

ABENGOA

Innovative Technology Solutions for
Sustainability



ABENGOA

**Engineering & Construction:
A World of Opportunities**

Manuel Valverde

Analyst & Investor Day

May 2012

- This presentation contains forward-looking statements and information relating to Abengoa that are based on the beliefs of its management as well as assumptions made and information currently available to Abengoa.
- Such statements reflect the current views of Abengoa with respect to future events and are subject to risks, uncertainties and assumptions.
- Many factors could cause the actual results, performance or achievements of Abengoa to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, among others, changes in general economic, political, governmental and business conditions globally and in the countries in which Abengoa does business, changes in interest rates, changes in inflation rates, changes in prices, changes to national and international laws and policies that support renewable energy sources; inability to improve competitiveness of our renewable energy services and products; decline in public acceptance of renewable energy sources; legal challenges to regulations, subsidies and incentives that support renewable energy sources; inability to obtain new sites and expand existing ones; changes in business strategy and various other factors.
- Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, expected or targeted.
- Abengoa does not intend, and does not assume any obligations, to update these forward-looking statements.

1

Technology & Know-how

2

Discipline

3

Diversification

70 years of experience in successfully carrying out turnkey projects

Energy

- Power transmission lines
- Conventional generation plants (combined cycle, co-generation, repowering)
- Electrical and mechanical installations
- Solar (CSP) and hybrid solar-gas (ISCC) plants
- Biofuels plants

Environment

- Water infrastructures and desalination plants

Other

- Industrial plants



1st International Contractor in T&D



1st International Contractor in Power



1st International Contractor in Cogeneration



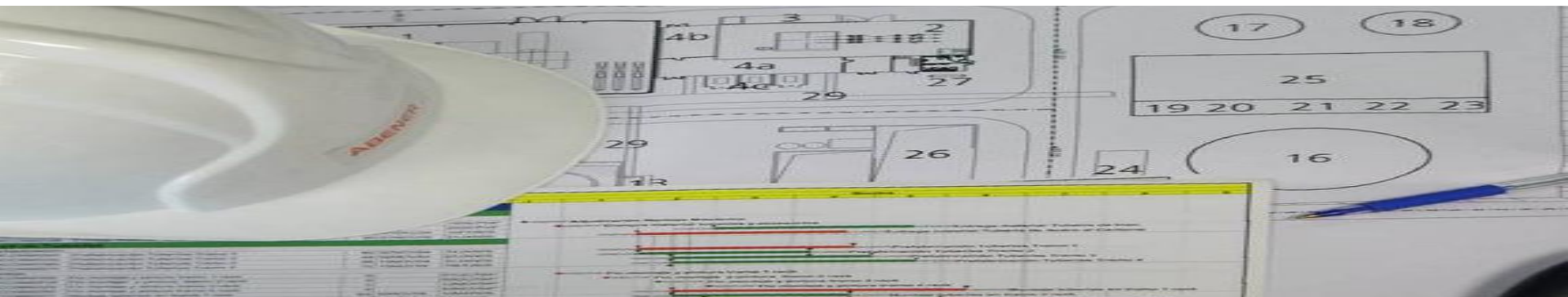
1st International Contractor in Solar

(Source: ENR 2011)



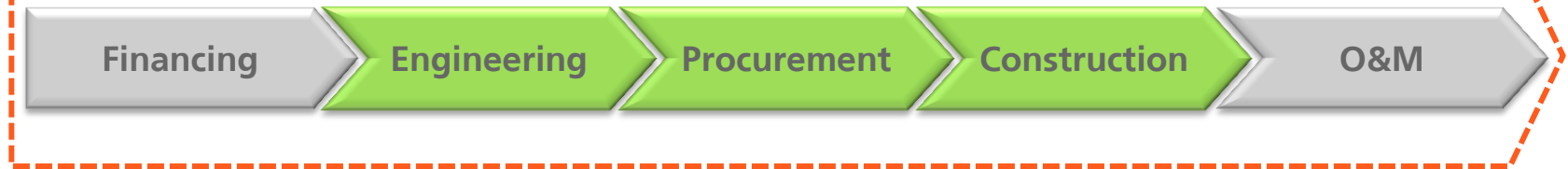
9th Desalination EPC Contractor

(source: IDA Desalination Yearbook 2011- 2012)



Covering the full EPC and O&M

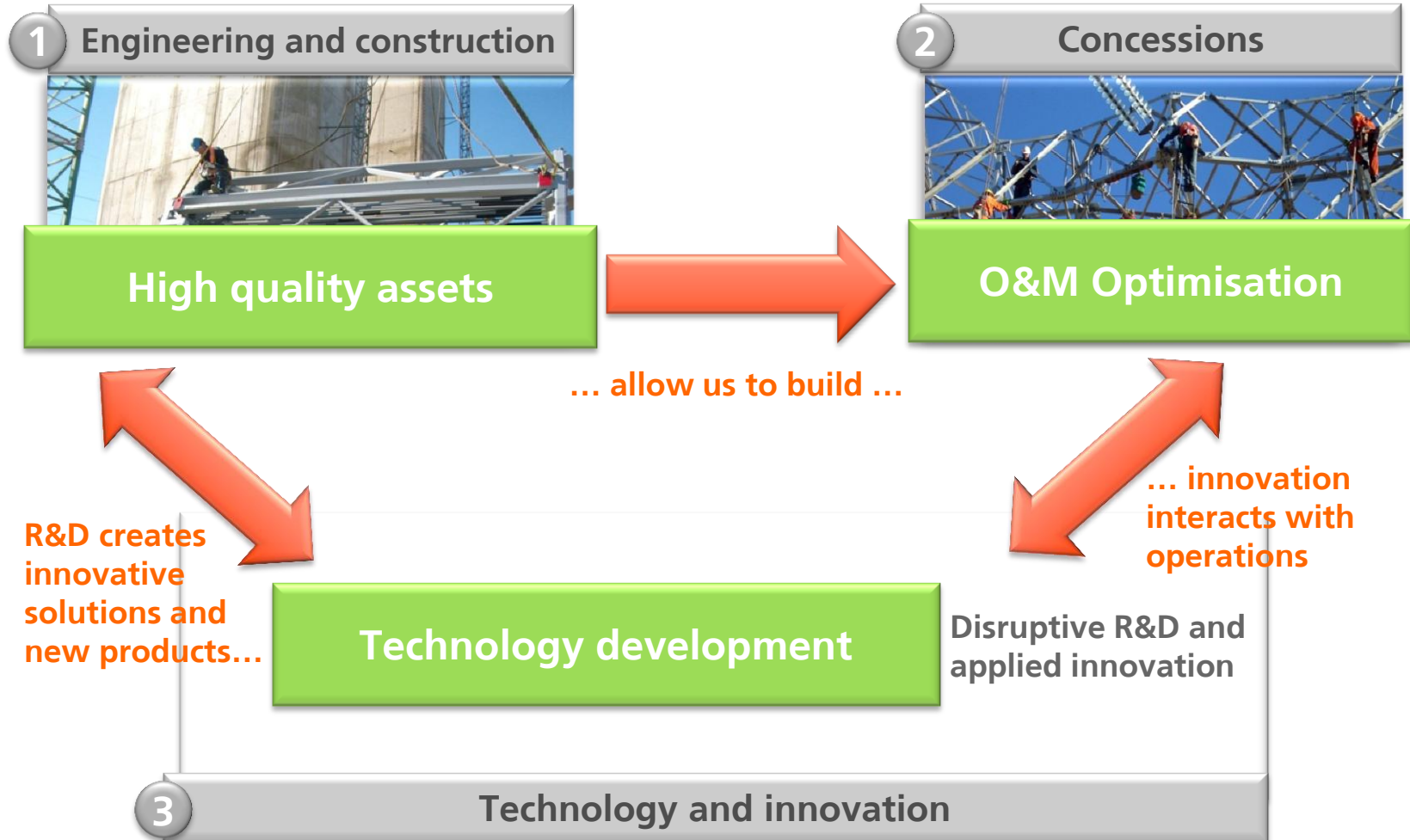
Integration



- **Standardization** of activities through clearly defined procedures
- **In-house capabilities:** Critical activities are executed by own resources or through stable strategic alliances
- **Solid engineering capacities** that enable us to capture growth opportunities:
 - **More than 2,000 highly qualified people.**
 - **Design engineering network** with centres in USA, Mexico, Chile, India, Poland, and Spain.



Integrated business model provides key competitive advantages



**Abengoa's conventional generation power projects represent
an installed capacity of +5 GW**

300 MW Cogeneration Plant (Mexico)



- Location: Mexico
- Amount: 630 M\$
- 1st cogeneration project in a Pemex refinery

Other Examples



- Location: Mexico
- 640 MW Combined Cycle Power Plant.
- Amount: 440 M\$.



- Location: Poland
- 450 MW Combined Cycle Power Plant. & 270 MWt District Heating System
- Amount: 532 M\$.



- Location: Argentina
- 630 MW Combined Cycle Power Plant.
- Amount: 230 M\$.



- Location: Mexico
- 420 MW Repowering Combined Cycle Power Plant.
- Amount: 114 M\$.

Abengoa has built Bioethanol and Biodiesel Plants producing over 2,500 MI/year

2nd Generation Bioethanol from Biomass



- Location: USA
- 380 MI/year from biomass and cereal
- Amount: \$385 M

Other Examples



- Location: Netherlands
- 480 MI/year, 360,000 Ton DDGS
- Amount: 590 M\$
- **Largest Plant in Europe**



- Location: France
- 250 MI/year, 145,000 Ton DDGS
- Amount: 220 M\$



- Location: Spain
- 200.000 T Biodiesel
- Amount: 110 M\$

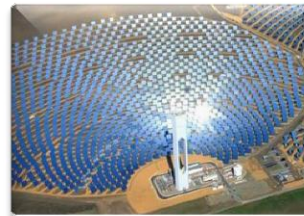
Abengoa is a pioneer in the construction of CSP & ISCC plants

280 MW CSP Parabolic Through



- Location: USA
- 280 MW CPS Trough Plant with storage
- Amount: 1,632 M\$.
- **Largest solar power plant in the world**

Other Examples



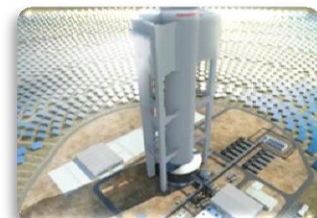
- Location: Spain
- 20 MW CSP Tower
- Amount: 129 M\$.
- **Largest CSP tower in the world**



- Location: Morocco
- Integrated Solar Combined Cycle. 470 MW (20 MW from Solar System)
- Amount: 524 M\$.
- **World's first hybrid CSP Plant.**



- Location: Abu Dhabi
- 100 MW parabolic trough plants.
- Amount: 600 M\$



- Location: South Africa
- 50 MW CSP Tower
- Amount: 370 M\$.

Abengoa has built +26,000 km of transmission lines over the last 10 years

2,410 km Transmission Line



- Location: Brazil
- Amount: 1,024 M\$
- Largest transmission line project in Latin America.

Other Examples



- Location: Peru
- 670 km Transmission Line (220 kV AC)
- Amount: 320 M\$
- Average altitude of 3,000 m over sea level



- Location: Brazil
- 987 km Transmission Line (220 kV AC)
- Amount: + 205 M\$



- Location: India
- 171 km Transmission Line (Direct Current of 400 kV)
- Amount: 12 M\$

Abengoa has built +1.3 Mm³/day desalination capacity

100,000 m³/day Desalination Plant



- Location: China
- Amount: 192 M\$
- "2009 Desalination Project of the Year" (Water Intelligence)

Other Examples



- Location: Algeria
- 100,000 m³/day desalination plant.
- "2006 Desalination Deal of the Year" (Water Intelligence)
- Amount: 232 M\$



- Location: Romania
- Increasing capacity of a water treatment plant (115,000 m³/day)
- Amount: 28 M\$



- Location: India
- 100,000 m³/day desalination plant
- Amount: 130 M\$

ABENGOA

1

Technology & Know-how

2

Discipline

3

Diversification

Discipline at bidding phase

Project pre-design

- Complete definition of technical solution
- Firm proposal from critical suppliers
- Exhaustive analyses applying Monte Carlo simulation of up to 30 variables like:
 - experience from previous projects
 - country specific factors, etc.

- Risk quantification in terms of **budget**, **performance** and **schedule**
- **Definition of contingencies**



Financial Model

- Guarantee **positive cash-flow**
- Avoid **foreign currency risk** through hedging
- Reduce **collection risk** through non-recourse factoring
- Other insurances to cover **project specific risks**

Contractual Model

- Exactly quantified limits for responsibilities
- Clear definition of acceptable contractual terms

Discipline at execution phase

Monthly report per project

Standardized format including:

- Execution progress
- Schedule, etc.

Report by the **Project Manager**



Critical projects follow-up

- Independent audit & follow-up of the risks detected in proposal phase by **Chief Risk Manager**
- Monthly review of critical projects by CEO & top management

Budget & CF follow up

- Monthly budget achievement review by **independent controller** providing guidance on year end
- Weekly preparation of monthly cash-flow and year-end forecasts

A success story based on discipline

Thanks to ...

- ✓ our exhaustive risk assessment at bidding phase
- ✓ the disciplined follow-up and control in execution phase
- ✓ and the ad-hoc actions in case of any deviations



... we execute our projects complying with budget, schedule and performance

ABENGOA

1

Technology & Know-how

2

Discipline

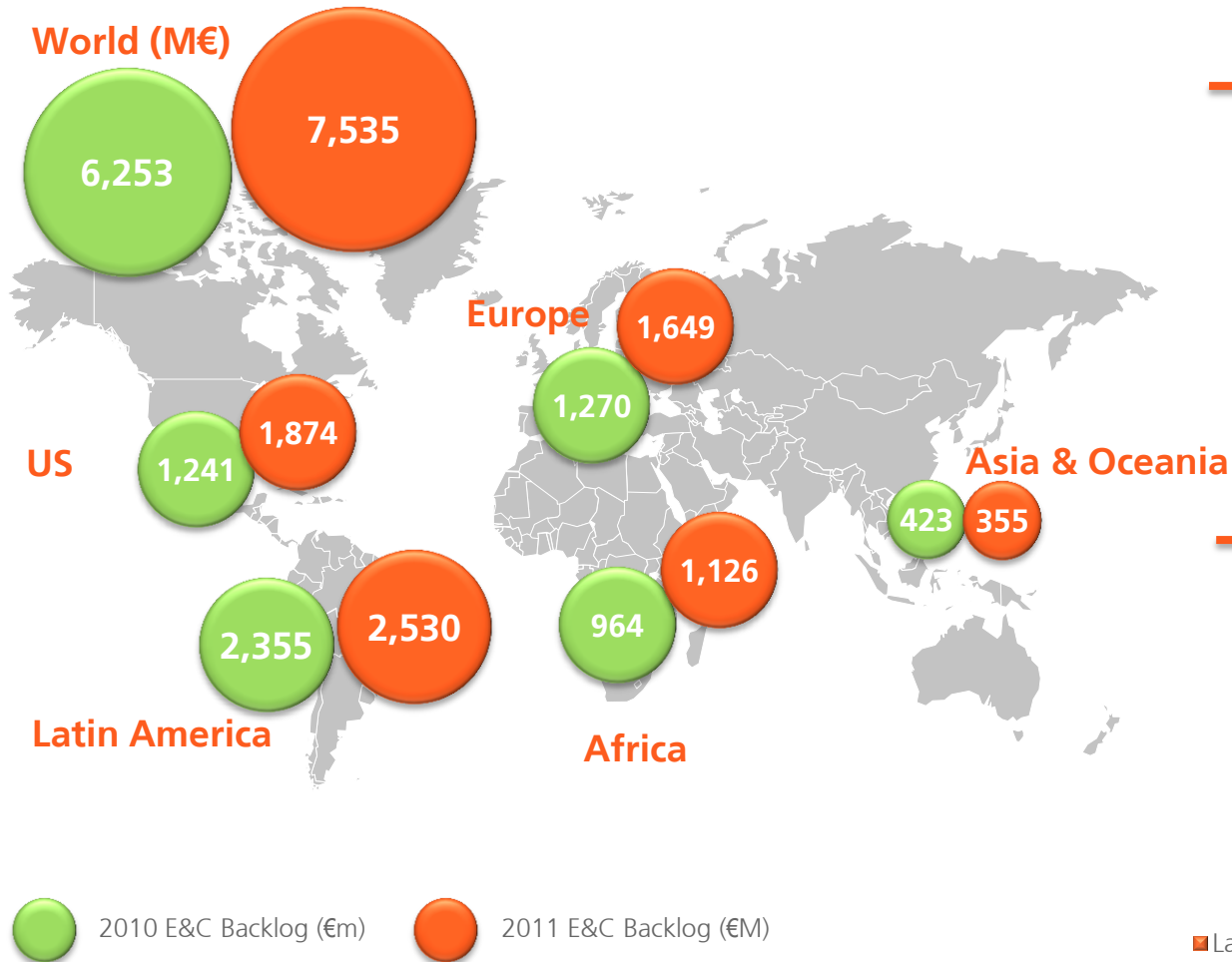
3

Diversification

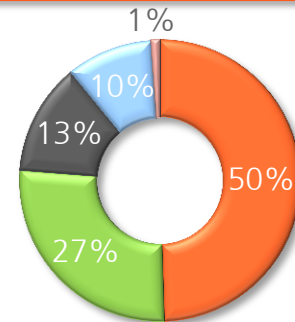
Diversified blue-chip client base across geographies with longstanding relationships



Global scale of Abengoa's present and future

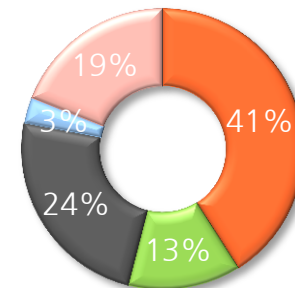


Revenue Split by Geography



2011 Total = 3,526M€

Backlog Split by Geography



2011 Total = 7,535M€

■ LatAm ■ Europe ■ US ■ Asia and Oceania ■ Africa

Abengoa continues to see attractive growth opportunities, especially in Latam, Asia & Africa

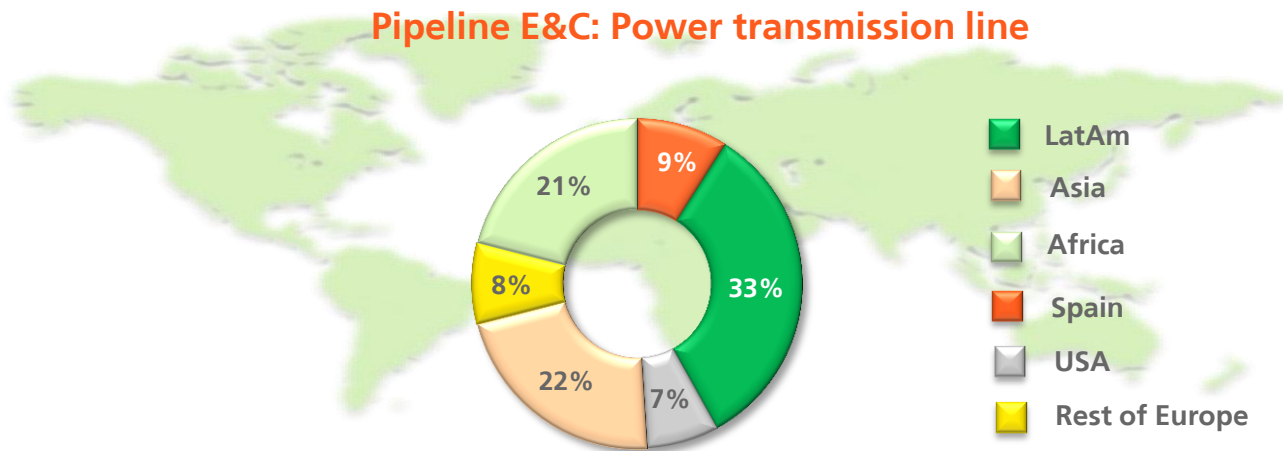


- **Brazil:** Grid expansion of ~37,000 km in 2009 – 2019 (investment of ~BRL43.0 B)
- **Peru:** Grid expansion of more than 2,000 Km new lines 2012-17 (investment of ~670 M\$)
- **Chile:** 8 BOT concessions to be tendered between 2011 and 2012 (investment of ~850 M\$)



- **Asia:** Steady economic growth is fuelling a strong increase in energy demand, creating large opportunities
- ~100 B\$ investments in T&D in India until 2020
- ~30 B\$ investments in T&D in Middle East until 2020

Pipeline E&C: Power transmission line



Our future growth in the power generation business will take place mainly in Latam, Asia and Eastern Europe.



- **Stable Abengoa presence** in Brazil, Chile, Uruguay, Mexico, Peru, Colombia, Argentina
- **Mexico: strong relationship with CFE** (long track record & strong pipeline of projects)

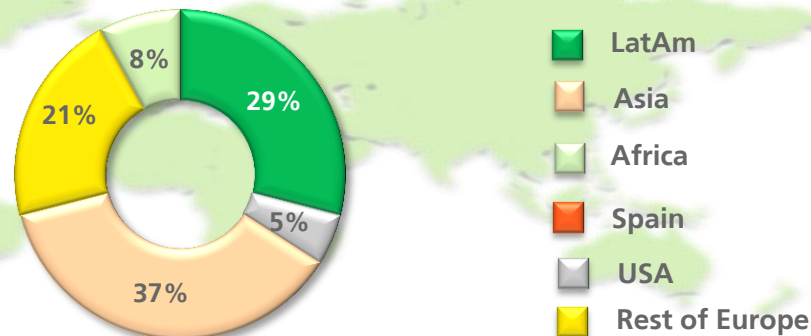


- **Middle East: Significant increase in power demand with special focus on renewables.**
- **North Africa: Huge potential for solar power plants** (national and multinational initiatives, like Desertec, Mediterranean Solar Program, World Bank: CTF)
- **Need for new energy infrastructure with special focus on hybrid solutions** (conventional/renewable plants).



- **Strong need to reduce coal based generation** (focus on gas, biomass, etc.)
- Leverage our local **presence in Poland**
- **Huge opportunities for gas projects in Russia and surrounding countries** due to recent changes in legislation

Pipeline E&C: Power Generation Plants



Environment continues to explore and identify attractive opportunities, especially in Latam, Asia, Africa



- **Mexico:** + 1,200 M€ of potential projects identified
- Opportunities detected in **Chile, Peru, Costa Rica** and **Brazil**

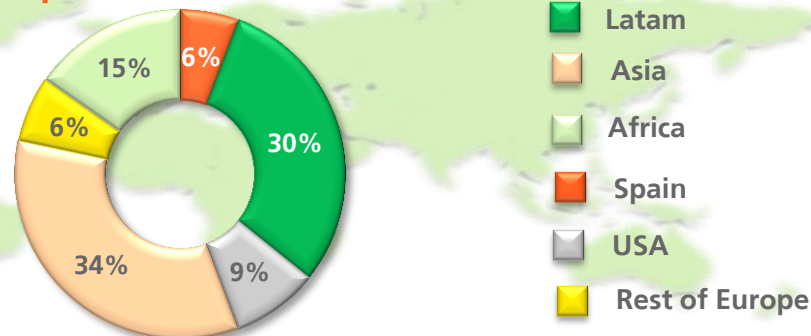


- **India:** A total pipeline of + 2,000 M€ in environment projects
- **Asia-Pacific:** Opportunities identified in **Brunei, Philippines, Indonesia** and **Singapore**.
- **China:** Water Treatment Pipeline of 1,200 M€.



- **Africa:** Opportunities detected in **Morocco, Egypt, Argelia, Nigeria, Ghana, South Africa, Camerun, Rwanda, Namibia, Senegal** and **Angola**.

Pipeline E&C: Environment



**Know -
How**

**Covering the full value chain
with in-house resources for critical activities**

Discipline

**Exhaustive risk management with direct implication at all
levels of the organization**

**Diversifi-
cation**

**Well diversified platform across products and geographies
allows us to tap all strategic markets**

**Enormous growth in 2011 and
backlog increase in 21% despite the
actual macroeconomic situation.**

**Huge growth opportunities in current
and new geographies, +73 B€ of
potential projects already identified.**



ABENGOA

Thank you!

Analyst & Investor Day

May 2012