Madrid, Monday 29th of May, 2017

Saeta Yield underpins its dividend policy. The acquisition of Carapé in Uruguay and the refinancing of Manchasol 2 should allow to increase the implicit annual dividend per share to 0.76 euros

- **The Board of Directors approves a more flexible dividend policy, that defines the pay out ratio on the cash flow in a range between 80 and 95%**

- **The Company agrees a fruitful refinancing agreement in Manchasol 2, meaning an increase in the recurrent CAFD of 4.6 million euros per year thanks to a lower financial cost and a longer tenor**

- **This refinancing, and the recent acquisition of Carapé I & II plants in Uruguay increases recurrent CAFD by 11.6% up to 73.1 million euros**

- **Dividend yield of Saeta Yield accounts for c. 8% whilst the shares accumulate an appreciation in the year over 20%**

Saeta Yield announced today a strengthening of its shareholder remuneration policy. The acquisition of Carapé in Uruguay and the refinancing of Manchasol 2 should allow to increase the implicit annual dividend per share to 0.76 euros, 1% higher than the previous figure and 8.9% higher than the initial dividend at the IPO In February 2015. This improvement is due to the favorable outlook of the company with respect to the evolution of its recurring cash flow, a figure that grows up to 73.1 million euros. These dividend will have to be approved by the Board of Directors every quarter.

The refinancing operation of the Manchasol 2 solar thermal plant results in an increase in the company's annual recurrent CAFD of 4.6 million euros, thanks to a reduction in the financial cost of the debt and an increase in the repayment term. This operation has generated between 10 and 20 million euros net present value for the company without the need to contribute any equity.

The new financing agreement consists of two tranches, one for 159 million euros with a syndicate of 5 financial institutions and a second tranche of 40 million euros with an institutional investor.

The thermosolar plant Manchasol 2, located in Ciudad Real (Spain), has an installed capacity of 49.9 MW. The parabolic cylinder concentrated solar technology of the plant has a storage capacity of more than 7 hours and a solar field of 510,000 m2. In 2016 it produced 135 GWh of electricity, revenues of 39 million euros and an EBITDA of 27 million euros.

Additionally, Saeta Yield announced last Friday the closing of the purchase of two wind farms in Uruguay - Carapé I and II - with an installed and operating power of 95MW, which will represent an increase in recurrent CAFD of 8.2 million euros, before the financing costs of the purchase.

In net terms, the combination of the acquisition of Uruguayan wind assets and the financial savings following the refinancing of Manchasol 2 will increase Saeta Yield's average recurring expected

CAFD to 73.1 million euros. This figure, which refers to the average expected by the company for the next five years, until 2021, is the basis on which the dividend of Saeta Yield is established.

Strengthening of the remuneration policy: increase of the dividend and more flexible pay out

In this context of improving recurrent CAFD generation, and with the objective of strengthening the Company's shareholder remuneration policy, the new payout ratio on recurring cash flow has been set to 85%, which should represent an increase of the annual implicit[1] dividend per share up to 0.76 euros[2].

This policy reinforces the consistency of its medium- and long-term remuneration strategy and, at the same time, broadens the room for maneuver to improve shareholder remuneration in the future.

Saeta Yield, which is one of the leading companies of the Spanish Stock Exchange in dividend yield, around 8%, also accumulates a revaluation of its shares so far this year of more than 20%[3].

About Saeta Yield

Saeta Yield is an electric utility which operates 789 MW of renewable wind and solar thermal power in Spain and 95 MW of wind power in Uruguay. Its strategic plan envisages acquiring at least 500 MW of installed capacity in coming years. This new capacity could come from a right-of-first-offer (RoFO) agreement the Company has with Bow Power and ACS and third-party acquisitions with other companies in Europe and Latin America.

Saeta Yield (SAY.MC) is listed on the continuous market in the Spanish Stock Exchange For more information, go to: www.saetayield.com

[1] All future pay-out ratio and dividend figures included in this document are the forecasts of the management team by the day of the publication of the document. Therefore, do not constitute a closed commitment of payment from the Company and are subject to the final quarterly approvals of the Board of Directors. The Board of Directors will reevaluate quarterly the dividend amount to be paid based on the expected Recurrent CAFD prospects of the company and specific events that might take place in the Company. The dividend increase described will be prorated since May 25, 2017.

[2] Number of shares: 81.576.928

[3] Calculated using the cole Price of Saeta Yield the 26th of May, 2017 and the announced dividends.