

RELEVANT FACT

For the purposes of article 228 of Royal Legislative Decree 4/2015, of October 23, approving the consolidated text of the Securities Market Law, and complementary provisions, I hereby inform you of the following **Relevant Fact**:

- 1) Saeta Yield S.A. (SAY.MC) reports that its subsidiary Manchazol 2, Central Termosolar Dos, S.L.U., has refinanced its debt in a project finance format for a total of EUR 199 million. This new financing is composed of:
 - a. Tranche A, with five financial institutions for EUR 159 million, with a variable interest rate, having signed interest rates swaps for 75% of this tranche.; and
 - b. Tranche B, agreed with an institutional investor for EUR 40 million at a fixed interest rate.

The maturity of the tranches is December 2032 and June 2034, respectively.

With this refinancing, the Company reduces the annual debt service, thanks to the reduction of the financial cost and the increased maturity periods.

- 2) The Board of Directors of Saeta Yield S.A. has performed changes on the dividend policy of the Company, that can be found in the webpage of the Group (www.saetayield.com), being the most important:
 - a. The Board of Directors Saeta Yield will define a payout ratio between 80% and 95% of the cash available for distribution that the Company expects its portfolio of projects will be able to generate on a recurrent basis (net of cash flows not related with the ordinary evolution of the business). This will be identified as RECAFD or Recurrent CAFD. The previous level to define the payments was a fixed rate of 90%.
 - b. The new dividend policy defines in detail the methodology to calculate the RECAFD or Recurrent CAFD.

In Madrid, 29th of May, 2017

Mr. José Luis Martínez Dalmau
Chairman of the Board of Directors