

# ABENGOA

Innovative Solutions for Sustainability



## ABENGOA

**Third Quarter 2010** Earnings Presentation

(Non-audited figures)

November 11<sup>th</sup>, 2010

- 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 in business strategy and various other factors.
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- Abengoa does not intend, and does not assume any obligations, to update these forward-looking statements.

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Appendix

Our business has been evolving over the last 10 years



We are starting to adapt our segment reporting to our current business reality



We will provide a reconciliation to our actual segment reporting for the next 2Qs

### 1 E&C

- 70 years of experience
- Proprietary know-how
- #1 international contractor in T&D\*

### 2

#### Contracted off-takes

Asset owned operations

- Solar, Transmission & Desalination
- No market risk
- 25 years off-take contracts ahead

### 3

#### Commodity processing

Asset owned operations

- Biofuels, Steel Dust, Salt Slag
- High growth markets
- Market leading position



\* According to Engineering News Records

### Good results in a very challenging environment

**Another  
successful Q.  
24th in a row**

- YTD revenues of 4,119 Meur, an increase of 29%
- YTD EBITDA of 641 Meur, an increase of 25%
- 65% of our revenues from international markets

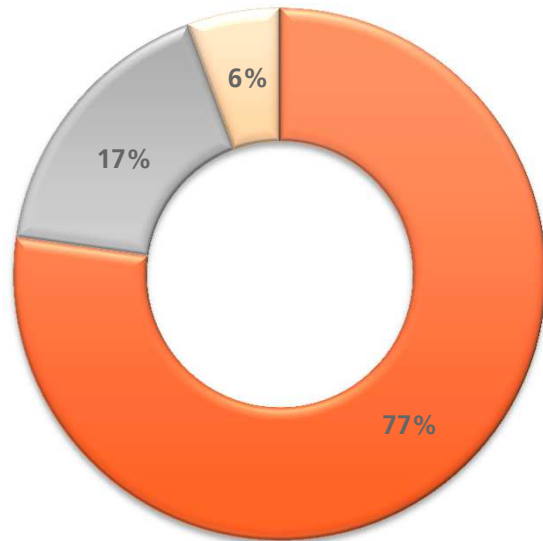
**Continue  
building for  
the future**

- E&C backlog up to 9.6 beur
- 3 CSP plants, 3 bioethanol plants, 3 transmission lines and 1 desalination plant brought into operation YTD
- Capex invested according to our anticipated plan: 1,479 Meur YTD

**Securing our  
cash needs**

- Solid operating cash flow: 374 Meur YTD
- Strong liquidity position: 2,576 Meur
- Actual committed capex and debt maturity secured until Q4 2012

YTD 2010 revenues by sectors

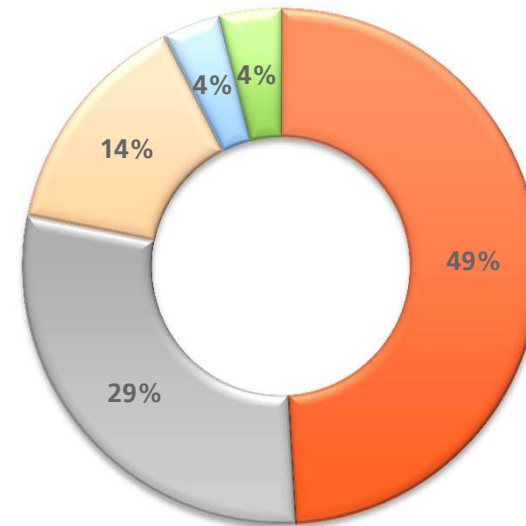


4,119 Meur

Energy Environment Others

Energy and Environment account for 94%

YTD 2010 revenues by geographies

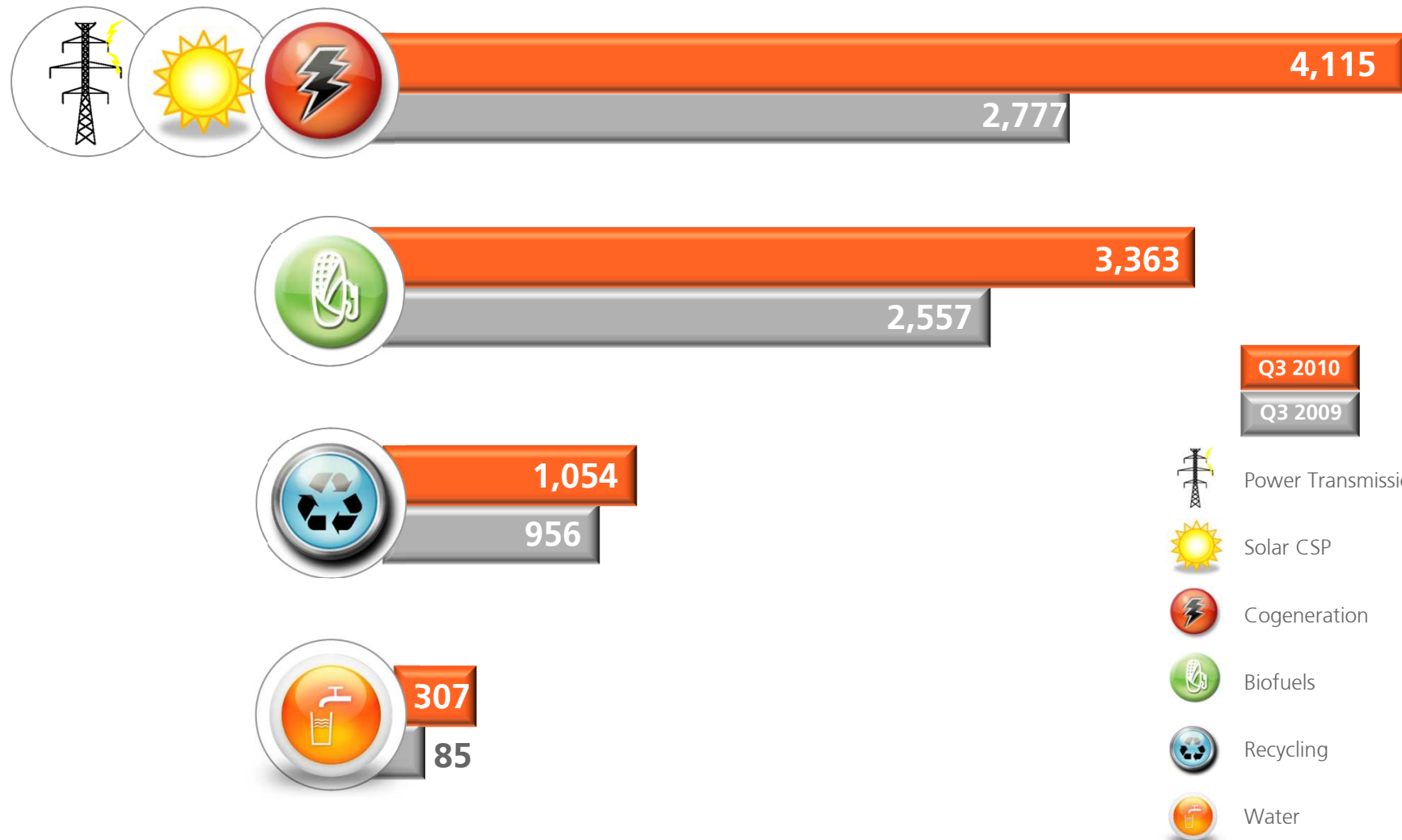


Europe Latin America US  
Africa Asia & Oceania

International markets, outside Spain, account for 65%

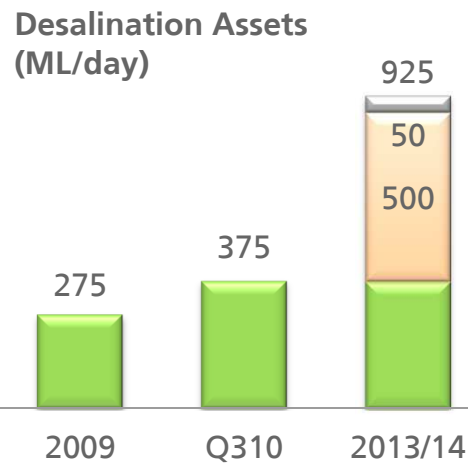
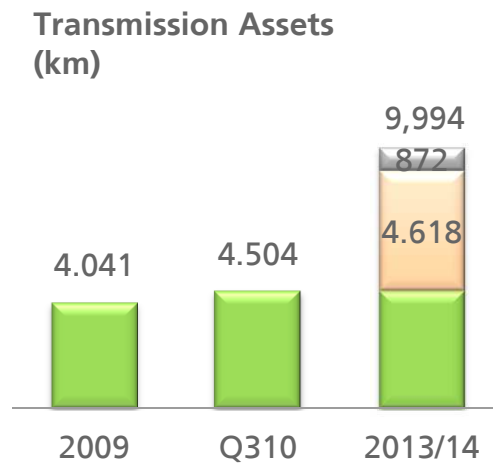
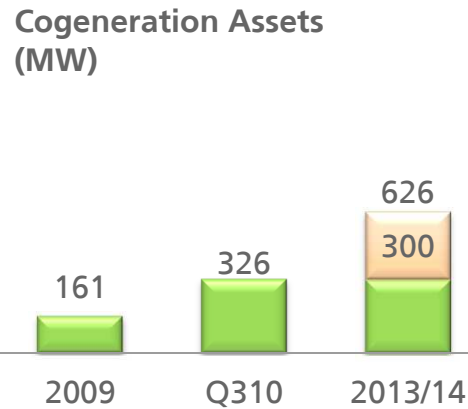
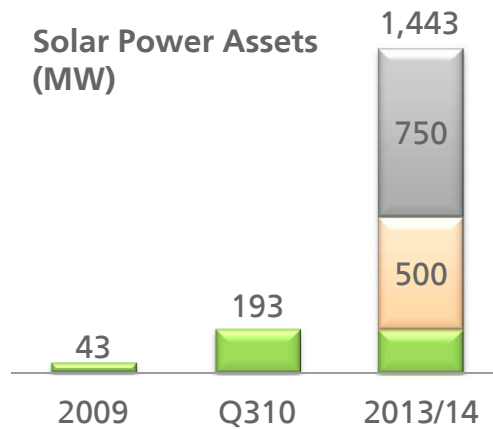


### Gross fixed assets as of Q3 2010 in Meur

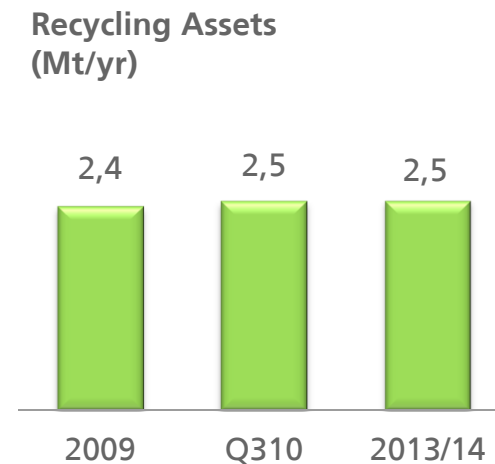
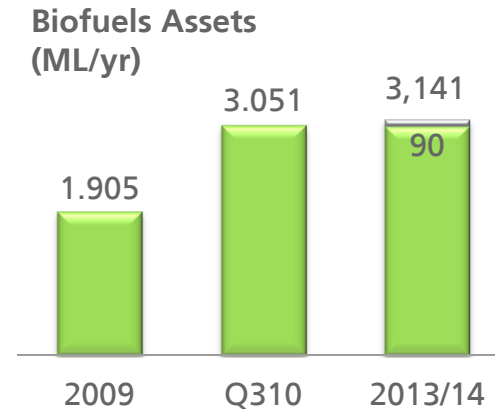


Note: excluding E&C assets

### Contracted off-takes



### Commodity processing



■ In Operation   
 ■ Under Construction   
 ■ Under Development



Superheated steam »Eureka« pilot plant



Molten Salts heat storage pilot plant

### Solar Technology

- Eureka, the 2nd generation Central Receiver solar power experimental plant (Solucar Platform, Spain), is accumulating operation hours, reaching its technical objectives and demonstrating the viability of this new overheated steam technology that will increase the efficiency of the process by 20-30%.
- A new and technically improved heat exchanger has been installed in the experimental storage demonstration plant, which is helping to improve and validate the thermal storage system that will be installed at the Solana project.
- The performance tests of a new parabolic collector trough and heliostat prototypes have been started. The aim of this new developments is to obtain a 20% potential reduction of costs for such components.
- **67 patents in process.**



Cellulosic ethanol pilot plant (5 ML/yr)

### Biofuels Technology

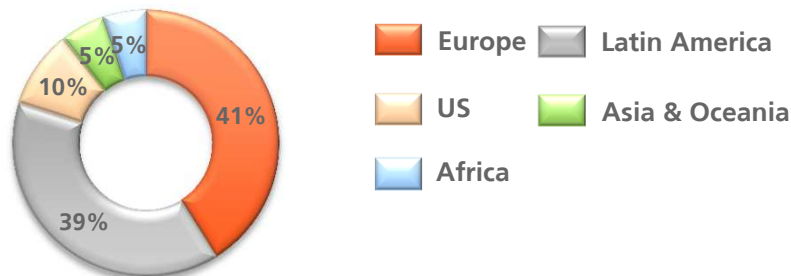
- Production, with proprietary technology, of 120 m<sup>3</sup> enzymes for the lignocellulosic ethanol. A running industrial test is operating as we speak today at our biomass 2nd generation ethanol demonstration plant
- This plant has a capacity of 5ML; being the word largest cellulosic ethanol plant in real operation
- This plant produces ethanol from wheat straw. Positive results, with high conversion efficiency, are being achieved in plant operation
- We stand at **130% of our target enzyme cost**, with higher than expected yield

**+20% increase supported by a strong backlog**

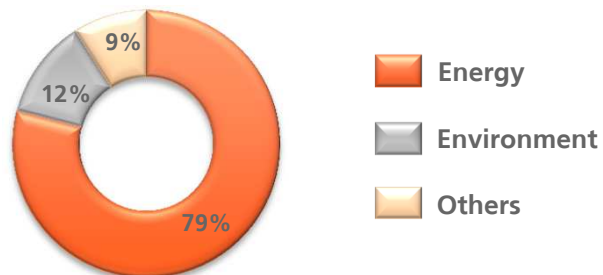
Meur	9M 2010	9M 2009	YoY %
Revenues	2,493	2,047	22%
EBITDA	311	297*	5%
EBITDA margin	12%	14%	
Backlog	9,586	6,532	47%

\* Not including 16 Meur of EBITDA from Telvent shares sale

### Revenues Geographic breakdown YTD 2010



### Revenues Business breakdown YTD 2010



- Begin construction of four 50 MW CSP plants in Spain
- Begin construction of 100 MW CSP plant in Abu-Dhabi
- Completion phase of 150 MW ISCC Hassi R'Mel plant in Algeria
- Awarded 50 ML/day desalination plant in Tunisia
- Awarded 20 MW hydroelectric plant in Spain
- Awarded substation transmission project for CFE in Mexico
- Awarded substation transmission project for Salui Electricity Company in Arabia
- 7% of our revenues from 100% Abengoa owned promoted plants

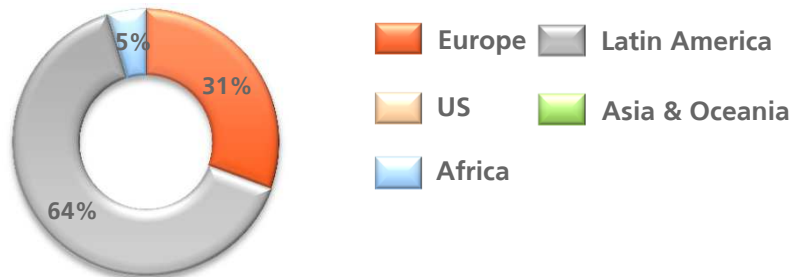


### Two new plants in operation during Q3. Seven YTD

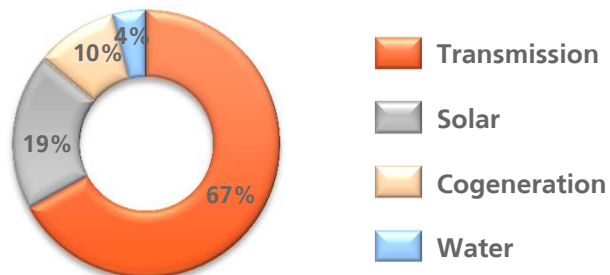
Meur	9M 2010	9M 2009	YoY %
Revenues	229	156	47%
EBITDA	151	102	49%
Gross fixed assets	4,422	2,862	54%
WIP*	1,427	1,552	(8%)
Capex	840		

\* WIP: Work in Progress, or pre-operational assets

#### Revenues Geographic breakdown YTD 2010



#### Revenues Business breakdown YTD 2010



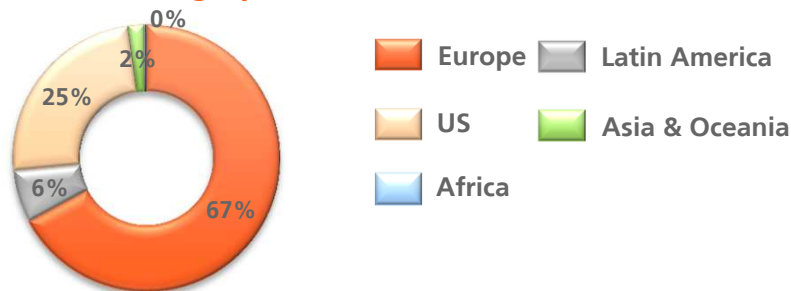
- Start-up of 50 MW CSP Solnova 4 plant in Spain
- Start-up of 100 ML/day Chennai desalination plant in India
- Solnova 1 & 3 (50 MW each) completed first full quarter in operation
- YTD net solar electricity generation: 111.2 Gwh vs 53.3 GWh in the same period in 2009
- JV agreement with JGC (Japan) for two 50 MW plants in Spain
- Brazilian transmission lines ATE IV (85 km), ATE V (135 km), ATE VII (115 km) completed first full quarter in operation



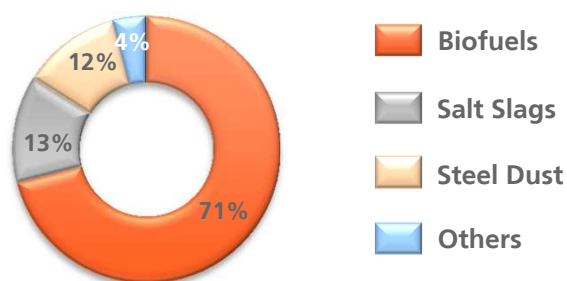
### Remarkable EBITDA increase

Meur	9M 2010	9M 2009	YoY %
Revenues	1,398	987	41%
EBITDA	178	114	56%
Gross fixed assets	4,417	3,513	26%
WIP	407	584	(30%)
Capex	408		

#### Revenues Geographic breakdown YTD 2010



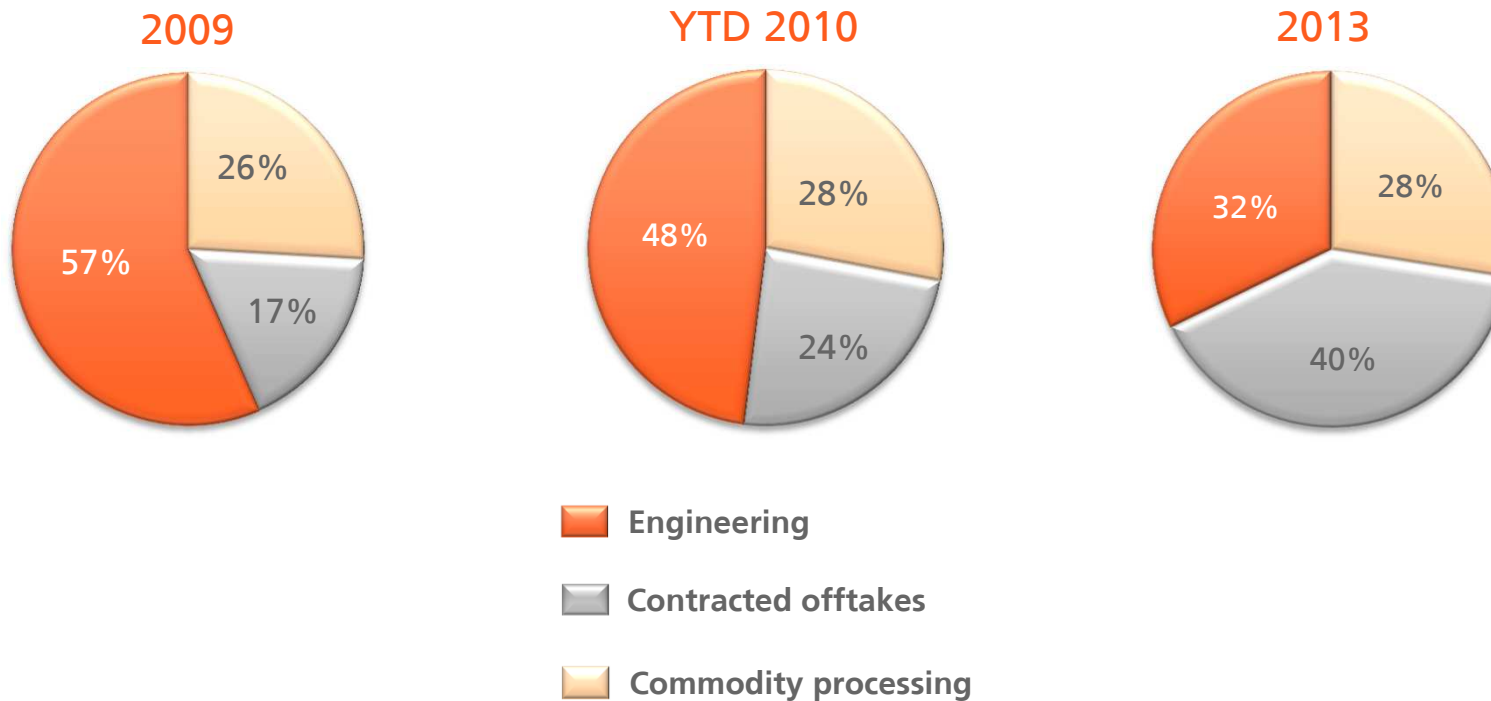
#### Revenues Business breakdown YTD 2010



- EBITDA increase due to better performance of aluminum, salt slags recycling and biofuels
- Biofuel EBITDA margin of 12.2% in Q3 '10
- Start-up of Rotterdam 480 ML plant
- First full quarter contribution of Indiana and Illinois (330 ML each)
- Southwestern Illinois award for the construction of new cutting-edge technology facility
- New biofuel storage terminal in Houston, US
  - It adds to our current strategic facilities in Santos (Brazil) and Rotterdam (Netherlands)
- YTD 1.6 BL biofuel production, compared to 1.1 BL same period 2009
- YTD 1.5 Mt industrial waste recycled, compared to 1,2 Mt same period 2009

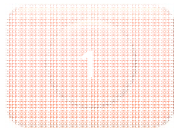


Recurring EBITDA increased from 43% to 52%



2013 Target: to double our EBITDA from 2009 being 67% from recurring activities

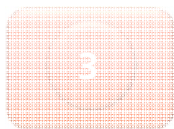




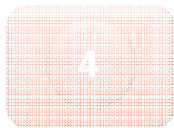
Q3 Business Information



**Q3 Financial Information**



2010 Guidance



Appendix

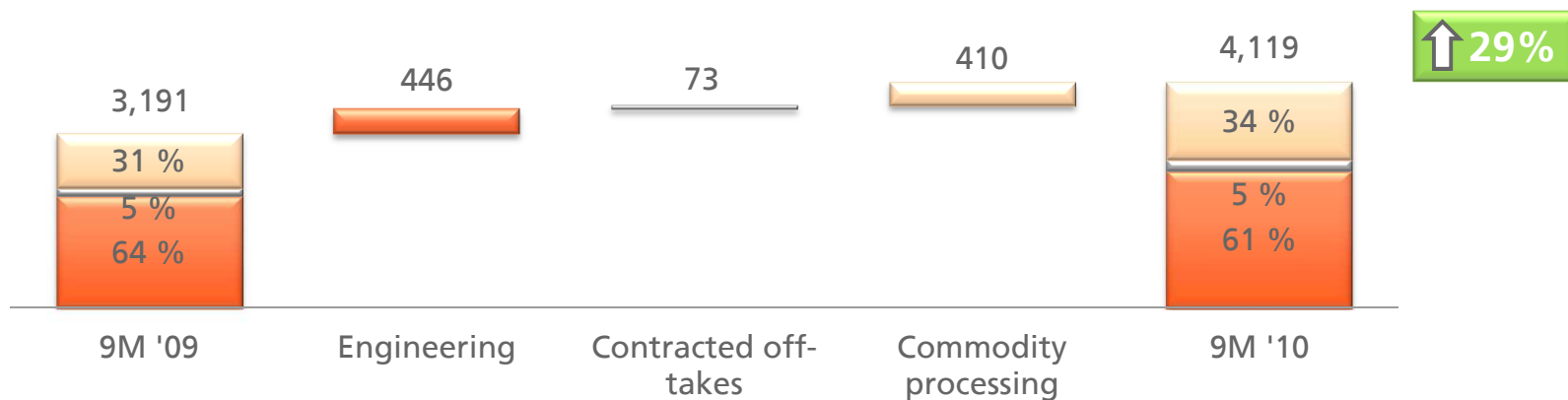
Meur	9M 2010	9M 2009 <sup>(1)</sup>	YoY %
Revenues	4,119	3,191	29%
EBITDA	641	513	25%
Net Income	156	159	(2%)
EBITDA Margin	16%	16%	
EPS (€)	1.7	1.8	(2%)
Gross Fixed Assets	9,977	7,442	34%

(1) Restated in accordance with IFRIC 12

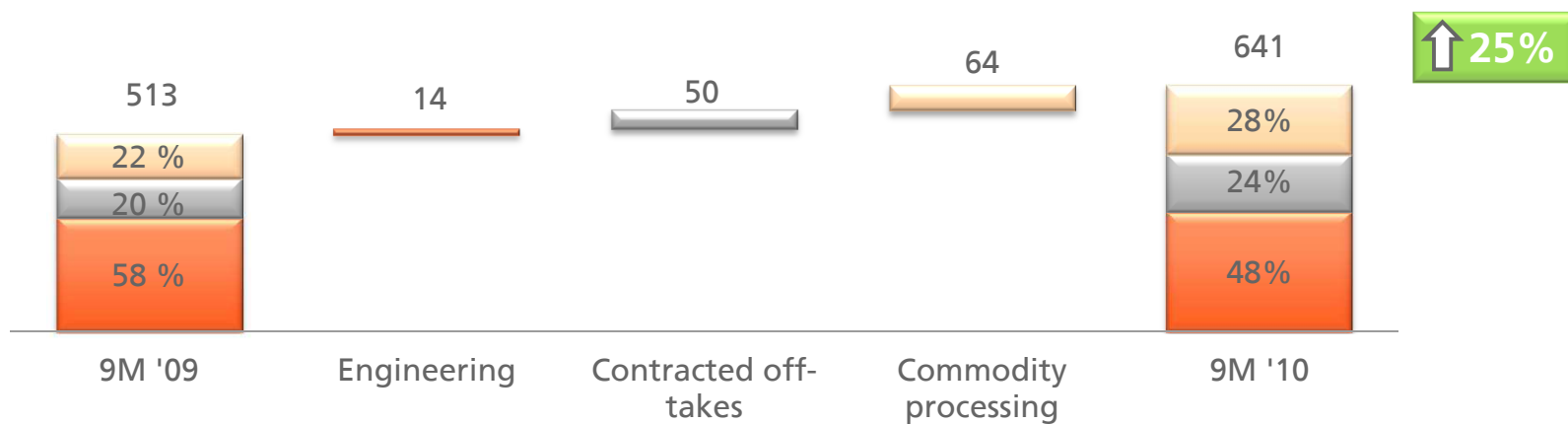
Pro-forma excluding sale of Telvent shares in 2009

**Strong operating performance in every business**

### Revenues (Meur)



### EBITDA (Meur)



Meur	Sept 30 '10	June 30 '10
<b>Total EBITDA LTM</b>	944	897
<b>Corporate EBITDA LTM*</b>	725	707
<b>Corporate Net Debt</b>	1,969	1,736
<b>Non Recourse Debt</b>	3,440	3,430
<b>Pre-operational Debt</b>	1,834	2,517
<b>Cash &amp; Equivalents &amp; ST fin.inv.</b>	2,576	2,805
• o/w Corporate	1,914	2,015
• o/w Non-recourse	662	790
<b>Net Corporate Debt / corporate EBITDA</b>	2,7	2,5
<b>Net Total Debt / Total EBITDA</b>	5,7	5,8
• ex. pre-operational debt	3,8	3,0

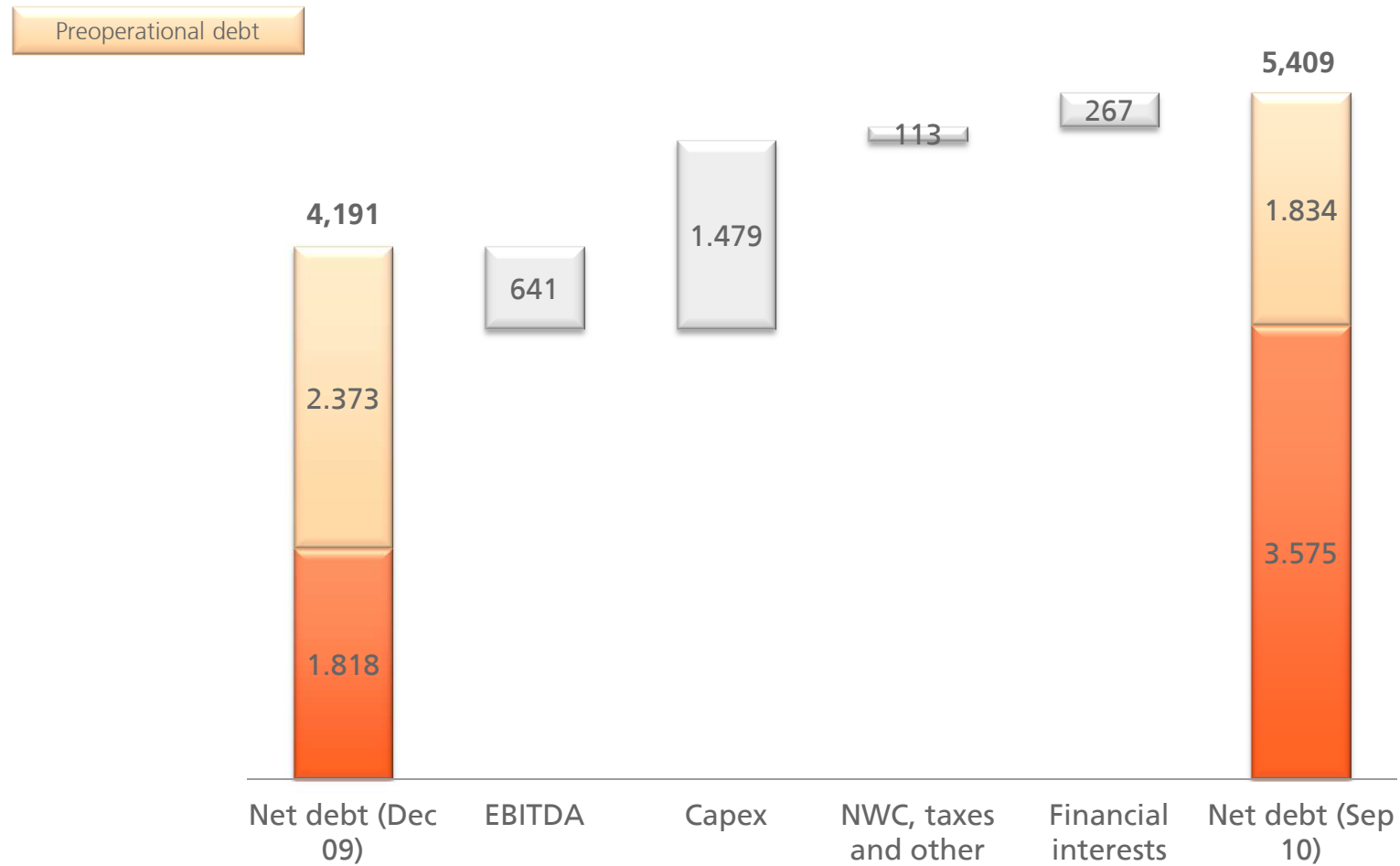
### Key highlights

- Capex of 350 Meur in Q3
- Strong Liquidity position of 2.6 b eur
- Debt ratios in line with previous periods
- New financings completed (corporate)
  - Successful access to US capital markets  
Usd 650 Musd 2017 8.875%
  - 575 Meur of Credit Agreements backed by ECA\*\* EKN @ 4.85% up to 12 years
- 353 Meur Non recourse 2 + 18 years for two CSP plants @ 5.6 % all-in cost
- Average cost of debt YTD10
  - Corporate Debt: 6.5%
  - Non-recourse Debt: 6.3%
  - Total cost of debt: 6.4%

\* Syndicated facilities defines Corporate Ebitda as Ebitda excluding N/R+ R&D costs

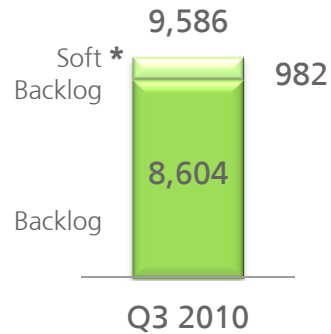
\*\* Export Credit Agency

Consolidated, in Meur

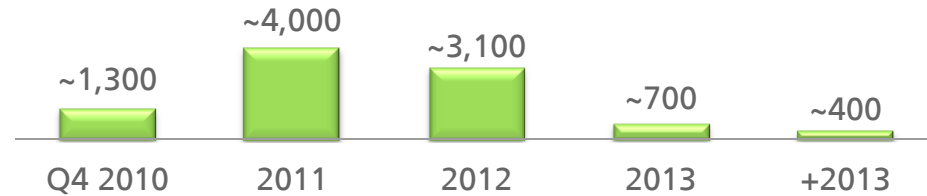


Engineering Order Book

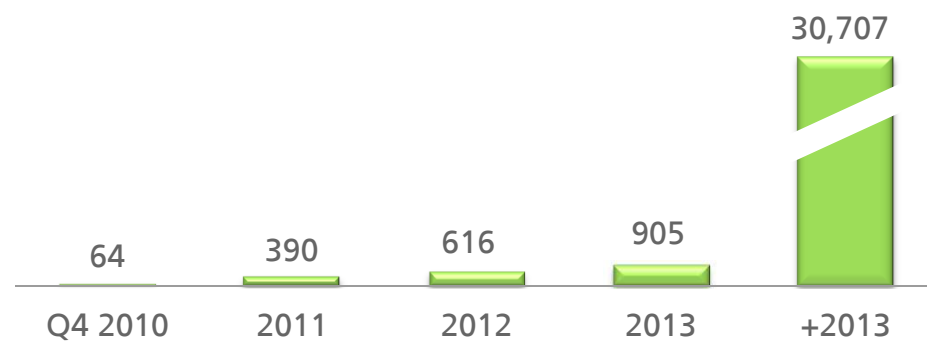
Backlog Conversion (Meur)



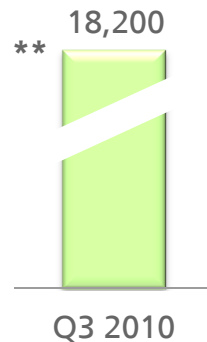
Backlog Conversion (Meur)



Offtake contracts



Commodity processing



Asset based, recurring revenues

\*Note: soft backlog includes recurrent maintenance contracts and MOU signed with clients

\*\*Note: illustrative calculation according to LTM Sales adjusted for assets entered in operation during that period. +2012 is calculated as 5 years of sales

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**2010 Guidance**

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Appendix

Good execution YTD

Solid backlog

Strong liquidity

FY 2010 Guidance

Revenues

6.0-6.2 beur

EBITDA

900-930 Meur



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Appendix

Meur	9M '10	9M '09	YoY %
Sales	4,119	3,190	+29%
EBITDA	641	513	+25%
Depreciation & amortization expense	(222)	(153)	+45%
Net operating profit	418	377	+16%
Net financial expense	(180)	(112)	+60%
Profit before income tax	238	248	(4%)
Income tax expense	(38)	(69)	(45%)
Profit of the year	200	179	+12%
Profit attributable to minority interest	(45)	(20)	+121%
Net Income	156	158	(2%)
Ordinary shares in circulation (thousands)	90,470	90,470	

**2.6 b eur in cash and equivalents**

Meur	Sept 30 '10	YoY %	Dec 31 '09
Fixed assets corporate	3,716	+11%	3,355
Fixed assets non recourse activities	4,869	+29%	3,767
Other Assets	3,729	+12%	3,320
Cash and short term financial investments (mostly public debt, repos and deposits)	2,576	+27%	2,028
<b>Total assets = Equity &amp; Liabilities</b>	<b>14,890</b>	<b>+19%</b>	<b>12,470</b>

Meur	Sept 30 '10	YoY %	Dec 31 '09
Equity	1,566	+38%	1,271
Non-Recourse Debt	3,441	+17%	2,933
Corporate Debt	4,545	+38%	3,286
Other Liabilities	5,338	+7%	4,980
<b>Total shareholder's equity and liabilities</b>	<b>14,890</b>	<b>+19%</b>	<b>12,470</b>

**1.9 beur of financing flows, together with strong operating cash-flow, allow to invest 1.6 beur**

Meur	9M '10
<b>I. Consolidated after-tax profit</b>	<b>200</b>
Non-monetary adjustments to the profit	174
<b>II. Cash generated by operations</b>	<b>374</b>
<b>III. Variations in working capital</b>	<b>(65)</b>
<b>A. Net Cash Flows from Operating Activities</b>	<b>309</b>
<b>Investments</b>	<b>(1.479)</b>
<b>Other movements</b>	<b>(112)</b>
<b>B. Net Cash Flows from Investment Activities</b>	<b>(1.591)</b>
<b>C. Net Cash Flows from Finance Activities</b>	<b>1.851</b>
<b>Net Increase/Decrease of Cash and Equivalents</b>	<b>569</b>
Cash and equivalent at the beginning of the year	1.546
<b>Cash in Banks at the Close of the Period</b>	<b>2.115</b>

### YTD in Meur

	Engineering & IC	Environm. Services	Bioenergy	Solar	IT	Total
<b>E&amp;C</b>	1,644	183		149	517	2,493
	164	15		44	87	311
<b>Contracted off-takes</b>	174	10		44		229
	111	5		36		151
<b>Commodity processing</b>		406	991			1,398
		72	106			178
<b>Total</b>	1,818	600	991	193	517	4,119
	275	92	106	80	87	640

Revenues

EBITDA

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