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Consolidating the Future

September 30, 2018

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Agenda

1 Current Status & Background

2 Proposed Transaction

3 Main Takeaways

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1 Current Status & Background

Initial remarks

Consolidation of recovery achieved to date requires addressing capital structure

Abengoa completed initial restructuring process in March 2017

- Reduction of debt via 70% write-off or capitalisation and shareholder dilution of ~95%
- Liquidity mostly used to repay prior debt and pay restructuring costs
- Did not fully address the balance sheet issue

Since completion of financial restructuring Abengoa has achieved recovery of business activities

- Focused on E&C business for third parties
- Growing E&C business + progress on sale of non-core assets and other initiatives to reduce debt and enhance liquidity

Abengoa currently facing 3 main challenges to be addressed:

- Need to secure stable access to liquidity and working capital funding
- Additional bonding lines required to continue growing E&C business
- Inadequate capital structure for size and business model going forward

Initial remarks (Cont'd)

Consolidation of recovery achieved to date requires addressing the capital structure

The proposed transaction achieves the following objectives:

- **Generates €95m of new liquidity through issuance of convertible bond in A3T**
- **Provides €140m(1) of new bonding lines required in order to continue growing E&C business**
- **Reduces financial debt at the E&C business and transforms most remaining debt into a mandatory convertible instrument**

Abengoa has already obtained support from some of its main creditors: New Money II holders and bonding line providers

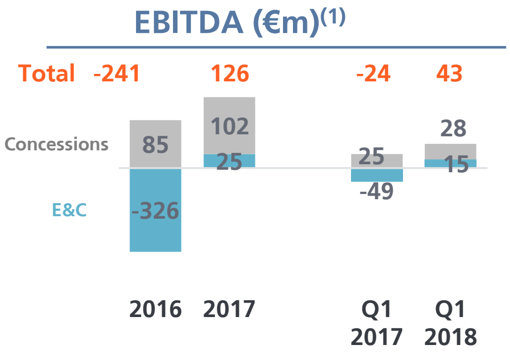
A proposal for Old Money creditors and Claimed Debt is included as part of the transaction, currently pending final negotiations

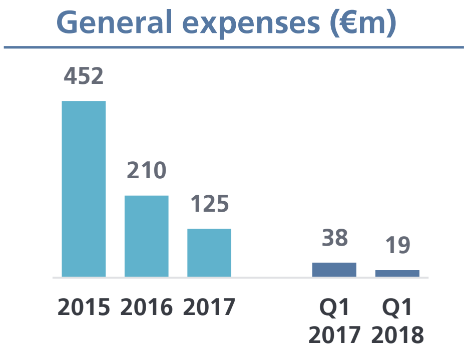
(1) €15m exclusively for projects in Spain, company has asked CESCE (*Compañía Española de Seguros de Crédito a la Exportación*), the Spanish ECA and credit insurance agency, to cover 50% of the remaining €125m as in the current bonding lines granted in March 2017

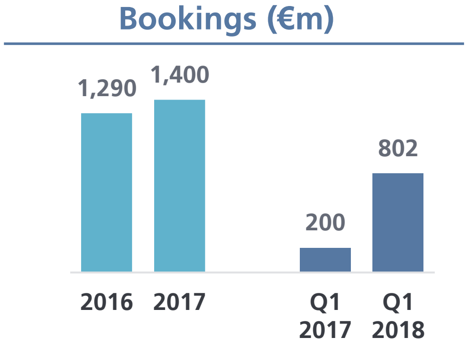
Operating recovery since the end of the financial restructuring in March 2017

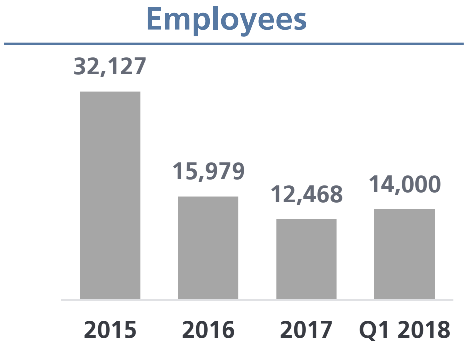
Growing E&C Business

- **New bookings over €2,200m since 2017**
- **Backlog has reached over €2bn for the first time since the restructuring,** from €1.4bn end of 2017.
- Pipeline of identified opportunities of €36 billion:
  - Well balanced between generation, water and T&I
  - E&C for third parties accounts for 90% of projects
- **Overheads reduction of more than 70%** since 2015, in a socially responsible manner
- **Company creating jobs for the first time since restructuring**
- **Target , sustainable "run-rate" E&C business** (2)
  - Revenues: ~€2,000 – 2,500m
  - EBITDA: ~€135 - 150m
  - Leverage: limited to WC facilities (in addition to newly issued mandatory convertible instruments)









(1) Pro-forma for non-recurrent financial advisors expenses (€55m in 2016 and €52m in 2017 and Q12017).
(2) Excluding from this perimeter Argentina, Peru, Uruguay and Mexico

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Ongoing recovery (II)

Continued progress on the asset disposal plan and other initiatives to improve leverage and liquidity profile

Atlantica Yield

- Sale of initial 25% stake completed in March for $24.25/share
- Agreement reached with Algonquin for the sale of the remaining 16.5% stake
  - Pending waiver from US Department of Energy
  - Closing expected in early Q4 2018
  - Gross price of $20.90/share
  - Net proceeds fully dedicated to NM1 repayment

A3T

- Construction of asset completed
- Over 75% of the plant already contracted through PPAs
  - Final negotiations for PPAs to increase to ~90% contracted capacity
- Due diligence from project finance providers ongoing
- First fire performed in August, gas turbine synchronized and delivering electricity to the network
- Expected COD during Q4 2018

Other initiatives

- **Completed asset sales:**
  - Norte III cogeneration plant in Mexico
  - Bioenergy business in Europe
  - Transmission lines in operation in Brazil
  - <u>Other smaller assets</u>: Ashalim solar plant, Concecutex, Hospital del Tajo, APS India, Hygear, Buhaira
- **Financial close of solar plant Cerro Dominador in Atacama (Chile)**

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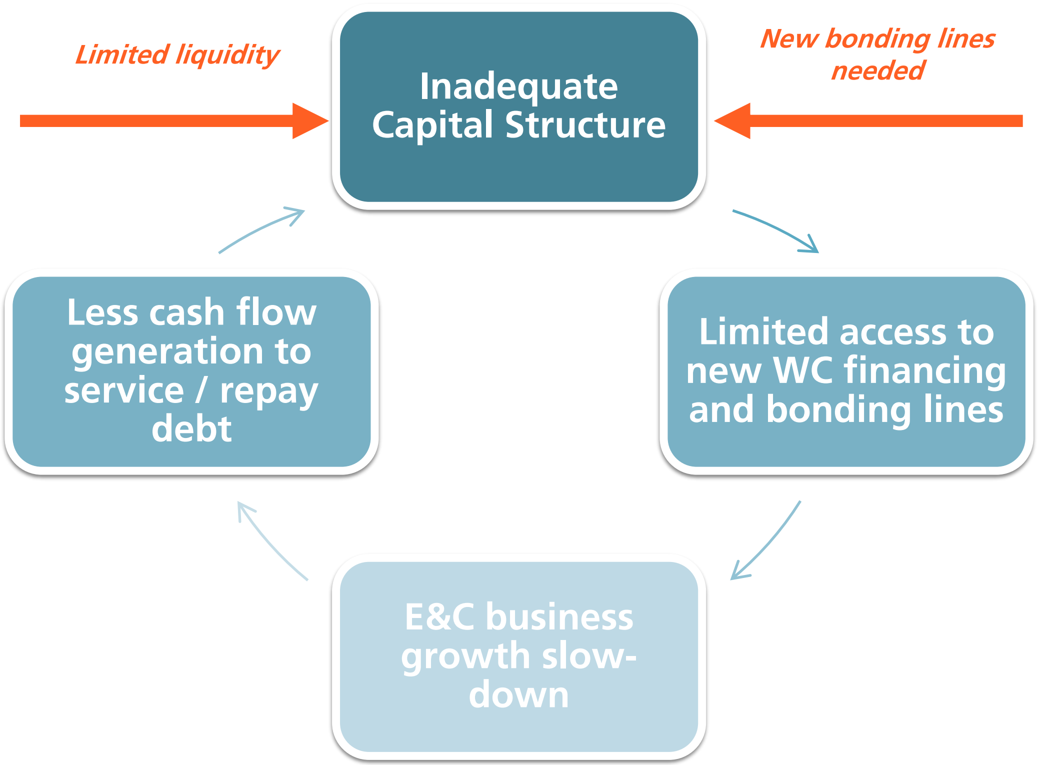
- Core team of 25 people fully staffed. Now focusing in completing its footprint in key strategic geographies
- Advancing in the acquisition of a transmission line in Peru as scheduled. Signing expected in Q4 2018
- Very active in strategic markets; have submitted 3 proposals in international tenders to date
- Target to invest 200M$/year of equity by 2020

Current balance sheet stifles ongoing recovery

- Negotiation and closing of initial restructuring longer than expected (Nov'15 – March'17)
- Very limited net proceeds to Abengoa
- Delayed re-start of bookings, projects
- Delays in sale of AY and A3T in order to maximize proceeds

Incomplete recovery



- Growth of E&C business outpacing existing bonding lines

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2 Proposed Transaction

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Transaction Fundamentals

Three levers to unblock three key bottlenecks

3 challenges to be addressed

Proposed solutions

Liquidity	Bonding lines	Capital structure
1 Refinancing(1)	2 Additional Bonding Lines (1)	3 Deleveraging Proposal

1 Refinancing(1)

- **€95m[2] new liquidity** through issuance of a convertible bond
- **Allocation of debt to A3T**:
  - Remaining New Money 1
  - 45% of New Money 2
  - Interim financing
  - To be repaid with long term Project Financing
- **Recognition of Convertible Bond** with a 9% PIK interest
- **Share of 50% of upside** in eventual onward sale

2 Additional Bonding Lines (1)

- **New bonding lines for €140m**
  - €15m exclusively for projects in Spain
  - Company has asked CESCE[3] to cover 50% of the remaining €125m
- Add-on to the current line of €323m which is fully utilized
- Required to continue growing E&C business

3 Deleveraging Proposal

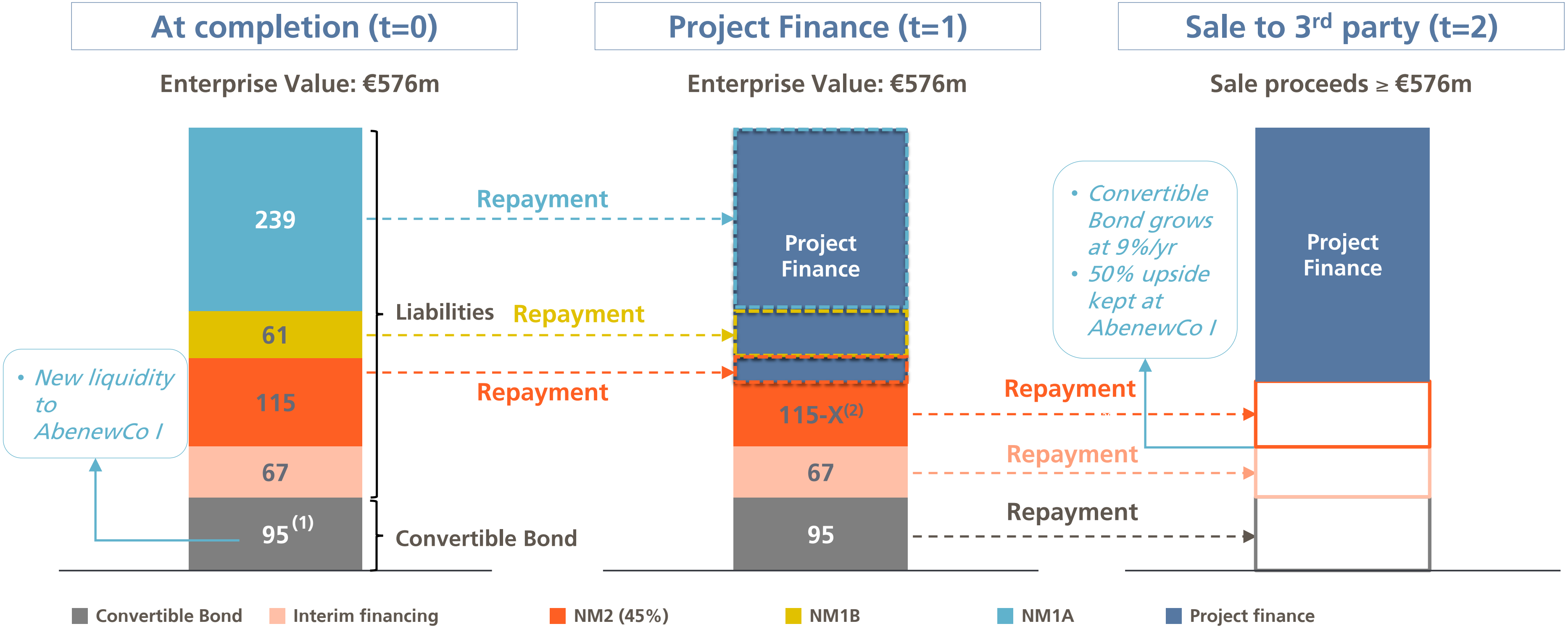
- Restructuring of financial debt through swap for new mandatory convertibles
- Significant **reduction of financial debt in the medium term**
- **Respecting the relative seniority** of the different claims
- **Post-conversion balance sheet consistent with** Abengoa's **E&C business** going forward

(1) Subject to consent from New Money 1, New Money 2 and New Bonding creditors.

(2) *Initial disbursement of €30m; release of the remainder linked to achievement of specific milestones.*

(3) *Compañía Española de Seguros de Crédito a la Exportación*, the Spanish ECA and credit insurance agency.

New liquidity and elimination of uncertainty around sale of A3T



Note: Amounts outstanding as of 15th October net of the sale of 16.5% of AY including crystallization of back-end fees.
(1) Initial disbursement of €30m; release of the remainder linked to achievement of specific milestones.
(2) "X" represents amount of NM2 repaid via project finance.

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New liquidity to AbenewCo I through issuance of convertible bond

The A3T convertible instrument will provide the Company with the necessary liquidity to execute its business plan

Instrument	▪ Convertible bond issued by an entity within the A3T structure and convertible into shares of either A3T or a holding Company of A3T ▪ Expected to be paid with proceeds from the sale of A3T
Nominal	▪ €95m (equity value of A3T)
Interest	▪ 9% PIK paid at maturity
Maturity	▪ 5 year Maturity, December 2023
Covenants	▪ Same covenants as NMI/3 ▪ Non enforceable until NMI/3 has been repaid with Project Finance
Conversion Event	▪ At A3T Convertible Bondholders own discretion post repayment of NMI/3 debt ▪ Shares delivered proportional to funds released to that date ▪ Debt recognized at AbenewCo I, pari passu with NM II, for released amount + accumulated interest
Sale of A3T	▪ If sale price is below Nominal + 9% PIK: shortfall amount to become a liability at AbenewCo I, pari passu with NM II ▪ If sale price is above Nominal + 9% PIK: excess to be shared 50/50 between AbenewCo I and A3T convertible bondholders

New bonding facilities to continue E&C business growth

- Acceleration of E&C business since completion of financial restructuring in March 2017:
  - Increasing bookings: ~€2.2bn since 2017
  - Backlog recovery from minimum €1.4bn in 2017 to current €2bn
- **Growing backlog increases bonding line requirements**

Continued growth of the E&C business has utilized most of the current bonding lines (including those granted in the previous restructuring)

New Bonding Facility

- **Additional €140m in bonding lines:**
  - €15m exclusively for projects in Spain
  - Company has asked CESCE [(1)] to cover 50% of the remainder €125m
- New bonding required in order to continue growth of E&C business:
  - Execution of current backlog
  - New bookings

(1) *Compañía Española de Seguros de Crédito a la Exportación*, the Spanish ECA and credit insurance agency.

Main terms of the restructuring proposal

Facility		Terms	Cost	Current Nominal	Final @ ABG	Final @ A3T
NM I		▪ Highest seniority New Money tranche guaranteed by stake in AY and A3T ▪ Proceeds obtained from AY sale & A3T project finance refinancing or sale will be utilized for repayment of NMI, disappearing from Abengoa's capital structure	Unchanged 5% cash + 9% PIK	NM I A €239m + NM I B €61m	-	NM I A €239m + NM I B €61m
New Bonding		▪ New bonding requirements are derived from E&C requirements ▪ 50% of €125m requested to be covered by CESCE plus €15m of bonding in Spain ▪ New Reinstated Debt assigned to bonding contributors for 0.1x new bonding (€14m). Maturity in December 2021	Annual fee 4.5% If (i) a satisfactory Old Money Restructuring is achieved and (ii) the leverage ratio is below the following thresholds, the risk fee will be reduced as follows: - If leverage < 4.0x: 3.5% p.a. - If leverage < 3.0x: 2.5% p.a.	-	€140m + New Debt (€14m)	-
NM II	Roll-over A3T	▪ 45% roll-over in A3T to be repaid with refinancing and sale of A3T ▪ Maturity in March 2021	3.0% PIK + 3.0% PIYC	€255m	-	€115m
	In AB1	▪ 55% remaining in AbenewCo I + Mandatory Convertible into AbenewCo I for 18% of the capital. Maturity in March 2021 ▪ New Reinstated for 0.1x roll-over amount (€14m). Maturity in December 2021	3.0% Cash + 3.0% PIK + 2% uplift from July 2020 to March 2021 @AbenewCo I - MC: 0.25% cash - Reinstated debt: 4.5% cash *Previous Cost: 5% Cash + 9% PIK*		€140m + New Debt (€14m)	-
A3T Convertible		▪ Convertible instrument issued by an entity within the A3T structure and convertible into shares of either A3T or a holding Company of A3T + Mandatory Convertible into AbenewCo I for 4% of the capital ▪ Ability to crystallize unpaid portion with proceeds from disposal of A3T in AB1, pari passu to NM II	9% PIK Mandatory Convertible: 0.25% cash	-	-	€95m
Interim Financing		▪ €42m November 2017 financing + €25m June 2018 financing ▪ Debt rolled-over in A3T	3.0% PIK + 3.0% PIYC *Previous Cost: 5% Cash + 5% PIK*	€42m + €25m= €67m	-	€67m

Note: Amounts outstanding as of 15th October net of the sale of 16.5% of AY including crystallization of back-end fees. New Bonding & NMII reinstatement debt capped at €14m + €14m, respectively

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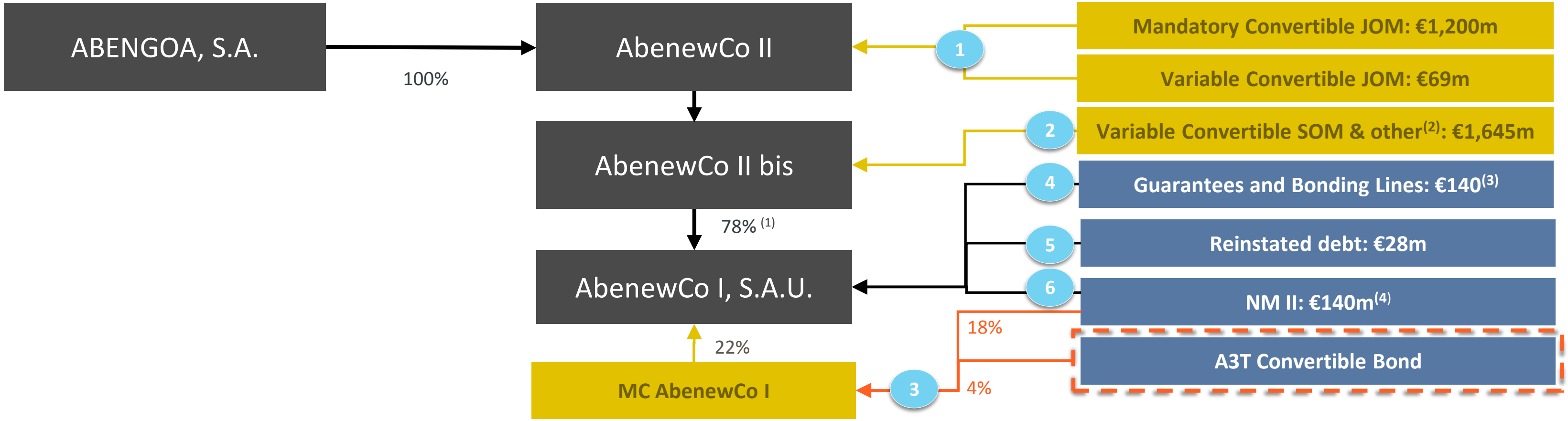
Proposed debt swap for Old Money reduces Abengoa's financial risk while maintaining amounts and relative seniority of creditors' claims

No cash coupon and the removal of acceleration rights protects the company's liquidity

	Senior Old Money Proposal	Junior Old Money Proposal
Instrument	▪ Mandatory Variable convertible bond issued at AbenewCo II bis	▪ Mandatory convertible bond and Mandatory Variable convertible bond issued at AbenewCo II
Nominal	▪ Approximately €1,645m, including €1,422m of Senior Old Money + €144m from MRA challengers + €79m other corporate debt	▪ Mandatory convertible bond: €1,200m ▪ Variable Mandatory Convertible bond: €69m
Interest	▪ 1.5% PIYC (Previous Cost: 1.25% PIYC + 0.25% Cash)	▪ 1.5% PIYC (Previous Cost: 1.25% PIYC + 0.25% Cash)
Term	▪ 5 years from issuance, with up to 5-year extension at the discretion of majority SOM holders	▪ 5.5 years from issuance, with up to 5-year extension at the discretion of majority SOM holders
Conversion Event	▪ Mandatory conversion only at maturity ▪ Conversion into up to 100% of share capital of AbenewCo II bis – AbenewCo II bis to own up to 78% of share capital of AbenewCo I ▪ At conversion: – Cash payment with available free cash flow – Unpaid nominal amount, converted into up to 100% of AbenewCo II bis	▪ Mandatory conversion only at maturity, after the SOM convertible bond ▪ At conversion: 1) Mandatory convertible, converted into 49% of AbenewCo II share capital 2) Variable Mandatory convertible: – Nominal to be redeemed = €1,269 – market value of 49% AbenewCo II – Cash payment with available free cash flow – Unpaid nominal amount, converted into up to 51% of AbenewCo II

Corporate Perimeter

Pro-forma corporate structure after implementation of the proposed transaction



1
- JOM to receive a mandatory and a variable convertible instruments for 49% and up to 51%, respectively, of AbenewCo II
- The instruments pay 1.5% PIYC interest

2
- SOM and other debt to receive a variable convertible in AbenewCo II bis for up to 100% of share its equity, which is the owner of up to 78% AbenewCo I on a fully diluted basis. Instrument to pay 1.5% PIYC interest

3
- Mandatory Convertible instrument convertible into 22% of AbenewCo I (NM II 18%; A3T Convertible Bondholders 4%). The instrument pays 0.25% cash interest

4
- Bonding lines of €140m based on business plan requirements (€125m international; €15 domestic)

5
- New debt assigned to NMII remaining in AbenewCo I of €14.0m and bonding providers (0.1x * €140m = €14.0m)

6
- €140m derived from the 55% NMII roll-over (€255m)

Note: Debt position as of 15th October 2018
(1) Resulting percentages on a fully diluted basis
(2) €1,422m of Senior Old Money, €144m Claimed Debt and €79m of Other Corporate Debt.
(3) 50% of €125m requested to be covered through CESCE, plus €15m bonding for Spain.
(4) NM II accumulated until 15th October 2018 including backend fees

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Proposed transaction significantly reduces financial risk, improving the company's continuity prospects

Addressed Issues

- ✓ The proposed transaction would provide a definitive solution for the challengers' €144m of claimed debt
- ✓ Debt swap in mandatory to convertible instruments would:
  - Reduce complexity of capital structure and leverage in the medium term
  - Reduce financial risk

Conditions Precedent

- Complete sale of 16.5% of Atlantica Yield
- Granting of new bonding lines
- Consent solicitation process for:
  - New Money 1
  - New Money 2 and New Bonding
- Accession process from Old Money holders :
  - Senior Old Money (1)
  - Junior Old Money
  - Claimed debt and other corporate debt
- Shareholder approval in EGM

- The Company thinks that the terms of the Financing Agreement and the Old Money Restructuring provide a clear path to stability for the Company to continue to focus on its turnaround and is therefore in the best interests of both the Company and its creditors. Given that the Financial Agreement is conditional upon the requisite majority of Old Money creditors consenting the Old Money restructuring, if the required majorities are not obtained, all other alternatives shall be explored to ensure and preserve the long term viability of the company and respecting the seniority of the instruments of its capital structure

(1) Accession of 75% of Senior Old Money holders to the Lock-up and Restructuring Agreement required.

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Proposal Summary

The proposed transaction implies new liquidity and bonding lines, and potentially a complete restructuring of financial debt

- **Additional liquidity of €95m and €140m of additional bonding lines**
- **The Agreement contemplates issuing a convertible instrument at A3T, with an asset valuation of €576m**
  - NMI A, NMI B, 45% of NMII & interim financing will be transferred to A3T, resulting in an equity value of €95m
  - The agreement will provide A3T convertible bondholders a December 2023 contingent claim against AbenewCo I
  - Convertible bond interest accrues at 9% PIK per annum
  - 50/50 split of A3T final sale profit (proceeds above €576m plus 9% accrued interest) between A3T convertible bondholders and the Company
- **Proposal to issue tradeable securities in order to make the transaction more attractive to all creditors**
  - AbenewCo I: Mandatory convertible issued at AbenewCo I level, convertible in 22% of the equity value of AbenewCo I
    - NMII will hold 18% and A3T Convertible Bondholders will hold 4% of AbenewCo I post conversion
  - AbenewCo II bis: Issuance of Variable Convertible (€1,645m)[1] issued at AbenewCo II bis level, convertible into up to 100% shares of AbenewCo II bis for the amount unpaid in cash
  - AbenewCo II: Issuance of a Mandatory (€1,200m) and a Variable Convertible (€69m) instruments for 49% and up to 51%, respectively, of AbenewCo II for JOM debtholders

Complete transaction expected to finalize before year end

(1) €1,422m of Senior Old Money, and €144m claimed debt + €79m of other corporate debt that is swapped in the same terms as the Senior Old Money.

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3 Main Takeaways

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Main takeaways

Proposed transaction essential to consolidate current recovery and ensure long term viability of Abengoa

- Ensures viability of the company:
  - Healthy capital structure through medium-term reduction of leverage and balance sheet complexity
  - Provides necessary liquidity & bonding lines in order to sustain growth of E&C business
- High repayment visibility for debt at A3T (NM1, 45% NM2, Interim financing):
  - Closing of sale of 16.5% stake in Atlantica Yield and monetisation / refinancing of A3T
- Adequate structure and cost for debt remaining at Abengoa (i.e. AbenewCo I)
- As part of the proposal, the Board will propose a Management Incentive Plan to shareholders in a GSM
- Proposal implications for Abengoa's stakeholders:
  - NM1: no changes in overall position
  - NM2: higher repayment visibility for amount rolled over in A3T, remaining amount retains relative seniority in a less leveraged structure and is assigned exposure to upside
  - SOM & JOM: would maintain relative seniority and preserve nominal value
  - Shareholders: maintain relative position in a viable company, extended debt maturity allows for recovery of the E&C business, and therefore, the company's ability to repay its debt

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