

Report by the Board of Directors of Abengoa, S.A. in connection with the proposed agreement to issue warrants for company shareholders carrying the right to subscribe new class A or class B Abengoa, S.A. shares and an increase of share capital by the amount necessary to cater for exercise of the rights carried by the warrants, submitted to the extraordinary general shareholders' meeting called on November 21 and 22, 2016 on first and second call respectively, as item four on its agenda.

1. Introduction

At a meeting on October 10, 2016 the Board of Directors of Abengoa, S.A. (hereinafter "**Abengoa**", the "**Company**" or the "**Firm**") agreed to call an extraordinary general shareholders' meeting on November 21 and 22, 2016 on first and second call respectively, and to submit for the approval of said general meeting, as item four on its agenda, an issue of warrants and the corresponding increase of share capital by the amount necessary to cater for exercise of the rights carried by said warrants.

In compliance with the provisions of Article 286 of the revised Spanish Corporate Enterprise Law, approved by Royal Legislative Decree 1/2010 of July 2 (hereinafter the "**Corporate Enterprise Law**"), in relation to Article 297.1.(a) and related articles in the Business Register Regulations and, by analogy, Article 414.2 of the Corporate Enterprise Law, the members of the Board of Directors of Abengoa are drawing up this report (the "**Report**"), the purpose of which is to explain and justify the operation to issue two classes of warrants (hereinafter the "**Abengoa Warrants**", and their issue, the "**Issue**") which shall grant the right to respectively subscribe Company class A and class B shares (the "**New Shares**"), the corresponding increase of share capital by the amount necessary to cater for exercise of the rights carried by the Abengoa Warrants, which shall take place if the rights carried by the Abengoa Warrants are exercised, and delegation to the Board of Directors of the powers necessary to carry out the Issue when the conditions to which it is subject have been met, and the increase of share capital, in all aspects that are not agreed by the General Meeting.

There follows an initial explanation to shareholders of the operation proposed to the General Meeting and the reasons to justify the Issue, including the text of the agreements that shall be proposed to the General Meeting in connection with the Issue.

2. Description, context of the operation and justification for the issue

The purpose of the Issue is to comply with the obligation undertaken by Abengoa in section 3.8 of the agreement for the restructuring of financial debt and recapitalization of the Abengoa Group entered into on September 24, 2016 by the Company, a number of companies in the Abengoa Group, a group of investors and a group of creditors composed, among others, of banks and holders of debt instruments issued by Abengoa Group companies (hereinafter the "**Restructuring Agreement**"), consisting of the undertaking to submit for approval by an extraordinary general meeting of Company shareholders, among other proposed agreements, an issue of warrants in favor of parties that are shareholders of the Company on the day immediately preceding the date of realization of the capital increase agreements submitted for consideration by the extraordinary general shareholders' meeting as item two on its agenda (hereinafter the "**Pre-existing Shareholders**"), to permit them, when the conditions for exercise of the warrants have been met as described in section 3.(v) below in this Report, to subscribe a number of New Shares in the Company equivalent to 5% of the number of class A and class B shares representing the share capital of Abengoa following the realization, as the case may be, of the capital increase agreements submitted for approval by the extraordinary general meeting of Company shareholders as item two on its agenda.

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The Issue constitutes a necessary condition for the effectiveness of the Restructuring Agreement which, along with the other measures contemplated therein, at the date of this Report represents, in the opinion of the Board of Directors, the only available avenue to guarantee the restructuring of financial debt and the recapitalization of the Abengoa Group (hereinafter the "**Restructuring**") and compliance with the terms of its Viability Plan published on August 16, 2016. The Restructuring Agreement shall also entail a significant reduction of the Company's debt, bringing it down to a sustainable level, and this shall include savings in borrowing costs (such as, for example, the amount of the fees charged by the entities providing the new funding that shall be made available to the Abengoa Group ("Capitalization Fees", under the Restructuring Agreement), which shall be offset for capitalization within the framework of the share capital increases in the aforementioned item two of the agenda) and this, combined with the arrival of new money at the Company, shall enable the Company to renew its business activity, thereby preventing an ultimate declaration of insolvency proceedings.

In view of the above and pursuant to the Restructuring Agreement, a proposal is issued to the extraordinary general shareholders' meeting for issue of the Abengoa Warrants, which shall be granted free of charge to parties that are shareholders of the Company on the day immediately preceding the date of realization of the capital increase agreements submitted for consideration by the extraordinary general shareholders' meeting as item two on its agenda (hereinafter the "**Pre-existing Shareholders**") and shall grant their holders the rights set out in the corresponding agreements, which are described subsequently.

The creditors and other signatories of the Restructuring Agreement have been aware of the effort that the Pre-existing Shareholders are willing to make to guarantee the success of the Restructuring, and in their consideration and the forecast that the Restructuring could entail a recovery of business exceeding the recovery stipulated in the Viability Plan, they wish to acknowledge in favor of these shareholders the right to increase their stake in the share capital of Abengoa in the percentage equivalent to subscription of the number of shares corresponding to 5% of the shares representing the share capital of the Company produced by the realization of the aforementioned capital increases, provided that, within a period of ninety-six months, all the amounts outstanding by virtue of the new funding contributed within the framework of the Restructuring and the existing financial debt (as it has been restructured) have been satisfied, including their financial costs.

The possibility of offering the Pre-existing Shareholders an increased stake if the conditions stipulated in the Restructuring Agreement are met is instrumented by the issue of warrants, which shall enable the holders to increase their stake in share capital by the aforementioned percentage if these conditions are met. Thus, for each share held, each Reference Shareholder shall receive, free of charge, a warrant entitling the holder to subscribe, by paying up the cash sum of its par value, another share of the same class as that held.

The Abengoa Warrants are therefore issued in due adherence to the shareholders' preference rights, acknowledged in Article 305 of the Corporate Enterprise Law, through reference to Article 416 of same, and in the manner stipulated in Articles 8.(A).2 and 8.(B).2 of the Company Bylaws, which establish that, in full adherence to the principle of proportionality between the number of shares represented by the class A and class B shares out of the total number of Company shares, class A share preference rights shall only apply to class A shares (or convertible or swappable bonds, warrants or other securities or instruments granting entitlement to their subscription or acquisition), and class B share preference rights shall only apply to class B shares (or convertible or swappable bonds, warrants or other securities or instruments granting entitlement to their subscription or acquisition).

As already mentioned, the Board of Directors considers it is crucial in the interests of the Company for the measures agreed in the Restructuring Agreement to reach a successful

conclusion, and in this context it feels there is justification for issuing the Abengoa Warrants in the conditions and circumstances described above.

The effectiveness of the agreement, if it is approved by shareholders, shall be subject to approval of the agreements submitted for the approval of the extraordinary general shareholders' meeting as items one to three on its agenda.

Pursuant to the delegation of powers stipulated in section III of the agreement, the Board of Directors of the Company shall carry through the agreement on the date determined in the Restructuring Agreement, and in any case after realization of the share capital increase agreements submitted for approval by the extraordinary general shareholders' meeting as item two on its agenda.

3. Main characteristics of the Abengoa Warrants, including conversion procedures and bases

By virtue of the agreements referred to in this report, a proposal is submitted to the extraordinary general shareholders' meeting for the issue of certain warrants, in the conditions described below:

(i) Issuer

The issuer of the Abengoa Warrants shall be Abengoa, S.A.

(ii) Recipients of the Abengoa Warrants

The Abengoa Warrants shall be granted free of charge to the Pre-existing Shareholders.

The Pre-existing Shareholders shall receive one Class A Warrant for each class A share issued and in circulation owned by them and/or one Class B Warrant for each class B share issued and in circulation owned by them, each carrying the rights acknowledged in the following sections.

This demonstrates due adherence to the shareholders' preference rights stipulated in Article 416 of the Corporate Enterprise Law and Articles 8.(A).2 and 8.(B).2 of the Company Bylaws, which establish that, in full adherence to the principle of proportionality between the number of shares represented by the class A and class B shares out of the total number of Company shares, class A share preference rights shall only apply to class A shares (or warrants granting entitlement to their subscription), and class B share preference rights shall only apply to class B shares (or warrants granting entitlement to their subscription).

Thus the Issue agreement shall be carried out by the issue of 83,187,446 Class A Warrants and 858,584,506 Class B Warrants.

Notwithstanding the foregoing, the aforementioned numbers of Abengoa Warrants may be modified (reduced in the case of the Class A Warrants and increased in the case of the Class B Warrants) in an amount equal to the number of Class A Abengoa shares issued and in circulation that have been converted into Class B shares during the period between the date on which this Report is drawn up and the date of realization by the Board of Directors of the proposed agreement referred to in this Report, in respect of the agreements to reduce the Company's share capital that may be carried through by the Company's Board of Directors to meet requests for voluntary conversion of class A shares into class B shares by shareholders during this period.

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Moreover, the number of Class B Warrants may be increased by the number of class B shares arising from any Company share capital increase agreements that the Company Board has been obliged to carry through in order to meet requests for conversion of convertible bonds into class B shares issued by the Company during the period between the date on which this Report is drawn up and the date of realization by the Board of Directors of the proposed agreement referred to in this Report.

Moreover, the number of shares underlying the Abengoa Warrants may be adjusted in the event of approval of the agreement to merge the two Company share classes, submitted for approval by this extraordinary general shareholders' meeting as item five on the agenda.

Total exercise of the rights associated with the Abengoa Warrants –and in the proportion existing at the time of adoption of this agreement between the class A shares and class B shares of the Company– accounts for 5% of the class A and class B shares representing the Company's share capital that would be produced, where applicable, following the realization of the share capital increase agreements submitted for consideration by the extraordinary general shareholders' meeting as item two on its agenda.

The Abengoa Warrants may be freely transferred in the manner stipulated in section (viii) below, and thus the person or entity that ultimately exercises the right carried by the Abengoa Warrant need not be one of the Pre-existing Shareholders to whom the Abengoa Warrants are initially granted.

(iii) Issue price of the Abengoa Warrants

The Abengoa Warrants shall be issued as an instrument for the realization of the Restructuring Agreement if the share capital increase agreements submitted for consideration by the extraordinary general shareholders' meeting as item two on its agenda are approved by Company shareholders. They shall therefore be granted free of charge to the Pre-existing Shareholders.

(iv) Rights carried by the Abengoa Warrants

Two types of Abengoa Warrants shall be issued:

- Class A Warrants, which shall be granted to Pre-existing Shareholders holding class A shares, and shall grant their holders the right, although not the obligation, to subscribe class A shares in the proportion of one class A share for each Class A Warrant, by paying up their unit par value in cash, i.e. 0.02 euro. Class A shares subscribed in exercise of the Class A Warrants shall carry the rights acknowledged to them by the Company Bylaws.
- Class B Warrants, which shall be granted to Pre-existing Shareholders holding class B shares, and shall grant their holders the right, although not the obligation, to subscribe class B shares in the proportion of one class B share for each Class B Warrant, by paying up their unit par value in cash, i.e. 0.0002 euro. Class B shares subscribed in exercise of the Class B Warrants shall carry the rights acknowledged to them by the Company Bylaws.

The Abengoa Warrants shall not grant their holders any further rights other than those described above, and in particular they shall not grant the right to receive any amounts equivalent to the per-share dividend, distribution of reserves or other similar distributions corresponding to the share underlying the Abengoa Warrant concerned.

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(v) Term and time of exercise of the Abengoa Warrants. Expiry

The Abengoa Warrants may be exercised by their holders, totally or partially, at any time after a period of ninety-six months has elapsed from the date on which all the necessary actions have been taken for implementation of the Restructuring and provided that, within this period, all amounts outstanding by virtue of the new funding that shall be furnished to the Abengoa Group within the framework of the Restructuring such as pre-existing financial debt (as it has been restructured) have been satisfied, including their financial costs (hereinafter the "**Conditions of Exercise**" and the "**Date of Initial Exercise of the Abengoa Warrants**"). Exercise of the rights carried by the Abengoa Warrants by their holders shall be an individual decision by each of them, and shall be irrevocable once it has been notified to the Company.

As of the Date of Initial Exercise of the Abengoa Warrants, the Abengoa Warrants may be exercised by their holders totally or partially at any time within a maximum period of the three months immediately following. The Date of Initial Exercise of the Abengoa Warrants for the purposes of exercise shall be notified to the market in timely fashion by the Company through the publication of an official relevant fact.

The different rights carried by the Abengoa Warrants shall therefore expire following exercise or if they have not been exercised within the aforementioned period of three months.

In any case, the rights carried by the Abengoa Warrants shall expire after a period of ninety-six months has elapsed if, at the end of this period, the Conditions of Exercise have not been met or, within a period of ninety-nine months if, at the end of the aforementioned period of ninety-six months, the Conditions of Exercise have been met, in both cases, as of the date immediately following the date of their issue.

(vi) Procedure for exercise of the Abengoa Warrants

In order to exercise each Class A Warrant, holders must pay up 0.02 euro in cash for each Class A Warrant, as the par value of each new Class A share that shall be delivered to them in the exercise of this warrant. In order to exercise each Class B Warrant, holders must pay up 0.0002 euro in cash for each Class B Warrant, as the par value of each new Class B share that shall be delivered to them in the exercise of this warrant.

When the amounts stipulated in the manner established by the Board of Directors have been paid up, the Company shall declare a number of class A and class B shares equivalent to the Class A and Class B Warrants exercised as paid up, and shall declare totally or partially realized the capital increase agreed to back the issue of the Abengoa Warrants in the amount necessary to cater for the distribution, and shall place this declaration on public record, submitting it for entry in the Sevilla Business Register.

The shares issued by virtue of the Abengoa Warrants shall carry the rights and obligations stipulated by the Bylaws for each class of shares, and their holders may exercise them as of the date on which the New Shares are delivered to them. These New Shares shall only carry rights to receive dividends and any other distributions or allocations that are agreed subsequent to their delivery. The New Shares shall also be admitted for trading on the same Stock Exchanges as those on which the class A or class B shares are quoted at the time of their delivery, and the Company shall take the necessary action to this end.

The exercise prices of the Abengoa Warrants shall be adjusted only if the Company agrees to split the par value of shares, group shares or carry out other operations with an

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equivalent effect only on the par value per unit, with no impact on the sum of share capital. In these cases, the Company shall make the corresponding adjustment to the exercise prices of the Abengoa Warrants to adapt them to the new par value of Company shares arising from the aforementioned operations.

Moreover, if, following the approval of the proposed agreement referred to in this Report, the Company's class A and class B shares issued and in circulation are merged into a single new class of ordinary Company shares, an adjustment shall be carried out of the nature and the number of shares that may be subscribed in exercise of the Abengoa Warrants, so that the shares to which entitlement is granted by the Abengoa Warrants are ordinary Company shares, and together their number continues to represent 5% of the total shares into which the share capital of Abengoa is divided following the increases in share capital that are submitted for the consideration of the extraordinary general shareholders' meeting as item two on its agenda.

The merger of the existing two classes of shares into a single class of ordinary Company shares shall also determine the equality of the exercise price of the Class A Warrants and the exercise price of the Class B Warrants, which shall become 0.0002 euro in both cases.

If application of the exercise price decimalizes the Abengoa Warrants, i.e. it renders them fractions of a share, holders of the Abengoa Warrants may accumulate these fractions to whole numbers, and in this case shall be entitled to subscribe an additional New Share for each whole number of shares accumulated. If holders of the Abengoa Warrants are unable to accumulate sufficient fractions to subscribe additional New Shares, the fractions shall in any case be rounded down and shall not apply to the subscription of shares. The rounding down of these fractions shall not under any circumstances entitle holders of the Abengoa Warrants to any cash compensation whatsoever.

(vii) Procedure for representation of the Abengoa Warrants

The Abengoa Warrants shall be represented by book entries, and the company handling the accounting register shall be "Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal" (hereinafter "**Iberclear**") and its participating companies.

(viii) Transferability of the Abengoa Warrants

The Company shall apply for the Abengoa Warrants to be admitted for trading on the Madrid and Barcelona Stock Exchanges through the Spanish Automated Quotation System in the "Warrants, Certificates and Other Products" segment.

(ix) Guarantees

The Abengoa Warrants shall not have any specific guarantees, although they shall have an anti-dilution mechanism by virtue of which exercise prices shall be adjusted only if the Company agrees to split the par value of shares, group shares or carry out other operations with an equivalent effect only on the par value per unit, with no impact on the sum of share capital. In these cases, the Company shall make the corresponding adjustment to the exercise prices of the Abengoa Warrants to adapt them to the new par value of Company shares arising from the aforementioned operations.

In these cases, the Board of Directors shall declare and make public the new exercise price and the new sum of underlying shares to which the Abengoa Warrants grant rights, as the case may be.

(x) Regulations applicable to the Abengoa Warrants and legal jurisdiction

The Abengoa Warrants shall be governed by common Spanish law. By subscribing the Abengoa Warrants, the holders accept that any disputes between the holder of the Warrant and the Company shall be settled in the courts of the city of Madrid.

4. Share capital increase required to make the Abengoa Warrants effective

In compliance with the stipulations of Article 414 of the Corporate Enterprise Law, along with the Abengoa Warrants Issue agreement, approval of the corresponding capital increase in the amount necessary to cater for exercise of the Abengoa Warrants shall be submitted to the extraordinary general shareholders' meeting.

Thus, as part of the agreement to issue the Abengoa Warrants, an agreement to increase share capital, the characteristics of which are as follows, shall be submitted for approval to the extraordinary general shareholders' meeting:

- Number of New Shares: The maximum increase in share capital shall be 1,835,465.83 euros, through the issue of a maximum of 83,187,446 New Class A Shares and 858,584,506 New Class B Shares, notwithstanding any adjustments that may have to be made to these sums to reflect: (i) the effect of any agreements to reduce the Company's share capital that may be carried through by the Company's Board of Directors to meet requests for voluntary conversion of class A shares into class B shares by shareholders during the period between the date on which this Report is drawn up and the date of realization by the Board of Directors of the proposed agreement referred to in this Report; and/or (ii) the effect of any agreements to increase the Company's share capital that may be carried through by the Company's Board of Directors in order to meet requests for conversion of convertible bonds into class B shares issued by the Company during this period; and/or (iii) the effects of approval of the proposed agreement to merge the class A and class B shares into a single class of ordinary Company shares, submitted for the approval of the extraordinary general shareholders' meeting as item five on its agenda.
- Type of issue: The New Shares shall be issued at their respective par values of 0.02 euro in the case of the New Class A Shares and 0.0002 euro in the case of the New Class B Shares, with no issue premium.
- Proportion: The New Shares shall be subscribed by holders of the Abengoa Warrants who decide to exercise the subscription rights carried by the Class A or Class B Warrants held by them, in the proportion of one New Class A or Class B Abengoa Share for each Class A or Class B Warrant held by them.
- Incomplete subscription: The possibility of an incomplete subscription of the capital increase has been considered, should the Class A Warrants or Class B Warrants not be exercised in full.
- Rights carried by the New Shares: The New Class A and Class B Shares shall grant their holders the same voting rights and economic rights as the class A and class B Abengoa shares issued and in circulation as of the date on which the capital increase has been declared subscribed and paid up, and they have been entered in the accounting registers concerned in favor of their owners.
- Representation of the New Shares: The New Shares shall be represented by book entries, and the accounting register shall be handled by Iberclear and its participating companies.

- Admittance of the New Shares for trading: It shall be agreed to issue a request to trade the New Shares on the Barcelona and Madrid Stock Exchanges through the Spanish Automated Quotation System (Continuous Market), with the express stipulation that Abengoa submits to any regulations that exist or may be issued in relation to the Stock Exchange, and most especially to contracting, permanence and exclusion from official trading. A request shall also be made to add the New Shares to the accounting registers of Iberclear and of its participating companies.
- Delegation of powers to the Board of Directors: The Board of Directors shall be granted authority (with express authorization to sub-delegate such authority to any of its members) to carry out totally or partially, on each occasion, the increase necessary to cater for the rights carried by the Abengoa Warrants, through the issue of New Class A or Class B Company Shares in accordance with the characteristics set out in the issue agreement.

5. Proposed agreement to issue the Abengoa Warrants and to increase share capital as necessary to make them effective

The full text of the proposed agreement to issue the Abengoa Warrants and to increase share capital as necessary to make them effective is that set out in **Appendix** to this Report.

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This Report was drawn up and approved by the Board of Directors of Abengoa at meetings on October 10 and 17, 2016.

Appendix

Four. The issuance of warrants in favor of Company shareholders which carry the right to acquire new class A or class B shares, the terms and conditions of which shall be delegated to the Board of Directors when not established at the General Shareholders' Meeting. Increasing the Company's capital stock in the amount necessary to cover the exercise of the rights carried by the warrants, delegating the power to carry out the capital stock increase that was agreed upon on one or more occasions to the Board of Directors, as required by the exercise of these rights.

The agreement to restructure the financial debt and the recapitalization of the group of companies of which "Abengoa, S.A." (hereafter, "**Abengoa**" or the "**Company**") is the head (hereafter, together with the Company, the "**Abengoa Group**"), which was subscribed on September 24, 2016, by the Company, certain companies of the Abengoa Group, a group of investors and a group of creditors consisting of, among others, financial entities and holders of debt securities issued by companies belonging to the Abengoa Group (hereafter the "**Restructuring Agreement**"), includes the commitment of Abengoa to submit for approval at the Company's Extraordinary Shareholders' Meeting a draft agreement concerning the issue of a certain number of warrants entitling those holding shares of the Company on the day immediately preceding the date the agreements are to be executed to increase capital submitted for consideration at the Extraordinary Shareholders' Meeting in item two of its agenda (hereafter the "**Pre-Existing Shareholders**") to subscribe to a number of shares of the Company collectively representing 5% of the aggregate number of class A and class B shares into which the Company's capital stock is divided following the execution, where applicable, of the agreements to increase capital submitted for consideration at the Extraordinary Shareholders' Meeting in item two of its agenda. At the Shareholders' Meeting, upon proposal of the Company's Board of Directors, the following agreements to comply with the obligations undertaken by Abengoa under the Restructuring Agreement are approved.

The effectiveness of this agreement, if approved by the shareholders, shall be subject to the approval of the agreements submitted for approval at the Extraordinary Shareholders' Meeting in items one to three of its agenda.

The Board of Directors of the Company shall execute this agreement, pursuant to the delegation of authority established in section III below, on the date in accordance with the Restructuring Agreement and following the execution of the capital stock increase agreements submitted for the approval at the Extraordinary Shareholders' Meeting in item two of its agenda.

I. Issue and features of the warrants

(a) Issue

It is agreed to issue a number of Abengoa Warrants that shall entitle the Company's Pre-existing Shareholders to subscribe to newly issued Company class A shares (hereafter the "**New Class A Shares**" and "**Class A Warrants**") or newly issued Company class B shares (hereafter the "**New Class B Shares**" and "**Class B Warrants**" and, together with the New Class A Shares and Class A Warrants, the "**New Shares**" and the "**Abengoa Warrants**"), in

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accordance with the terms and conditions indicated below, delegating upon the Board of Directors the necessary authority to perform (in each case understanding that this authority is delegated under this agreement, including the express authority to substitute any of its members).

(b) The issue price of Abengoa Warrants

The Abengoa Warrants shall be issued as an instrument in the execution of the Restructuring Agreement in the event that the proposed agreements for capital increases submitted for consideration at the Extraordinary Shareholders' Meeting in item two of its agenda are passed by the Company's shareholders. These warrants will therefore be assigned to the shareholders free of charge.

(c) The rights incorporated in the Abengoa Warrants

Pre-existing Shareholders shall receive a class A warrant and/or a class B Warrant for each class A and/or class B share issued and in circulation that they own, such that the number of class A and class B warrants that are to be issued in the execution of this agreement shall be 83,187,446 class A warrants and 858,584,506 class B warrants.

Notwithstanding the foregoing, the aforesaid numbers of Abengoa Warrants may be modified (reduced in the case of class A warrants and increased in the case of class B warrants) to match the number of class A Abengoa shares that have been issued and are in circulation that have been converted into class B shares during the period between the date on which this draft agreement was prepared and the date on which it is executed by the Board of Directors, as a result of the agreements to reduce the Company's capital stock which, where applicable, may be executed by the Company's Board of Directors to cover the requests for voluntary conversion of class A shares into class B shares made by the shareholders during this period.

Furthermore, the number of class B Warrants may be increased by the number of class B shares resulting from the agreements to increase the Company's capital stock which, where applicable, are executed by the Board of Directors to cover the requests to convert the bonds issued by the Company into class B shares during the period between the date on which this draft agreement was prepared and the date on which it is executed by the Board of Directors.

Furthermore, the number of shares underlying the warrants may be adjusted in the event that the agreement to merge the two types of Company shares submitted for approval at this Shareholders' Meeting in item five of its agenda is passed.

Each Class A Warrant shall grant its owner the right, but not the obligation, to subscribe to a New Class A Share and each Class B Warrant shall grant its owner the right, but not the obligation, to subscribe to a New Class B Share.

Collectively considered, the Abengoa Warrants shall grant the Company's Pre-existing Shareholders the right, but not the obligation, to subscribe to a number of New Shares representing, in the case of the overall exercise of the rights attached to the Abengoa Warrants and in the proportion on the date this agreement is adopted between the Company's class A shares and the class B shares, 5% of the aggregate number of class A and class B shares into which the Company's capital stock is divided following the execution, where applicable, of the agreements to increase capital submitted for consideration at the Extraordinary Shareholders' Meeting in item two of its agenda.

Notwithstanding the foregoing, this maximum number of New Shares that may be subject to subscription as a result of the exercise of the Abengoa Warrants and the maximum amount of the corresponding capital increase shall be subject to the adjustments described in the following section I.(d) as a consequence of the potential adjustments to the way the New Shares are issued.

The Abengoa Warrants shall not grant their owners any additional rights, aside from those described above and, specifically, they shall not convey the right to receive any amount equivalent to a share dividend, distribution of reserves or other distributions that may be assimilated thereto corresponding to the share underlying the corresponding Abengoa Warrant.

(d) The exercise price of Abengoa Warrants. Adjustments

The New Class A and Class B Shares shall be issued at their respective par values of 0.02 euro and 0.0002 euro per share, without an issue premium.

The offsetting amount of the capital increase whereby the New Class A and Class B Shares are to be issued to cover the exercise of the incorporated rights, respectively, of the Class A and Class B Abengoa Warrants shall be paid by the owners of the Abengoa Warrants through a cash payment covering the exercise price of the Class A Warrants and/or the exercise price of the Class B Warrants, as applicable, which shall be equivalent to their respective par values of 0.02 euro and 0.0002 euro per share, as a result of exercising the rights incorporated in the Abengoa Warrants.

The exercise price shall only be adjusted in the event that the Company were to agree to split the par value of the shares, group the shares or take other similar actions merely in the nominal unit of the shares, without affecting the capital stock figure. In any case, the Company shall adjust the exercise price of the Abengoa Warrants accordingly to adapt them to the new par value of the Company shares whose subscription they entitle.

Additionally, in the event that after this draft agreement is approved the merger of the Company's class A and class B shares that have been issued and are in circulation into a new and single class of ordinary Company shares, the type and number of shares that may be subscribed in the exercise of the Abengoa Warrants shall be adjusted for the shares whose subscription is entitled by the Abengoa Warrants to be ordinary Company shares and that, altogether, this number continues to represent 5% of the shares into which the Company's capital stock is divided following the execution, where applicable, of the capital increase agreements submitted for consideration at the Extraordinary Shareholders' Meeting in item two of its agenda.

Merging the two currently existing share classes into a single class of ordinary Company shares shall further determine the exercise price of the Class A Warrants and the exercise price of the Class B Warrants, which shall become 0.0002 euros in either case.

If applying the exercise price of the Abengoa Warrants results in decimals, i.e., share fractions, the owners of Abengoa Warrants may put these share fractions together until reaching a whole number and, in this case, they shall be entitled to subscribe to one additional New Share for each whole share they have put together. In the event that the owner of the Abengoa Warrants were not able to gather enough share fractions to subscribe to an additional New Share, these fractions shall be rounded off by default and will not be able to be used to subscribe to other

shares. The rounding off of such fractions by default shall not give rise, by any means, to the right by the owner of the Abengoa Warrants to receive any cash compensation whatsoever.

(e) Start and end period for Abengoa Warrants

Abengoa Warrants may be exercised by their owners either totally or partially at any time after a period of 96 months has elapsed from the date on which all of the necessary actions were taken to implement the restructuring of the Abengoa Group's financial debt and recapitalization set out in the Restructuring Agreement and provided that, once this term has lapsed, the amounts owed as part of the new financing to be made available to the Abengoa Group within the framework of the restructuring process as pre-existing financial debt (as it has been restructured) have been fully satisfied, including the financial costs involved (hereafter the "**Conditions for Exercise**" and the "**Date for the Initial Exercise of the Abengoa Warrants**"). How to exercise the rights attached to the Abengoa Warrants shall be the decision of their individual owners and, once communicated to the Company, these decisions shall be irrevocable.

After the Date of Initial Exercise of the Abengoa Warrants, the Abengoa Warrants may be exercised by their owners, totally or partially, at any time within the following three months. The Date of Initial Exercise of the Abengoa Warrants for their exercise shall be communicated to the market in a timely manner by publishing the news of the relevant event.

As a result, the rights attached to the Abengoa Warrants shall end whether they have been exercised or not within the abovementioned three-month period.

In any case, the rights attached to the Abengoa Warrants shall end after 96 months, in the event that, at the end of this term, the Conditions for Exercise were not met or, within the 96-month period if the Conditions for Exercise were met, in either case beginning on the day immediately following the date of their issue.

(f) Form of representation of the Abengoa Warrants

Abengoa Warrants shall be represented by account entries, with "Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal" (hereafter, "Iberclear"), along with its participating companies, being responsible for this registration.

(g) Recipients and owners of Abengoa Warrants

Abengoa Warrants shall be assigned to Pre-existing Shareholders.

Notwithstanding the foregoing, Abengoa Warrants shall be freely transferrable in the manner expressed in section I.(h) below, and therefore the person or entity that ultimately exercises the rights attached to the Abengoa Warrant may not be a Pre-existing Shareholder.

(h) Transferability of Abengoa Warrants

The Company will request admission to trade Abengoa Warrants on the Madrid and Barcelona Stock Markets to be handled through the Spanish Stock Market Interconnection System, within its "Warrants, Certificates and Other Products" section.

(i) Guarantee of issue

Abengoa Warrants are not specifically guaranteed.

(j) Modification of the terms and conditions of the rights attached to the Abengoa Warrants

Any modification or variation of the terms and conditions of the Abengoa Warrants that is formal, minor or technical in nature (and does not adversely affect the rights of the owners of the Abengoa Warrants) or which serves to correct an evident error, may be made directly by the Company, upon consulting with the owners.

(k) Regulations applicable to the Abengoa Warrants and jurisdiction

Abengoa Warrants shall be governed by common Spanish law. By subscribing to the Abengoa Warrants, their owners accept that any dispute between the owner of the Warrant and the Company shall be settled before the jurisdiction of the courts of the city of Madrid.

Finally, it is established that pursuant to the provisions of Article 414.2 of the Spanish Corporate Enterprise Law, the Company has requested that Seville's Mercantile Registry appoint an accounts auditor other than Abengoa's accounts auditor, so that the mandatory report which, based on the report issued by the Board of the Directors of the Company, could be issued to provide an opinion on the matters specified in this precept. Both reports have been made available to the Company's shareholders as part of the publication of the call to the Company's Extraordinary Shareholders' Meeting to which this draft agreement is submitted for approval.

II. Company capital stock increase in the amount necessary to cover the exercise of the rights attached to the warrants.

(a) Capital increase with monetary consideration

It is agreed to increase the Company's capital stock one or more times (to the extent that the rights attached to the Abengoa Warrants are exercised) in the amount necessary to cover the exercise of the rights attached to the Abengoa Warrants.

The maximum amount of the capital stock increase would be 1,835,465.83 euros, through the issue of up to a maximum of 83,187,446 New Class A Shares and 858,584,506 New Class B Shares, in their respective par values of 0.02 euro and 0.0002 euro, without an issue premium.

Notwithstanding the foregoing, the aforesaid numbers of New Shares could be modified (reduced in the case of the New Class A Shares and increased in the case of the New Class B Shares) to match the number of class A Abengoa shares that have been issued and are in circulation that have been converted into class B shares during the period between the date on which this draft agreement was prepared and the date on which it is executed by the Board of Directors, as a result of the agreements to reduce the Company's capital stock which, where applicable, may be executed by the Company's Board of Directors to cover the requests for voluntary conversion of class A shares into class B shares made by the shareholders during this period.

Furthermore, the number of New Class B Shares may be increased by the number of class B shares subject to the Company's capital stock increase agreements that, where applicable, are executed by the Company's Board of Directors to cover the requests to convert the bonds issued by the Company into class B shares over the period between the date this draft

agreement was prepared and the date it is executed by the Board of Directors.

Likewise, the number of shares underlying the warrants may be adjusted in the event that the agreement to merge the two classes of Company shares submitted for approval at this Shareholders' Meeting in item five of the agenda.

The New Shares shall be subscribed by the owners of the Abengoa Warrants who choose to exercise their subscription rights attached to the Class A or Class B Warrants they own in the proportion of one New Class A or Class B Abengoa Share for each Class A or Class B Warrant owned.

Pursuant to Article 311 of the Spanish Corporate Enterprise Law, incomplete subscription of the capital increase may occur in the event that all of the Class A Warrants or Class B Warrants are not fully exercised, in which case the capital shall be increased in the amount of the shares actually subscribed to and paid out.

Notwithstanding the foregoing, the maximum number of New Shares to be issued is subject to the possible modifications resulting from the potential adjustments to the way the New Shares are issued.

Pursuant to Article 297.1.(a) of the Spanish Corporate Enterprise Law, it is agreed to give the Board of Directors (with the express authority to substitute any of its members) the power to execute, totally or partially, on each occasion, the increases necessary to cover the rights attached to the Abengoa Warrants, through the issue of newly issued Class A or Class B Company Shares in accordance with the following features.

(b) Type of issue of New Company Shares. Exercise Price of Abengoa Warrants. Adjustments

The New Class A and Class B Shares shall be issued in their respective par values of 0.02 euro and 0.0002 euro per share, without an issue premium.

The offsetting amount of the capital increase whereby the New Class A and Class B Shares are to be issued to cover the exercise of the rights attached, respectively, to the Class A and Class B Abengoa Warrants shall be paid out by the owners of the Abengoa Warrants by paying the exercise price of the Class A Warrants and/or the exercise price of the Class B Warrants, as applicable, as a result of the exercise of the rights attached to the Abengoa Warrants.

The exercise prices of the Abengoa Warrants shall only be adjusted in the event that the Company were to agree to split the par value of the shares, group the shares or take other similar actions merely in the nominal unit of the shares without affecting the capital stock figure. In these cases, the Company shall adjust the exercise price of the Abengoa Warrants accordingly to adapt them to the new par value of the Company shares.

(c) Rights carried by the New Shares

The New Class A and Class B Shares shall grant their owners the same voting and economic rights as the class A and class B Abengoa shares that were issued and are in circulation on the date when the increase is declared subscribed to and paid out.

(d) Representation of New Shares

The New Shares shall be represented by account entries, with "Sociedad de Gestión de los

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Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal" ("**Iberclear**"), along with its participating companies, being responsible for this registration.

(e) Issuing New Shares

Within fifteen (15) business days beginning from the end of each calendar month in which notices have been received to exercise the rights attached to the Abengoa Warrants, the Board of Directors shall take and conduct all of the corporate actions and administrative procedures that are necessary to issue New Company Shares.

(f) Admission to trade the shares

It is agreed to request that the New Shares be admitted to trade on the Stock Markets of Barcelona and Madrid, through the Stock Market Interconnection System (Continuous Market), with the express stipulation that Abengoa submit to any regulations that exist or may be issued in relation to the Stock Market, especially, to contracting, permanence and exclusion from official listing.

It is also agreed to request that the New Shares be included in the accounting registers of Iberclear and its participating companies.

It is expressly noted that, if the shares of Abengoa are later requested to be excluded from trading, the exclusion shall be handled according to the rules of application in such cases and the interests of the shareholders who oppose the exclusion or who do not vote for it shall be guaranteed, pursuant to the requirements established in the Spanish Corporate Enterprise Law and concordant provisions, all in accordance with the provisions of the Stock Market Law and its current provisions.

(g) Amending Article 6 of the Bylaws

As a result of the capital increase, it is agreed to amend Article 6 of the Bylaws, in turn delegating its final wording to the Board of Directors as provided by section III below every time a capital increase is executed.

III. Delegation of authority

The Board of Directors of Abengoa shall be expressly given, to the extent of the Law and with the power to substitute any of the Directors, the powers expressly established under Article 297.1.(a) of the Spanish Corporate Enterprise Law in addition to any other powers that have been expressly invested in them by these agreements and the authority to stipulate all of the conditions that have not been expressly established in these agreements.

The Board of Directors shall also be expressly given, to the extent of the Law and with the power to substitute any of the Directors, and notwithstanding any existing delegations or empowerments, for up to one year after the adoption of prior agreements, to take all of the actions and steps which are considered necessary or merely convenient to execute and successfully accomplish the Capital Increases and, specifically, for illustrative purposes only, the following:

- (a) To observe and freely ascertain whether the conditions for the Restructuring Agreement have been met.

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- (b) To enhance and develop this agreement, establishing the date or dates of issue, the terms and conditions of issue in all matters not covered by this agreement and to take all necessary actions for the best performance and operation of the delivery and operation of the Abengoa Warrants, including, where applicable, publishing information that is necessary.
- (c) To appear before a notary public and execute the corresponding public instrument of issue of the Abengoa Warrants subject to this agreement, and to request that this public instrument be recorded in the Mercantile Registry and make any compulsory notifications of the issue, and execute the necessary public and private documents to declare the closing of the subscription of the Abengoa Warrants.
- (d) To execute the Company's capital increase agreement, issuing and putting into circulation, on one or more occasions, the New Shares that are necessary to permit the owners of Abengoa Warrants to exercise their rights, and to reword the article of the Bylaws on capital, while voiding the part on capital increases that are not necessary due to the owners of the Abengoa Warrants exercising their rights, and to request admission to trade on the Madrid and Barcelona Stock Markets and the inclusion in the Stock Markets Interconnection System (SIBE) of the ordinary Class A shares issued.
- (e) To draft, subscribe and submit to Spain's National Securities Market Commission, or any other relevant supervisory authority, where applicable, on issuing and admitting for trade both Abengoa Warrants and New Shares issued as a result of exercising the Abengoa Warrants, the informative brochure and any supplements thereto as necessary, assuming responsibility therefor, and any other documents and information required, in compliance with the provisions of the Spanish Stock Market Law and Royal Decree 1310/2005, dated November 4, on admitting securities to trade on official secondary markets, public sale or subscription offerings, and the brochure required for such purposes, as applicable; furthermore, to take any steps, make any statements or follow any procedures on behalf of the Company that are required before Spain's National Securities Market Commission, Iberclear, the companies governing the Stock Markets and any other public or private agency, entity or registry, Spanish or foreign, and to take all of the necessary steps to register the New Shares resulting from the capital increase in the accounting registries of Iberclear and are admitted to trade on the Stock Markets that list the Company's shares that are currently in circulation, as well as on the Stock market Interconnection System.
- (f) To negotiate and sign, and to authenticate or validate, as applicable, in the terms deemed most appropriate, the agreements required with the financial entities, if any, participating in the issue and placement of the Abengoa Warrants.
- (g) To correct, clarify, interpret, specify or complement the agreements adopted at the Shareholders' Meeting, or those arising in any briefs or documents executed in the performance thereof and, specifically, any defects, omissions or errors, of substance or of form, preventing access by the Mercantile Registry, the Official Registries of Spain's National Securities Market Commission or any other institution to the agreements and their consequences.
- (h) To execute on behalf of the Company any public or private documents as are necessary or convenient in order to issue the Abengoa Warrants subject to this agreement and, in general, taking any steps necessary for the performance of this agreement and effective

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circulation of the Abengoa Warrants, including signing the nominative certificates representing the Abengoa Warrants.

Finally, the Board of Directors is expressly authorized to, in turn, delegate to its members, the Secretary to the Board of Directors or accredited representatives, the authority granted under such agreements which is legally subject to delegation and to grant any relevant powers to carry out these delegated powers to any of the Company's employees as deemed appropriate.