and 356,627 Chilean Pesos. On the other hand, there exist liens solicitations in United States for an approximate total amount of US\$16,222 thousand. These solicitations do not need a reply by the claimed company.
- › On the other hand, in relation to the pledged assets deposited by the Group from the date of application by Abengoa S.A. of Article 5 bis of Ley Concursal, we point out that at September 30, 2016 the Group has not been forced to surrender any asset as collateral for debt, in addition to the mentioned in the 2015 annual accounts with the exception of the following:
 - › Executions for an amount of €34,648 thousand, 129,964 thousand Brazilian real and US\$20,535 thousand deposited in a collateralized bank accounts own by various companies of Abengoa Bioenergy and which guarantee was executed by the beneficiary as a consequence of the maturity of the guaranteed obligation.

Note 20.- Third-party guarantees and commitments

- › At the end of the third trimester of 2016, the Group deposited to third parties (clients, financial entities, Public Entities and other third parties), directly by the Group by the Parent Company to other Group companies, various bank bond and surety insurances as guarantee to certain

commitments (bid bonds, performance and others) amounted to €1,100,897 thousand (€1,629,787 thousand at December 31, 2015).

In addition, the Group deposited to third parties (clients, financial entities, Public Entities and other third parties), directly by the Group or by the Parent Company to other Group companies, various guarantees through the declarations of intention and documented commitments undertaken as guarantee of certain commitments (Bid Bonds, performance, financing and others) amounted to €5,437,548 thousand (€7,053,099 thousand at December 31, 2015).

The following table details the guarantees undertaken by de Company classified by commitment type at September 30, 2016:

Typology	Guarantees/Surety Insurance	Guarantees	Total 09.30.2016	Total 12.31.2015
Bid Bond	35,050	2,680	37,730	1,161,492
Performance:	35,050	2,680	37,730	1,161,492
Materials supply	4,816	568,806	573,622	1,144,090
Advance payments	84,993	8,810	93,803	285,996
Execution (construction/collection/payments)	901,447	4,586,049	5,487,496	5,653,083
Quality	17,401	19,768	37,169	72,261
Operation and maintenance	18,279	251,435	269,714	335,370
Dismantling	3,726	0	3,726	3,726
Other	35,185	0	35,185	26,867
Subtotal	1,100,897	5,437,548	6,538,445	8,682,886
Group Company financing guarantees	0	1,693,310	1,693,310	1,561,591
Total	1,100,897	7,130,858	8,231,755	10,244,477

Related to the above-mentioned amounts, and based on the terms of the Financial Support Agreement, Abengoa holds conceded to Atlantica Yield and affiliates certain bank guarantees amounted to €44 and 786 million to assure the performance associated to certain concessional projects of thermos-solar energy generation, Eolic and electric transmission lines.

Additionally, the breakdown includes the amounts of bank guarantees and guarantees related to companies classified as held for sale amounted to €178 and €1,210 million respectively, being the amount associated to Bioenergy €889 million (€79 million bank guarantees and €810 million of guarantees) and the associated to transmission lines €499 million (€99 million of bank guarantees and €400 million of guarantees).

The most significant variations in guarantees assumed with third parties related to the information presented on the 2015 Consolidated Financial Accounts mainly correspond to the cancellation of guarantees presented by the parent company of the Group in bid offers, mainly certain water desalination concessional projects in Oman, as well as the execution of guarantees (see Note 18.4) and the lack of renewal in overdue guarantees with suppliers and financial entities.

- Regarding the collateral granted to third parties (guarantees, etc.), and additional to the mentioned in 2015 Consolidated financial accounts, there have been significant breaches since the date of the communication provided by the Article 5 bis of the Ley Concursal, at September 30, 2016, which could lead to an outflow of resources and, therefore, a financial liability has been amounted to €294 million (see Note 18.4). The most significant guarantees correspond to performance bond and advance guarantee of the client of the project Al Khafji for an aggregate amount of €18 million, the credit letters of the client Portland General Electric Company for a total aggregated amount of €123, Guarantees of Emera Project amounted to €30 million and bank guarantees of Stalowa Project amounted to €40 million.

Note 21.- Trade payables and other current liabilities

Trade payables and other current liabilities as of September 30, 2016 and December, 31, 2015 are shown in the following table:

Item	Balance as of 09.30.16	Balance as of 12.31.15
Trade payables for purchases of goods	1,468,035	2,983,046
Trade payables for services	429,544	764,627
Billings in excess and advance payments from clients	325,543	304,830
Remunerations payable to employees	43,259	40,204
Suppliers of intangible assets current	3,471	10,566
Other accounts payables	149,977	275,979
Total	2,419,829	4,379,252

The most significant variation during the nine month period ended September 30, 2016 mainly corresponds to a decrease due to the reclassification as liabilities held for sale of suppliers related to the bioenergy and Brazilian transmission lines business segments (see Note 7).

At September 30, 2016 the total amount of trade payables and other current payables due and unpaid

(principal and interest) amounted to €848. Additionally, there are due and unpaid suppliers related to companies held for sale amounted to €255 million. The corresponding default interests for this item have been recognized.

The table below shows the details of the non-recourse confirming carried out with external and group suppliers as at September 30, 2016 and December 31, 2015:

Item	Balance as of 09.30.16	Balance as of 12.31.15
Non-group amounts payable through Confirming	651,503	1,019,155
Group amounts payable through Confirming	41,389	236,687
Total	692,892	1,255,842

Related to these amounts, there are deposits and cash recorded under assets in the Consolidated Condensed Statement of Financial Position associated with payment of “non-recourse confirming” for an amount of €5 million (€465 million as of December 31, 2015).

Finally, it has been reclassified as corporate financing an amount of €302 million relating to due and not paid confirming transactions (principal and interests) and additionally, €363 million related to companies held for sale.

Note 22.- Finance income and expenses

22.1 Finance income and expenses

The following table sets forth our Finance income and expenses for the nine months period ended September 30, 2016 and 2015:

	For the nine months period ended 09.30.16	For the nine months period ended 09.30.15
Finance income		
Interest income from loans and credits	5,831	19,498
Interest rates benefits derivatives: cash flow hedges	9,161	22,750
Interest rates benefits derivatives: non-hedging	1,744	3,944
Total	16,736	46,192
Finance expenses		
Expenses due to interest:		
- Loans from credit entities	(232,758)	(166,603)
- Other debts	(273,134)	(307,136)
Interest rates losses derivatives: cash flow hedges	(22,428)	(49,169)
Interest rates losses derivatives: non-hedging	(2,023)	(7,921)
Total	(530,343)	(530,828)
Net financial loss	(513,607)	(484,636)

Finance income has decreased at the nine months period ended September 30, 2016 when compared to the previous year, mainly due to the change in the temporal value of our interest rate derivative hedges and lower yields of fixed-term deposits.

At the end of the third quarter of 2016, financial expenses remain stable in comparison with the same period of 2015, mainly due to lower expenses in 2015 due to the anticipated cancellation of the 2017 convertible bond, which caused an expense of €17 million, lower interests due to the decrease of nominal values as a consequence of the exchange related to the 2017 Atlantica Yield convertible bond, the conversion related to the 2019 convertible bond amounted to €15 million, as well as the lower financial expenses due to the transfer of solar plants in the ROFO3, 3+ and 4 agreement to Atlantica Yield during 2015. All the aforementioned has been partially offset by higher expenses in 2016 derived from the updating of debt over preferred shares of ACBH after the agreement with Atlantica Yield

amounted to €33 million as well as higher fees for anticipated repayment, restructuring fees and renewal liquidity line fees amounted €43 million (see Note 18.1).

22.2. Other net finance income and expenses

The following table sets out 'Other net finance income and expenses' for the three six period ended June 30, 2016 and 2015:

	For the nine months period ended 06.30.16	For the nine months period ended 06.30.15
Other finance income		
Profit from the sale of financial investments	77,107	-
Other finance income	1,134	484
Commodity derivatives gains: Cash flow hedge	6,306	7,358
Commodity derivatives gains: fair value hedging	8,881	17,926
Profit from commodity derivatives: cash flow hedges	-	-
Total	93,428	25,768
Other finance expenses		
Loss from sale of financial assets	-	(35)
Loss from early conversion of convertible notes 2019	-	(15,141)
Outsourcing of payables	(4,645)	(25,773)
Other financial losses	(512,412)	(57,199)
Changes in the fair value of the derivatives embedded in the convertible bonds and options over shares	(1)	(26,219)
Commodity derivatives losses: Cash flow hedge	-	(19)
Commodity derivatives losses: non-hedging	(532)	-
Total	(517,590)	(124,386)
Other net finance income/expenses	(424,162)	(98,618)

The main variations in "Other financial income" correspond to the profit generated by the transaction of the 80% Abengoa Vista Ridge, LLC's interest (see Note 6.2) and the partial exchange of convertible bonds of Atlantica Yield into Atlantica Yield shares (see Note 18.3).

“Other financial expenses” have increased mainly due to losses recognized as “Other financial losses” because of higher financial expenses derived from executed guarantees with high probability of resource outflows amounted to €277 million respectively, the sale of the convertible loan in shares of Befesa, S.L.U. to Triton Investment Fund (see Note 11), the impairment over the Xfera Mviles, S.A. interest (see Notes 7 and 11), default interests, as well as bank fees, guarantee fees, credit letter, transfer fees and other bank expenses arisen from the current situation of the company described before amounted to €35 million. Additionally, “outsourcing payables” are decreasing given the decrease in PPB issued.

The net amount of “Other net finance income and expenses” related to companies with project finance is a loss of €2,960 thousand (a loss of €5,827 thousand at September 30, 2015).

Nota 23.- Income tax

23.1. The effective tax rate for the period presented has been established based on Management’s best estimates (see Note 3).

23.2. Income tax decrease to an expense of €119 million for the nine months period ended September 30, 2016, compared to an expense tax benefit of €9 million in the same period for 2015, mainly due the current circumstances in which the Company is involved and pending to have greater visibility about the realization of the Updated Viability Plan approved by the Board of Directors, it has not recognized the deferred tax assets (which could be realized against taxable income to be generated in the future, according to the aforementioned Updated Viability Plan) of the losses generated during the period, including those generated by the provisions and impairment charges as a consequence of the actual Company situation.

Note 24.- Fair value of financial instruments

The information on the financial instruments measured at fair value, is presented in accordance with the following:

- › Level 1: assets or liabilities listed on active markets.
- › Level 2: Measured on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- › Level 3: Measured on inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following is a breakdown of the Group’s assets and liabilities measured at fair value as of September 30, 2016 and December 31, 2015 (except the non-quoted equity instruments measured at cost and the contracts with components that cannot be measured reliably):

Category	Level 1	Level 2	Level 3	Balance as of 09.30.16
Non-hedging derivatives	-	(6,314)	-	(6,314)
Hedging derivatives	-	1,226	-	1,226
Available-for-sale	19	-	2,207	2,226
Total	19	(5,088)	2,207	(2,862)

Category	Level 1	Level 2	Level 3	Balance as of 12.31.15
Non-hedging derivatives	-	(37,493)	(25,869)	(63,362)
Hedging derivatives	-	(53,802)	-	(53,802)
Available-for-sale	29	-	46,370	46,399
Total	29	(91,295)	20,501	(70,765)

The financial instruments at fair value, determined from prices published in active markets (Level 1), consist of shares.

The majority of Abengoa’s portfolio comprises financial derivatives designated as cash flow hedges, is classified as level 2 and corresponds mainly to the interest rate swaps (see Note 12).

The caption Non-hedging derivatives includes the fair value of the embedded derivatives in the exchangeable and convertible notes (except for the 2019 convertible notes), the fair value of the call

options over Abengoa's own shares, as well as those derivatives purchased with the purpose of hedging market risk (interest rate, foreign exchange or commodities) that do not fulfill all the requirements, according to IAS 39 to be recorded as hedges from an accounting point of view.

At September 30, 2016, the embedded derivative of the convertible loan received as part of the transaction for the sale of Befesa has been cancelled after closing an agreement between Abengoa and the investment fund Triton Partner for the sale of the convertible loan into Befesa, S.L.U. shares. At December 31, 2015, such embedded derivative classified as level 3, had a negative fair value of €25,869 thousand (see Note 12).

The most significant item included under level 3 corresponds to the classification made at September 30, 2016 as assets held for sale due to the sale of the investment that Abengoa had in Xfera Moviles, S.A. (see Note 7).

The following table shows the changes in the fair value of level 3 assets for the nine months period ended September 30, 2016 and December 31, 2015:

Movements	Amount
Beginning balance as of December 31, 2014	38,118
Gains and losses recognized in Equity	1,240
Changes in Non-hedging derivatives	(17,371)
Change in consolidation, reclassifications and translation differences	(1,486)
Total as of December 31, 2015	20,501
Gains and losses recognized in Equity	(2,361)
Changes in Non-hedging derivatives	(8,959)
Change in consolidation, reclassifications and translation differences	(2,453)
Total as of September 30, 2016	6,728

During the years considered in these Consolidated condensed interim financial statements, there have not been any significant reclassifications amongst the three levels presented above.

Note 25.- Earnings per share

25.1. Basic earnings per share

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares outstanding during the period.

Item	For the nine months period ended 09.30.16	For the nine months period ended 09.30.15
Profit from continuing operations attributable to equity holders of the company	(2,319,681)	(124)
Profit from discontinuing operations attributable to equity holders of the company	(3,092,837)	(193,786)
Average number of ordinary shares outstanding (thousands)	950,148	884,171
(Losses) / Earnings per share from continuing operations (€ per share)	(2.44)	0.00
(Losses) / Earnings per share from discontinuing operations (€ per share)	(3.26)	(0.22)
(Losses) / Earnings per share from profit for the year (€ per share)	(5.70)	(0.22)

25.2. Diluted earnings per share

To calculate the diluted earnings per share, the average weighted number of ordinary shares issued and outstanding is adjusted to reflect the conversion of all the potential diluting ordinary shares.

The potential diluting ordinary shares held by the group corresponded to the warrants on Class B shares issued in November 2011. On October 1, 2015 the share capital has been subscribed for the total amount of the outstanding warrants. The assumption is that all warrants would be exercised and a calculation is made to determine the number of shares that may have been acquired at fair value based on the monetary value of the subscription rights of the warrants still to be exercised. The difference between the number of shares issued assuming the exercise of the warrants, and the number of shares calculated based on the above, is included in the calculation of the diluted earnings per share.

In the third quarter of 2016 there are not dilutive factors affecting the diluted (losses) earnings for share.

Item	For the nine months period ended 09.30.16	For the nine months period ended 09.30.15
Profit for the year		
- Profit from continuing operations attributable to equity holders of the company	(2,319,681)	(124)
- Profit from discontinuing operations attributable to equity holders of the company	(3,092,837)	(193,786)
- Adjustments to attributable profit	-	-
Profit for the year attributable to the parent company	(5,412,518)	(193,910)
Average weighted number of ordinary shares outstanding (thousands)	950,148	904,797
- Warrants adjustments (average weighted number of shares in outstanding since issue)	-	-
Average weighted number of ordinary shares affecting the diluted earnings per share (thousands)	950,148	904,797
Diluted (losses) / earnings per share from continuing operations (€ per share)	(2.44)	0.00
Diluted (losses) / earnings per share from discontinuing operations (€ per share)	(3.26)	(0.21)
Diluted (losses) / earnings per share to the profit for the year (€ per share)	(5.70)	(0.21)

Note 26.- Average number of employees

The average number of employees classified by category during the nine months period ended September 30, 2016 and 2015 was:

Categories	Average number of employees for the nine months ended 09.30.16			Average number of employees for the nine months ended 09.30.15		
	Female	Male	%	Female	Male	%
Directors	42	397	2.5	60	491	1.9
Management	315	1,129	8.3	436	1,611	7.1
Engineers	888	2,056	17.0	1,468	3,347	16.8
Assistants and professionals	730	1,448	12.6	1,220	1,759	10.4
Operators	663	9,529	58.9	1,001	16,626	61.5
Interns	49	71	0.7	258	391	2.3
Total	2,687	14,630	100	4,443	24,225	100

During the third trimester 2016 the average number of employees is 27% in Spain and 73% abroad.

Note 27.- Transactions with related parties

No dividends have been distributed to related parties during the period of 2016 (€29,329 thousand in 2015).

During the nine months period ended September 30, 2016 the only transactions associated with related parties were the following:

- › Service provision agreement signed between Simosa and Ms. Blanca de Porres Guardiola. The amount invoiced during the period was €71 thousand. Such contract will be finished on December 31, 2016 and the decision to not renovate it has been taken.
- › Service agreement signed between Equipo Económico, S.L. (company related to Mr. Ricardo Martínez Rico, member of Board of Directors) and Abeinsa Ingeniería and Construcción Industrial, S.A. The amount invoiced during the period was €68 thousand.

These operations were subject to review by the Abengoa Audit Committee.

Additionally, during the month of October 2016, Abengoa has signed an agreement with Atlantica Yield Plc. and another with EIG, owner of the 55% interest of APW-1 (see Note 6.2 and 18.4 respectively).

Note 28.- Employee remuneration and other benefits

Directors are remunerated as established in article 39 of the Bylaws. Directors' remuneration shall consist of all or some of the following concepts, for a total combined amount that shall be agreed by the General Shareholders' Meeting, pursuant to the directors' remuneration policy and conditional, when required by law, on the prior approval of the General Shareholders' Meeting: (a) a fixed fee; (b) expenses for attendance; (c) a share of the profits, under the terms established in Article 48, Paragraph 2, of the company's Bylaws; (d) variable remuneration based on general benchmark indicators or parameters; (e) remuneration through the provision of shares or share options or amounts that are linked to the Company's share price; (f) severance payments, provided that the director is not relieved of office on grounds if failing to fulfill the responsibilities attributable to him/her; and (g) savings or pension systems considered to be appropriate

On February 12, 2016, Mr. José Luis Aya Abaurre deceased.

On March 1, 2016 the Board of Directors agreed to cease Mr. José Domínguez Abascal as chairman of the Company, continuing as Director in the external director category. In his replacement, the Board of Directors appointed as executive chairman to Mr. Antonio Fornieles Melero, who became Executive Director, delegating all his powers except those that cannot be statutory and legally delegated and leaving the Audit Committee and the Appointments and Remunerations Committee.

On the same date, the Board of Directors agreed to delegate to the CEO Mr. Joaquín Fernández de Piérola Marín all the powers in his favor except those that cannot be legally delegated, who became executive director and maintaining this status. The exercise of these powers is several respect to those delegated in the same extension to the chairman Mr. Antonio Fornieles Melero.

On March 7, 2016, the Board of Directors of the Company agreed: a) to appoint as first Vice-President of the Board of Directors Mr. Joaquín Fernández de Piérola Marín joining this position to CEO. Also was appointed as a member of the Investments Committee replacing Mr. José Domínguez Abascal, b) to appoint as second Vice-President and coordinating Director Mrs. Alicia Velarde Valiente, c) to appoint as chairman of the audit committee and member and chairman of the Investments Committee Mrs. Alicia Velarde Valiente, and d) to replace by co-optation the vacancy left by the deceased Director Mr. José Luis Aya Abaurre, appointed as Director of the Company Inayaba, S.L. and appointing it as representative to Mrs. Ana Abaurrea Aya. Also, she is appointed as member of the Strategic and Technology Committee.

On April 18, 2016, the Board of Directors of the Company agreed to accept the resignation of Mr. José Domínguez Abascal as Director.

On May 25, 2016, the Board of Directors agreed to accept the resignation of Mr. Claudio Santiago Ponsa as Director.

The General Shareholders' Meeting held on June 30, 2016 approved, among other agreements, the following:

1. To cease Mr. Javier Benjumea Llorente as executive Director.
2. To fix the number of Directors to ten members.
3. To confirm and appoint as Director Mr. Joaquín Fernández de Piérola Marín, as executive, Mr. Ricardo Martínez Rico, as independent, Mrs. Alicia Velarde Valiente, as independent and Inayaba, S.L. represented by Mrs. Ana Abaurrea Aya as weekly assistant.

Remunerations paid during the nine month period ended September 2016 to the Board of Directors of Abengoa, S.A. have reached €2,112 thousand as a remunerations concept, both fixed and variable and expenses. The breakdown of remunerations paid during the nine month of 2016 to the Board of Directors is (in thousand euros):

Name	Salary	Expenses	Remuneration as a member of the Board of Directors	Total at 09.30.16
Joaquín Fernández de Piérola Marín	470	-	-	470
Antonio Fornieles Melero	408	29	10	447
Alicia Velarde Valiente	-	107	30	137
Ignacio Solís Guardiola	-	57	-	57
José Borrell Fontelles	-	116	30	146
José Joaquín Abaurre Llorente	-	80	-	80
Mercedes Gracia Díez	-	116	30	146
Ricardo Hausmann	-	204	-	204
Ricardo Martínez Rico	-	80	-	80
Inayaba, S.L.	-	60	-	60
Javier Benjumea Llorente	60	51	-	111
José Luis Aya Abaurre	-	20	-	20
Claudio Santiago Ponsa	-	35	-	35
José Domínguez Abascal	119	-	-	119
Total	1,057	955	100	2,112

Additionally, on September 30, 2016 overall remuneration accrued by Key Management of the Company (Senior Management which are not executive directors), including both fixed and variable components, amounted to €2,182 thousand (€5,752 thousand at September 30, 2015). As in previous years, this amount is determined based on the most updated stimulation of the Company considering the remuneration of Senior Management accrue uniformly during the year.

No advanced payments or credits are granted to members of the Board, nor are any guarantees or obligations granted in their favor.

Note 29.- Subsequent events

Since September 30, 2016, no other events have occurred that might significantly influence the financial information detailed in this report, nor has there been any event of significance to the Group as a whole.

03 Consolidated condensed interim management report
as of September 30, 2016



Consolidated Condensed Interim Management Report as of September 30, 2016

1.- Organizational structure and activities

Abengoa, S.A. is the parent company of the Abengoa Group (referred to hereinafter as 'Abengoa', 'the Group' or 'the Company'), which at the end of the nine months period ended September 30, 2016, was made up of 656 companies: the parent company itself, 550 subsidiaries, 81 associates and 24 joint ventures. Additionally, the Group held a number of interests, of less than 20%, in other entities.

Abengoa, S.A. was incorporated in Seville, Spain on January 4, 1941 as a Limited Liability Company and was subsequently transformed into a Limited Liability Corporation ('S.A.' in Spain) on March 20, 1952. Its registered office is Campus Palmas Altas, 1 Energía Solar St., Seville, 41014.

The Group's corporate purpose is set out in Article 3 of its Bylaws. It covers a wide range of activities, although Abengoa is principally an applied engineering and equipment manufacturer, providing integrated project solutions to customers in the following sectors: energy, telecommunications, transport, water utilities, environmental, industrial and services.

As explained in the following breakdown of Note 2.1, on November 25, the Directors of the Company, given the deteriorated liquidity and financing position of the Group, agreed to present the application provided in Article 5 bis of Law 22/2003 (Ley Concursal). Since March 28, 2016, the Company has been under the standstill agreement framework to reach an agreement with financial creditors to restructure its financial debt and the recapitalization of the Group (see Note 2.1 of Consolidated condensed interim financial statements). On September 24, 2016, the Restructuring Agreement was signed between Abengoa and a group of financial creditors, beginning thus, the accession period with the rest of financial creditors. On October 28, 2016 an application for the judicial approval of the Restructuring Agreement has been filed with the Mercantile Courts of Seville which has obtained the support of 86.0% of the financial creditors to which it was addressed, being therefore over the legally required majority (75%). On November 8 2016 the Judge of the Mercantile Court of Seville No. 2 has issued a resolution declaring the judicial approval of the Restructuring Agreement and extending the effects of the Standard Restructuring Terms set out in the Restructuring Agreement to those creditors of financial liabilities who have not signed the agreement or have otherwise expressed their disagreement with it. The effective application of such restructuring agreement will allow the Company to rebalance its equity, which is currently negative, once the positive effect of the debt to equity swap is registered in the Income Statement of the Company (see Note 2.1 of Consolidated condensed interim financial statements).

Abengoa's shares are represented by class A and B shares which are listed on the Madrid and Barcelona stock exchanges and on the Spanish Stock Exchange Electronic Trading System (Electronic Market). Class A shares have been listed since November 29, 1996 and class B shares since October 25, 2012. The Company completed the delisting process to exclude its class B shares from the NASDAQ Global Select Market in the form of American Depositary Shares, which were quoted from October 29, 2013, following the capital increase carried out on October 17, 2013. The Company presents mandatory financial information quarterly and semiannually.

As of April 6, 2016, the Company announced its intention to initiate the process for voluntary delisting of its Class B shares and American Depositary Shares Receipts (ADSS), as well as the conclusion of the American Depositary Receipt (ADR) program with Citibank, N.A. which delisting was effective on May 12, 2016.

Additionally, on April 29, 2016, the Company announced that the voluntary delisting of its Class B shares and American Depositary Shares (ADSS) from the NASDAQ Stock Market became effective on 28 April 2016 and that has taken steps to deregister those securities from the SEC and thereby terminate its reporting obligations under the U.S. Securities Exchange Act of 1934, as amended (Exchange Act). The Company has already filed Form 25 and Form 15F, resulting the exclusion effective from Sections 12(b) and 12(g) of the Exchange Act of 1934 and the reporting obligations related to the third quarter of 2016.

As a result of the delisting of the Class B shares and ADSs from the NASDAQ Stock Market, all trading in Abengoa, S.A. shares is now concentrated in the Spanish Stock Exchanges.

The shares of the associate Atlantica Yield (formerly Abengoa Yield, Plc.) are listed in the NASDAQ Global Select Market since June 13, 2014. As of September 30, 2016 the Abengoa's investment on Atlantica Yield amounts to 41.47%. On January 7, 2016, the Company announced to the Securities and Exchange Commission US (S.E.C) that the corporate name change to Atlantica Yield. However, the ticker "ABY" remains the same.

Abengoa is an international company that applies innovative technology solutions for sustainability in the energy and environment sectors, generating electricity from renewable resources, converting biomass into biofuels or producing drinking water from sea water. The Company supplies engineering projects under the 'turnkey' contract modality and operates assets that generate renewable energy, produces biofuel, manages water resources, desalinates sea water and treats sewage.

Abengoa's business is organized under the following three activities:

- › Engineering and construction: includes the traditional engineering activities in the energy and water sectors, with more than 70 years of experience in the market and the development of solar technology. Abengoa is specialized in carrying out complex turnkey projects for thermo-solar plants, solar-gas hybrid plants, conventional generation plants, biofuel plants and water infrastructures, as well as large-scale desalination plants and transmission lines, among others.
- › Concession-type infrastructures: groups together the company's extensive portfolio of proprietary concession assets that generate revenues governed by long term sales agreements, such as take-or-pay contracts or power purchase agreements. This activity includes the operation of electric energy generation plants (solar, cogeneration or wind), desalination plants and transmission lines. These assets generate low demand risk and the Company focuses on operating them as efficiently as possible.
- › Industrial production: covers Abengoa's biofuel business with a high technological component.

All public documents of Abengoa may be viewed at "www.abengoa.com".

The amounts included within the present business evolution report at September 30, 2016 are expressed in millions of euros.

This business evolution report is a free translation of the report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.

For an adequate understanding of the financial information, this business evolution report of the evolution of the business must be read together with Abengoa's consolidated financial statements for the year 2015.

2.- Evolution and business results

a) Going concern

In accordance with IAS1, which requires the financial statements to be prepared regarding the going concern principle, unless Directors have the intention or any other real alternative of liquidation or cease of activity, the Consolidated condensed interim financial statements at September 30, 2016 have been prepared applying this principle.

- › The following summary shows the facts related during the first nine month period of the year 2016 until the preparation of the present Consolidated condensed interim financial

statements for the nine month period ended September 30, 2016, in relation with the financial restructuring process realized in Abengoa since the November 25, 2015 after filing the application provided in Article 5 bis of Law 22/2003 by Directors of the Company:

- a) In relation to the proceeding provided by the law 22/2003 (Ley Concursal) and the beginning of the aforementioned refinancing process, it should be noted that:
 - › On January 25, 2016, the Company announced that the independent and specialized consulting firm on refinancing process Alvarez&Marsal presented to the Board of Directors of Abengoa the Industrial Viability Plan that defined the structure of the future activity of Abengoa on an operating basis focusing on the activity of engineering and construction either developing its own technology or using technology developed by others.
 - › Based on this Initial Viability Plan, that confirms the viability of Abengoa, the Company began negotiations with its creditors to restructure the debt and the necessary resources and provide Abengoa the optimal capital structure and the sufficient liquidity to continue operating competitively and sustainably in the future.
 - › In this sense, and in relation to the negotiations between the Company and a group of creditors comprised of banks and holders of bonds issued by the Group, as of March 10, 2016, the Company informed that has agreed with the advisers of such creditors the grounds for an agreement to restructure the financial indebtedness and recapitalize the Group. The Company believed that such agreement contained the essential elements to achieve a future restructuring agreement that, in any event, would be subject to reaching the accessions percentage required by Ley Concursal. On March 28, 2016, the Company and a group of creditors comprised of banks and holders of bonds Issued by the Group had reached a standstill agreement with the objective of providing the time necessary to keep working and reaching, as soon as possible, a full and complete agreement about the terms and conditions to restructure the financial indebtedness and recapitalize the Group. In order to reach this purpose, among other obligations assumed by all parties, the arrangement with parties contains expressly the compromise of creditors to abstain from claiming or accepting the payment of any amount owed as current amortization debt or advanced payments of capital or interest, as well as to charge default interests as a consequence of non-performance by the debtor until the effective date of implementation of the Restructuring Agreement.

- › With respect to the foregoing, as of March 28, 2016, an application for the judicial approval of the standstill agreement (the "Standstill Agreement") has been filed to the Mercantile Court of Seville nº 2 which obtained the support of 75.04% of financial creditors to which it was addressed, being therefore over the legally required majority (60%). Additionally, on April 6, 2016, the judge of the Mercantile Court of Seville nº2 issued the approval of the Standstill Agreement and extended the maturity of the agreement until October 28, 2016 (included), to the financial liability creditors which have not subscribed it or which showed the disconformity to the agreement. This agreement was impugned by some creditors and, on October 24, 2016, the judge issued a final sentence agreeing to reject all impugnation referred to the lack of compliance of percentages and, as a consequence, maintaining the approval agreed.
- › From that moment until now, the Company has continued with the negotiation process with its main financial creditors and potential investors in order to develop the agreed terms of reference. In the context of these negotiations and the circumstances that have been affecting to our projects since the Initial Viability Plan was prepared, an Updated Viability Plan was prepared during the second half of May, which was later approved by the Board of Directors on August 3, 2016 as well as the term sheet of the restructuring agreement which was subscribed afterwards by the main creditors and which is mentioned below. Such plan was approved on August 16, 2016.
- › This Updated Viability Plan shows the negotiations and difficulties that Abengoa experienced in certain projects as well as the changes which, as a result, have been made with respect to the Initial Viability Plan, as well as the review of certain hypothesis in the mentioned Plan and the updating of the expected date of reactivation of our operations. Therefore, all of this calls for a significant reduction of Abengoa's cash needs, which have been identified in this Updated Viability Plan, in approximately €1,200 million, compared to the initially estimated figure of €1,500 - €1,800 million.
- › Pursuant to the preparation of the Updated Viability Plan and the ongoing negotiations, on June 30, 2016, Abengoa announced that had reached grounds for an agreement with the Bank Coordination Committee and a group of bondholders and investors on the main terms of the proposed financial restructuring to be signed.
- › Afterwards, on August 11, 2016, the term sheet of the restructuring agreement was subscribed between Abengoa, S.A. and a group of entities comprising the main financial creditors and potential investors. Moreover, the Company received acceptance letters in order to underwrite the new money financing in an amount which exceeds the liquidity requirement of the Updated Viability Plan. Such

agreement was subject to several conditions precedent which are common in this kind of transactions.

- › On September 18, 2016, in the framework of the Updated Viability Plan and the terms of the financial restructuring subscribed on August 11, 2016, Abengoa Concessions Investments Limited ("ACI"), a subsidiary of the Company, entered into a Secured Term Facility Agreement (the "Facility Agreement") with, among others, the lenders as described below and the agent appointed thereunder, pursuant to which it is entitled to borrow up to US\$211 million and is required to enter into related security documents.

As of the date of the Facility Agreement, the Lenders were Arvo Investment Holdings S.À R.L., CCP Credit Acquisition Holdings Lxco S.À R.L., Lajedoa Investments S.À R.L., OCM Luxembourg ABG Debt S.À R.L., Potter Netherlands Coöperatief U.A., y SPV Capital Funding Luxembourg S.À R.L.

The amounts borrowed under the Facility Agreement will be used to refinance all amounts owing under a secured term facility agreement between ACI and Talos Capital Designated Activity Company dated 22 October 2015 for a nominal amount of US\$130 million and for the general corporate and working capital purposes of the Company and its subsidiaries (the "Group").

Upon the occurrence of certain events that are customary for this type of loan, the Lenders may exercise their right to require ACI to repay all or part of the Loan Amount, post additional collateral or foreclose on, and dispose of, the Pledged in accordance with the Loan Documents.

- › On the other hand, on September 24, 2016 the Restructuring Agreement has been signed, and granted by public deed before the Notary of Madrid, Mr. José Miguel García Lombardía, between the parent company, a group of Subsidiaries which debt is subject to the restructuring and a group of financial creditors which either are holders of existing debt instruments or will also be participating in the new money and new bonding facilities.

The fundamental principles of such agreement are the following:

- (i) The amount of new money to be lent to the Group totals €1,169.6 million (including refinancing of the September and December 2015, March and September 2016 facilities). This financing would rank senior with respect to the preexisting debt and would be divided into different tranches:

- Tranche I: amounts to €945.1 million, with a maximum maturity of 47 months and secured by, among other things, certain assets that include the A3T project in Mexico and the shares of Atlantica Yield held by the Company. Creditors would be entitled to 30% of Abengoa's new share capital post restructuring.
 - Tranche II: amounts to €194.5 million, with a maximum maturity of 48 months and secured by, among other things, certain assets in the engineering business. Creditors would be entitled to 15% of Abengoa's new share capital post restructuring.
 - Tranche III: contingent credit facility of up to €30 million, with a maximum maturity of 48 months secured by, among other things, certain assets that include the A3T project in Mexico and the shares of Atlantica Yield held by the Company and with the sole purpose of providing guaranteed additional funding for the completion of the A3T project. Creditors would be entitled to receive 5% of Abengoa's new share capital post restructuring.
- (ii) New bonding facilities amount to €307 million. Financing entities would be entitled to 5% of Abengoa's new share capital post restructuring.
- (iii) The restructuring proposal for the preexisting debt (Standard Restructuring Terms) will involve a 97% reduction of its nominal value, while keeping the remaining 3% with a ten year maturity, with no annual coupon or option for capitalization.
- (iv) Creditors who adhere to the agreement can choose either the conditions laid out in section (iii), or alternative conditions which consist of the following:
- Capitalization of 70% of preexisting debt in exchange for 40% of Abengoa's new share capital post restructuring.
 - The remaining 30% of the nominal value of the preexisting debt will be refinanced through new debt instruments, replacing the preexisting ones, which will rank as senior or junior depending on whether or not such creditor participates in the new money facilities or new bonding facilities. Such instruments will have maturities of 66 and 72 months respectively, with the possibility of an extension of up to 24 months, accruing annual interest of 1.50% (0.25% cash payment and 1.25% Pay If You Can). The junior instrument could be subject to additional reductions (provided that total reduction does not exceed 80% of the nominal value prior to the capitalization) if the aggregate amount of refinanced preexisting debt (after the 70% aforementioned capitalization) exceeds €2,700 million due to the crystallization of contingencies.
- (v) At the end of the restructuring process, the current shareholders of the Company would hold around 5 % of the share capital. Eventually, through the issuance of warrants, they could increase such stake in a percentage to be agreed that will not exceed an additional 5%, if, within 96 months, the group has paid in full all outstanding amounts under the new financing to be provided in the framework of the restructuring and under the existing indebtedness (as this indebtedness may have been restructured), including its financial costs. Furthermore, the Company intends to submit a proposal to merge the two types of existing shares into one sole class of shares for approval by a General Shareholders Meeting, although this is not considered a prerequisite of the restructuring agreement.
- › In this sense, the Board of Directors of Abengoa, at its meeting held on October 10 and 17, 2016, has unanimously resolved to call an Extraordinary General Shareholders' Meeting of the Company to be held at its registered address, Campus Palmas Altas, in Seville, on November 21, 2016, at 11:00 a.m., on first call, and if the required quorum is not met, on second call, the next day, November 22, 2016, at the same time and place, in order to approve resolutions to comply with the terms and conditions of the restructuring agreement dated 24 September 2016.
- › As of the signed restructuring agreement on September 24, 2016, it was opened a process to the rest of financial creditors, period that finished on October 28, 2016, with the support of 86.0% of the financial creditors to which it was addressed, being therefore over the legally required majority and allowing on October 28, 2016 the filing with the Mercantile Courts of Seville of the application for approval of the Restructuring Agreement. The Mercantile Court n° 2 of Seville had issued on October 31, 2016 the ruling by which allow the processing of the application due to its compliance with the needed formal requirements which consisted in filing the agreement to which the approval was expected and the auditor's certification that confirmed the adoption by more than the 75% liability financial creditors.
- › Once the homologation request has been filed, the following procedures in the United States and the United Kingdom will be initiated:
- A Company Voluntary Arrangement ("CVA") in England and Wales at the request of Abengoa Concessions Investments Limited in accordance with Part I of the English Insolvency Act 1986; and
 - Various procedures under Chapter 11 ("Chapter 11") of the U.S. Bankruptcy Code at the request of various subsidiaries incorporated in the United States.

Both the CVA and the Chapter 11 procedures have the objective of extending the Standard Restructuring Terms described previously to the liabilities of the companies promoting the procedures for those creditors that have not acceded to the Restructuring Agreement.

- › Finally, on November 8, 2016 the Judge of the Mercantile Court of Seville No. 2 has issued a resolution declaring the judicial approval of the Restructuring Agreement and extending the effects of the Standard Restructuring Terms set out in the Restructuring Agreement to those creditors of financial liabilities who have not signed the agreement or have otherwise expressed their disagreement with it.
 - › On November 9, 2016, in accordance with Clause 7.1.1(b) of the Restructuring Agreement, ACIL is proposing a company voluntary arrangement pursuant to Part I of the Insolvency Act 1986 (the "CVA") to compromise its obligations as a guarantor of the Loans and the Notes (each term as defined below) owed to Guarantee Creditors, who do not accede to the Restructuring Agreement prior to the end of the Supplemental Accession Period, through a write-down of 97 per cent of such guarantee obligations to reflect the compromise of the principal obligations under the Loans and Notes owed to such Guarantee Creditors (which will be implemented by the Homologación of the Restructuring Agreement). In such dates, the Nominees delivered to ACIL's creditors copies of the CVA Documents which include (i) the Notice of Meeting regarding the Creditors' Meeting, which is to be held on 24 November 2016 at 10.00 a.m. (London time) at Linklaters LLP, 1 Silk Street, London EC2Y 8HQ, United Kingdom; (ii) the CVA Proposal; and (iii) the Statement of Affairs (together, the "CVA Documents").
- b) On the other hand, in relation with the proceedings in Brazil, on the occasion of the mentioned situation of Abengoa, it should be known that;

- › On January 29, 2016, Abengoa filed the recuperação judicial applications in Brazil about the companies Abengoa Concessões Brasil Holding S.A., Abengoa Construção Brasil Ltda and Abengoa Greenfield Brasil Holding S.A, which were admitted on February 22, 2016. This measure was undertaken provided that the Company incurred in a "Crise econômico cenário", which is contemplated in Brazilian Law 11, 101/05. "Recuperação judicial" consists in a proceeding provided by the Brazilian Law which allows corporations to restructure their debt in an orderly manner and continue as a going concern once the financial difficulties are overcome.

- › In relation to the aforementioned, on April 20, 2016, Abengoa presented the Viability Plan (plano de Recuperação) in which the main premises are based on the divestment of certain concessional transmission line assets in operation, as well as the divestment of lines which currently are under construction. It is expected that these divestments will allow a favorable agreement to repay the debt already restructured in companies under recuperação judicial (negotiations are in progress with creditors) as well as the possible preservation of the construction activity in Brazil. As explained in Note 7 of these Consolidated condensed interim financial statements, both asset batches have been classified as non-current assets held for sale due to the compliance, at September 30, 2016, of the IFRS 5's requirements. In relation with lines in operation, on June 24, 2016, Abengoa has received an offer by which the asset fair value estimation have been made. This offer, will serve as starting price in the judicial auction process provided to this kind of insolvency proceedings in Brazil
- › On the other hand, and regardless the mentioned negotiation process, on June 28, 2016, ANEEL's Board of Director decided to authorize the Electricity Inspection Service Office "SFE" and the Superintendent of Economy and Financial Inspection "SFF" for the issuance of a communication to the owner companies of construction in progress (ATEs), informing about the contract compliance, which may lead to an expiration declaration of concessions. On July 21, 2016 the owner companies of assets under construction (ATEs) received the formal communication of compliance that generated administrative processes, in which ATEs required a solution with ANEEL in order to try to compensate the execution of guarantees and penalties to be required as compensation for reversible assets. These processes are awaiting the pronouncement of ANEEL. In Director's opinion, it is expected to reach an amicable solution and therefore a non-significant impact.

Additionally, in relation with the legal possibility of transfer of those assets under construction, the "Senado Federal" (legislative authority of Brazilian Government to federal legislation issues), on October 19, 2016 approved the Conversion Project in Medida Provisoria law ("MP") n. 735/2016. This allows the tender to transfer the control of contributions in capital share in concessional companies, in which the contract of concession were signed until December 2015, 31 – this hypothesis apply to ATEs under construction. Next step to the conversion to law of this MP is the possibility to cancel by the President of the Republic, which has a term of 15 days since November 3, 2016, date in which the legislative process was received.

c) Additionally, in relation to the proceedings in United States, on occasion as well of the mentioned situation of Abengoa, indicate that,

- › On February 1, 2016 and February 10, 2016, certain creditors initiated involuntary bankruptcy petitions to the Missouri Bankruptcy Court against the American affiliates Abengoa Bioenergy Nebraska, L.L.C. and Abengoa Bioenergy Company, L.L.C. respectively. After responding to the petitions, on February 24, 2016, both companies mentioned above along with Abengoa Bioenergy Outsourcing, LLC, Abengoa Bioenergy Engineering and Construction, LLC, Abengoa Bioenergy Trading US, LLC, and Abengoa Bioenergy Holding US, LLC opted to file for voluntary creditors' protection under Chapter 11 provided by the USA Law. These petitions have been filed in order to allow the Company to continue as a going concern and, consequently, they included the authorization request for the payment of taxes, salaries and insurance premiums and other first day motions. Additionally, a request for the approval of a debtor-in-possession financing arrangement amounting to US\$41 million was also filed. The hearing for these initial motions took place on March 2, 2016 and, during them, such companies were authorized to borrow an initial amount of US\$8 million (which were additionally complemented with US\$1.5 million authorized on March 29, 2016).
- › Moreover, on March 23, 2016, certain creditors filed an involuntary insolvency proceeding against Abengoa Bioenergy Biomass of Kansas, LLC (ABBK) at the Kansas court.
- › Also on March 29, the following American affiliates Abeinsa Holding Inc.; Abencor USA, LLC; Teyma Construction USA, LLC; Abeinsa EPC, LLC; Inabensa USA, LLC; Nicosa Industrial Supplies, LLC; Abener Construction Services, LLC; Abener North America Construction, LP; Abengoa Solar, LLC; Teyma USA & Abener Engineering and Construction Services General Partnership; Abeinsa Abener Teyma General Partnership; Abener Teyma Mojave General Partnership; and Abener Teyma Inabensa JV filed, under the "United States Bankruptcy Code" and the Delaware court, the named Chapter 11 in order to allow the companies to comply with their obligations and minimize the loss of value of their businesses. Such companies have requested authorization for the payment of taxes, salaries and insurances as well as other first day motions.
- › In relation to all the above, on March 28 and 29, 2016, and in accordance with the clause 5.2 of the Standstill agreement mentioned before, Abengoa, S.A. and several of its Spanish affiliates (the "Chapter 15 Debtors") commenced cases under Chapter 15 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware ("Delaware Bankruptcy Court"). In these cases, the Chapter

15 Debtors seek recognition by the Delaware Bankruptcy Court of the proceeding commenced in the Spanish Court to obtain judicial approval (homologación judicial) of the Standstill Agreement (the "Spanish Proceeding") and application of the Standstill Agreement within the territorial jurisdiction of the United States. In the initial hearings held on March 31, 2016, the Delaware Bankruptcy Court granted the Chapter 11 Debtors' requests relief and the Initial Chapter 15 Debtors' requested provisional relief to stay creditor actions against them. Both hearings were uncontested and all motions were granted.

- › Additionally, on April 6 and 7, 2016 Abengoa US Holding, LLC and seven other affiliated U.S. debtors (collectively, the "Additional Chapter 11 Debtors") each filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code in the Delaware Bankruptcy Court (together with the Chapter 11 cases filed on March 29, 2016, the "Chapter 11 Proceedings"). All of the cases filed by the Additional Chapter 11 Debtors are being jointly administered with the lead Chapter 11 Proceeding filed on March 29, 2016 in the Delaware Bankruptcy Court. The Additional Chapter 11 Debtors are comprised of the following legal entities: Abener Teyma Hugoton General Partnership, Abengoa Bioenergy Biomass of Kansas, LLC, Abengoa Bioenergy Hybrid of Kansas, LLC, Abengoa Bioenergy New Technologies, LLC, Abengoa Bioenergy Technology Holding, LLC, Abengoa US Holding, LLC, Abengoa US Operations, LLC and Abengoa US, LLC.
- › The Company further informs that at the initial hearing held on April 27, 2016 on the Chapter 11 petitions filed on April 6 and 7, 2016 by the additional Chapter 11 Debtors, the Delaware Bankruptcy Court granted the first-day relief requested by all but one of those debtors. With respect to ABBK's Delaware case, it was noted that on April 25, 2016 the U.S. Bankruptcy Court for the District of Kansas (the "Kansas Bankruptcy Court") had issued an order denying ABBK's request to transfer to the Delaware Bankruptcy Court an involuntary Chapter 11 case commenced against it on March 23, 2016 in the Kansas Bankruptcy Court. Referring to the Kansas Bankruptcy Court's ruling and the Delaware Bankruptcy Court stated that it would honor that decision, ordered a stay of ABBK's Chapter 11 case in Delaware, and directed ABBK to show why its Delaware case should not be dismissed. On May 2, 2016, ABBK moved to certify the Kansas Bankruptcy Court's ruling for direct appeal to the U.S. Court of Appeals for the Tenth Circuit and requested a stay of the Kansas bankruptcy case order pending the outcome of that appeal.

- › The Company further informs that on April 26, 2016 its subsidiary Abengoa Solar LLC ("Abengoa Solar"), one of the Initial Chapter 11 Debtors, filed a motion requesting the Delaware Bankruptcy Court's authorization to consummate the sale of interests that two of Abengoa Solar's non-debtor subsidiaries hold in project entities responsible for the financing, design, construction, operation, maintenance, and transfer to the State of Israel of a concentrated solar energy thermal power station plant currently under construction there (the "Ashalim Project"). At the hearing on the motion held on May 3, 2016, the Delaware Bankruptcy Court authorized Abengoa Solar to make this transaction.
- › On June 12, 2016, the American affiliate companies Abengoa Bioenergy Meramec Renewable, LLC, Abengoa Bioenergy Funding, LLC, Abengoa Bioenergy Maple, LLC, Abengoa Bioenergy of Indiana, LLC, Abengoa Bioenergy of Illinois, LLC y Abengoa Bioenergy Operations, LLC, commenced a voluntary Chapter 11 case in the Missouri Bankruptcy Court. In the framework of these proceedings and the already initiated Chapter 11 proceeding by Abengoa Bioenergy US Holding, LLC, this and the affiliate companies mentioned have filed motions in the East Missouri Bankruptcy Court in relation with the sale proceeding of the two Maple plants located on Indiana and Illinois, the plant of Ravenna and the plant of York. Additionally, to facilitate the sale of the Maple plant, the current creditors of such plants have agreed to concede additional financing for an amount of US\$10 million (debtor-in-possession financing).
- › Continuing with the sale proceeding commented above, on August 22, 2016 as approved by the United States Bankruptcy Court for the Eastern District of Missouri (the "Bankruptcy Court"), an auction over certain assets of Abengoa Bioenergy US Holding, LLC (the Company.) has been conducted following the process previously agreed among certain debtors and debtors in possession (the "Debtors") and such Company, on June 12, 2016, Abengoa Bioenergy US Holding, LLC and certain Debtors filed a motion (the "Motion") with the Bankruptcy Court seeking, among other things, entry of an order (the "Bidding Procedures Order"); (a) approving certain auction and bidding procedures (the "Bidding Procedures") in connection with the sale of the Debtors' bioenergy plants in Ravenna, Nebraska, York, Nebraska, Mt. Vernon, Indiana, Madison, Illinois and Colwich, Nebraska (collectively, the "Purchased Assets"), (b) authorizing the Debtors to enter into stalking horse purchase agreements with KAAPA Ethanol Holdings, LLC for the Ravenna Assets, Green Plains, Inc. for the Mt. Vernon and Madison Assets (the "Maple Assets") and Biourja Trading, LLC for the York Assets, (c) approving procedures relating to the assumption and assignment of executory contracts and unexpired leases, and (d) scheduling an auction (the "Auction") and sale approval hearing (the "Sale Hearing").
- › On June 15, 2016, the Bankruptcy Court entered the Bidding Procedures Order, and subsequently, the Debtors' investment banker, Carl Marks, engaged in an extensive marketing process for all of the Purchased Assets. Pursuant to the Bidding Procedures Order, certain competing bids were submitted, and on the aforementioned date (August 22, 2016), the Debtors conducted the Auction, the results of which were that: (i) KAAPA Ethanol Holdings, LLC was the successful bidder for the Ravenna Assets at US\$115 million, (ii) Green Plains, Inc. was the successful bidder for the Maple Assets at US\$200 million, (iii) Green Plains, Inc. was the successful bidder for the York Assets at US\$37 million, and (iv) ICM, Inc. was the successful bidder for the Colwich Assets at US\$3.15 million.
- › The Bankruptcy Court scheduled to conduct a hearing on August 29, 2016, where the sale of the plants of Ravenna, Maple and York were approved at the same prices of the mentioned before. Such sales were realized at September 30, 2016, date in which the debtor-in-possession financing were liquidated simultaneously in relation with the asset of these companies. The net sale proceeds will then be distributed pursuant to a plan of liquidation already approved by the Bankruptcy Court last October 31, 2016 and is awaiting the creditors committee.
- › Additionally, on date July 18, 2016, and in the Chapter 11 proceeding framework, already initiated by ABBK, the investment bank Ocean Park Advisors was hired to seek a strategic partner interested in buying the bioethanol plant and the co-generation plant located in Hugoton, Kansas.
- › On June 12, 2016, the companies Abengoa Bioenergy Holdco, Inc. and Abengoa Bioenergy Meramec Holding, Inc., have initiated voluntary proceedings of Chapter 11 in the Delaware Bankruptcy Court, where the pending chapter 11 resolutions of other American affiliates exist, as well as the Chapter 15 proceeding of Abengoa mentioned before.
- › Additionally, last October 28, 2016, Abengoa Bioenergy New Technologies LLC, in the bankruptcy proceeding framework at the Delaware Bankruptcy Court, has applied for authorization to sale the pilot plant and the warehouse (excluding any land in which a construction exists) to Green Plains Inc. (or any of its affiliates) and/or Green Plains York LLC amounted to US\$1,250,000. The hearing for the approval is expected on November 29, 2016.

› Finally, on October 31, 2016, the Courts of Delaware approved the application of Abengoa to the creditors committee which propose an only plan which contains other four different plans itself: (i) EPC Restructuration Plan, which consist in the restructuration of the following companies: Abener Teyma Mojave General Partnership; Abener North America Construction LP; Abeinsa Abener Teyma General Partnership; Teyma Construction USA LLC; Teyma USA & Abener Engineering and Construction Services artnership; Abeinsa EPC LLC; Abeinsa Holding Inc.; Abener Teyma Hugoton General Partnership; Abengoa Bioenergy New Technologies LLC; Abener Construction Services LLC; Abengoa US Holding LLC; Abengoa US LLC; and Abengoa US Operations LLC; (ii) Solar Restructuration Plan which propose the restructuration of Abengoa Solar LLC; (iii) EPC liquidation Plan which propose the liquidation of de Abencor USA LLC; Abener Teyma Inabensa Mount Signal Joint Venture; Inabensa USA LLC; and Nicsa Industrial Supplies LLC, and (iv) Bioenergy and Maple Liquidation plan which propose the liquidation of Abengoa Bionergy Hybrid of Kansas LLC; Abengoa Bioenergy Technology Holding LLC; Abengoa Bioenergy Meramec Holding Inc.; and Abengoa Bioenergy Holdco Inc. Moreover, the voting period to approve these plans by the company started on October 31, 2016 to November 29, 2016, being the December 6, 2016 the date in which the hearing is expected in the Delaware Courts to confirm the plans, where is expected to be approved.

d) In relation to the bankruptcy declaration by the Court of Rotterdam of Abengoa Bioenergy Netherlands, B.V. on date May 11, 2016 were appointed both a liquidator and supervising judges, it should be noted that:

- › After such bankruptcy declaration and appointment of a liquidator, the liquidation process of the Company started and therefore, since that moment, the loss of control was effective.
- › In the framework of such bankruptcy proceeding, on date May 11, 2016, the company Alcogroup communicated the agreement to acquire the plant. The acquisition was approved by the competent Court last September 22, 2016, and according to the information received at the same date from the Administrator, the price established was €50 million, which would be addressed to the payment of suppliers and creditors according to a plan defined and approved by the competent Court.
- › Once completed the restructuring agreement and the recapitalization of the Group described in Note 2.1.a), the Company will develop the agreed Updated Viability Plan with creditors and investors, which is focused on the traditional business of Engineering and Construction, where the Company accumulates more than 75 years

of experience. Specifically, this Updated Viability Plan focusses the activity in the energy and environmental industry. This business will be combined, in a balanced manner, with concessional infrastructure projects in sectors where Abengoa has a competitive advantage, mainly of technological kind, which allows a bigger added value projects. Regarding the mentioned Updated Viability Plan, will allow sustainable growing of Abengoa, based on the following five principles:

- 1) A multidisciplinary team and a culture and ability to multifunctional work.
- 2) Experience in engineering and construction and specially the outstanding strength in business development of high potential growing such as energy and water.
- 3) Technology abilities in our targets, mainly in solar energy and water.
- 4) A more efficient organization with more competitive general expenses.
- 5) A financial approach adjusted to the current reality in which financial discipline and a rigorous evaluation of financial risks are key milestones.

› Based on the foregoing, and in prevision of the fulfillment of the agreement with financial creditors of the Company which assure the financial stability of Abengoa and the ability to generate resources from its operations as stated in the Updated Viability Plan, Abengoa's Directors have deemed it appropriate to present the Consolidated condensed interim financial statements as of September 30, 2016 on a going concern.

Based on the application of the going concern basis, Abengoa's Directors have prepared these Consolidated condensed interim financial statements applying the International Accounting Standards consistently with Consolidated condensed interim financial statements and Consolidated financial statements filed in prior periods. For that purpose, and according to the aforementioned accounting framework, Abengoa's Directors have made their best estimates and assumptions in order to record the assets, liabilities, revenues and expenses as of September 30, 2016 in accordance with the existing information by the time of formulating these consolidated condensed financial statements.

› The situation of the Group continues being affected by a strong limitation of financial resources, which has significantly influenced the evolution of the business by means of general business deceleration in all segments for one year. Thus, certain projects have left idle without possibility to assist with suitable financial resources to operate them. This situation has led on the one hand to breaches in contractual milestones, and on the other, to a very significant increase in estimated costs of their reactivation and therefore their continuance are not included in the Viability Plan associated to the Restructuring Agreement signed on September 24, 2016. Additionally, in certain countries, Group's companies have incurred in judicial insolvency situations or bankruptcy in business which are not included in the

mentioned Viability Plan. Given this situation, Directors have collected the significant negative impacts in the Income Statement at September 30, 2016 based on the best estimations made by Directors and in accordance with the International Accounting Standards. In this sense, the most significant negative impacts recorded in results at September 30, 2016, which have reached €-4,763 million, are mainly related to provisions in construction projects, to results from the sale of certain assets and the impairment of certain assets caused by the situation of the company.

The following table shows the detail of such impacts (in million euros):

Item	Total
Project Construction costs	(168)
Sale of assets	58
Impairment of assets	(4,227)
Default interests, guarantees and other financial expenses	(390)
Others	(36)
	(4,763)

Due to all the above, the parent company, Abengoa, S.A., has incurred in losses since 2015 which has supposed a significant decrease in Equity and, as a consequence, at September 30, 2016 presents a negative net equity. In accordance with the Article 363 of the Spanish Corporation Law, a Company will be in dissolution situation when losses lead Net Equity to an amount lower than half shared capital, unless an increase or decrease in capital share were enough.

In Director's opinion, resources planned in the effective application of the signed Restructuring Agreement will allow to an immediate restoration of financial stability from the recognition of results from debt write-offs considered, capital increases expected and, in addition to provide the Group with the necessary financial resources to reactivate the activity. On the other hand, Directors are confident on generating future resources from operations given such financial resources and the application of the Updated Viability Plan, which will allow to rise the market confidence, the provision of liquidity to the Company and the continuance of its activity to operate in a competitive and sustainable manner in the future.

b) Application of new accounting standards

a) Standards, interpretations and amendments effective from January 1, 2016 under IFRS-EU, applied by the Group:

- > Improvements to IFRSs 2012-2014 cycles. These improvements are mandatory for periods beginning on or after January 1, 2016 under IFRS-EU.
- > IAS 1 (Amendment) 'Presentation of Financial Statements'. This amendment is mandatory for periods beginning on or after January 1, 2016 under IFRS-EU.
- > IAS 16 (Amendment) 'Property, Plant and Equipment' and IAS 38 'Intangible Assets', regarding to acceptable methods of amortization and depreciation. This amendment is mandatory for periods beginning on or after January 1, 2016 under IFRS-EU.
- > IAS 27 (Amendment) 'Separate financial statements' regarding the reinstatement of the equity method as an accounting option in separate financial statements. This amendment is mandatory for periods beginning on or after January 1, 2016 under IFRS-EU.
- > IFRS 11 (Amendment) 'Joint Arrangements' regarding acquisition of an interest in a joint operation. This amendment is mandatory for periods beginning on or after January 1, 2016 under IFRS-EU.
- > IAS 16 (Amendment) 'Property, Plants and Equipment' and IAS40 (Amendment) 'Investment Property'. These amendments are mandatory for periods beginning on or after January 1, 2016 under IFRS-EU
- > IFRS 10 (Amendment) 'Consolidated financial statements', IFRS12 'Disclosure of Interests in Other Entities' and IAS28 'Investments in Associates and Joint Ventures' relating to sale or property contributions treatment between an investor and its associated or joint venture. These amendments have been delayed without a definite date under IFRS-EU.

Abengoa's Directors believe that the applications of these amendments have not had any material impact.

- b) Standards, interpretations and amendments published by the IASB that will be effective for periods after September 30, 2016:
- > IFRS 9 'Financial Instruments'. This Standard will be effective from January 1, 2018 under IFRS-IASB and has not yet been adopted by the EU.
 - > IFRS 15 'Revenues from contracts with Customers'. IFRS 15 is applicable for periods beginning on or after 1 January 2018 under IFRS-UE, earlier application is permitted, that has already been adopted by the EU on September 22, 2016 and published in the official bulletin of the EU on September 29, 2016.

- › Introduction of IFRS 16 “Leases” which supersedes IAS 17. Lessees will recognize most leases in the balance sheet as financed purchases. This standard will apply to periods beginning after January 1, 2019 under IFRS-EU.
- › IFRS 10 (Amendment) ‘Consolidated financial statements’, IFRS 12 ‘Disclosure of interests in other entities’ and IAS 28 ‘Investments in associates and joint ventures’ regarding the exemption from consolidation for investment entities. These amendments are mandatory for periods beginning on or after January 1, 2016 under IFRS-IASB and have not yet been adopted by the EU.
- › IAS 7 (Amendment) “Statement of cash flow” related to disclosures. This standard will apply to annual periods beginning after January 1, 2017 under IFRS-EU.
- › IAS 12 (Amendment) “Income taxes” related to the recognition of not realized deferred taxes. This standard will apply to annual periods beginning after January 1, 2017 under IFRS-IASB, earlier application is permitted, and annual periods beginning after January 1, 2018 under IFRS-EU.

The Group is currently in the process of evaluating the impact on the Consolidated condensed interim financial statements derived from the application of the new standards and amendments that will be effective for periods beginning after September 30, 2016.

c) Changes in the composition of the Group

During the first nine months of the year 2016 a total of 1 subsidiary and 3 associated companies were added to the consolidation perimeter of the Group.

In addition, 25 subsidiaries, 3 associated companies and 7 joint ventures are no longer included in the consolidation group.

Within the companies which have left the consolidation perimeter is Abengoa Bioenergy Netherlands, B.V. given that, as a consequence of the declaration of bankruptcy by the Court of Rotterdam of such company on May 11, 2016, the appointment of a Liquidator and the consequent loss of control (see Note 2.1 and 8.2 of Consolidated condensed interim financial statements). Additionally, there is a change in the consolidation method applied to Abengoa Vista Ridge which is now consolidated through the equity method given the sale of the 80% interest (see Note 6.2 of Consolidated condensed interim financial statements).

d) Main acquisitions and disposals

- › There were no significant acquisitions during the nine months period ended September 30, 2016.

- › During the nine months period ended September 30, 2016, the main disposals are the following:
 - › At the end of January 2016, the sale of the interest in Abengoa Solar Emirates Investment Company B.V. (TASEIC), parent company of Shams Power Company (owner company of a 100MW thermo-solar plant developed by Abengoa in Abu Dhabi) was concluded. As a consequence of this sale Abengoa received an amount of US\$30 million and has had a positive impact of €1 million in the Consolidated Income Statement.
 - › On March 31, 2016, the sale of the interest in the company Nicefield (owner company of a 70MW wind farm developed by Abengoa in Uruguay) was concluded. This sale concluded with an amount of US\$0.4 million, releasing the Company’s obligations of US\$38 million of debt and its related guarantees, and has a positive impact in the Consolidated Income Statement of €3 million.
 - › At the beginning of April 2016, an agreement between Abengoa and Vela Energy, S.L. was closed for the sale of four photovoltaic plants located in the province of Seville and Jaen. The agreement, included in the divestment plan announced by the Company, has contributed with a debt reduction of €50 million, as well as a net cash inflow of €12 million and a negative impact in the Consolidated Income Statement at September 30, 2016 for an amount of €4 million.
 - › On April 16, 2016 an agreement between Abengoa and a group of investors (Estudios y Explotaciones de Recursos, S.A.U. Ingeniería de Mantenición Asturiana, S.A., Noy Negev Energy, Limited Partnership and Shikun & Binui - Solel Boneh Infrastructure Ltd.) was signed for the transaction of all the Abengoa’s interest until that moment in the Project of Ashalim, consisting on the construction and operation of a 110MW thermo-solar plant located in Ashalim (Israel). The total amount of the transaction has been €64 million and was subjected to a number of conditions including the approval by creditors of the financing terms and the corresponding authorities of the State of Israel. As of September 30, 2016, all of the conditions have been accomplished and therefore its collection. Such sale transaction has contributed with a negative impact in the Consolidated Income Statement of €17 million (see Note 7 of Consolidated condensed interim financial statements).

- › On May 30, 2016, an agreement between Abengoa and Layar Castilla, S.A.U. has been signed for the transaction of all Abengoa's interest in Explotaciones Varias, S.L. which aims the organization and operation of activities and businesses in relation to the acquisition of agricultural plot and its operation in agricultural, hunting and farming businesses directly, on partnership or by lease, the planting of crops, irrigation works and sanitation. This sale was completed for an amount of €16 million and has contributed with a positive impact in the Consolidated Income Statement of €1 million.
- › At the beginning of June 2016, the agreement between Abengoa and the Company Garney has been closed for the transaction of the 80% Abengoa Vista Ridge LLC's interest as owner Company of the assets associated to a water and conduction plant in United States. The agreement has contributed to a debt reduction of €105 million and no cash generation. As a consequence, the control over the assets has been transferred. Thus, and according to IFRS 10 – Consolidated financial statements, the loss of control over the Company has supposed the disposal of all the assets and liabilities associated to the Company at book value on the date in which the loss of control was effective, as well as all minority interest of the Company and the valuation of the 20% interest at fair value at the date of loss of control. Due to all the above, it has been recorded a positive impact in the Consolidated Income Statement of €74 million (see Note 22.2 of Consolidated condensed interim financial statements).
- › On July 5, 2016, an agreement between Abengoa and Excellence Field Factory, S.L.U. (affiliate company of Ericsson) was signed for the sale of the deployment and maintenance of communication networks and subscriber loop business, currently operated by Abentel, to such company expressly created by Ericsson. The agreement, subjected to the compliance of certain conditions, involve the collection of €5 million as established and will not have a significant impact in the Consolidated Income Statement.
- › Finally, within the 1G plants sale process in United States (Indiana, Illinois, Nebraska and York) in the Chapter 11 proceeding initiated (see Note 2.1 of Consolidated condensed interim financial statements). At the end of September has been finished the sale of such plants at the price established by the Court. Such sale has supposed a cash inflow of €128 million without impact in the Consolidated Income Statement given the previous impairment recognized at fair value due to its reclassification as asset held for sale (see Note 7 of Consolidated condensed interim financial statements). The net cash received will be distributed according to the liquidation plan to be presented.

e) Main figures

Financial data

- › Revenues of €1,043 million, a 68.1% lower to the same period of 2015.
- › EBITDA of €-90 million, a decrease of 112.0% compared to the same period of 2015.

Item	Balance as of 09.30.16	Balance as of 09.30.15 (1)	Var (%)
Income Statement			
Revenue	1,043	3,265	(68.1)
EBITDA	(90)	748	(112.0)
EBITDA Margin	(9%)	23%	(137.7)
Net Income	(5,413)	(194)	2,690.2
Balance Sheet			
Total Assets	11,126	27,357	(59.3)
Equity	(4,683)	2,616	(279.0)
Corporate Net Debt	5,743	3,230	77.8
Share Information			
Last price (€ per B share)	0.22	0.83	(73.5)
Capitalization (A+B share) (€ million)	234	803	(70.9)
Daily trading volume (€ million)	6	42	(85.7)

(1) Restated figures in Income Statement due to the classification of Bioenergy and transmission lines activity as discontinued operations

- › Corporate debt amounts to €7,183 million in comparison to €6,568 million at December 31, 2015.
- › Project finance amounts to €1,969 million in comparison to €3,070 million at December 31, 2015. Within project finance are included €1,812 million of bridge loan with corporate guaranty (€2,049 million at December 31, 2015). Such bridge finance, does not include bridge financing for an amount of €486 million (€399 million at December 31, 2015) which have been classified as assets and liabilities held for sale, nor bridge financing for the Atacama I project in Chile for an amount of €244 million (€238 million at December 31, 2015), given its integration by the equity method.

Operating figures

- > The international activity represents 84% of the consolidated revenues.
- > The main operating figures of September 30, 2016 and 2015 are the following:

Key operational	September 2016	September 2015
Transmission lines (km)	3,532	5,275
Water Desalination (Cap. ML/day)	475	775
Cogeneration (GWh)	263	793
Solar Power Assets (MW)	201	1,603
Biofuels Production (ML/year)	2,790	3,270

f) Consolidated income statement

The following summary shows the Consolidated Income Statement of Abengoa at September 30, 2016 and September 30, 2015, with an explanation of the main variations between both periods.

Item	For the nine months period ended		Var (%)
	2016	2015 (1)	
Revenues	1,043	3,265	(68.1)
Operating income and expenses	(1,133)	(2,517)	(55.0)
EBITDA	(90)	748	(112.0)
Depreciation and amortization	(592)	(198)	199.0
I. Net Operating Profit	(682)	550	(224.0)
Financial profit (loss)	(514)	(484)	6.2
Net Exchange differences and other financial gain / losses	(423)	(64)	560.9
II. Finance Cost, net	(937)	(548)	71.0
III. Share of (loss)/(profit) of associates	(572)	8	(7,250.0)
IV. Profit Before Income Tax	(2,191)	10	(22,010.0)
V. Income tax expense	(119)	(9)	1,222.2
VI. Profit for the year from continuing operations	(2,310)	1	(231,100.0)
Profit (loss) from discontinued operations, net of tax	(3,093)	(389)	695.1
Profit for the year	(5,403)	(388)	1,292.5
VII. Non-controlling interests and non-controlling interests discontinued operations	(10)	194	(105.2)
Net income attributable to the parent company	(5,413)	(194)	2,690.2

(1) Restated figures in income statement due to the classification of transmission lines activity as discontinued operations

Revenues

Revenues have decreased by 68.1% to €1,043 million; this means a decrease of €2,222 million in comparison to the €3,265 million of the same period last year. This decrease in revenues is mainly attributable to the current situation of the Group, derived from a strong limitation of financial resources in the last months and which has significantly affected the evolution of the business after the general deceleration of the business in all activities. In addition to the above, there has been a decrease in revenues due to the negative impact of the finalization of the construction of several projects in 2015 and the sale to Atlantica Yield of certain owner companies of concession-type plants during 2015 under the ROFO agreement and because of the loss of control of Rioglass at the end of 2015.

EBITDA

The EBITDA amount has been reduced by 112.0% to €-90 million, which is a decrease of €838 million in comparison to the €748 million of the same period last year. This decrease in EBITDA is mainly attributable to the current situation of the Group, as mentioned in the last section, which has derived in a deceleration of the business in all activities and consequently in the EBITDA obtained in each of them. In addition to the above, there has been a decrease in EBITDA due to the negative impacts of the finalization of the construction of several projects in 2015 and the sale to Atlantica Yield of certain owner companies of concession-type plants during 2015 under the ROFO agreement and because of the loss of control of Rioglass.

Net operating profit

Net operating profit has decreased by 224.0% from a profit of €550 million in the first nine months of 2015 to a loss of €682 million in the same period in 2016. This decrease in the net operating profit is mainly attributable to all mentioned above in the EBITDA section. Additionally, losses have increased due to the impairment registered over certain assets (intangibles and fixed) pertaining to the Engineering and Construction segment, due to the doubtful recovery given the problems arise during the period to keep the activity in an appropriate way because of the current situation of the Company. Additionally, there is an impairment recognized due to the solar plants located in Chile and the generation plants in Mexico. All the mentioned has been partially offset by the lower amortization costs due to the sale to Atlantica Yield of certain owner companies of concession-type plants during 2015 under the ROFO agreement.

Net financial costs

Net financial cost has reached a loss of €937 million, which is an increase of a 71.0% in comparison to the net loss of €548 million in the same period last year. This increase of losses is mainly attributable to the impairment registered over Xfera Moviles, S.A., to the financial cost due to the convertible notes derivative settlement of Befesa, to higher financial expenses derived to guaranteed executed and with high probability of resource outflows and interest financial expenses and other banking expenses due to the current situation of the Company described before, all partially offset by the profit generated by the transaction of the 80% interest over Abengoa Vista Ridge, LLC and the lower financial costs in project finance after the sale to Atlantica Yield of certain owner companies of concession-type plants during 2015 under the ROFO agreement.

Share of results in associates

Results from share in associates companies decreased from a profit of €8 million during the first nine months of 2015 to a loss of €572 million in the same period of 2016. This decrease is mainly attributable to the impairment charge recognized in the associated companies Rioglass, Ashalim and APW-1.

Corporate income tax

Corporate income tax decreased from a expense of €-9 million in the first nine months of the year 2015 up to a loss of €119 million in the same period of 2016. This decrease is mainly attributable to the non-recognition of revenues derived from higher tax credit carryforwards over losses obtained during the period given the current situation of the Group, described in previous sections, until there is better visibility of the implementation of the Viability Plan announced by the Company.

Profit for the year from continuing operations

In addition to all foregoing, profit from continuing operations decrease from a profit of €1 million in the third quarter of the year 2015 up to a loss of €2,310 million in the same period in 2016.

Profit/(Loss) from discontinued operations, net of tax

Profit/ (Loss) from discontinued operations, net of tax, decreased from a profit of €389 million in the nine first months of 2015 to a negative results of €3,093 million in the same period in 2016. This decrease is mainly attributable to the integration of results of the transmission lines in Brazil and the operative segment of Bioenergy after its consideration as discontinued operation including an impairment given its recognition as fair value. Additionally, there is a decrease caused by the use of the equity method with Atlantica Yield and its affiliates at 2015 closing once loss its

control and leaving the global integration method (classified until that date as discontinued operation).

Profit attributable to the parent company

Profit attributable to the parent company decreased from a profit of €194 million in the second quarter of 2015 to a loss of €5,413 million for the same period in 2016 as a consequence of the changes described in previous sections.

g) Results by activities

The following table shows the distribution between business activities of the consolidate revenues and consolidated EBITDA at September 30, 2016 and September 30, 2015, with an explanation about the main variations between both periods:

Item	Revenues			Ebitda			Margin	
	For the nine months period ended			For the nine months period ended			For the nine months period ended	
	09.30.16	09.30.15 (1)	Var (%)	09.30.16	09.30.15	Var (%)	09.30.16	09.30.15
Engineering and construction								
E&C	934	3,040	(69.3)	(157)	591	(126.6)	(16.8%)	19.4%
Total	934	3,040	(69.3)	(157)	591	(126.6)	(16.8%)	19.4%
Concession-type infrastructure								
Solar	26	154	(83.1)	16	107	(85.0)	61.5%	69.5%
Water	47	39	20.5	33	32	3.1	70.2%	82.1%
Transmission lines	2	1	100.0	0	1	(100.0)	0.0%	100.00%
Cogeneration and others	34	31	9.7	18	17	5.9	52.9%	54.8%
Total	109	225	(51.6)	67	157	(57.3)	61.5%	69.8%
Total	1,043	3,265	(68.1)	(90)	748	(112.0)	(8.6%)	22.9%

(1) Restated figures in Income Statement due to the classification of transmission lines activity as discontinued operations

Engineering & Construction

Revenues in the Engineering & Construction segment has decreased by 69.3% to €934 million, which is a decrease of €2,106 million compared to the €3,040 million of the same period last year. This decrease in revenues is mainly attributable to the current situation of the Group given the strong limitation of financial resources in which the Company is subjected in the last months and which has significantly affected the evolution of the business after the general deceleration of the Engineering & Construction activity. The main projects under construction affected by all the above situation corresponds to the combined cycle plants in Mexico (AT3 and AT4), to thermo-solar and photovoltaic plants in Chile (Atacama solar plant), thermos-solar plants in South Africa and to transmission lines in Brazil. In addition to the above, there has been a decrease in revenues due to the negative impacts as a consequence of the finalization of the construction in 2015 of certain transmission line projects in Peru and Poland.

Engineering & Construction EBITDA has decreased by 126.6% to €-157 million, which is a decrease of €748 million, compared to the €591 million in the same period in the last year. This decrease is mainly attributable to the current situation of the Group, mentioned in the previous section, which has caused the deceleration in the projects under construction mentioned before and consequently the EBITDA obtained in each of them. Additionally the decrease in EBITDA is due to the negative impacts as a consequence of the finalization in the construction of certain projects of transmission lines during 2015 in Peru and Poland mentioned before.

Concession-type Infrastructures

Revenues in concession-type infrastructures have decreased by 51.6% to €109 million, which is a decrease of €116 million compared to the €225 million of the same period last year. This decrease in revenues is mainly attributable to the negative impacts as a consequence of the sale to Atlantica Yield of certain owner companies of concession-type plants during 2015 under the ROFO agreement and corresponds to desalination plants in Algeria (Skikda and Honanine), to a transmission line in Peru (ATN2), to thermo-solar plants in Spain (Helioenergy 1 and 2, Helios 1 and 2, Solnova 1, 3 and 4, Solaben 1 and 6) and a thermo-solar plant in South Africa (Kaxu Solar One).

Concession-type infrastructure EBITDA has decreased by 57.3% to €67 million, which is a decrease of €90 million compared to the €157 million on the same period last year. This decrease in EBITDA is also mainly attributed to what has been mentioned in the previous section related to the negative impacts as a consequence of the sale to Atlantica Yield of certain owner companies of concession-type plants during 2015 under the ROFO agreements mentioned before.

h) Consolidated statement of financial position

Consolidated balance sheet

A summary of Abengoa's consolidated asset for September 30, 2016 and December 31, 2015 is given below, with main variations:

Item	Balance as of 09.30.16	Balance as of 12.31.15	Var (%)
Intangible assets & Tangible fixed assets	316	2,600	(87.8)
Fixed assets in projects	424	3,360	(87.4)
Investments accounted for using the equity method	776	1,198	(35.2)
Financial investments	160	1,114	(85.6)
Deferred tax assets	824	1,585	(48.0)
Non-current assets	2,500	9,857	(74.6)
Inventories	122	311	(60.8)
Clients and other receivables	1,525	2,004	(23.9)
Financial investments	145	519	(72.1)
Cash and cash equivalents	333	681	(51.1)
Assets held for sale	6,501	3,256	99.7
Current assets	8,626	6,771	27.4
Total Assets	11,126	16,628	(33.1)

- > Non-current assets have decreased by 74.6 % to €2,500 million, which is a decrease of €7,357 million compared to the 9,857 million at December 31, 2015. This decrease in non-current assets is mainly attributable to the classification as assets held for sale of the property, plant and equipment of the operative segment of Bioenergy, the investment in Yoigo and assets of certain transmission lines in Brazil, to the negative impact of the derivative liability value on the convertible notes of Befesa and the impairment over the investment in Rioglass Solar after its dilution of shares and of APW-1. All the previous impact has been partially offset by a light increase of assets in projects under construction related to Zapotillo Aqueduct concession and the Unidad Punta de Rieles.

- > Current assets have increased by 27.4% to €8,626 million, which is an increase in €1,855 million compared to the €6,771 million at December 31, 2015. This increase in assets is mainly attributable to new non-current assets classified as assets held for sale mentioned before. The mentioned has been partially offset by the lower financial investments and cash and cash equivalents due to the maturities of collateralized non-recourse confirming liabilities, netted by the cash obtained in the new liquidity lines in March and September, 2016.

A summary of Abengoa's consolidated liabilities as of September 30, 2016 and December 31, 2015 is given below, with main variations:

Item	Balance as of 09.30.16	Balance as of 12.31.15	Var (%)
Capital and reserves	(5,189)	62	(8.469,4)
Non-controlling Interest	506	391	29,4
Total Equity	(4,683)	453	(1.133,8)
Long-term non-recourse financing	13	504	(97,4)
Corporate financing	253	372	(31,9)
Grants and other liabilities	291	234	24,4
Provisions and Contingencies	44	63	(30,2)
Derivative financial instruments	17	38	(55,3)
Deferred tax liabilities and Personnel liabilities	168	322	(47,8)
Total non-current liabilities	786	1.532	(48,7)
Short-term non-recourse financing	1,956	2.567	(23,8)
Corporate financing	6,930	6.197	11,8
Trade payables and other current liabilities	2,420	4.379	(44,7)
Current tax liabilities	220	195	12,6
Derivative financial instruments	3	108	(97,2)
Provisions for other liabilities and expenses	21	6	250,0
Liabilities held for sale	3,473	1.191	191,6
Total current liabilities	15,023	14.643	2,6
Total liabilities	11,126	16.628	(33,1)

- > Equity has decreased by 1,133.8% to €-4,683 million, which is a decrease of €5,136 million compared to €453 million at December 31, 2015. This decrease in equity is mainly attributable to the negative outcome as a consequence of the current situation of the Group which has been described before in the Consolidated Income Statement section. This has been partially offset by the net positive evolution of conversion differences of the appreciation of the Brazilian real and the depreciation of the US Dollar.

- > Non-current liabilities have decreased by 48.7% to €746 million, which is a decrease of €786 million compared to €1,532 million at December 31, 2015. This decrease in non-current liabilities is mainly attributable to the reclassification as liabilities held for sale in the operative segment of Bioenergy and transmission lines in Brazil and the recognition of the debt derived from the agreement with EIG.
- > Current liabilities have increased by 2.6% to €15,023 million, which is an increase of €380 million compared to the €14,643 million at December 31, 2015. This increase in current liabilities is mainly attributable to non-current liabilities classified as held for sale mentioned before, as well as by the increase in corporate financing due to the new liquidity line provided at the end of March and September 2016. All the mentioned has been partially offset by the decrease in the trade payables and other current liabilities section due to maturities during the period of non-recourse confirming which had cash collateral or equivalent to cash collateral as guaranty of its pay.

i) Consolidated cash flow statements

A summary of the consolidated cash flow statements of Abengoa for the periods ended September 30, 2016 and September 30, 2015 with an explanation of the main cash flows:

Item	09.30.16	09.30.15 (1)	Var (%)
Profit for the year from continuing operations	(2,310)	0	(2,309,600.0)
Non-monetary adjustments	2,152	518	315.4
Variations in working capital and discontinued operations	(135)	(1,339)	(89.9)
Income tax paid & Interest received/paid	(58)	(667)	(91.3)
Discontinued operations	47	222	(78.8)
A. Net Cash Flows from operating activities	(304)	(1,266)	(76.0)
B. Net Cash Flows from investing activities	13	(903)	(101.4)
C. Net Cash Flows from financing activities	249	1,869	(86.7)
Net increase/(decrease) of cash and equivalent	(42)	(300)	(86.2)
Cash at beginning of year	681	1,811	(62.4)
Translation differences cash or equivalent	(3)	(66)	(95.5)
Assets held for sale and discontinued operations	(304)	(225)	35.1
Cash and cash equivalent at end of period	333	1,220	(72.7)

(1) Restated figures in the cash flow statement due to the classification of transmission lines activity in Brazil and the operating segment of Bioenergy as discontinued operations.

- > As of September 30, 2016, cash outflows from operating activities amounts to €304 million compared to €1,262 million in 2015, due to the lower cash generated from the profit of the year, the decrease in working capital and the tax and interests credit receipts and payments, mainly derived from the current situation of the Group given by the strong limitation of financial resources in which the Company is subjected in the last months and which has significantly affected the evolution of the business after the general deceleration of all activities.
- > In terms of net cash flows from investment activities, there is a net cash outflow of €13 million as of September 30, 2016, compared with net cash outflow of €903 million in the same period 2015. The lower cash outflows from investment activities is mainly caused by the current situation of the Group mentioned previously. The main investments were mainly because of transmission lines in Brazil and cogeneration projects in Mexico, partially netted by the new money from the sale of Sham's interest of Abengoa, Explotaciones Varias, for the sale of four photovoltaic plants located in the province of Seville and Jaén and for the sale of the convertible loan into shares of Befesa Medio Ambiente, S.L.U.
- > Net cash flow from financing activities was €249 million as of September, 30 2016 compared to €1,869 million in the same period 2015. The lower cash inflows from financing activities is mainly caused by the current situation of the Group previously mentioned. Net cash generation mainly comes from a new liquidity line given at the end of March and September 2016.

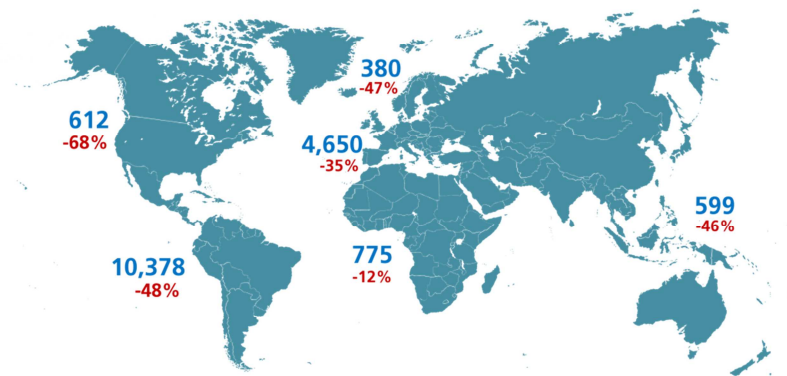
j) Human Resources

Abengoa's workforce decreased by 45% to 17,394 people as of September 30, 2016, compared to September 30, 2015 (31,823 people).

Geographical distribution of the workforce

The distribution of the average number of employees was 27% in Spain and 73% abroad.

Mapa países sept-15 vs sept-16



Distribution by professional groups

The average number of employees by categories as of September 30, 2016 and 2015 was:

Categories	Average number of employees for the nine months ended 09.30.16			Average number of employees for the nine months ended 09.30.15		
	Female	Male	%	Female	Male	%
Directors	42	397	2,5	60	491	1,9
Management	315	1.129	8,3	436	1.611	7,1
Engineers	888	2.056	17,0	1.468	3.347	16,8
Assistants and professionals	730	1.448	12,6	1.220	1.759	10,4
Operators	663	9.529	58,9	1.001	16.626	61,5
Interns	49	71	0,7	258	391	2,3
Total	2.687	14.630	100	4.443	24.225	100

3.- Information on the foreseeable evolution of the Group

To estimate the outlook for the Group, it is important to take into account the current temporary situation of the Company and the initiated refinancing process based on the Updated Viability Plan that defined the structure of the future activity of Abengoa on an operating basis focusing on the Activity of Engineering and Construction either developing its own technology or using technology developed by others.

Such refinancing process initiated by the Company with its creditors consists on the restructuring of the debt to provide the optimal capital structure and the sufficient liquidity to continue operating competitively and sustainably in the future.

The completion of the restructuring process will lead the evolution of the Group in the future.

4.- Financial risk management

Abengoa's activities are undertaken through its operating segments and are exposed to various financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk, liquidity risk and capital risk.

Due to the facts and circumstances occurred during the second half of the year 2015, Abengoa had at the end of November 2015 substantial liquidity needs mainly to attend capital expenditure in assets, short and medium term debt maturities related to operations and negative working capital.

On November 25, 2015, due to the circumstances explained above, the Company decided to initiate a refinancing process to try to reach an agreement with its main financial creditors that would ensure a suitable framework in which to undertake the said negotiations and the financial stability of the Group in the short and medium term.

In relation to the refinancing process, after carefully evaluating the situation described above and in order to ensure the stability necessary to conduct these negotiations with the creditors, the Board of Directors of the Company deemed that the most appropriate approach was to submit the communication provided under Article 5 bis of Ley Concursal. In this regard, on December 15, 2015, Commercial Court No. 2 of Seville issued a Decree agreeing that the communication provided for under Article 5 bis of Ley Concursal had been filed.

Afterwards, on August 11, 2016, it has been subscribed a Term Sheet of the restructuring agreement between Abengoa, S.A. and a group of entities comprised of main financial creditors and potential

investors. Moreover, acceptance confirmations have been received to the comfort letter to finance the new money provided in the restructuring agreement in excess to the previous requirements in the Updated Viability Plan. The agreement is subject to certain documentation and a number of usual conditions in this kind of transactions.

Finally, on September 24, 2016, the restructuring contract was subscribed by the Company, several Group Companies whose financial liabilities will be restructured and a group of financial creditors which participates both in the existing financial liabilities and the new money and new guarantees tranches. Since that date, the accession period to such Restructuring Contract opened to the rest of financial creditors which finished on October 25, 2016 largely over the minimum of financial creditors legally required majority to which it was addressed. As a consequence of the aforementioned, on October 28, 2016 an application for the judicial approval of the restructuring agreement has been filed with the Mercantile Courts of Seville which has obtained the support of 86.0 per cent of the financial creditors to which it was addressed. On November 8 2016 the Judge of the Mercantile Court of Seville No. 2 has issued a resolution declaring the judicial approval of the Restructuring Agreement and extending the effects of the Standard Restructuring Terms set out in the Restructuring Agreement to those creditors of financial liabilities who have not signed the agreement or have otherwise expressed their disagreement with it.

Abengoa's Directors are confident on reaching a final agreement with creditors and, once signed, the achievement of the Viability Plan associated by means of the Group's ability to generate cash from operations which will allow the financial restitution of Abengoa, S.A., and to provide to Abengoa the optimal capital structure and the liquidity enough to continue its activity and operate in a competitive and sustainable manner in the future.

5.- Information on research and development activities

R&D investments at the end of the third quarter of the year 2016 has been €9 million, lower than the amount invested at September 30, 2015 (€101 million) mainly due because the current situation of the Company.

6.- Stock exchange evolution

According to data provided by Bolsas y Mercados Españoles (BME), in the first nine months of 2016 a total of 141,461,667 Class A shares and 4,178,438,590 Class B shares in the company were traded, equivalent to an average daily trading volume of 732,962 Class A shares and 21,649,941 Class B shares. The average daily traded cash volume was €0.5 million for Class A shares and €5.0 million for Class B shares.

Share evolution	A-Shares		B-Shares	
	Total	Daily	Total	Daily
Volume (thousands of shares)	141,462	733	4,178,439	21,650
Volume (M€)	87.0	0.5	961.6	5.0

Quotes	A-Shares Data		B-Shares Data	
Last	0.5880	30-sep	0.2150	30-sep
Maximum	1.0000	29-mar	0.4250	9-mar
Average	0.6148		0.2300	
Minimum	0.3380	19-jan	0.1300	11-feb

The last price of Abengoa's shares in the third quarter of 2016 was 0.59 euros for Class A shares, some 43% higher than at the end of 2015; and 0.22 euros per Class B share, 10% higher than the close of 2015.

Since its IPO in the Spanish stock exchange in November 29, 1996, the value of the Company has risen by 13%. The selective IBEX-35 index has risen by 88% during the same period.



7.- Information on the purchase of treasury shares

On November 19, 2007, the Company entered into a liquidity agreement on class A shares with Santander Investment Bolsa, S.V. Replacing this liquidity agreement, on January 8, 2013, the Company entered into a liquidity agreement on class A shares with Santander Investment Bolsa, S.V. in compliance with the conditions set forth in CNMV Circular 3/2007 of December 19. On November 8, 2012, the Company entered into a liquidity agreement on class B shares with Santander Investment Bolsa, S.V. in compliance with the conditions set forth in CNMV Circular 3/2007 of December 19. With effects as of April 21, 2015 the agreement related to B class shares has been terminated. With effects as of September 28, 2015, transactions under the liquidity agreement entered into on January 10, 2013 with Santander Investment Bolsa, Sociedad de Valores, S.A. with respect to the Class A shares of the Company has been temporarily suspended.

As of September 30, 2016 treasury stock amounted to 5,662,480 shares, all of them class A shares.

Regarding the operations carried out during the period, treasury stock purchased amounted to 0 class A shares and 0 class B shares and treasury stock transferred amounted to 0 class A shares and 0 class B shares.

8.- Dividends

Abengoa's Board of Directors held on September 23, 2015 approved the suspension of our dividend until Abengoa achieve a credit rating of "BB-" from Standard & Poors or "Ba3" from Moody's or our leverage ratio of Gross Corporate Debt (including bridge loan), as of the most recent balance sheet date which is approved, to Corporate EBITDA for the twelve months immediately preceding such balance sheet date, falls below 3.5x. As long as Abengoa do not reach the aforementioned credit rating or leverage ratio, Abengoa will not distribute dividends to their shareholders.

9.- Relevant events reported to the CNMV

Details of the Relevant Events corresponding to the first nine months of 2016:

- › Written Communication of 01/04/16.- Abengoa announces fulfillment with the conditions precedent for the entry into force of the amendments to the terms and conditions of the convertible bond due on 2017
- › Written Communication of 01/26/16.- The Company communicates advance in the restructuring process
- › Written Communication of 01/26/16.- Supplement to the relevant fact published yesterday
- › Written Communication of 01/26/16.- The Company communicates the admission to trading of new Class B shares following conversion of certain bonds
- › Written Communication of 01/29/16.- Admission to trading of the new Class B shares following the end of the 16º Conversion Period
- › Written Communication of 02/12/16.- The Company informs that the Company's director Mr. José Luis Aya Abaurre has died
- › Written Communication of 02/16/16.- Industrial Viability Plan
- › Written Communication of 02/17/16.- Abengoa announces that it will hold a conference call to present its Industrial Viability Plan
- › Written Communication of 02/17/16.- The Company announces new Access data for today's conference call
- › Written Communication of 02/25/16.- The Company has agreed to call the noteholders' meeting
- › Written Communication of 02/29/16.- Abengoa announces results for the second semester 2015
- › Written Communication of 03/01/16.- Abengoa announces changes in its Board of Directors
- › Written Communication of 03/08/16.- Abengoa announces changes in the Committees of its Board of Directors
- › Written Communication of 03/10/16.- The Company informs of advances in the negotiations of the restructuring agreement
- › Written Communication of 03/11/16.- Abengoa presents its Business Plan and Financial Restructuring Proposal
- › Written Communication of 03/15/16.- Abengoa informs dial-in details to Access the call
- › Written Communication of 03/16/16.- Business Plan and Financial Restructuring Proposal Presentation
- › Written Communication of 03/17/16.- Abengoa announces the proceedings to accede the standstill
- › Written Communication of 03/22/16.- Abengoa announces the granting of a liquidity line
- › Written Communication of 03/28/16.- Abengoa announces submission of the application for the judicial approval (homologación) of the Standstill Agreement to the Courts of Seville
- › Written Communication of 03/28/16.- Abengoa announces the lack of quorum for the valid constitution of the Noteholders' Meeting in connection with the Notes "€500,000,000 8.50 per cent. Notes due 2016" (ISIN: XS0498817542) which was called on February 25
- › Written Communication of 03/29/16.- Abengoa announces that it will not convene a Noteholders' Meeting in connection with the Notes 500.000.000 euros 8.50 per cent Notes due 2016 (ISIN: XS0498817542) to be held on second call
- › Written Communication of 03/30/16.- Abengoa announces commencement of proceedings in the United States

- › Written Communication of 04/06/16.- Abengoa announces the judicial approval (homologación judicial) of the Standstill Agreement
- › Written Communication of 04/06/16.- Abengoa announces that it will apply for delisting from the Nasdaq Stock Market and deregistration of its Class B shares with the U.S. Securities and Exchange Commission
- › Written Communication of 04/14/16.- Abengoa announces advances in the Chapter 11 and Chapter 15 proceedings in the United States
- › Written Communication of 04/19/16.- Abengoa announces changes in the Board of Directors
- › Written Communication of 04/27/16.- Admission to trading of the new Class B shares following the end of the 17º Conversion Period
- › Written Communication of 04/29/16.- Abengoa announces delisting from Nasdaq
- › Written Communication of 05/04/16.- Abengoa announces advances in the US proceedings
- › Written Communication of 05/12/16.- Abengoa announces first quarter results for 2016
- › Written Communication of 05/25/16.- Abengoa announces changes in its Board of Directors
- › Written Communication of 05/27/16.- Abengoa calls the General Shareholders' Meeting
- › Written Communication of 06/03/16.- Abengoa informs of a complement to the announce of the General Shareholders' Meeting
- › Written Communication of 06/14/16.- Abengoa updates advances in the proceedings in the United States
- › Written Communication of 06/30/16.- Abengoa announces changes in the Board of Directors
- › Written Communication of 06/30/16.- Abengoa announces resolutions approved by the General Shareholders' Meeting
- › Written Communication of 06/30/16.- The Company releases the Chairman's and CEO's discourses during the Ordinary General Shareholders' meeting held today
- › Written Communication of 08/10/16.- The Company announces admission to trading of new Class B shares after the end of the 18th Conversion Period
- › Written Communication of 08/10/16.- The Company announces admission to trading of new Class B shares after the conversion of certain bonds
- › Written Communication of 08/11/16.- Abengoa announces the terms and conditions of the restructuring proposal and informs that will hold a conference call on Tuesday, August 16th
- › Written Communication of 08/16/16.- Presentation of Abengoa's Updated Viability Plan & Financial Restructuring Terms
- › Written Communication of 08/25/16.- Abengoa updates the processes in the United States
- › Written Communication of 09/19/16.- The Company clarifies information appeared in the media
- › Written Communication of 09/19/16.- Abengoa announces that it has been granted with a liquidity line
- › Written Communication of 09/24/16.- Abengoa announces the execution of the Restructuring Agreement and the beginning of the accession period
- › Written Communication of 09/27/16.- Abengoa announces the convening of Noteholders' Meetings regarding certain issuances
- › Written Communication of 09/30/16.- Abengoa announces H1 2016 results
- › Written Communication of 10/21/16.- Abengoa announces the calling of an Extraordinary General Shareholders' Meeting
- › Written Communication of 10/21/16.- Abengoa anuncia la ecuación de canje fijada para la unificación de las dos clases de acciones en una única
- › Written Communication of 10/21/16.- Abengoa publica información adicional en relación con la ecuación de canje determinada para la unificación de las dos clases de acciones en una única
- › Written Communication of 10/26/16.- Abengoa announces provisional results of the accession period to the Restructuring Agreement
- › Written Communication of 10/27/16.- Abengoa announces results of the Noteholders' Meetings held today
- › Written Communication of 10/28/16.- Abengoa announces the second call of certain Noteholders' Meetings
- › Written Communication of 10/28/16.- Abengoa announces filing with the Mercantile Courts of Seville of an application for the judicial approval (homologación judicial) of the Restructuring Agreement
- › Written Communication of 11/08/16.- Abengoa announces judicial approval of its Restructuring Agreement

- › Written Communication of 11/09/2016. – Abengoa announces admission to trading of the new Class B shares issued following conversion of certain bonds.
- › Written Communication of 11/09/2016. – Abengoa announces admission to trading of new Class B after the nineteenth conversion period
- › Written Communication of 11/09/2016. – Abengoa announces that its subsidiary Abengoa Concessions Investments Limited has initiated a Company Voluntary Arrangements (CVA) in the United Kingdom to restructure its debt

10.- Alternative performance measures

Abengoa presents the Income Statement in accordance to the International Financial Reporting Standards (IFRS), however, uses some alternative performance measures (APMs) to provide additional information to assist the comparison and comprehension of the financial information, facilitate decision-making and the assessment of group's performance.

The most significant APM are the following:

- › EBITDA;
 - › Definition: operating profit + amortization and charges due to impairments, provisions and amortizations.
 - › Reconciliation: the Company presents the EBITDA calculation in Note 2 of the condensed interim Management's report and Note 5 to the Consolidated condensed interim financial statements.
 - › Explanation of use: EBITDA is considered by the Company as a measure of performance of its activity given that provides an analysis of the operating results (excluding depreciation and amortization, which do not represent cash) as an approximation of the operating cash flows that reflects the cash generating before variations in working capital. Additionally, EBITDA is an indicator widely used by investors when valuing corporations, as well as by rating agencies and creditors to assess the indebtedness comparing EBITDA with net debt.
 - › Comparative: the Company presents comparative information with the previous period.
 - › Consistency: the standard used to calculate EBITDA is the same than the used the previous year.
- › Operating margin;
 - › Definition: EBITDA / revenue.
 - › Reconciliation: the Company presents the operating margin calculation in Note 2of the Condensed Interim Management's report.
 - › Explanation of use: operating margin is a measure of business profitability itself before the amortization, impairment, financial results and taxes impact. It measures the monetary units earned per units sold.
 - › Comparative: the Company presents comparative information with the previous period.
 - › Consistency: the standard used to calculate the operating margin is the same than the used the previous year
- › Net corporate debt;
 - › Definition: corporate financing – cash and cash equivalents (excluding project companies) – current financial investments (excluding project companies).
 - › Reconciliation: the Company presents the net corporate debt calculation in Note 2of the Condensed Interim Management's report.
 - › Explanation of use: net corporate debt is a financial indicator which measures the indebtedness position of a company a corporate level. Additionally, it is an indicator widely used by investors when valuing the financial indebtedness of a company, as well as by rating agencies and creditors when valuing the level of indebtedness.
 - › Comparative: the Company presents comparative information with the previous period.
 - › Consistency: the standard used to calculate the net corporate debt is the same than the used the previous year.
- › Net cash provided by operating activities;
 - › Definition: variations in cash arisen as the difference between collections and payments caused by trade transactions in the Group during the period.
 - › Reconciliation: the Company presents the Net Cash Provided by Operating Activities calculation in the Cash Flow Statement in the Consolidated condensed interim financial statements and in Note 2 of the Condensed Interim Management's report.
 - › Explanation of use: net cash provided by operating activities is a financial indicator which measures the cash generation of business itself during the period.
 - › Comparative: the Company presents comparative information with the previous period.

- › Consistency: the standard used to calculate the net cash provided by operating activities is the same than the used the previous year.
- › Net cash used in investing activities;
 - › Definition: variations in cash arisen as the difference between collections and payments caused by divestment and investment transactions in the Group during the period.
 - › Reconciliation: the Company presents the Net Cash Used in Investing Activities calculation in the Cash Flow Statement in the Consolidated condensed interim financial statements and in Note 2of the Condensed Interim Management’s report.
 - › Explanation of use: net cash used in investing activities is a financial indicator which measures the investing effort of the Company in a period net of divestments in the Company during the period.
 - › Comparative: the Company presents comparative information with the previous period.
 - › Comparative: the standard used to calculate the Net Cash Used in Investing Activities is the same than the used the previous year
- › Net cash provided by financing activities;
 - › Definition: variations in cash arisen as the difference between collections and payments caused by financing transactions in the Group during the period.
 - › Reconciliation: the Company presents the Net Cash Provided by Financing Activities calculation in the Cash Flow Statement in the Consolidated condensed interim financial statements and in Note 2 of the Condensed Interim Management’s report.
 - › Explanation of use: net cash provided by financing activities is a financial indicator which measures both the cash generated from new financing closed during the period and the use of cash in the same period to repay its financial creditors (financial entities, investors, partners and shareholders).
 - › Comparative: the Company presents comparative information with the previous period.
 - › Consistency: the standard used to calculate the net cash provided by financing activities is the same than the used the previous year.
- › Earnings per share (EPS);
 - › Definition: profit for the year attributable to the parent company / number of ordinary shares outstanding.
- › Reconciliation: the Company presents the EPS calculation in the Consolidated Income Statement and in the Note 25 to the Consolidated condensed interim financial statements.
- › Explanation of use: earning per share is a financial indicator which measures the portion of profit that corresponds to each share of the Company. It is an indicator widely used by investors when valuing the performance of a Company.
- › Comparative: the Company presents comparative information with the previous period.
- › Consistency: the standard used to calculate the earnings per share is the same than used the previous year.
- › Market capitalization;
 - › Definition: number of shares at the end of the period x quote at the end of the period.
 - › Reconciliation: the Company presents the market capitalization in the Note 2 of the condensed interim Management’s report
 - › Explanation of use: market capitalization is a financial indicator to measure the size of a Company. It is the total market value of a company.
 - › Comparative: the Company presents comparative information with the previous period.
 - › Consistency: the standard used to calculate the market capitalization is the same than the used the previous year.
- › Backlog
 - › Definition: value of construction contracts awarded and pending to execute.
 - › Reconciliation: the Company presents the backlog in the Note 2 of the condensed interim Management’s report.
 - › Explanation of use: backlog is a financial indicator which measures the capacity of future revenue generation of the Company.
 - › Comparative: the Company presents comparative information with the previous period.
 - › Consistency: the standard used to calculate the backlog is the same than the used the previous year.

11.- Subsequent events

Since September 30, 2016, no other events have occurred that might significantly influence the financial information detailed in this report, nor has there been any event of significance to the Group as a whole.